

MARKET TRENDS | PORTLAND

INDUSTRIAL

3RD QUARTER
2020

▼ ABSORPTION | ▲ VACANCY | ▲ RENTAL RATE | ▼ CONSTRUCTION DELIVERIES

Year-over-year change

TOP SALE TRANSACTIONS FOR 3Q 2020

Property	Submarket	Square Feet	Sale Price	Price/SF	Buyer	Seller
2053 NW Sundial Road, Troutdale	East Columbia Corridor	349,080	\$61,000,000	\$174.75	Kohlberg Kravis Roberts & Co. L.P.	CRG/Clayco Development
6520 Mt St Helens Ave & 10101 NE Alderwood Rd, Portland	Airport Way	257,149	\$43,500,000	\$169.16	Clarion Partners	Capstone Partners & PCCP LLC
13201 N Lombard St., Portland	Rivergate	95,458	\$12,000,000	\$125.71	DRA Advisors LLC	Oregon Transfer Company
5500 NE Moore Ct, Hillsboro	Sunset Corridor/Hillsboro	68,289	\$8,500,000	\$124.47	King Capital Investments LLC & Steviva Brands, Inc.	Wood Street, LLC

TOP LEASE TRANSACTIONS FOR 3Q 2020

Property	Address	Square Feet	Date	Landlord	Tenant
6308-6310 N Marine Dr, Portland	Rivergate	225,250	July 2020	Clarion Partners	Cascades Tissue Group
7820-7832 N Leadbetter Rd, Portland	Rivergate	161,495	August 2020	Washington Capital Mngmt.	Bridgetown Trucking
5545 NE 148th Ave, Portland	East Columbia Corridor	123,114	July 2020	Prologis, Inc.	Javelin Logistics

TOP UNDER CONSTRUCTION

Property	Address	Submarket	Square Feet	Owner	Delivery Date
Intel Expansion Project	2501 NE Century Blvd, Hillsboro	Sunset Corridor/Hillsboro	1,500,000	Intel Corporation	2Q 2021
Bridge Point i5	755 NE Columbia Blvd, Portland	Airport Way	677,568	Bridge Development Partners	4Q 2020
Columbia Distributing	2525 SE 1st Ave, Canby	SE Outlying	531,148	CBRE Global Investors Ltd	4Q 2020

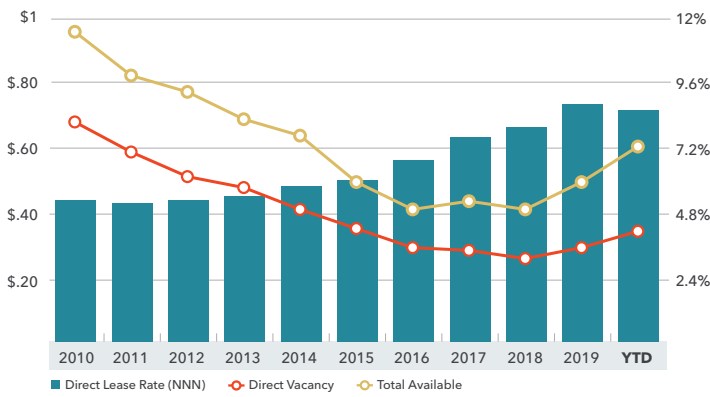
Market Breakdown

	3Q 2020	2Q 2020	3Q 2019	Annual % Change
Direct Vacancy Rate	3.96%	3.60%	3.70%	6.99%
Total Availability Rate	7.25%	6.70%	5.60%	29.55%
Total Asking Lease Rate	\$0.70	\$0.70	\$0.69	1.32%
Total Leased (SF)	1,861,455	1,755,748	2,585,217	-28.00%
Total Sales (SF)	1,688,339	2,276,285	6,524,541	-74.12%
Total Net Absorption	(136,233)	1,299,428	297,019	N/A

