

CHARLOTTE INDUSTRIAL MARKET REPORT

SECOND QUARTER 2020

QUARTERLY RECAP

The second quarter continued to show solid momentum in the industrial sector. Leases with Prime Beverage Company (+/- 300,000 SF), Seko Logistics (+/- 105,000 SF), and Fiberon (+/- 126,000 SF) were the three largest industrial transactions in the second quarter.

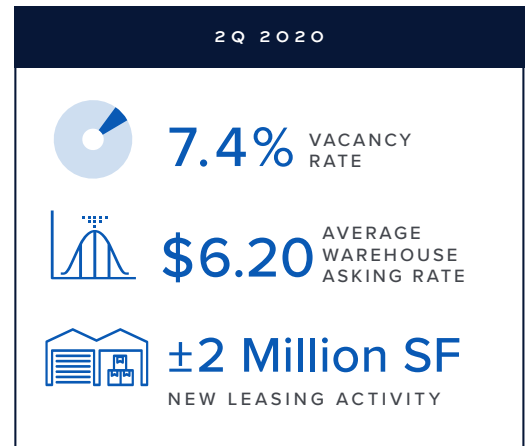
Speculative development of new industrial product in the Charlotte region remains a consistent trend. In addition to the projects identified below, Seefried Properties continues to move forward with plans to build a +/- 590,000 SF speculative warehouse project in southwest Charlotte in partnership with developer Clarion Partners. Also, Beacon Partners has announced plans for Carolina Logistics Park, a new industrial development in southeast of Charlotte totaling up to +/- 3.5 million SF on 288 acres.

The most notable industrial investment sales transaction during the second quarter involved CIP Real Estate's June acquisition of a thirteen-building portfolio totaling +/- 560,453 SF from Boston-based Albany Road Real Estate Partners. The portfolio is currently 91% occupied and sold for \$75.5 million.

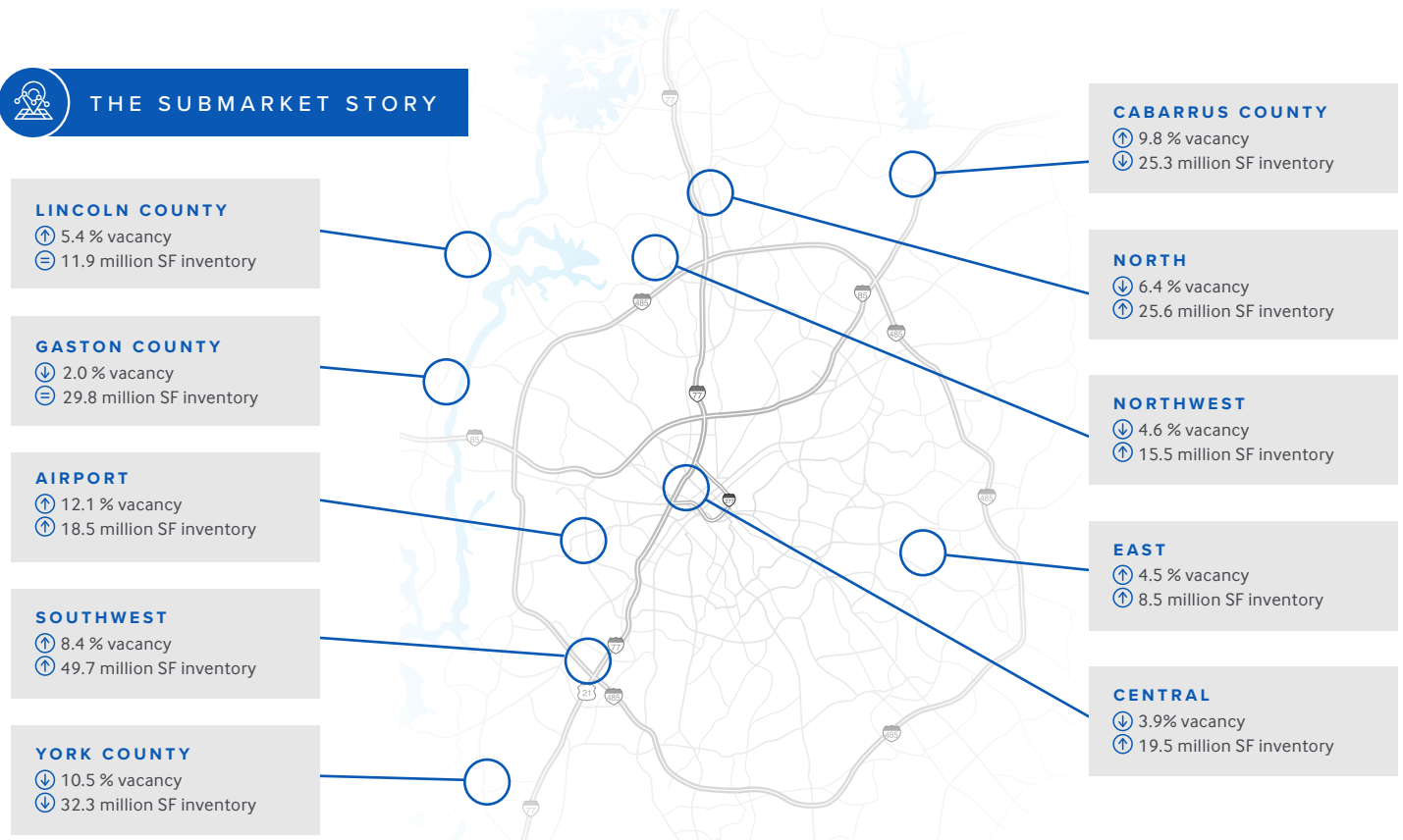
Other notable industrial sales transactions in the quarter included Hoffman & Hoffman's acquisition of a +/- 123,893 SF facility at 1133 Upper Asbury Ave, as well as the purchase of a +/- 88,000 SF building at 5025 Hovis Road by 1020 Exchange LLC.

