

# From Disruption to Demand - How Supply Chain Volatility is Reshaping Industrial Real Estate



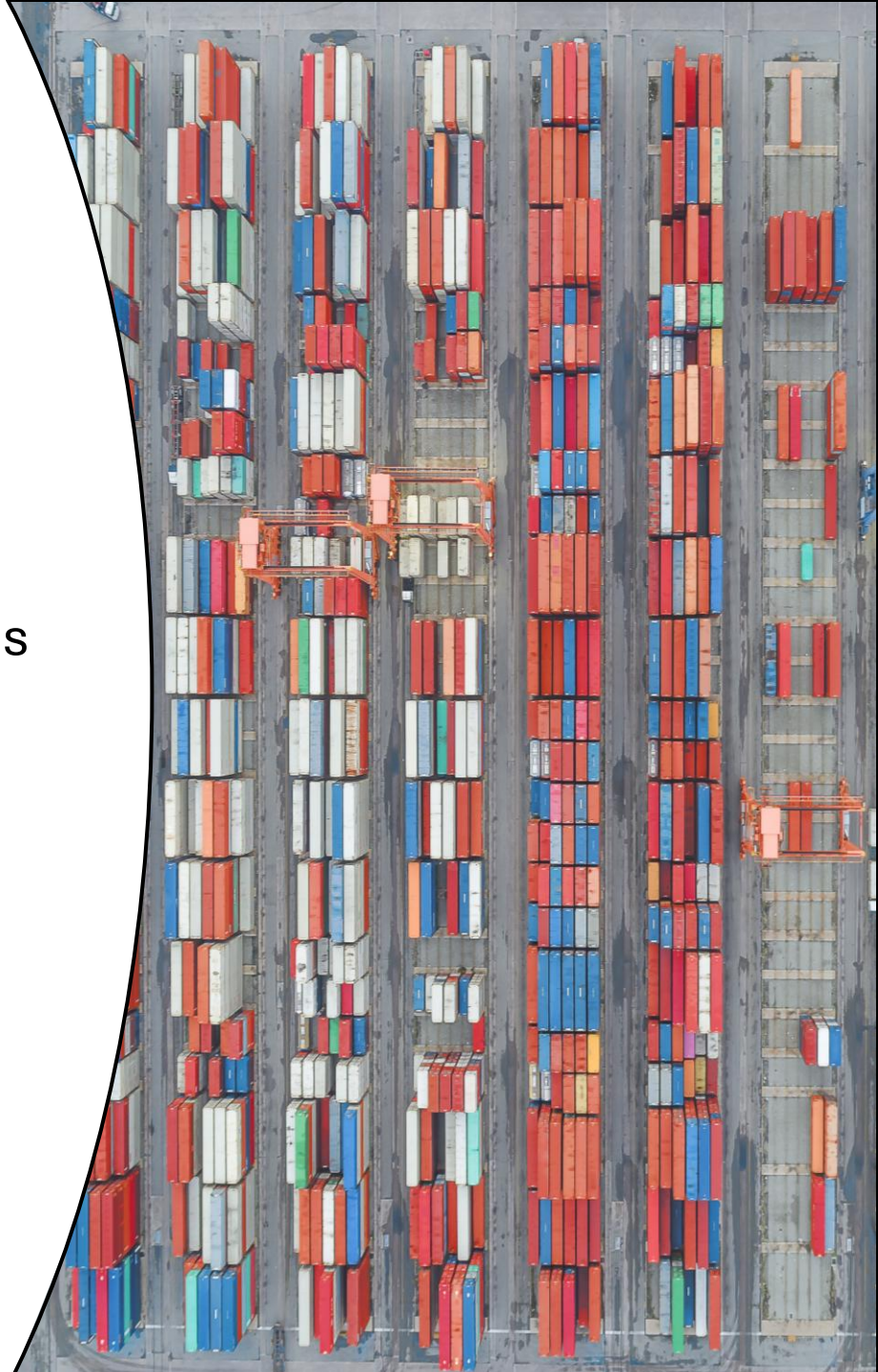
**Presented By:**

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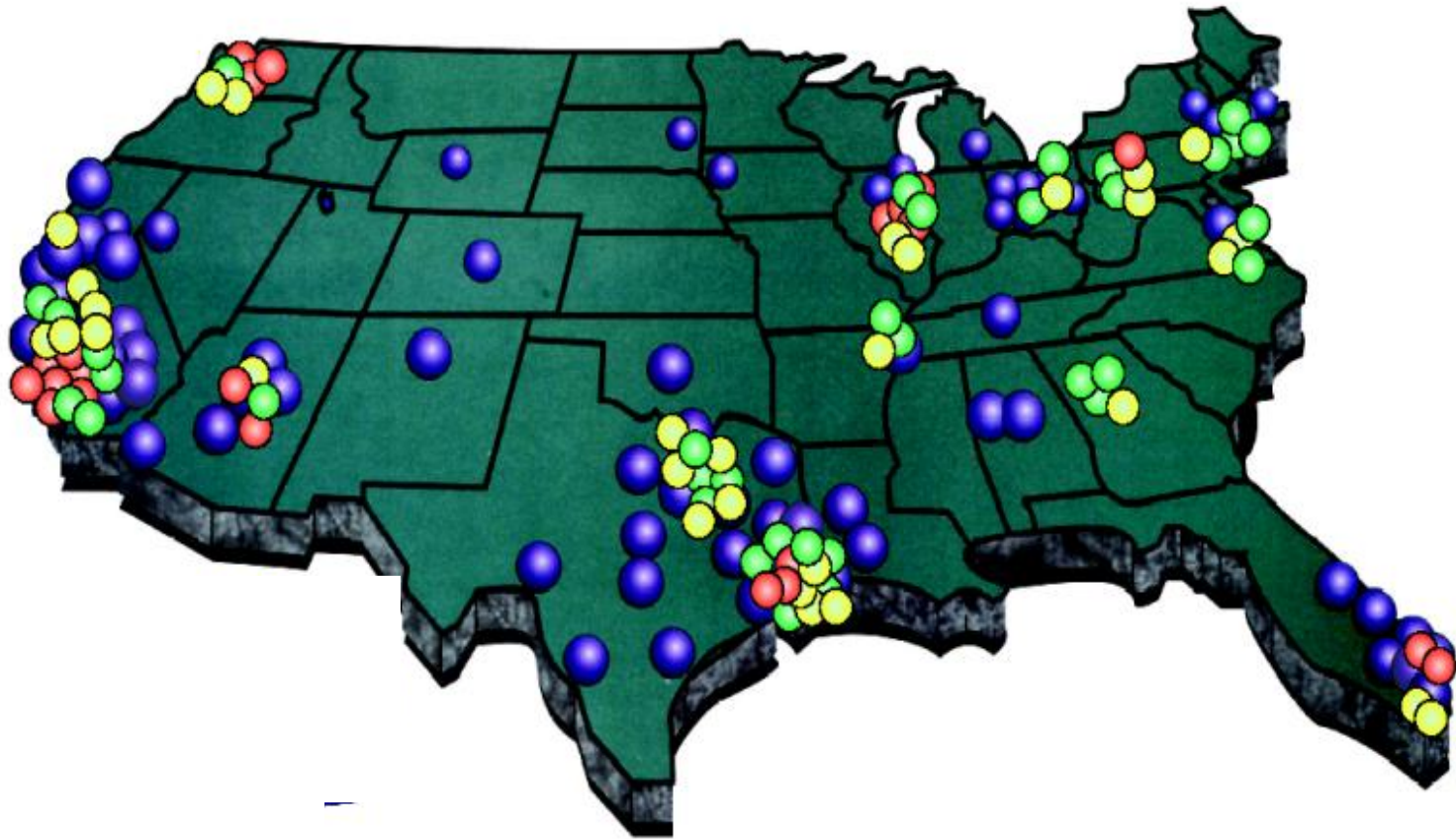
# Introduction

