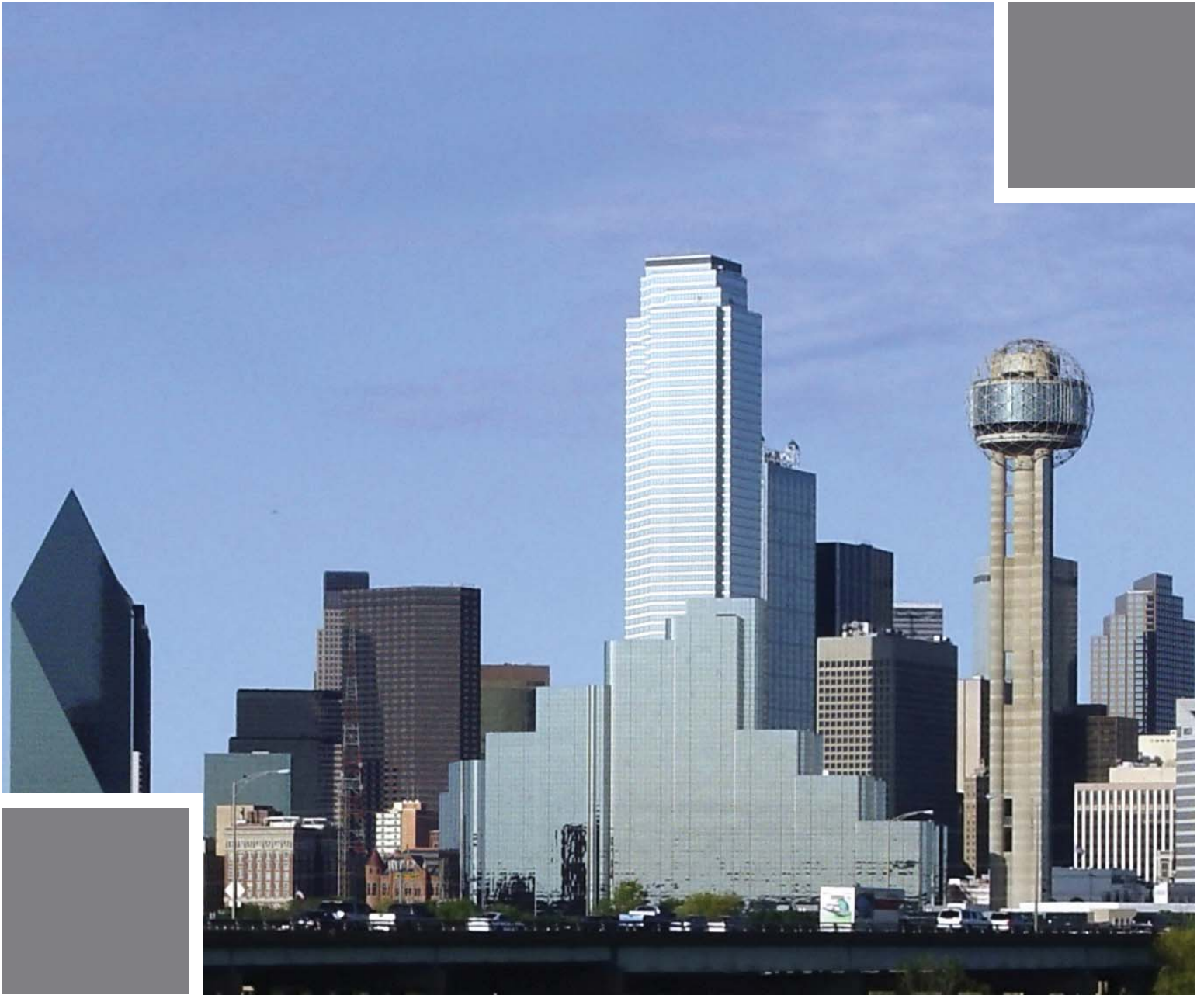


# NAI ROBERT LYNN

Industrial Report | Second Quarter 2010



**NAI** Robert Lynn

Commercial Real Estate Services, Worldwide.