Vacancy rates in the second quarter increased slightly from 6.9% to 7.4%.

THE STATS



THE SUBMARKET STORY



CRANE WATCH



CREEKSIDE COMMERCE PARK
4 BUILDINGS
1) 233,438 SF 2) 138,775 SF 3) 200,000 SF 4) 58,140 SF
Southwest Submarket
Owner/Developer: Black Creek Group



145 STEELE POINTE DR
FORT MILL SC (STATELINE LOGISTICS CENTER)
104,000 SF // Stateline Submarket
Owner/Developer: Crescent Communities



2140 LOGISTICS WAY
WESTPOINTE BUSINESS PARK
209,000 SF // Airport Submarket
Owner/Developer: McCraney Property Company



782 PARAGON WAY
RIVERWALK BUSINESS PARK
216,000 SF // Rock Hill Submarket
Owner/Developer: GRH Development Resources



300 WOODLAKE PKWY
300,240 SF // Gaston County Submarket
Owner/Developer: Equus Capital Partners, Ltd.



7800 TUCKASEEGEE RD
CLARIUS PARK
395,520 SF // Airport Submarket
Owner/Developer: Clarius Partners

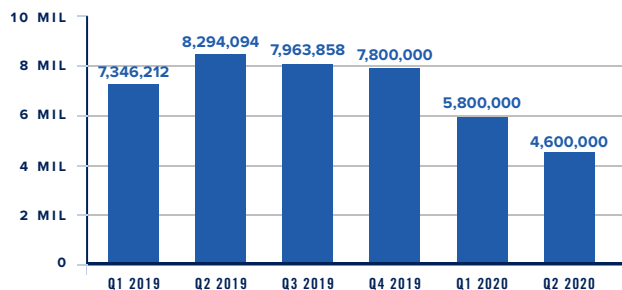


10137 HORTON RD
CHARLOTTE LOGISTICS CENTER
421,900 SF // Airport Submarket
Owner/Developer: The Silverman Group



METROLINA PARK (BLDG 6)
644,171 SF // North Submarket
Owner/Developer: Beacon Partners

DEVELOPMENT PIPELINE



LEASED NOTABLE TRANSACTIONS

BRIDGESTONE HOSEPOWER SOUTHWEST SUBMARKET
Leased 23,992 SF at Silverlake

SERVPRO NORTH SUBMARKET
Leased 24,605 SF at Perimeter Woods

CONKLIN METAL INDUSTRIES NORTH SUBMARKET
Leased 38,000 SF at 2111 Distribution Center Drive

INTERNATIONAL PAPER CO. NORTHWEST SUBMARKET
Leased 66,430 SF at 5130 Hovis Road

PIPELINE PACKAGING YORK COUNTY SUBMARKET
Leased 68,048 SF at 547-A Kings Ridge Dr

YANDLE WITHERSPOON AIRPORT SUBMARKET
Leased 99,000 SF at West Pointe Business Park

SEKO LOGISTICS AIRPORT SUBMARKET
Leased 105,000 SF at CLT Intermodal

FIBERON CONCORD SUBMARKET
Leased 126,000 SF at 411 International Drive NW

PREMIER BEVERAGE CONCORD SUBMARKET
Leased 300,000 SF at 1858 Kannapolis Pkwy



SOLD NOTABLE TRANSACTIONS

901 CARRIER DR 92,400 SF
Sold in June for \$2.764 million to 901 Carrier LLC

5025 HOVIS RD 88,000 SF
Sold in June for \$3.25 million to 1020 Exchange LLC

11110 WESTLAKE DRIVE 41,991 SF
Sold in June for \$3.7 million to Great Lakes Petroleum

2320 TOOMEY AVE 73,012 SF
Sold in April for \$5.2 million to Toomey Avenue Holdings LLC

GREATER CHARLOTTE INDUSTRIAL INVESTMENT PORTFOLIO 560,450 SF
Sold in June for \$75.5 million by Albany Road to CIP

WILBERT PLASTICS BUILDING AT 7301 CALDWELL RD 126,363 SF
Sold in May for \$7.5 million to AIC Ventures as a sale-leaseback transaction

INTERSTATE WEST 50,000/55,120 SF
Sold in May for \$7.8 million to Black Point Investments

1133 UPPER ASBURY AVE 123,893 SF
Sold in June for \$9.7 million to Hoffman & Hoffman

5040 AIRPORT CENTER PARKWAY 54,400 SF
Sold in May for \$10.7 million to Black Point Investments

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