## IMS Worldwide, Inc.

- Consulting for Over 50 Years
  - Foreign Trade Zones (FTZs)
    - Designation, Activation and Management
  - Logistics Solutions
  - Industrial Real Estate Solutions
- Providing Service to a Variety of Clients
  - Investors
  - Companies/Tenants
  - Brokers
  - Tenant Representatives



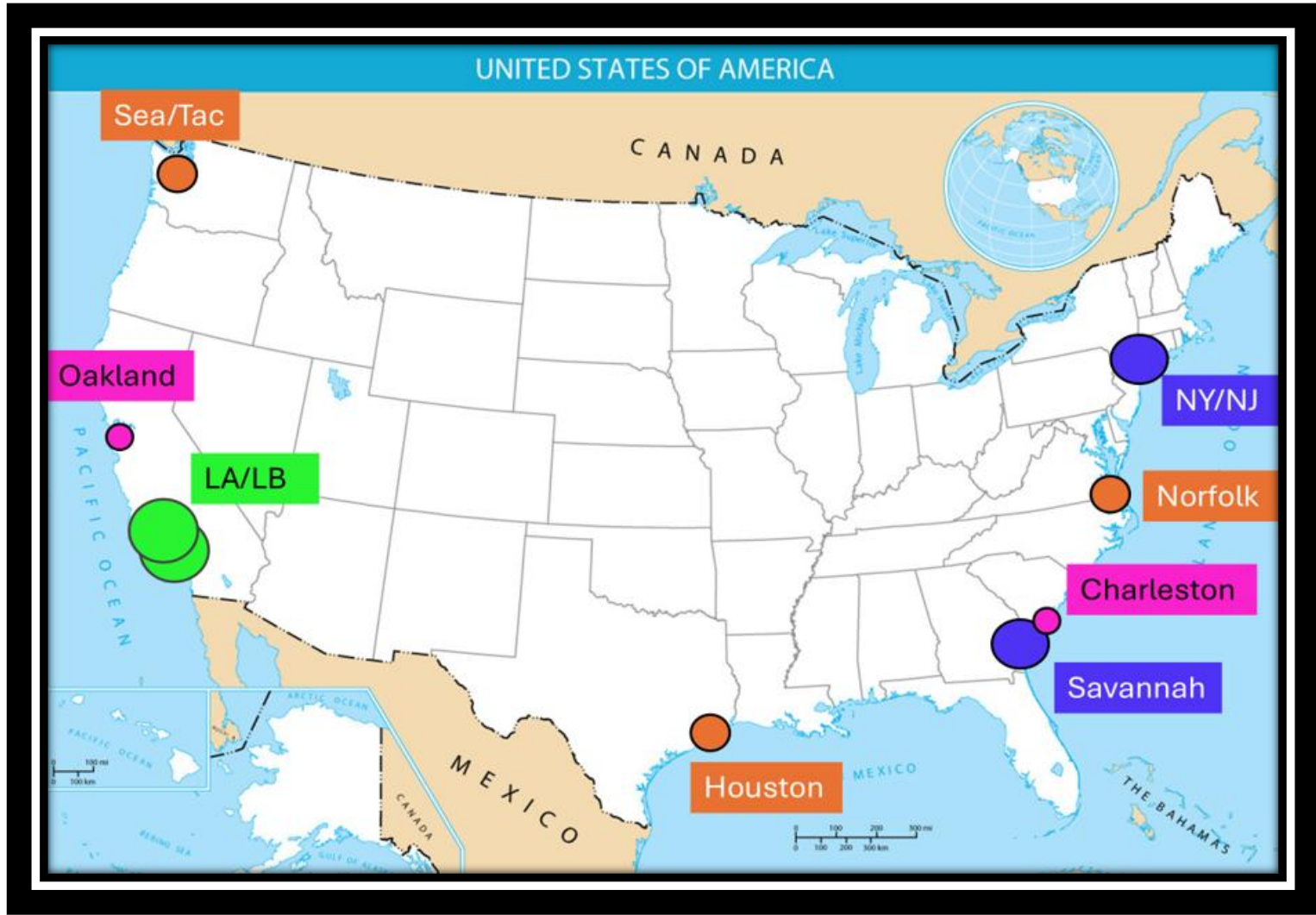
# IMSW Overview of National FTZ and Strategic Development Projects 1977-2026



# IMSW's FTZ Users – Total = 330



# Top 9 U.S. Container Ports



# US Ports TEU Trends 2025

(Jan – Nov 2024/2025 Actual TEUs)