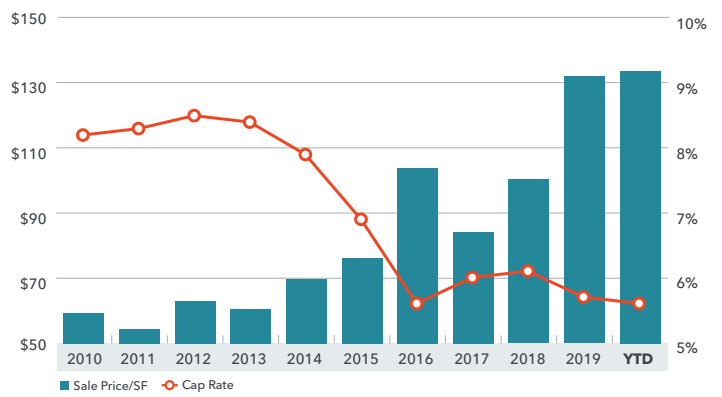
PORTLAND SUBMARKET STATISTICS

Submarket	Total Inventory	Direct Vacancy Rate	Total Vacancy Rate	Total Available Rate	3Q Total Net Absorption	YTD Total Net Absorption	3Q Total Leasing Activity	YTD Total Leasing Activity	Total Rental Rate
Lloyd District	2,160,811	8.78%	8.78%	17.88%	-3,132	4,218	1,860	5,960	\$1.55
Northeast	78,824,792	5.44%	5.73%	9.38%	123,092	636,077	1,158,115	2,948,311	\$0.60
Airport Way	16,024,140	3.90%	4.68%	10.51%	-31,955	-50,785	143,713	786,635	\$0.62
East Columbia Corridor	28,731,323	7.30%	7.51%	9.42%	153,793	967,522	342,116	1,059,445	\$0.56
Gateway	2,778,051	0.96%	1.76%	1.87%	-3,986	25,258	0	51,607	\$0.72
Gresham	1,129,052	3.93%	3.93%	3.93%	-20,538	-38,794	0	5,124	\$0.57
Hayden Isl/Swan Isl	9,971,427	5.94%	6.16%	9.76%	-24,359	-202,446	21,310	267,069	\$0.69
NE Close-In	4,009,899	2.02%	2.08%	5.65%	-11,789	-52,204	5,000	17,850	\$0.90
NE Outlying	64,692	0.00%	0.00%	0.00%	0	0	0	0	-
Rivergate	16,116,208	5.07%	5.07%	10.61%	61,926	-12,474	645,976	760,581	\$0.49
CBD/Northwest	13,402,906	1.28%	2.67%	6.80%	-65,139	-8,188	2,500	124,275	\$0.74
CBD	732,617	8.19%	8.19%	8.19%	0	12,125	2,500	2,500	\$0.76
Guilds Lake	11,771,560	1.52%	2.41%	6.73%	-60,139	-11,443	0	118,430	\$0.64
NW Close-In	805,769	0.90%	1.64%	6.61%	-5,000	-8,870	0	3,345	\$0.95
NW Outlying	92,960	0.00%	0.00%	5.38%	0	0	0	0	-
Southeast	34,933,458	3.34%	3.58%	7.88%	439,012	93,090	174,057	777,997	\$0.77
Clackamas/Milwaukie	24,491,668	2.87%	3.12%	8.24%	357,579	123,580	100,875	637,470	\$0.67
Mall 205	372,304	1.34%	1.34%	5.24%	11,775	0	0	0	\$0.72
Oregon City	1,195,842	0.38%	0.38%	0.38%	-1,500	-3,820	5,500	5,500	\$1.00
SE Close-In	5,930,491	4.82%	5.22%	7.68%	78,878	-57,010	40,002	96,037	\$1.08
SE Outlying	2,943,153	5.68%	5.68%	8.72%	-7,720	30,340	27,680	38,990	\$0.58
Southwest	6,556,704	6.97%	7.40%	7.49%	60,966	-196,009	67,060	173,975	\$0.65
217 Corridor/Beaverton	4,389,668	9.45%	9.66%	9.80%	58,966	-177,009	67,060	173,975	\$0.63
Barbur Blvd/Capitol Hwy	132,443	0.00%	0.00%	0.00%	0	0	0	0	-
Johns Landing	302,091	0.00%	6.29%	6.29%	2,000	-19,000	0	0	\$0.85
North Beaverton	1,509,619	0.00%	0.00%	0.00%	0	0	0	0	-
SW Close-In	205,379	20.45%	20.45%	20.45%	0	0	0	0	-
Sylvan/Hillsdale	17,504	0.00%	0.00%	0.00%	0	0	0	0	-
Westside	18,844,821	0.98%	1.68%	2.55%	-63,501	-11,481	79,478	140,923	\$0.81
Sunset Corridor/Hillsboro	15,733,661	1.01%	1.86%	2.74%	-40,801	7,765	79,478	134,623	\$0.82
Westside Outlying	3,111,160	0.82%	0.82%	1.59%	-22,700	-19,246	0	6,300	\$0.74
I-5 Corridor	28,582,182	3.69%	4.50%	5.53%	-171,849	-316,286	263,666	734,469	\$0.77
Yamhill County	4,858,771	0.39%	0.39%	1.33%	17,443	4,846	6,000	36,420	-
Skamania County	100,081	0.00%	0.00%	0.00%	0	0	0	0	-
Columbia County	1,985,038	21.63%	21.63%	21.63%	-419,450	-429,450	0	0	-
Clark County	25,400,790	1.99%	2.18%	4.54%	-53,675	1,088,169	108,719	594,421	\$0.76
Camas/Washougal	2,207,585	0.45%	0.45%	9.74%	-10,000	-900	0	2,700	\$1.07
Cascade Park	500,844	24.18%	24.18%	24.18%	0	0	0	0	\$0.71
CBD/West Vancouver	5,702,318	0.00%	0.84%	5.88%	-37,725	266,237	10,275	20,275	\$0.74
Clark County Outlying	3,678,252	1.44%	1.44%	0.00%	3,639	784,932	0	171,502	\$0.73
Hazel Dell/Salmon Creek	1,483,115	2.29%	2.29%	2.13%	581	-7,548	18,737	78,587	\$0.71
Orchards	5,227,430	2.15%	2.15%	1.59%	-4,279	45,721	66,294	215,716	\$0.83
St. Johns/Central Vancouver	6,581,713	2.65%	2.66%	5.56%	-5,891	-273	13,413	103,817	\$0.76
Vancouver Mall	19,533	0.00%	0.00%	0.00%	0	0	0	1,824	-
Portland Total	215,650,354	3.96%	4.36%	7.25%	-136,233	864,986	1,861,455	5,536,751	\$0.70
Business Parks									
10,000-49,999 SF	9,538,848	3.95%	4.84%	6.58%	79,787	-66,924	160,541	562,982	\$0.68
50,000-149,999 SF	17,289,772	5.10%	6.96%	7.97%	-135,064	-209,833	378,315	1,212,040	\$0.57
150,000+ SF	12,095,071	8.57%	8.57%	10.80%	-6,354	265,384	770,472	1,399,808	-
Business Parks Total	38,923,691	5.91%	6.96%	8.53%	(61,631)	(11,373)	1,309,328	3,174,830	\$0.61

