THE DYNAMICS OF THE NATIONAL INDUSTRIAL MARKET

JIM DIETER
National Director, North American Industrial Group
CB Richard Ellis
10 YEAR VACANCY RATE

Source: Society of Industrial and Office Realtors

12.7 BILLION SQ. FT. MARKET

The Dynamics of the National Industrial Marketplace

CBRE CB Richard Ellis
RECIPE FOR RECOVERY: ADD 62% TO ABSORPTION, LET DEVELOPMENT RISE 25%

Source: Society of Industrial and Office Realtors
SIX LARGEST MARKETS

LA REGION

CHICAGO AREA

NEW JERSEY

TORONTO

ATLANTA

DALLAS

CBRE

THE DYNAMICS OF THE NATIONAL INDUSTRIAL MARKETPLACE
LOOK BEYOND THE SIX LARGEST MARKETS
KANSAS CITY/MEMPHIS/INDIANAPOLIS
SEATTLE/PORTLAND/TACOMA/CENTRAL AND N. CALIFORNIA
HARRISBURG/ALLENTOWN, PA
DENVER
BALTIMORE/ D.C. CORRIDOR
SAVANNAH
TAMPA/ORLANDO/JACKSONVILLE
LAS VEGAS/PHOENIX
WHAT ARE THE DEVELOPERS UP TO?

THE DYNAMICS OF THE NATIONAL INDUSTRIAL MARKETPLACE
INDUSTRIES TO WATCH

BIO-TECH

PHARMACEUTICALS

MANUFACTURING (MACHINERY)
INDUSTRIAL INVESTMENT IS ON FIRE

THE DYNAMICS OF THE NATIONAL INDUSTRIAL MARKETPLACE
WHO ARE SOME OF THE PLAYERS?

ING CLARION
DIVIDEND CAPITAL
TIAA
CALPERS
RREEF
AMB
LIBERTY PROPERTY TRUST
WHY THE ACTIVE MARKET?

HISTORIC LOW CAP RATES

SCARCITY OF CLASS “A” PRODUCT

SURPLUS OF CAPITAL

LARGE PORTFOLIOS SELLING AT PREMIUM PRICES
WHAT FACTORS ARE DRIVING THE MARKET?
DRIVING INDUSTRIAL DEVELOPMENT

SEAPORTS

THE DYNAMICS OF THE NATIONAL INDUSTRIAL MARKETPLACE
DYNAMICS DRIVING THE MARKET

- Smaller Ports Poised for Growth
- Private Ports
- Inland Ports
- Exporting to China
- Mexican Ports
DRIVING INDUSTRIAL DEVELOPMENT

RAILROADS

THE DYNAMICS OF THE NATIONAL INDUSTRIAL MARKETPLACE
DYNAMICS DRIVING THE MARKET

- Intermodals
- Rail from Ports
- Rail from Mexico
- Rail-Served Distribution Buildings
OTHER TRENDS & OBSERVATIONS

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THE DYNAMICS OF THE NATIONAL INDUSTRIAL MARKETPLACE
OTHER TRENDS AND OBSERVATIONS

- CONSUMER PRODUCTS/RETAIL DRIVING BIG BOX MARKET

- B-T-S WILL BE UP IN MANUFACTURING BUILDINGS
OTHER TRENDS AND OBSERVATIONS

- PAST WAS CONSOLIDATION – THIS YEAR WILL INCLUDE EXPANSION
- SMALLER MARKETS RECIPIENT OF CONGESTED LARGER MARKETS
- SPEED-TO-MARKET DRIVING AIRFREIGHT BUSINESS
HOW SIOR MEMBERS RATE FACTORS IN MARKET RECOVERY

Market will be good in 2005...

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