REAL ESTATE OUTLOOK

DALLAS-FORT WORTH INDUSTRIAL MARKET

MID-YEAR 2016

OVERVIEW

Vacancy at historical lows and increased rental rates

The Dallas/Fort Worth industrial market continued its strong and consistent performance through mid-year 2016. Year-to-date net absorption, vacancy rate and construction activity mirror that of 2015, as projected out through the end of the year. There continues to be a healthy volume of users in the marketplace completing transactions as well as searching for industrial space. Vacancy of around 6% for an 800 -million-square-foot market puts us at historical lows. As construction costs increase and supply of space is on the decline, there continues to be upward pressure on rental rates.

NET ABSORPTION

Net absorption remains positive

Net absorption for the overall Dallas-Fort Worth industrial market was positive 2,811,431 SF for Q2 2016. That compares to positive 6,699,474 SF in the first quarter. Demand remains strong and will likely continue throughout the year. Net absorption in the first half of the year totaled approximately 9.5 million SF, compared to approximately 11 million SF through the first half of 2015.

VACANCY

Vacancy remains steady

The overall vacancy rate (including sublet) sat at 6.0% at mid-year. Direct vacancy was at 5.9%, slightly down from 6.0% at the end of the first quarter of 2016. As new space is added to the market, it is being absorbed, keeping vacancy at historically low levels.

RENTAL RATES

Upward Pressure on Rental Rates

The average quoted rental rate for available space was $5.36 per SF at the end of the second quarter. This represents a 1.5% increase from the end of the first quarter, when average rents were reported at $5.28 per SF.

Net Absorption by Sector

SECTOR	Q2 2016
Warehouse/Distribution	2,339,684 SF
Flex	315,102 SF
Manufacturing	156,645 SF
Total	**2,811,431 SF**

Q2 2016 Vacancy by Sector

SECTOR	DIRECT	OVERALL
Warehouse/Distribution	5.6%	5.7%
Flex	7.0%	7.0%
Manufacturing	5.3%	5.3%
Total	**5.96%**	**6.02%**

Industrial space under construction or renovation

SUBMARKET	Q2 2016 SF
GSW	6,827,262
South Dallas	5,866,190
Fort Worth	3,760,602
NW Dallas	1,984,402
NE Dallas	1,869,021
DFW Airport	812,199
DFW Total	**21,126,276**

TRANSWESTERN®

DALLAS-FORT WORTH INDUSTRIAL MARKET

MID-YEAR 2016

The average quoted rate within the Warehouse/Distribution sector was $4.46 per SF, Flex rates stood at $4.46 per SF and Manufacturing rates were $5.23 per SF.

DELIVERIES AND CONSTRUCTION

Construction remains strong

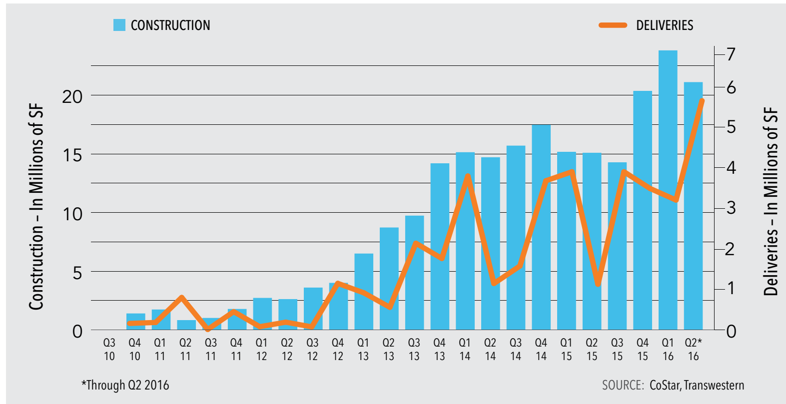
During the second quarter 2016, 20 buildings totaling 7,537,183 SF were delivered with 50.53% of the space pre-leased. At the end of the second quarter, there were 21,126,276 SF of industrial space still under construction. Some of the notable deliveries this quarter were Lego Systems, a 1,440,000-square-foot building, and 4808 Mountain Creek Parkway, an 874,214-square-foot facility occupied by Kimberly Clark.

