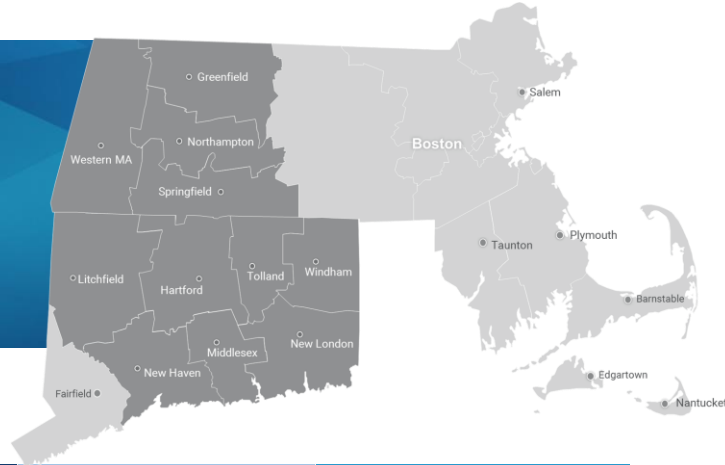


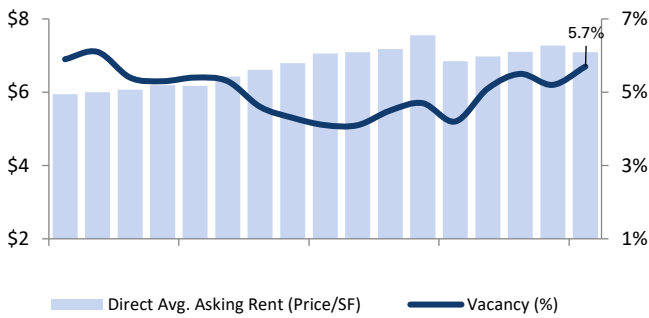
CT/Western Mass. Region



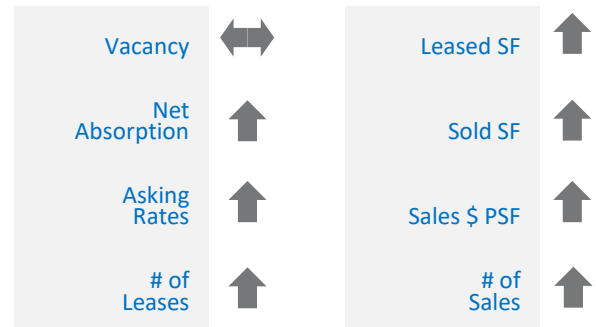
MARKET SUMMARY

	ALL MARKETS	GREATER HARTFORD	NEW HAVEN	WESTERN MASS.
Total Inventory:	177.5 MSF (1,579 bldgs.)	97.9 MSF (860 bldgs.)	41.4 MSF (410 bldgs.)	38.2 MSF (309 bldgs.)
% Of Total Inventory:		55% of Total Inv.	23% of Total Inv.	22% of Total Inv.
Vacancy Rate:	5.7%	5.5%	6.6%	6.1%
Direct Asking Rent:	\$7.09/SF	\$6.73/SF	\$8.49/SF	\$6.84/SF
Net Absorption:				
Q2 2024	(693,128) SF	(327,797) SF	(669,572) SF	304,241 SF
H1 2024	(13,582) SF	197,803 SF	(588,351) SF	376,966 SF

AVERAGE ASKING RENT VS. VACANCY RATES

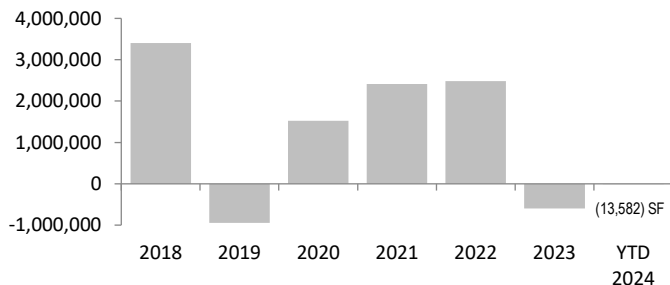


12-MONTH FORECAST



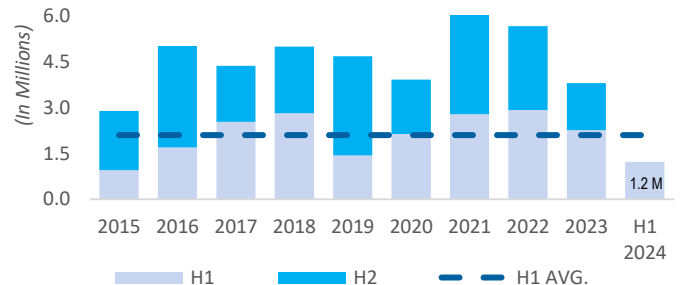
NET ABSORPTION

SQUARE FEET, MILLIONS



YEARLY LEASING ACTIVITY

BREAKDOWN BY TYPE



Market Highlights

The Connecticut and Western Massachusetts industrial market, which includes all modern facilities greater than 20,000 square feet (SF), comprises an inventory of 177.5 million SF spread over 1,579 buildings. Most of the inventory in the region is concentrated in Greater Hartford, with a total of 97.9 million SF in 860 buildings, or 55% of the region's total inventory.

