



SIGNIFICANT LEASE DEALS

Address	Submarket/City	SF	Tenant
4532 United Crive	Central PA	1,200,000	Lowe's
45 Logistics Dr	Central PA	277,000	DB Schenker
2505 Hollo Rd	Lehigh Valley	258,232	LuLus

SIGNIFICANT BUILDING SALES

Address	Sale Value	PPSF	SF	Buyer
Submarket	Type of Sale	Cap Rate	Class	Seller
270 Midway	\$79,580,000	\$74.00	1,008,000	Colony Capital
Lehigh Valley	Investment	-	Class B	Dermodity Properties
2 Ames Dr	\$74,600,000	\$106.57	700,000	MetLife R.E. Investments
Central PA	Investment	-	Class A	American Realty Advisors
1380 Jacobsburg Rd	\$41,250,000	\$118.19	349,012	Duke Realty
Lehigh Valley	Investment	-	Class A	J.G. Petrucci Co.

LARGEST DELIVERIES

Address	Submarket/City	SF	Developer
200 Technology Dr	North Eastern PA	1,023,000	Mericle
7352 Industrial Blvd.	Lehigh Valley	730,080	Ridgeline
70 Bordnersville Rd	Central PA	345,600	Ridgeline


LARGEST UNDER CONSTRUCTION


Address	Submarket/City	SF	Delivery Date
12 Tradeport Rd	North Eastern PA	1,391,424	Q3 2019
200 Logistics Dr	Lehigh Valley	1,240,000	Q2 2019
3419 Ritner Highway	Central PA	1,215,240	Q4 2019


TOTAL INDUSTRIAL MARKET STATISTICS

	Vacancy Rate	Avg. SF Rental Rates	Net SF Absorption	SF Inventory	SF Under Construction
Q1 2019	5.4%	\$5.33	1,092,608	1,143,532,099	31,510,657
Q4 2018	5.2%	\$5.34	7,464,805	1,139,786,246	32,952,966
Q3 2018	5.2%	\$5.36	8,207,015	1,131,478,812	29,082,652
Q2 2018	5.5%	\$5.26	8,190,432	1,126,627,971	25,780,181
Q1 2018	5.8%	\$5.15	1,311,166	1,121,101,503	25,390,884

 **NET ABSORPTION**
SF
1,092,608

 **VACANCY**
62,060,156 SF
5.4%

 **AVG. ASKING**
RATE PSF
\$5.33

 **DELIVERIES**
17 Buildings
3,587,964

 **UNDER**
CONSTRUCTION
71 Buildings
31,510,657

JAMES STEHMAN
Research Analyst

For the first quarter of 2019 Pennsylvania saw its labor market continue to tighten, with unemployment hitting an 18-year low of 4.0 percent. Accordingly, labor cost and availability exert considerable influence on the logistics-related requirements comprising the bulk approximately 22 million square feet of overall demand we are tracking in the region. Currently, we are tracking in excess of 31 million square feet of under-construction product, which will provide speculative inventory ranging from 250,000 to 1MM square feet and averaging 570,000 square feet.