INVESTMENT SALES

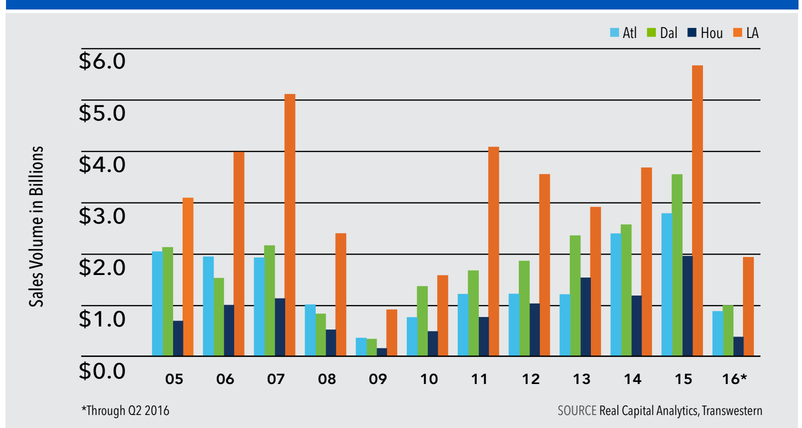
DFW remains one of the most attractive sales markets

The metro recorded $638,151,686 in industrial sales transactions during the second quarter of 2016. Total year-to-date industrial building sales activity in 2016 totaled $986,183,327. One of the largest transactions that occurred within the quarter in the Dallas/Ft Worth market is the sale of 5600 Mark IV Parkway. This 1,440,000-square-foot facility was sold to Transpacific and is occupied by Lego Systems.

INDUSTRIAL CONSTRUCTION & DELIVERIES – DALLAS-FORT WORTH



COMPARATIVE INDUSTRIAL INVESTMENT SALES VOLUME - SELECT METRO AREAS



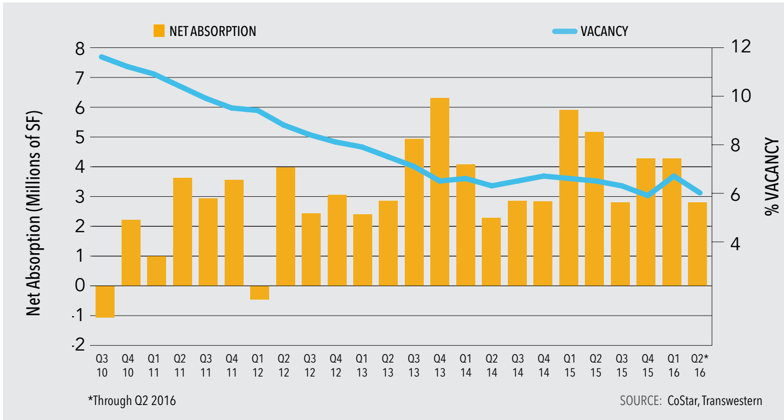
Notable Q2 2016 Leases

TENANT	SF	LEASE TYPE	BUILDING	SUBMARKET
Amazon	1,041,879 SF	New	35 Eagle	Fort Worth
Rheem Distribution	656,577 SF	Renewal	Waters Ridge III	NW Dallas
Mars Petcare	393,899 SF	New	Park 20/35 Bldg I	S Dallas
Amazon	318,488 SF	New	Meacham Crossing	Fort Worth
Ingram Micro	314,000 SF	New	CentrePort Bldg 5	GSW
Quorum International	305,255 SF	Renewal	401 Railhead Bldg C	Fort Worth
USI	301,399 SF	Renewal/Expansion	2701 Regent Blvd	DFW Airport

Industrial Market Outlook

Although we are arguably in the latter half of this cycle that is running on seven years now, all of the economic indicators suggest these conditions will carry well into 2017. Many times during a national election year, users will use that as an excuse to not make decisions. That has not been the case this year, in fact it has been a non-issue. This speaks to the strength of this market. Existing users are continuing to expand and there is a substantial amount of new users leasing and searching for space in our area to establish locations. The Dallas/Fort Worth diversified economy has felt little impact from the drop in the price of oil, and we anticipate it will continue to have little impact on the demand for warehouse space. We expect the current conditions to continue throughout the remainder of this year and well into 2017.