Port of Entry	2025 TEU Volume	2024 TEU Volume	YoY Volume Increase
LA/LB	18,495,207	18,164,454	1.82%
NY/NJ	8,245,060	8,010,140	2.93%
Savannah	5,251,850	5,103,416	2.91%
Houston*	3,971,643	3,799,573	4.53%
Norfolk	2,974,065	3,239,051	-8.18%
Seattle/Tacoma	2,918,676	2,731,238	6.86%
Charleston	2,370,687	2,299,125	3.11%
Oakland	2,074,396	2,080,275	-0.003%

# U.S. Ports TEU Trends 2026

Port of Entry	2025 TEU Volume	2026 TEU Volume (Through February)	YoY Volume Increase
LA/LB	20,120,913	2,414,200.5	-6.3%
NY/NJ	8,897,531	749,906*	4.0%
Savannah	5,691,480	901,374	0.4%
Houston	4,303,345	696,833	2.2%
Norfolk	3,239,638	495,393	-3.5%
Seattle/Tacoma	3,156,598	435,890	-16.6%
Charleston	2,565,297	369,802	-13.5%
Oakland	2,253,976	359,193	-6.9%

\* Only January reported

[www.imsww.com](http://www.imsww.com)

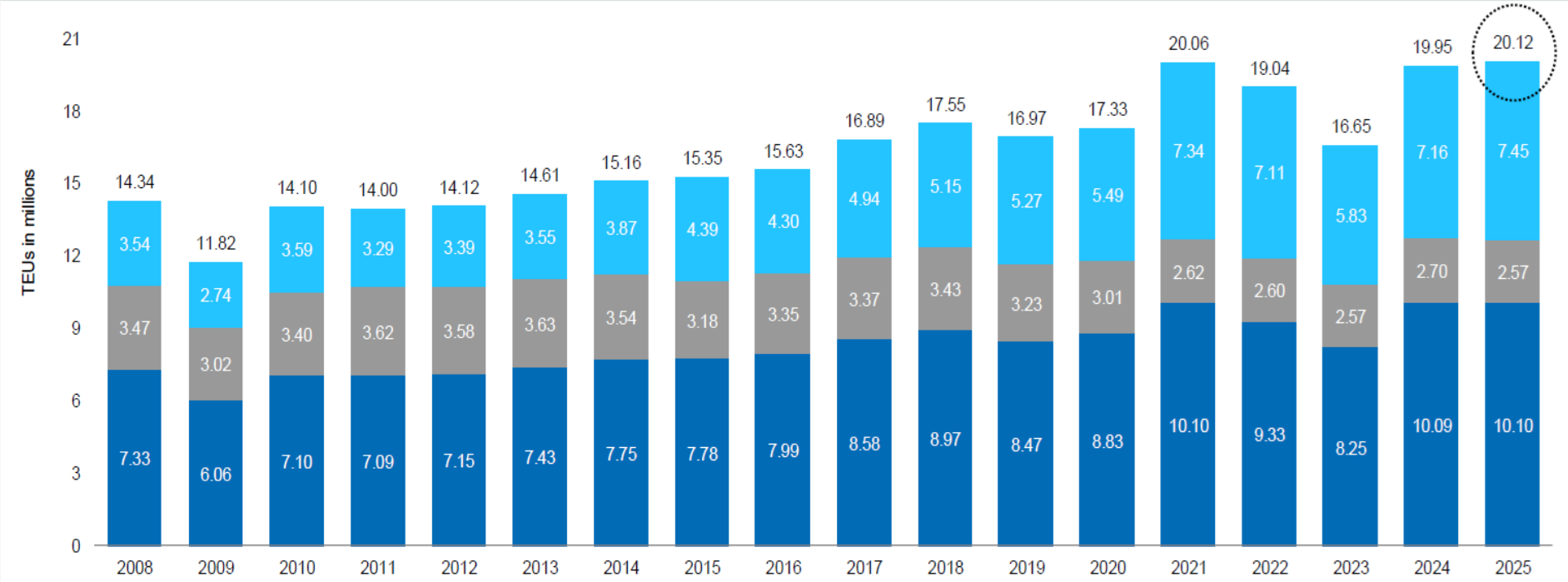
Foreign Trade Zone, Logistics and Supply Chain Consulting



# Southern California's Ports: 2025 Was the Busiest Year on Record

Still-healthy U.S. retail sales and the cat-and-mouse game of frontloading imports before new (and ever-changing) tariffs from the Trump administration went into effect were factors.

The Ports of Los Angeles and Long Beach: Combined TEU Volume | Loaded Imports, Loaded Exports and Empty Containers | By Year