# DALLAS/FT. WORTH



## TRENDS:

Vacancy Rate



Net Absorption



Construction



Asking Rents



## STATISTICS:

Number of Buildings.....	18,285
Market Size (SF).....	752,106,168
Overall Vacancy Space (SF).....	89,460,717
Overall Vacancy (%).....	11.9%
Direct Vacancy.....	85,583,057
Sublease Vacancy (SF).....	3,877,660
Net Absorption (SF).....	656,990
Average Asking Rental Rate (\$/SF/YR).....	\$4.45

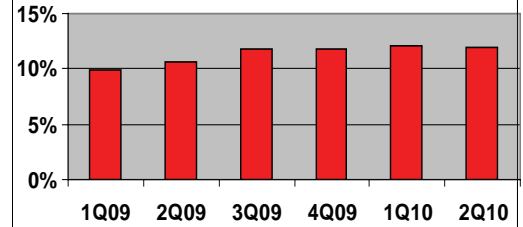
## OVERVIEW:

The Dallas/Fort Worth market ended the second quarter 2010 with a vacancy rate of 11.9%. This rate was slightly lower than the previous quarter, with net absorption at a positive 656,990 square feet. Vacant sublease space decreased in the quarter ending the quarter at 3,877,660 square feet. The average rental rate for the quarter was \$4.45 per square foot per year, a decrease over the previous quarter. 1 Buildings totaling 9,960 square feet was completed in the market during the second quarter. There is still 69,669 square feet of industrial space under construction.

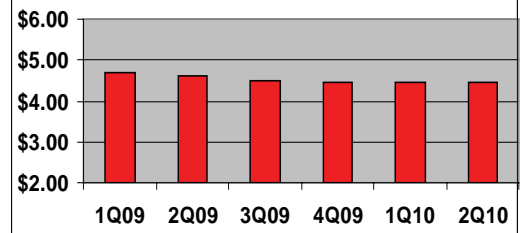
Some of the notable 2010 deliveries include: Cowboys Merchandise Headquarters, a 400,123 square foot facility that is 100% occupied, and PARC 114 - Bldg. 5, a 123,779 square foot building.

The largest projects underway were 4200 Sojourn Place, a 40,346 square foot building with 100% of its space pre-leased, and 291 Stephens St., a 15,638 square foot facility that is 100% pre-leased.

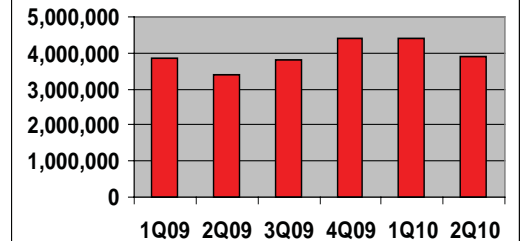
### Overall Vacancy (%)



### Average Asking Rental Rate



### Sublease Vacancy (SF)



## Major Lease Transactions

Tenant:	Building:	Size (SF):	Submarket:
American Standard	Duke Intermodal I	626,100 SF	SE Dallas/I-45
Lego Systems Inc.	Alliance Gateway, Bldg. 60	596,000 SF	NE Tarrant/Alliance
GP Consumer Products LP	Mesquite Distribution Center #1	442,035 SF	E Dallas/Mesquite
Continental Tire the Americas	First Park Dalport-Bldg. 1	287,827 SF	Southeast Dallas
Daimler Chrysler Motors Corp.	Chrysler Parts Distribution Center	255,310 SF	N Stemmons/Valwood

\*All rents are per SF/per YR unless otherwise noted.

# NAI ROBERT LYNN

Industrial Report | Second Quarter 2010

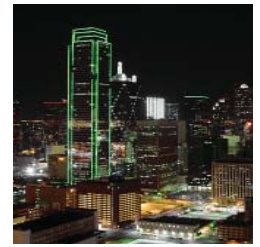


Market	# Bldgs	Total RBA (SF)	Total Available (SF)	Vacancy %	YTD Net Absorption	Average Rate	YTD Deliveries	Under Construction
DFW Airport	810	65,540,655	10,297,877	15.7%	330,188	\$4.64	776,360	0
East Dallas	1,652	45,738,739	5,050,519	11.0%	536,558	\$3.79	0	0
Great SW/Arlington	1,570	89,066,545	14,245,406	16.0%	17,861	\$3.70	0	15,638
North Fort Worth	907	67,868,505	7,338,557	10.8%	632,455	\$3.95	78,140	0
Northeast Dallas	2,594	103,985,878	12,242,055	11.8%	(107,418)	\$6.17	0	0
Northwest Dallas	1,861	99,297,722	14,695,748	14.8%	(204,013)	\$5.03	195,340	40,346
South Dallas	1,161	55,273,042	7,710,971	14.0%	962,145	\$3.22	0	10,000
South Fort Worth	2,939	86,315,447	5,551,319	6.4%	388,222	\$3.90	9,000	0
South Stemmons	4,791	139,019,635	12,328,265	8.9%	(1,415,156)	\$4.31	0	3,685

Some of the data in this report has been gathered from third party sources and has not been independently verified by NAI Robert Lynn. NAI Robert Lynn makes no warranties or representations as to the completeness or accuracy thereof.

