



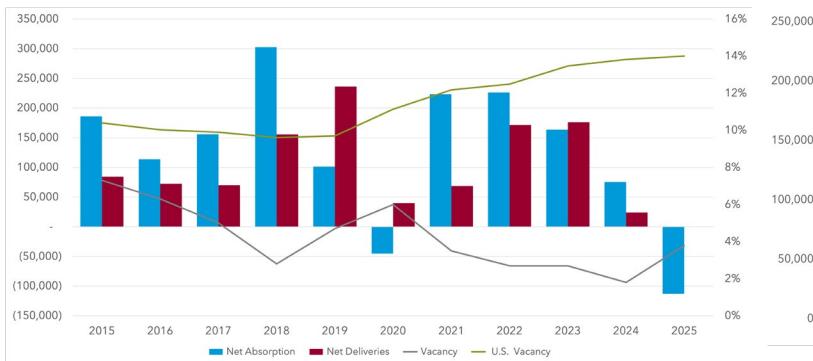
### OFFICE MARKET OVERVIEW

SANDY THORPE, Managing Director

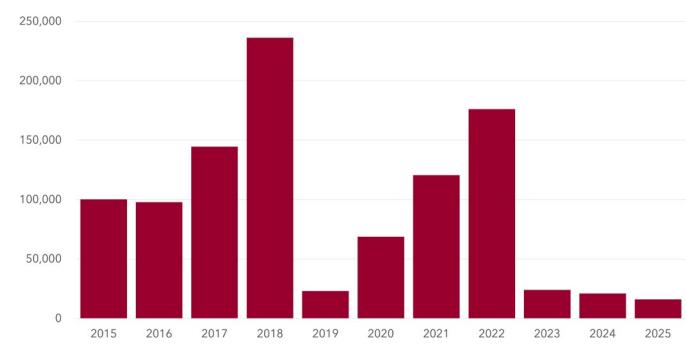
Wilmington's office market softened further in Q4 2025, with net absorption falling to -112,987 SF and vacancy rising to 3.79%. Asking rents continued their upward trend, reaching \$26.63 PSF, while sale prices held flat at \$177 PSF. Cap rates compressed slightly to 9.80%, signaling some investor confidence despite persistent leasing challenges. Construction activity remained limited at 16,000 SF, and inventory decreased to 7.18 million SF. The market continues to favor smaller suite formats, with tenant demand shifting away from larger footprints. Overall, leasing remains subdued, though pricing and investment metrics appear stable.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ 12 Mo. Net Absorption SF	(112,987)	(70,687)	19,025	(16,908)	75,383
▲ Vacancy Rate	3.79%	3.28%	2.60%	2.60%	2.20%
▲ Avg NNN Asking Rent PSF	\$26.63	\$26.11	\$25.56	\$24.85	\$25.20
◀ ▶ Sale Price PSF	\$177.00	\$177.00	\$176.00	\$172.00	\$172.00
▼ Cap Rate	9.80%	10.07%	10.06%	10.13%	10.10%
◀ ▶ Under Construction	16,000	16,000	16,000	16,000	21,000
▼ Inventory	7,183,699	7,238,937	7,255,329	7,255,329	7,234,329

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
101 N. 3rd Street Wilmington, NC	69,000 SF	\$15,000,000 \$217.39 PSF	Hilltide Capital Liberty Healthcare Management	Class B
2033 Corporate Drive, S Wilmington, NC	22,880 SF	\$3,650,000 \$159.53 PSF	Laurence Asseraf AB&B Commercial Real Estate	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3340 Jauckle Drive Wilmington, NC	14,126 SF	Abinto Corporation	Internal Revenue Service	Govt, Finance & Taxation
6751 Parker Farm Drive - Mayfaire VI Wilmington, NC	7,500 SF	Gaston Theberge & Barbara Theberge	SOKN Engineering	Professional, Scientific, and Technical Services
300 N. Third Street & Grace Wilmington, NC	3,832 SF	Taylor Development Group LLC	US General Services Administration	Public Administration



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