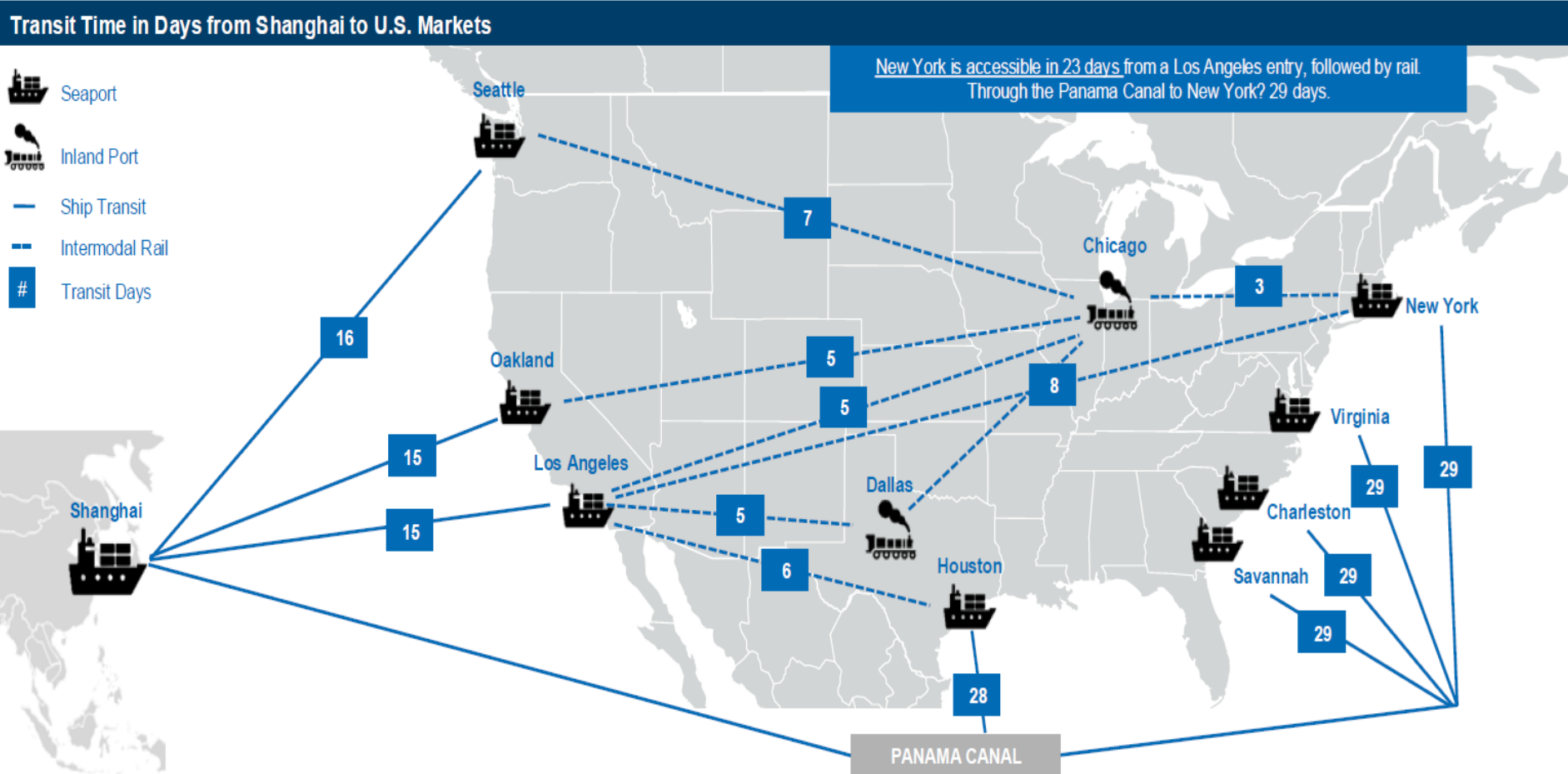


Source: Newmark

■ Loaded Inbound TEU Traffic      ■ Loaded Outbound TEU Traffic      ■ Empty TEU Traffic

# Why Los Angeles-Long Beach? Faster and Cost-Effective.

In a normal environment, shorter transit time from Shanghai, the world's busiest seaport. U.S. importers can bring in product through Southern California's ports and send a portion to Southwestern warehouses to clothe, feed and entertain a consumer population of 34.6 million. The rest of the product is loaded onto double-stack rail cars bound for the nation's other major population centers, like Dallas-Fort Worth, Chicago, and New York. Importers can touch multiple markets, which is cost-effective.



# Global Supply Chain Disruptions

## Strait of Hormuz

- The Strait of Hormuz, the lone waterway connecting the Arabian Gulf's resources to the world, is effectively shut down. Iran controls the narrow waterway, charging ships for safe passage and threatening them with drones, small attack boats and possible sea mines.
- The war in the Middle East has stranded much of the energy supplies typically going to India via the Strait of Hormuz, stranding at least 28 ships.
- **BUT** Three Chinese ships passed through Strait of Hormuz on March 28.