INDUSTRIAL ABSORPTION & VACANCY - DALLAS-FORT WORTH



Notable Q2 2016 Sales

PROPERTY	SUBMARKET	SF	SELLER	BUYER
5600 Mark IV Pky	Fort Worth	1,440,000	Lego Systems	Transpacific Development
6601 Oak Grove Rd	Fort Worth	615,000	Crow Holdings Capital	Sealy & Company
3010 Roy Orr Blvd	GSW	602,958	Stream Realty Partners	LaSalle Investement
13800 Diplomat Dr	NW Dallas	224,000	iStar Financial	Feizy Imports

WHY OUR METHODOLOGY IS THE BEST INDICATOR OF CURRENT MARKET CONDITIONS:

We include owner occupied and single-tenant buildings in our inventory, vacancy and absorption statistics to capture more market activity than many of our competitors. This allows us to better correlate changes in the market with changes in employment. As single-tenant space does compete with multi-tenant space, we believe it is critical to understand all components of the market. The inclusion of single-tenant and owner-occupied space tends to yield lower vacancy rates and higher absorption totals than some of our competitors' results, but our coverage of the market is more comprehensive.

Dallas Industrial Market Indicators

SUBMARKET	Q2 2016 INVENTORY	SF AVAILABLE IMMEDIETLY	2015 DIRECT VACANCY	Q2 2016 DIRECT VACANCY	Q2 2016 VACANCY WITH SUBLET	Q2 2016 UNDER CONSTRUCTION	Q2 2016 NET ABSORPTION	2016 YTD NET ABSORPTION
Allen/McKinney								
Flex/High-Tech	2,341,342	191,974	7.4%	8.2%	8.2%	36,000	-17,937	2,038
Manufacturing	1,363,556	6,916	3.10%	0.50%	0.50%	-	152,849	153,189
Warehouse/Distribution	7,882,304	84,912	5.60%	1.10%	1.10%	94,211	51,155	492,264
Total – Allen/McKinney	**11,587,202**	**283,802**	**5.37%**	**3.27%**	**3.27%**	**130,211**	**186,067**	**647,491**
Brookhollow								
Flex/High-Tech	10,178,782	380,601	3.30%	3.70%	3.80%	-	9,353	63,516
Manufacturing	5,976,073	184,930	2.80%	3.10%	3.10%	-	6,250	-18,270
Warehouse/Distribution	36,863,526	991,785	2.60%	2.70%	2.70%	-	-32,562	-45,827
Total – Brookhollow	**53,018,381**	**1,557,316**	**2.90%**	**3.17%**	**3.20%**	**-**	**-16,959**	**-581**
Central East Dallas								
Flex/High-Tech	5,169,834	218,269	3.80%	4.20%	4.40%	-	-15,179	1,035
Manufacturing	2,492,190	-	0.0%	0%	0%	-	-	-
Warehouse/Distribution	12,634,325	519,803	3.6%	4.1%	4.3%	-	37,517	-60,901
Total – Central E Dallas	**20,296,349**	**738,072**	**2.47%**	**2.77%**	**2.90%**	**-**	**22,338**	**-59,866**
Denton/Lewisville								
Flex/High-Tech	10,178,782	380,601	9.80%	12.80%	12.80%	-	-27,918	63,618
Manufacturing	3,211,460	7,386	0.30%	0.20%	0.20%	-	21,000	3,600
Warehouse/Distribution	29,781,041	2,562,199	8.90%	13.80%	13.80%	924,529	-71,208	519,601
Total – Denton/Lewisville	**43,171,283**	**2,950,186**	**6.33%**	**8.93%**	**8.93%**	**924,529**	**-78,126**	**586,819**
East Dallas/Mesquite								
Flex/High-Tech	2,916,304	820,977	29.10%	29.20%	29.20%	-	16,456	32,141
Manufacturing	1,394,033	90,020	8.80%	6.50%	6.50%	-	32,591	32,591
Warehouse/Distribution	16,422,392	1,184,441	4.90%	7.20%	7.20%	-	-322,296	-379,623
Total – E Dallas/Mesquite	**20,732,729**	**2,095,438**	**14.27%**	**14.30%**	**14.30%**	**-**	**-273,249**	**-314,891**
East DFW Airport								
Flex/High-Tech	6,996,502	1,046,931	14.20%	15.50%	15.50%	-	-10,553	-54,951
Manufacturing	559,605	-	0%	0%	0%	-	-	-
Warehouse/Distribution	45,173,304	3,770,030	7.70%	8.30%	8.40%	812,199	-33,432	378,012
Total – E DFW Airport	**52,729,411**	**4,816,961**	**7.30%**	**7.93%**	**7.97%**	**812,199**	**-43,985**	**323,061**
Hines North								
Flex/High-Tech	9,104,776	397,554	5.30%	4.40%	4.40%	-	59,651	89,666
Manufacturing	904,678	1,834	2.70%	0.20%	0.20%	-	-	23,000
Warehouse/Distribution	19,853,595	475,547	3.30%	2.90%	3.00%	-	26,145	184,431
Total – Hines North	**29,863,049**	**874,935**	**3.77%**	**2.50%**	**2.53%**	**-**	**85,796**	**297,097**