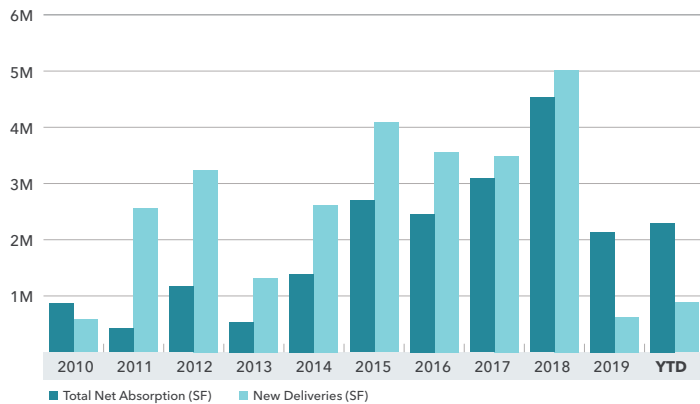
LEASE RATE, VACANCY & AVAILABILITY



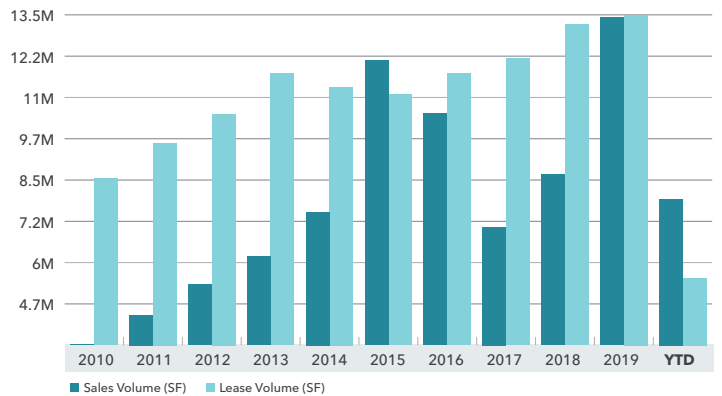
AVERAGE SALES PRICE/SF & CAP RATES



TOTAL NET ABSORPTION & NEW DELIVERIES



SALE VOLUME & LEASE VOLUME



Kidder Mathews is the largest, independent commercial real estate firm on the West Coast, with 900 real estate professionals and staff in 22 offices in Washington, Oregon, California, Nevada, and Arizona. We offer a complete range of brokerage, appraisal, property management, consulting, project and construction management, and debt equity finance services for all property types.

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COMMERCIAL BROKERAGE

27M ANNUAL SALES SF
450+ NO. OF BROKERS
\$9.6B ANNUAL TRANSACTION VOLUME
42M ANNUAL LEASING SF

VALUATION ADVISORY

1,680+ APPRAISALS ANNUALLY
37/23 TOTAL NO. APPRAISERS/MAI'S

PROPERTY MANAGEMENT

70M+ MANAGEMENT PORTFOLIO SF
\$12B+ IN ASSETS UNDER MANAGEMENT

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