# NAI ROBERT LYNN

## Definitions / Sub Market Map



### Absorption (Net)

The change in occupied space in a given time period.

### Available Square Footage

Net rentable area considered available for lease; excludes sublease space.

### Average Asking Rental Rate

Rental rate as quoted from each building's owner/management company. For office space, a full service rate was requested; for retail, a triple net rate requested; for industrial, a NN basis.

### Building Class

Class A Product is office Space of steel and concrete construction, built after 1980, quality tenants, excellent amenities & premium rates. Class B product is office Space built after 1980, fair to good finishes & wide range of tenants.

### Direct Vacancy

Space currently available for lease directly with the landlord or building owner.

### Market Size

Includes all existing and under construction office buildings (office, office condo, office loft, office medical, all classes and all sizes, both multi-tenant and single-tenant, including owner-occupied buildings) within each market.

### Overall Vacancy

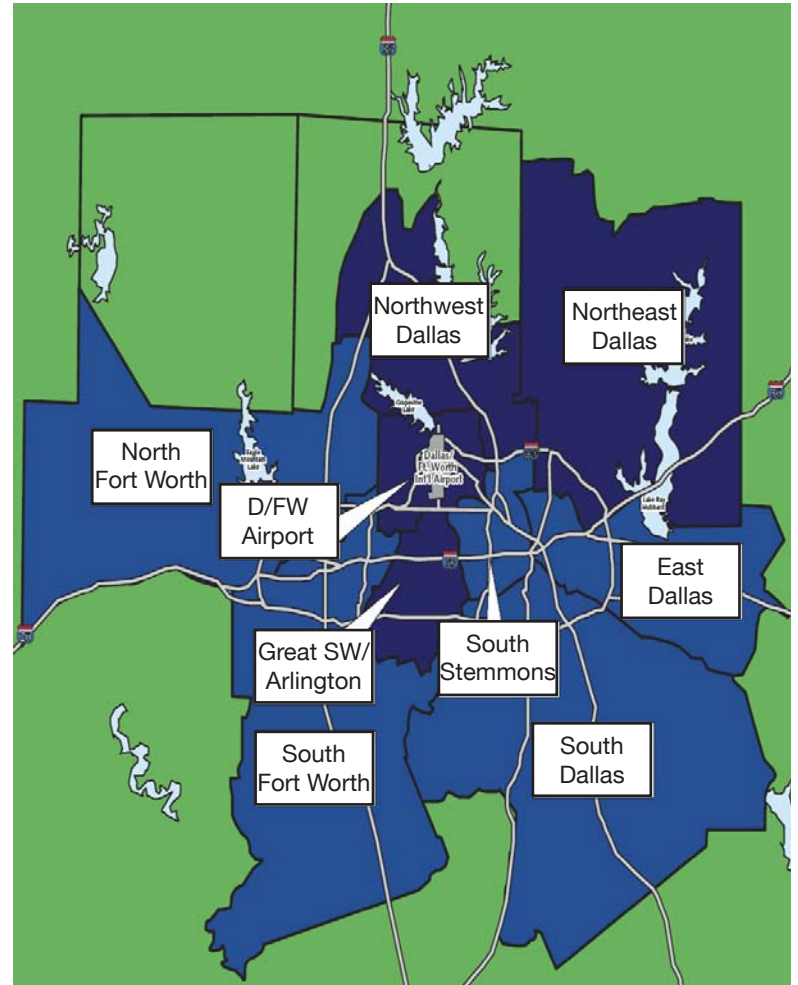
All unoccupied lease space, either direct or sublease.

### SF/PSF

Square foot/per square foot, used as a unit of measurement.

### Sublease

Arrangement in which a tenant leases rental property to another, and the tenant becomes the landlord to the subtenant.



### Sublease Space

Total square footage being marketed for lease by the tenant. Sublease space is not considered in the overall occupancy or absorption numbers - only direct leases are included.

### Sublease Vacancy

Space currently available in the market for sublease with an existing tenant within a building acting as the landlord.