SOURCE: Inventory and Vacancy from analysis of CoStar data, Net Absorption computed by Transwestern.

See following pages for additional Dallas-Fort Worth industrial indicators.

Dallas Industrial Market Indicators

SUBMARKET	Q2 2016 INVENTORY	SF AVAILABLE IMMEDIATELY	2015 DIRECT VACANCY	Q2 2016 DIRECT VACANCY	Q2 2016 VACANCY WITH SUBLET	Q2 2016 UNDER CONSTRUCTION	Q2 2016 NET ABSORPTION	2016 YTD NET ABSORPTION
Lonestar/Turnpike								
Flex/High-Tech	2,972,227	117,982	4.10%	4.00%	4.00%	-	-2,700	4,650
Manufacturing	6,838,642	4,776,997	67.60%	69.90%	69.90%	-	-224,060	-153,426
Warehouse/Distribution	27,028,906	895,082	2.30%	4.40%	4.40%	810,441	-65,369	-15,143
Total – Lonestar/Turnpike	**36,839,775**	**5,790,061**	**24.67%**	**26.10%**	**26.10%**	**810,441**	**-292,129**	**-163,919**
Metropolitan/Addison								
Flex/High-Tech	9,059,707	986,414	11.20%	11.10%	11.10%	-	31,166	71,904
Manufacturing	1,318,575	24,000	1.80%	1.80%	3.00%	-	112,262	-15,683
Warehouse/Distribution	11,428,941	501,019	2.00%	4.40%	4.40%	-	-278,352	-222,465
Total – Metro/Addison	**21,807,223**	**1,511,433**	**5.00%**	**5.77%**	**6.17%**	**-**	**-134,924**	**-166,244**
N Stemmons/Valwood								
Flex/High-Tech	7,228,340	542,058	9.10%	7.50%	7.60%	-	92,131	116,311
Manufacturing	2,433,677	172,122	2.20%	7.10%	7.10%	-	21,828	-118,122
Warehouse/Distribution	40,057,751	1,952,518	5.40%	5.00%	5.10%	1,059,873	-162,900	234,529
Total – N Stemmons/Valwood	**49,719,768**	**2,666,698**	**5.57%**	**6.53%**	**6.60%**	**1,059,873**	**-48,941**	**232,718**
North Trinity								
Flex/High-Tech	6,479,374	414,675	5.10%	6.40%	6.40%	-	-3,663	-87,430
Manufacturing	566,339	22,918	4.20%	4.00%	4.00%	-	12,893	893
Warehouse/Distribution	6,684,792	269,120	3.60%	4.10%	4.10%	-	-37,801	-24,883
Total – North Trinity	**13,730,505**	**706,713**	**4.30%**	**4.83%**	**4.83%**	**-**	**-28,571**	**-111,420**
NE Dallas/Garland								
Flex/High-Tech	9,589,072	439,951	5.50%	4.60%	4.60%	1,000,000	29,071	83,922
Manufacturing	4,614,051	557,320	16.90%	12.10%	12.10%	-	-56,528	235,518
Warehouse/Distribution	35,524,536	2,275,949	6.50%	7.90%	7.90%	407,350	-196,058	111,572
Total – NE Dallas/Garland	**49,727,659**	**3,273,220**	**9.63%**	**8.20%**	**8.20%**	**1,407,350**	**-223,515**	**431,012**
Plano								
Flex/High-Tech	6,641,813	381,788	5.60%	5.70%	6.10%	156,460	3,448	-8,898
Manufacturing	2,899,899	76,948	0.70%	2.70%	2.70%	-	-56,632	-56,632
Warehouse/Distribution	11,546,398	523,243	4.70%	4.50%	5.20%	-	-8,124	-55,452