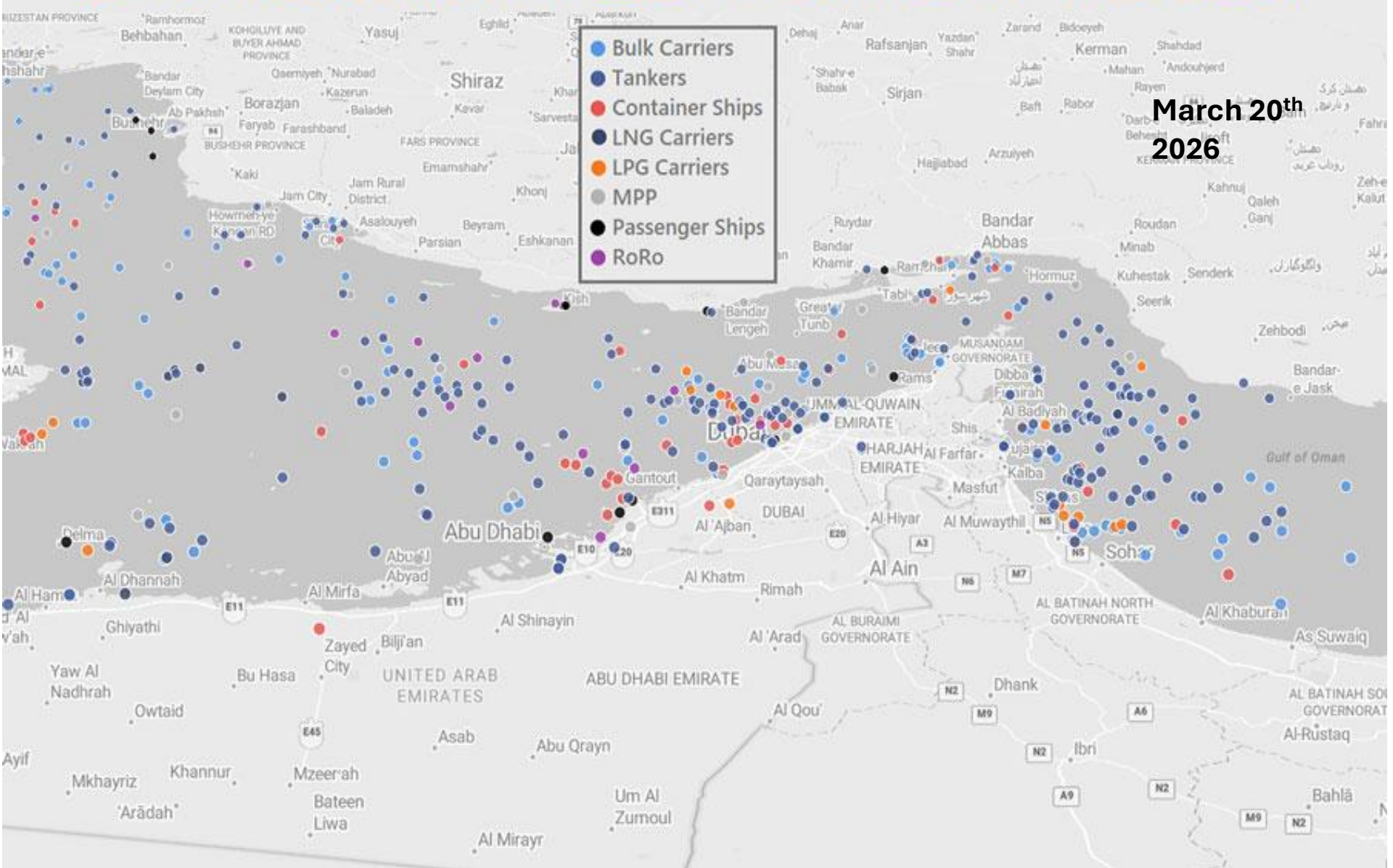
## Houthi Rebels in Suez Canal/Red Sea

- On February 28<sup>th</sup>, in response to the 2026 Iran war, the Houthis threatened to escalate the conflict and resume attacks in the Red Sea and are reportedly considering a naval blockade.

# LIVE MERCHANT FLEET TRAFFIC IN THE GULF

March 20<sup>th</sup>  
2026

- Bulk Carriers
- Tankers
- Container Ships
- LNG Carriers
- LPG Carriers
- MPP
- Passenger Ships
- RoRo



# Global Supply Chain Disruptions

## Panama Canal Update

- The Panama Canal is operating at top capacity, with a daily passage of between 36 and 38 vessels, the waterway's chief Ricaurte Vasquez told reporters on March 20, adding that the war on Iran was boosting demand by owners and operators of liquefied natural gas tankers, with particularly strong demand for those loading at U.S. ports, Vasquez added.
- The increased demand is driving more daily transits than the average of 34 that had been forecast for this fiscal year.
- El Nino may create drought again for Panama Canal in 2026!
- **BOTTOM LINE: More West Coast shipments coming, then on to rail/truck. More surging to Panama, not to Suez due to Conflicts in the Middle East!**
- **Intermodal is Up, trucking is Down. (FUEL)**

# Impacts of Tariffs on Global Trade and Industrial Real Estate



# What is a Tariff?

- Tariff - A Tax on Goods Crossing National Borders
- Why are Tariffs Utilized? - Typically Imposed for Economic Protection or Revenue Generation
- What Types of Tariffs are There?
  - Import Tariff
    - Taxes on goods brought into a country
  - Protective Tariff
    - Taxes on foreign goods to promote purchases of those goods from domestic suppliers
  - Revenue Tariff
    - Taxes on goods to help generate revenue for a country
  - Reciprocal Tariff (New – 2025)
    - Taxes on goods from trade partners that utilize tariffs against the U.S.



# U.S. Average Effective Tariff Rates (2026)

**Figure 2. US Average Effective Tariff Rate Since January 1, 2025**

Policy through November 17, Pre-Substitution  
Percent of goods import

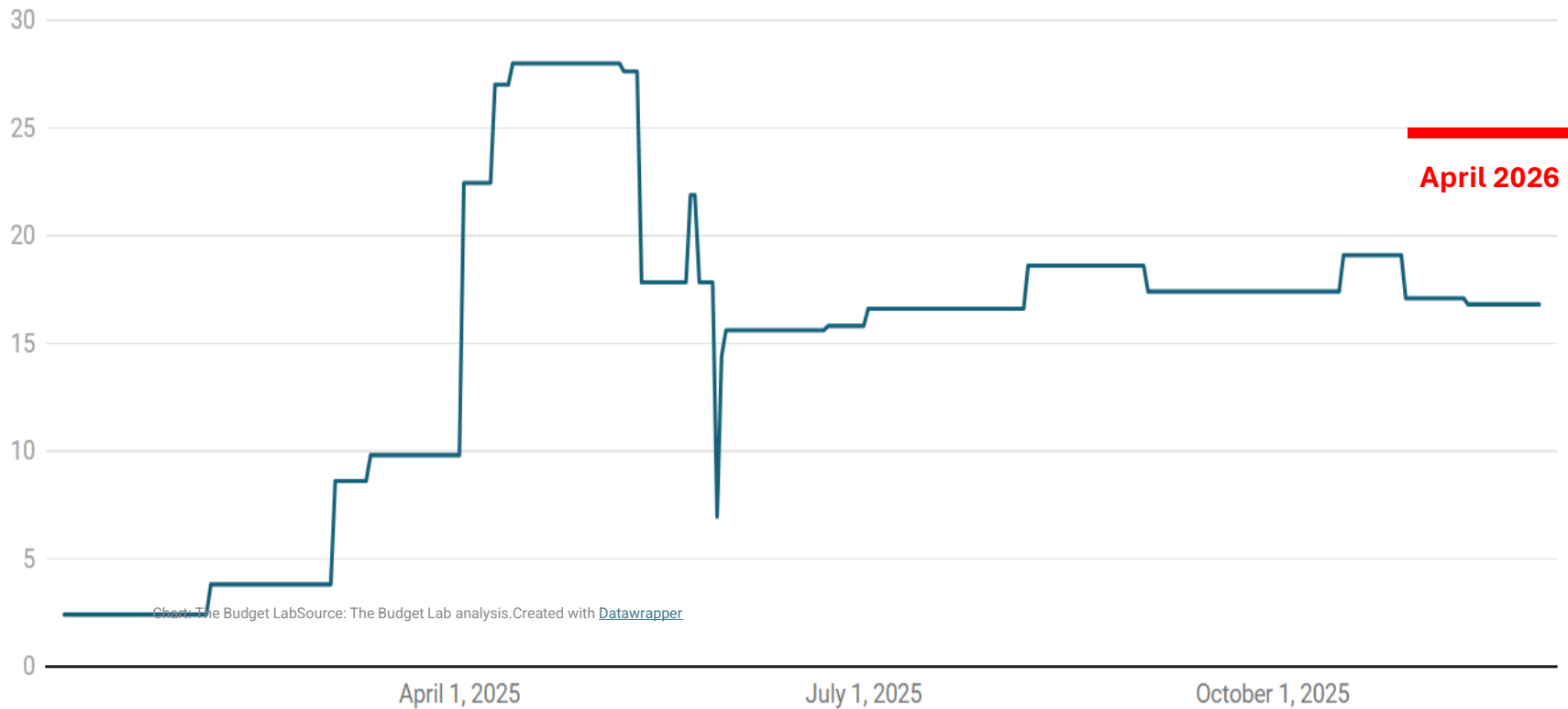


Chart: The Budget Lab Source: The Budget Lab analysis. Created with [Datawrapper](#)

