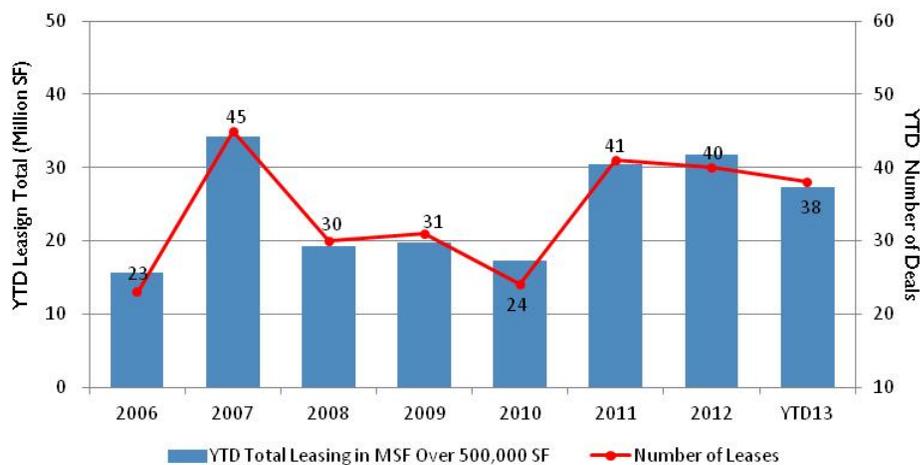


U.S. INDUSTRIAL NEW LEASING ACTIVITY OVER 500,000 SF



KEY FACTS

- Taking a look at big box leases since 2006 shows big box leases over 500,000 sf peaked at 34.3 million square feet during 2007, averaging 762,882 sf in size. During the market slowdown, leasing activity dropped to 17.3 msf in 2010. The market started recovering at mid-year 2010 and leasing activity increased in 2011 and 2012.
- With ten deals of 1 million square feet and above, leasing activity recorded its highest average during 2012 at 795,923 sf. Eight of these 1-msf deals were on a build-to-suit basis.
- The Inland Empire, which dominates the big-box market in the U.S., accounts for 24% of deals over 500,000 sf in the U.S. for 2013, totaling 6.0 million square feet. In terms of square footage, the PA I-81/I-78 Distribution Corridor tops the nation with 6.5 msf of leased space. The largest deal so far this year occurred in this market with Procter & Gamble's 1.7-msf build-to-suit.
- The global growth of e-commerce and online retailing will continue to impact the supply chain. As retailers attack the "last mile" issue, the trend in technology is affecting the demand for warehouse space - not only in the amount of space, but also the location of the facilities. More distribution centers are added to a supply chain network to provide faster service. Amazon.com has placed large warehouses nearer to the top 20 U.S. metro areas so that the company can reach nearly half of the U.S. population with same-day delivery.

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Source: Cushman & Wakefield Research. 2013 YTD total is as of 3rd quarter. Deals exclude renewals

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