Total – Plano	**21,088,110**	**981,979**	**3.67%**	**4.30%**	**4.67%**	**156,460**	**-61,308**	**-120,982**
Redbird Airport								
Flex/High-Tech	830,635	15,855	1.90%	1.90%	1.90%	-	2,943	3,943
Manufacturing	3,763,675	22,949	0.60%	0.60%	0.60%	-	-	-
Warehouse/Distribution	14,650,786	700,985	9.80%	4.80%	4.80%	940,134	1,155,098	1,702,508
Total – Redbird Airport	**19,245,096**	**739,789**	**4.10%**	**2.43%**	**2.43%**	**940,134**	**1,158,041**	**1,706,451**

SOURCE: Inventory and Vacancy from analysis of CoStar data, Net Absorption computed by Transwestern.

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DALLAS-FORT WORTH INDUSTRIAL MARKET

MID-YEAR 2016

Dallas Industrial Market Indicators

SUBMARKET	Q2 2016 INVENTORY	SF AVAILABLE IMMEDIETALY	2015 DIRECT VACANCY	Q2 2016 DIRECT VACANCY	Q2 2016 VACANCY WITH SUBLET	Q2 2016 UNDER CONSTRUCTION	Q2 2016 NET ABSORPTION	2016 YTD NET ABSORPTION
Richardson								
Flex/High-Tech	9,306,956	1,065,774	11.10%	11.00%	11.70%	-	30,629	41,701
Manufacturing	4,887,638	-	0.1%	0%	0%	-	-	-
Warehouse/Distribution	3,931,274	128,199	5.60%	3.30%	3.30%	-	34,224	100,152
Total – Richardson	**18,125,868**	**1,193,973**	**5.60%**	**4.77%**	**5.00%**	**-**	**64,853**	**141,853**
Rockwall/Forney/Terrell								
Flex/High-Tech	910,847	15,100	1.80%	1.70%	1.70%	-	-500	1,300
Manufacturing	1,920,507	-	1.50%	0.00%	0.00%	175,000	29,280	29,280
Warehouse/Distribution	8,982,621	128,900	2.50%	1.50%	1.50%	-	8,750	98,500
Total – Rockwall/Forney/Terrell	**11,813,975**	**144,000**	**1.93%**	**1.07%**	**1.07%**	**175,000**	**37,530**	**129,080**
SE Dallas/I-45								
Flex/High-Tech	1,309,505	12,064	1.30%	0.90%	0.90%	27,950	36,900	36,000
Manufacturing	1,960,657	3,200	2.20%	0.20%	0.20%	-	139,120	140,300
Warehouse/Distribution	23,558,100	2,360,468	7.80%	10.10%	10.10%	4,087,665	795,304	887,564
Total – SE Dallas/I-45	**26,828,262**	**2,375,732**	**3.77%**	**3.73%**	**3.73%**	**4,115,615**	**971,324**	**1,063,864**
SW Dallas/US 67								
Flex/High-Tech	1,837,250	42,937	2.70%	2.30%	2.30%	-	-1,316	5,927
Manufacturing	6,551,789	-	0.00%	0.00%	0.00%	-	2,000	2,000
Warehouse/Distribution	19,169,185	3,876,816	17.70%	20.20%	20.20%	-	538,609	439,928
Total – SW Dallas/US 67	**27,558,224**	**3,919,753**	**6.80%**	**7.50%**	**7.50%**	**-**	**539,293**	**447,855**
TOTAL – Dallas	**520,982,769**	**232,841,042**	**6.52%**	**6.56%**	**6.63%**	**10,531,812**	**1,863,535**	**5,069,398**