# FTZ and Tariffs



- Foreign Trade Zones (FTZs)
  - The Only Way to Mitigate Tariff Pain!
- Benefits of FTZs:
  - Reduce Cost of Goods Sold (COGS) for Manufacturers
  - Increase Cash Flow Through Duty Deferral
  - Don't Pay Tariffs until Goods are Sold
  - Exports, Scraps, Waste and RTV Incur **No Tariffs**
  - **Vastly lower Merchandise Processing Fees.**
  - **Offering FTZ status for your clients/tenants is a HUGE "TI" benefit!**

# FTZ and Tariffs: Cont.

- Building Qualifications for FTZs
  - Any Site can Qualify
  - New Buildings, BTS, and Existing Buildings
- Types of Sites
  - Usage-Driven: User-Specific Site
  - Magnet: Industrial Park / Multiple Users
    - Not Available Anymore
- Approval Timeline
  - Individual Site Approval Currently Around 3-5 Months
  - Activation with Customs another 5-6 Months

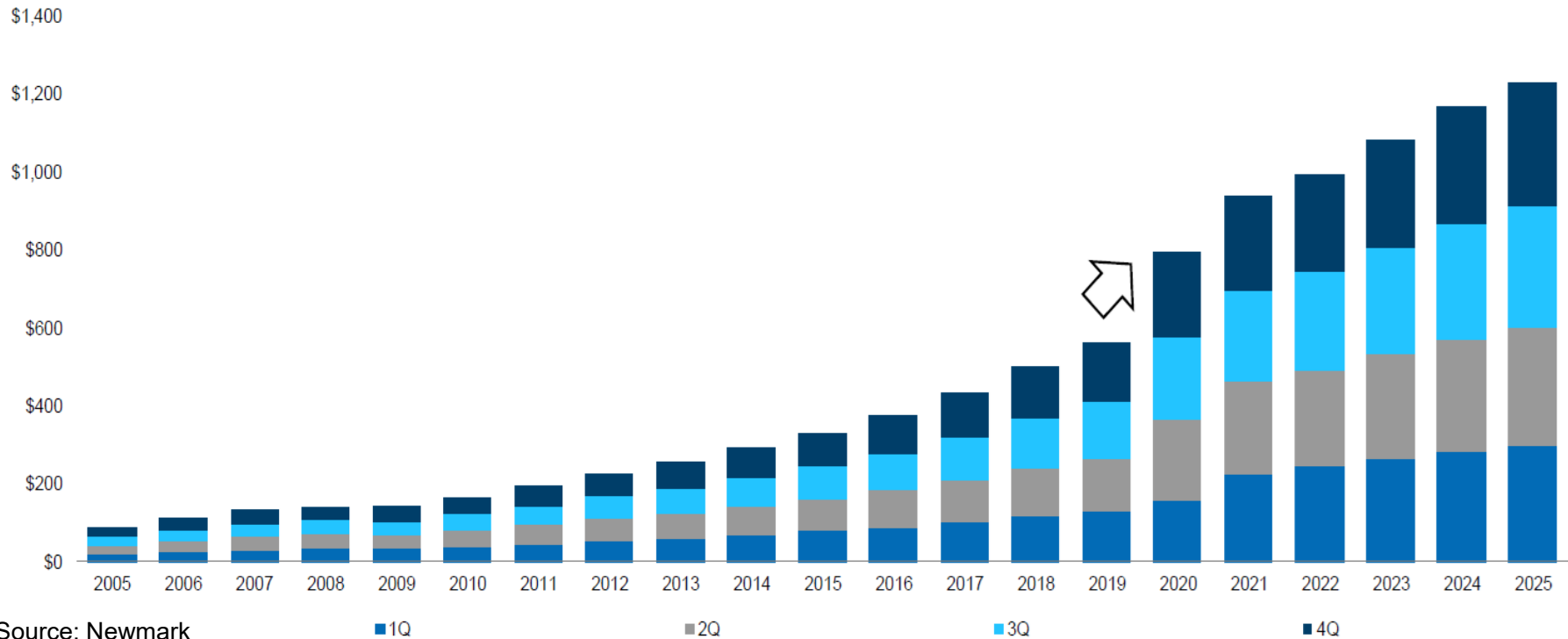


**IMSW Provides a Cost-Benefit Analysis at No Charge**

# The Pandemic Accelerated E-Commerce Sales Growth and Adoption Rates

Every \$1.0 billion in e-commerce sales is supported by roughly 1.2 MSF of logistics space. More e-commerce facilities are to be expected, especially in markets with large populations.