Industrial vacancies at the end of the second quarter of 2024 totaled nearly 10.1 million SF, or 5.7%, an increase from the 4.2% rate recorded at mid-year 2023. Vacancy rates in the Greater Hartford market, which ended at 5.5%, were the lowest in the region. With fewer deals completed this year, and some new space coming available or being delivered as new construction, the region ended the first half of 2024 with flat to negative absorption of -13,582 SF. The vacancy rate uptick in the past year is also consistent with industrial markets throughout the United States.

Given very few spec development projects in Connecticut and Western Massachusetts and the fundamentally strong industrial sector, vacancy rate increases have been modest.

Positive economic and demographic factors affecting the regional industrial market include multiple new Department of Defense contracts. They total in the hundreds of millions of dollars awarded to General Dynamics division Electric Boat, Sikorsky, Raytheon Technologies; and a multitude of small to mid-size regional suppliers feeding this critical supply chain in the region.

Dampening news is the handful of large blocks of available space recently entering the market; Coca Cola in Northampton, MA – 486,184 SF, Wayfair sublet in East Hartford – 600,000 SF; Walgreens in Killingly – 460,000 SF, and 550 Research Parkway/160 Corporate CT Meriden – 567,000 SF.

Reversing recent longer-term trends and suggesting strong labor opportunities, the past two years have witnessed University of Connecticut graduates staying in-state and pursuing local career opportunities. 60% of UConn graduates remained in Connecticut in 2022, and this increased to 66% in 2023.

The largest new leases in the first half of 2024 were Marvin Windows' commitment to lease 185,600 SF at 205 Baker Hollow Road, Windsor; and Polar Beverage leasing 120,000 SF at 1 Better Way, Chicopee, MA. Meaningful end-user sales were Fisher Automotive's acquisition of 2189 Westover Rd, Chicopee – 217,000 SF at \$57 psf; and Element 119's acquisition of 60 Johnson Ave, Plainville – 129,506 SF at \$57.53 psf.

National Development delivered the twin 1.2 M SF distribution facilities for Lowes and Wayfair at Rentschler Field in East Hartford. Luzern's 170,300 SF speculative flex facility at 425 Day Hill Road in Windsor has been delivered, and several prospective tenants are entertaining the opportunity. In addition, Silverman has broken ground on 30 Hamilton Road, Windsor Locks, a 250,240 SF speculative development.

NorthPoint, in a joint venture with Winstanley, has obtained permits for a 524,000 SF big box development in Westfield, MA, representing the largest entitled site in western MA. This project is rumored to be developed speculatively starting in early-mid 2025.

Throughout the region, there are now more than 25 logistics projects that are permitted or in various stages of being permitted, at over 13.0 million SF.

The direct average asking rent for the region ended the second quarter at \$7.09/SF, increasing by 3.5% year over year. New Haven's rental rates remain the highest, at \$8.49/SF.

Notable Lease Transactions (Past 12 Months)

Tenant	Building	SF	Type
Eversource	140 Old County Cir, Windsor Locks, CT 130 Huntingdon Ave, Waterbury, CT	268,500 218,000	New
Marvin Windows	205 Baker Hollow Rd, Windsor, CT	185,600	New
State of CT Department of Public Health	88 Long Hill St, East Hartford, CT	127,529	New
Polar Beverage	1 Better Way, Chicopee, MA	120,000	New
Pro Machine Services	99 John Downey Dr, New Britain, CT	97,320	New
Barnes Aerospace	7 Connecticut S Dr, East Granby, CT	84,000	New

Top YTD 2024 Sale Transactions (By Price/SF)

Building	Market	SF Sold	Price	Price/SF
50 Talbot Ln	South Windsor, CT	148,083	\$31.6 M	\$213
140 Old County Cir	Windsor Locks, CT	268,497	\$37.25 M	\$139
50 Summit Lock Rd*	Westfield, MA	524,200	\$62.0 M	\$118
240 Ellington Rd	South Windsor, CT	180,924	\$20.7 M	\$115
95 N Hatfield Rd*	Hatfield, CT	445,935	\$44.0 M	\$99
1040 Sheridan St	Chicopee, MA	74,500	\$6.5 M	\$87
60 Johnson Ave	Plainville, CT	129,506	\$7.45 M	\$58
2189 Westover Rd	Chicopee, MA	217,000	\$12.4 M	\$57

*2-property portfolio sale

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