Fort Worth Industrial Market Indicators

SUBMARKET	Q2 2016 INVENTORY	SF AVAILABLE IMMEDIETLY	2015 DIRECT VACANCY	Q2 2016 DIRECT VACANCY	Q2 2016 VACANCY WITH SUBLET	Q2 2016 UNDER CONSTRUCTION	Q2 2016 NET ABSORPTION	2016 YTD NET ABSORPTION
Arlington/Mansfield								
Flex/High-Tech	3,847,851	471,421	9.80%	14.80%	14.80%	-	-60,332	-81,709
Manufacturing	1,013,081	73,220	7.30%	7.20%	7.20%	-	12,330	22,330
Warehouse/Distribution	18,906,221	375,980	3.30%	2.60%	2.90%	1,802,595	68,838	166,629
Total – Arlington/Mansfield	**23,767,153**	**920,621**	**6.8%**	**8.2%**	**8.3%**	**1,802,595**	**20,836**	**107,250**
East Fort Worth								
Flex/High-Tech	4,908,738	197,091	3.70%	4.00%	4.00%	-	-11,673	-15,708
Manufacturing	1,240,125	118,187	6.40%	9.50%	9.50%	-	-40,000	-39,197
Warehouse/Distribution	18,862,643	989,845	5.40%	5.20%	5.30%	301,500	85,113	65,223
Total – E Fort Worth	**25,011,506**	**1,305,123**	**5.2%**	**6.2%**	**6.3%**	**301,500**	**33,440**	**10,318**

SOURCE: Inventory and Vacancy from analysis of CoStar data, Net Absorption computed by Transwestern.

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Fort Worth Industrial Market Indicators