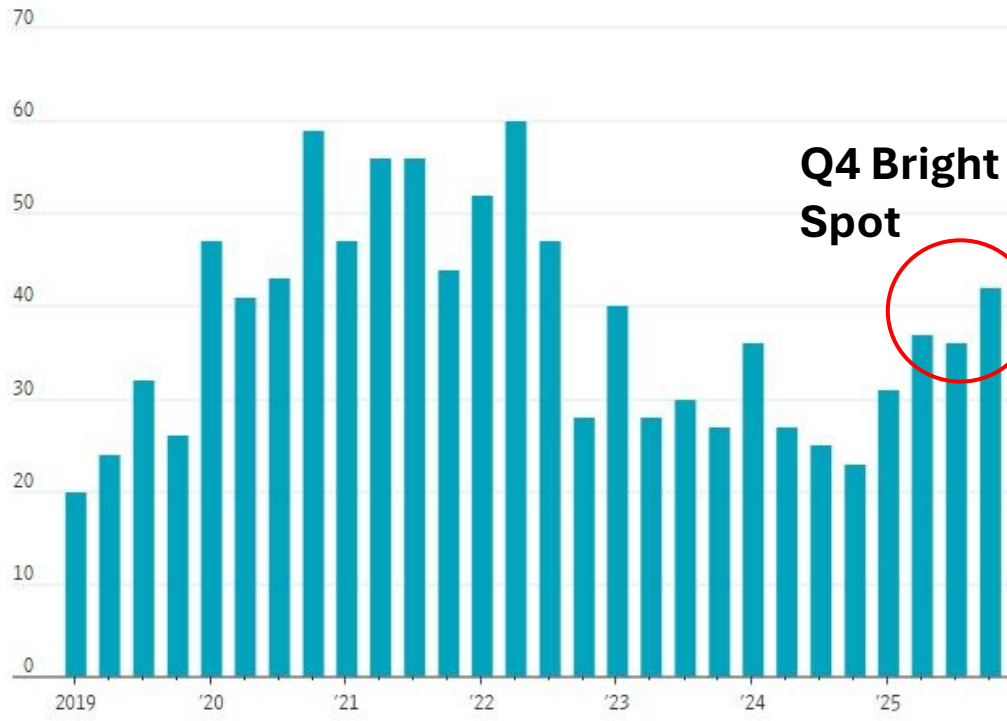
U.S. Consumer E-Commerce Sales Volume (in Billions) | By Quarter



Source: Newmark

# Warehousing Trends

Number of new leases for U.S. warehouses over 500,000 square feet, by quarter



Companies signed 146 leases across the U.S. for warehouses over 500,000 square feet in 2025, up more than 31% from the previous year, the highest level since 2022.

After years of weak demand, the latest wave is fueled by:

- Companies setting up U.S. manufacturing.
- Suppliers to the data-center construction boom.
- Retailers outsourcing their fulfillment operations to 3PLs.

Source: Cushman & Wakefield

# Top Industrial Markets in USA - 2026

## YTD Net Absorption

Rank	Market (Existing Inventory MSF)	MSF
1	Indianapolis (347.4)	5.1
2	Phoenix (444.5)	4.9
3	Atlanta (760.0)	4.5
4	Columbus (305.6)	4.1
5	Dallas-Ft. Worth (1,025.2)	4.1
6	PA I-78/I-81 Corridor (537.8)	3.8
7	Cincinnati (292.0)	3.3
8	Houston (619.8)	3.2
9	Philadelphia (385.6)	2.4
10	Savannah (159.0)	2.1

## Growth Rate\*

Rank	Market	Rate
1	Hartford	1.9%
2	El Paso	1.8%
3	Indianapolis	1.5%
4	Columbus	1.4%
5	Savannah	1.3%
6	Central Valley, CA	1.2%
7	Cincinnati	1.1%
8	Phoenix	1.1%
9	Greensboro	1.1%
10	Las Vegas	0.9%

## Under Construction

Rank	Market (% Preleased)	MSF
1	Houston (12.5%)	20.0
2	Dallas-Ft. Worth (35.8%)	16.5
3	Phoenix (34.6%)	14.0
4	Chicago (60.5%)	11.9
5	PA I-78/81 Corridor (35.9%)	11.4
6	Atlanta (28.4%)	11.1
7	Los Angeles (37.6%)	9.8
8	Nashville (39.0%)	8.8
9	Louisville (31.6%)	7.3
10	Las Vegas (50.0%)	6.8

\*Growth Rate = Annual net absorption as % of existing inventory.

# Manufacturing Strategies

- **Nearshoring**

- Move Manufacturing Operations to Country near U.S.
- Decreases Shipping Costs to Counterbalance Tariff Costs

- **Friendshoring**

- Move Manufacturing Operations to Country with Positive Trade Relations
- Decreases Tariff Costs Relative to Trading with “Non-Friendly” Countries

- **Reshoring**

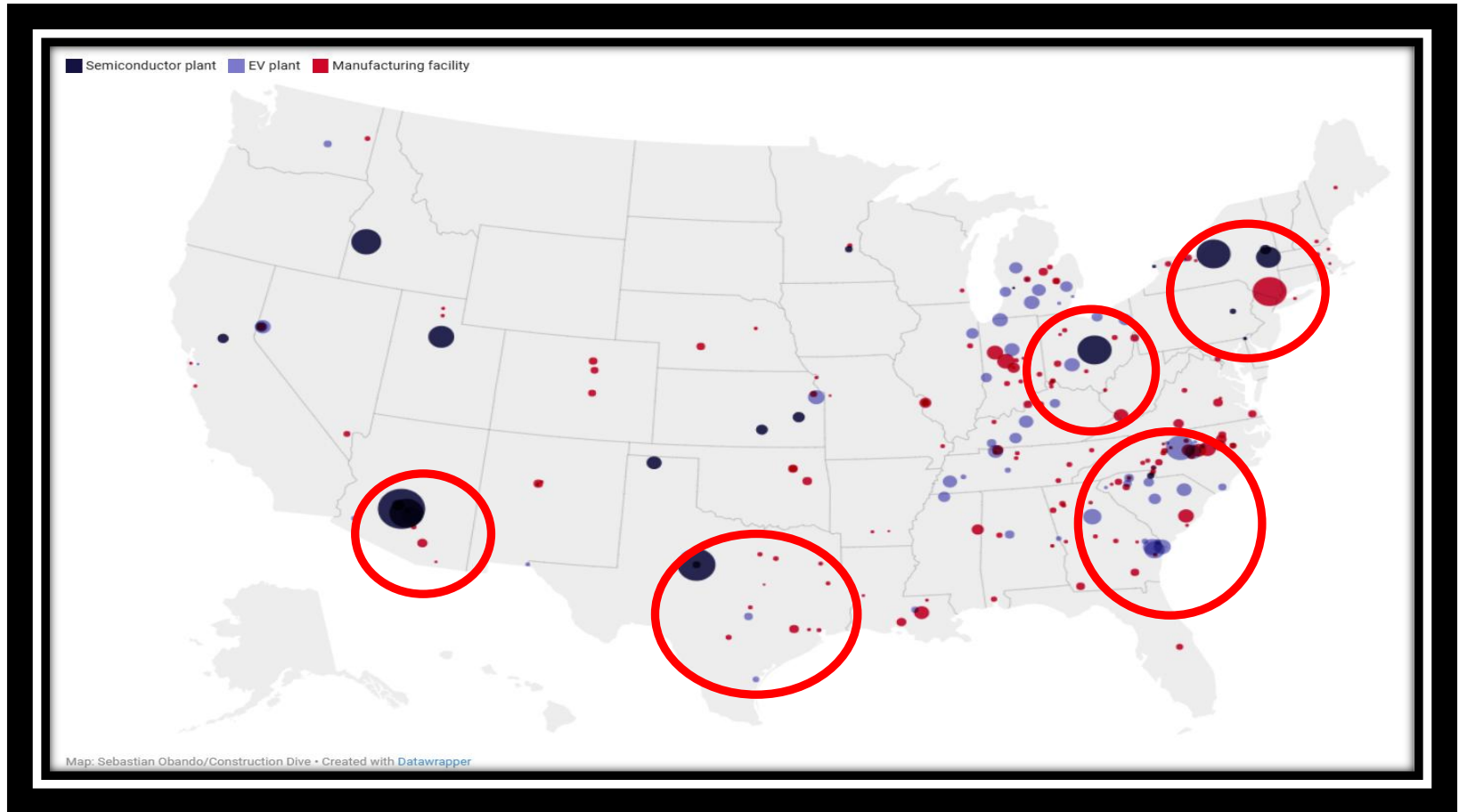
- Move Manufacturing Operations to U.S.
- Decreases Shipping and Tariff Costs Significantly
  - Potential to Increase Operations and Labor Costs