SUBMARKET	Q2 2016 INVENTORY	SF AVAILABLE IMMEDIATELY	2015 DIRECT VACANCY	Q2 2016 DIRECT VACANCY	Q2 2016 VACANCY WITH SUBLET	Q2 2016 UNDER CONSTRUCTION	Q2 2016 NET ABSORPTION	2016 YTD NET ABSORPTION
Lower Great Southwest								
Flex/High-Tech	3,318,451	262,928	11.10%	7.90%	7.90%	-	62,644	104,514
Manufacturing	6,951,682	130,478	1.40%	1.90%	1.90%	-	-30,540	-30,540
Warehouse/Distribution	24,859,042	827,207	2.40%	3.30%	3.70%	784,172	172,170	15,320
Total – Lower Great SW	**35,129,175**	**1,220,613**	**5.0%**	**4.4%**	**4.5%**	**784,172**	**204,274**	**89,294**
Meacham/Fossil Creek								
Flex/High-Tech	2,561,677	244,022	10.00%	9.50%	9.50%	-	16,254	15,079
Manufacturing	2,872,019	114,500	4.10%	4.20%	4.20%	-	-9,000	291,617
Warehouse/Distribution	32,354,488	1,641,836	6.00%	5.10%	5.10%	830,599	281,157	1,043,495
Total – Meacham/Fossil Crk	**37,788,184**	**2,000,358**	**6.7%**	**6.3%**	**6.3%**	**830,599**	**288,411**	**1,350,191**
N Central Fort Worth								
Flex/High-Tech	1,967,955	55,376	4.40%	2.80%	3.10%	-	23,189	30,272
Manufacturing	671,246	-	0.00%	0.00%	0.00%	-	-	-
Warehouse/Distribution	9,119,017	447,335	4.80%	4.90%	4.90%	-	334	-5,120
Total – N Central Fort Worth	**11,758,218**	**502,711**	**3.1%**	**2.6%**	**2.7%**	**-**	**23,523**	**25,152**
NE Tarrant/Alliance								
Flex/High-Tech	2,549,690	18,630	0.40%	0.80%	0.80%	250,000	-4,080	-7,580
Manufacturing	487,162	-	0.00%	0.00%	0.00%	539,448	-	12,768
Warehouse/Distribution	33,650,338	4,604,743	16.60%	13.70%	13.70%	1,779,055	-93,726	1,759,355
Total – NE Tarrant/Alliance	**36,687,190**	**4,623,373**	**5.7%**	**4.8%**	**4.8%**	**2,568,503**	**-97,806**	**1,764,543**
S Central Fort Worth								
Flex/High-Tech	2,372,310	129,878	5.30%	5.50%	5.50%	-	3,600	-4,250
Manufacturing	949,676	90,000	1.60%	10.50%	10.50%	-		-74,700
Warehouse/Distribution	7,934,638	187,512	2.10%	3.00%	3.00%	-	-26,118	-20,368
Total – S Central Fort Worth	**11,256,624**	**407,390**	**3.0%**	**6.3%**	**6.3%**	**-**	**-22,518**	**-99,318**
South Tarrant County								
Flex/High-Tech	2,649,178	116,245	6.40%	4.40%	4.50%	-	-25,749	50,338
Manufacturing	6,672,103	210,095	4.20%	3.10%	3.10%	-	33,502	70,433
Warehouse/Distribution	15,695,208	360,262	5.40%	3.10%	3.10%	-	453,385	493,545
Total – S Tarrant County	**25,016,489**	**686,602**	**5.3%**	**3.5%**	**3.6%**	**-**	**461,138**	**614,316**
Upper Great Southwest								
Flex/High-Tech	4,464,130	594,248	14.30%	13.30%	13.40%	-	36,354	88,458
Manufacturing	1,158,065	150,000	22.10%	13.10%	13.10%	205,550	-	105,763
Warehouse/Distribution	40,994,968	2,130,253	4.20%	5.70%	5.70%	4,034,945	-55,979	421,768
Total – Upper Great SW	**46,617,163**	**2,874,501**	**13.5%**	**10.7%**	**10.7%**	**4,240,495**	**-19,625**	**615,989**

SOURCE: Inventory and Vacancy from analysis of CoStar data, Net Absorption computed by Transwestern.

See next page for additional Dallas-Fort Worth industrial indicators.

DALLAS-FORT WORTH INDUSTRIAL MARKET

MID-YEAR 2016

Fort Worth Industrial Market Indicators

SUBMARKET	Q2 2016 INVENTORY	SF AVAILABLE IMMEDIETLY	2015 DIRECT VACANCY	Q2 2016 DIRECT VACANCY	Q2 2016 VACANCY WITH SUBLET	Q2 2016 UNDER CONSTRUCTION	Q2 2016 NET ABSORPTION	2016 YTD NET ABSORPTION
West DFW Airport								
Flex/High-Tech	**2,577,856**	**171,778**	**8.80%**	**6.70%**	**6.70%**	**6,600**	**42,913**	**54,934**
Manufacturing	1,948,615	-	0.00%	0.00%	0.00%	-	-	-
Warehouse/Distribution	14,334,803	1,243,608	7.80%	8.60%	8.60%	-	16,106	-117,866
Total – West DFW Airport	**18,861,274**	**1,415,386**	**5.5%**	**5.1%**	**5.1%**	**6,600**	**59,019**	**-62,932**
West Tarrant County								
Flex/High-Tech	386,325	3,750	1.0%	1.0%	1.0%	-	-	-
Manufacturing	1,621,765	2,500	0.0%	0.5%	0.5%	-	-2,500	-2,500
Warehouse/Distribution	2,383,125	22,496	1.7%	0.9%	0.9%	60,000	-296	29,204
Total – W Tarrant County	**4,391,215**	**28,746**	**0.9%**	**0.8%**	**0.8%**	**60,000**	**-2,796**	**26,704**
TOTAL – Fort Worth	**276,284,191**	**15,985,424**	**5.5%**	**5.4%**	**5.4%**	**10,594,464**	**947,896**	**4,441,507**

DFW Metro Industrial Market Indicators

SUBMARKET	Q2 2016 INVENTORY	SF AVAILABLE IMMEDIETLY	2015 DIRECT VACANCY	Q2 2016 DIRECT VACANCY	Q2 2016 VACANCY WITH SUBLET	Q2 2016 UNDER CONSTRUCTION	Q2 2016 NET ABSORPTION	2016 YTD NET ABSORPTION
Dallas								
Flex/High-Tech	103,052,048	7,471,505	7.4%	7.5%	7.6%	1,220,410	231,982	466,393
Manufacturing	53,657,044	5,947,540	6.4%	6.1%	6.1%	175,000	192,853	258,238
Warehouse/Distribution	371,173,777	23,201,016	5.8%	6.1%	6.2%	9,136,402	1,438,700	4,344,767
Total – Dallas	**527,882,869**	**36,620,061**	**6.5%**	**6.6%**	**6.6%**	**10,531,812**	**1,863,535**	**5,069,398**
Fort Worth								
Flex/High-Tech	31,604,161	2,265,367	6.8%	6.4%	6.5%	256,600	83,120	234,348
Manufacturing	25,585,539	888,980	4.3%	4.5%	4.5%	744,998	-36,208	355,974
Warehouse/Distribution	219,094,491	12,831,077	5.4%	5.1%	5.2%	9,592,866	900,984	3,851,185
Total – Fort Worth	**276,284,191**	**15,985,424**	**5.5%**	**5.36%**	**5.40%**	**10,594,464**	**947,896**	**4,441,507**
DFW Metroplex								
Flex/High-Tech	134,656,209	9,736,872	7.1%	7.0%	7.0%	1,477,010	315,102	700,741
Manufacturing	79,242,583	6,836,520	5.3%	5.3%	5.3%	919,998	156,645	614,212
Warehouse/Distribution	590,268,268	36,032,093	5.6%	5.6%	5.7%	18,729,268	2,339,684	8,195,952
Total – DFW Metroplex	**804,167,060**	**52,605,485**	**6.0%**	**5.959%**	**6.015%**	**21,126,276**	**2,811,431**	**9,510,905**

SOURCE: Inventory and Vacancy from analysis of CoStar data, Net Absorption computed by Transwestern.

CONTACT

Mackenzie Schweitzer
Research Analyst
214.446.4533
mackenzie.schweitzer@transwestern.com

Paul Wittorf
Market Leader
214.446.4512
paul.wittorf@transwestern.com

METHODOLOGY

The information in this report is the result of a compilation of information on office and industrial properties located in the Dallas-Fort Worth metropolitan area. This report includes single-tenant, multi-tenant and owner-user office properties, excluding properties owned and occupied by a government agency.

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