# Manufacturing in Relation to Industrial Real Estate

- **Increase in Domestic Production**
  - Producing in U.S. Avoids Tariff Costs
  - Firms Implementing Domestic Production in Search of Industrial Real Estate
- **Vacancy in Manufacturing Sector**
  - Expected Increase in Occupancy
  - Expected Decrease in Vacancy
    - Manufacturing Accounts for 10.3% of Total Vacancy
    - **Every New Manufacturing Plant Requires a new DC for parts/finished goods in USA!**



# Concentration of Manufacturing Centers Across the U.S.

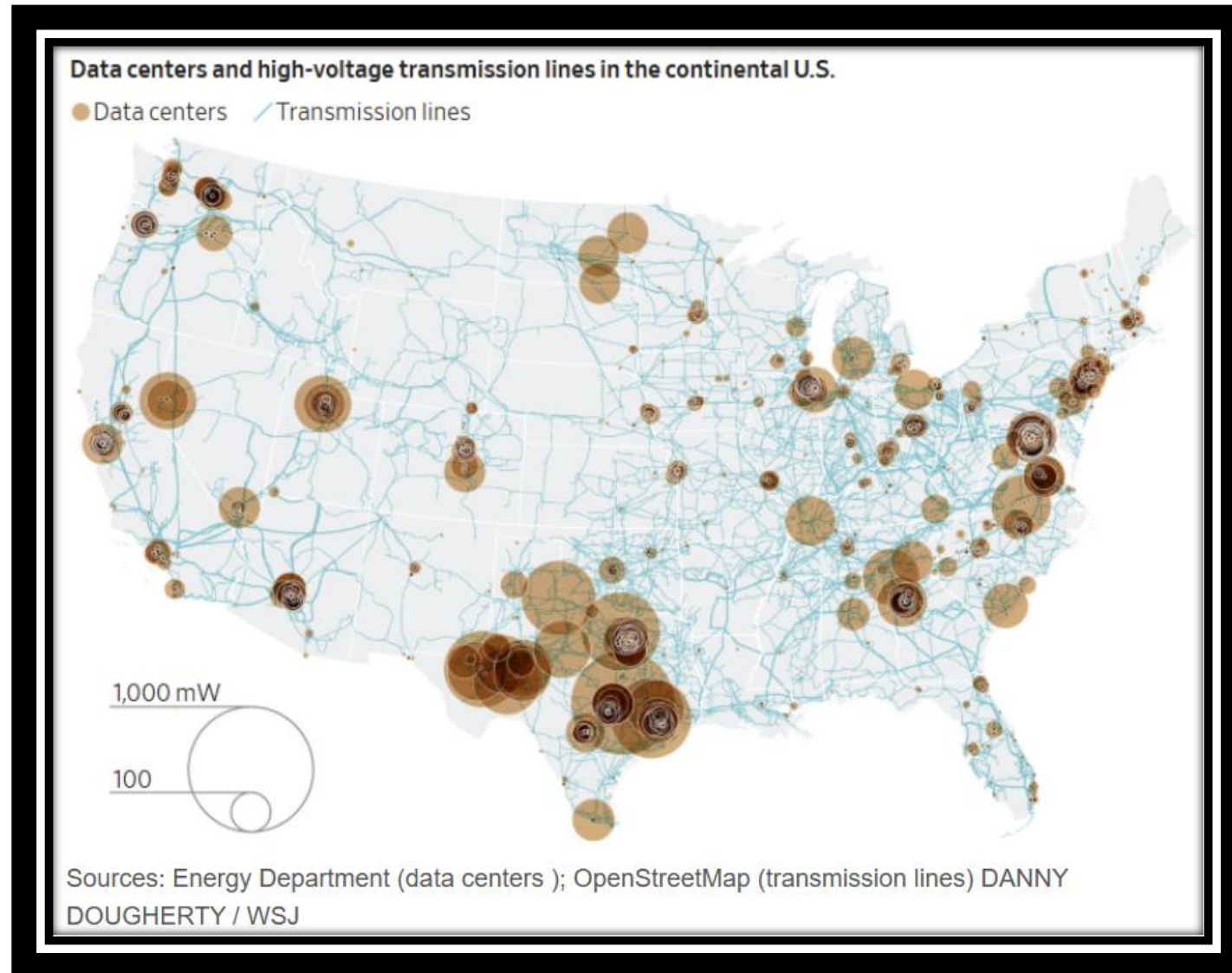


■ Semiconductor plant ■ EV plant ■ Manufacturing facility

# Investments in New Manufacturing Projects Across the U.S.



# U.S. Energy and Data Centers



# Thank You!



## QUESTIONS?