



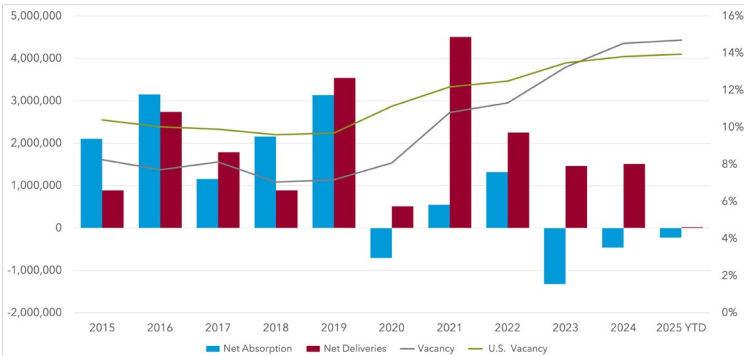
OFFICE MARKET OVERVIEW

GREG PIERATT, *President*; MATT FRAZEE, *Partner*

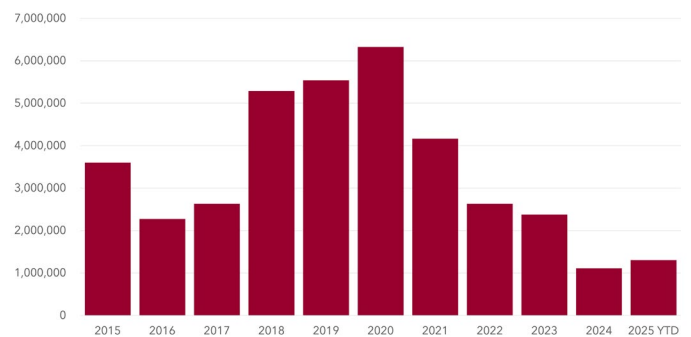
Charlotte's office market moderated in Q1 2025, with about 1.5 million SF of new supply over the past year and net absorption of 318,000 SF. Vacancy reached 14.7%, a near-record high, as corporate consolidations and a reduction in large-block leasing slowed demand. Asking rents rose 2.4% year over year, though top-tier buildings command significantly higher rates than older stock. Major relocations remain limited, but smaller tenants are targeting newer space with enhanced amenities. With fewer groundbreakings and steadier absorption, market conditions may gradually stabilize.

MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▲ 12 Mo. Net Absorption SF	980,555	(462,085)	(1,057,132)	(1,350,301)	(1,476,568)
◀▶ Vacancy Rate	14.22%	14.22%	14.36%	14.24%	14.07%
▼ Avg NNN Asking Rate PSF	\$33.53	\$33.56	\$33.42	\$33.19	\$33.00
▲ Sale Price PSF	\$224.04	\$223.62	\$234.61	\$236.65	\$238.10
▲ Cap Rate	8.59%	8.58%	8.40%	8.30%	8.21%
▲ Under Construction SF	1,304,063	1,109,792	1,314,768	1,866,251	2,240,947
▲ Inventory SF	137,680,737	137,661,065	137,090,539	136,527,376	136,308,917

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
11121 Carmel Commons Boulevard Charlotte, NC	86,148 SF	\$731,000 \$8.49 PSF	Shiva Prasad Mandal Pulte Home Company LLC	Class A
411-511 N. Wendover Road Charlotte, NC	50,146 SF	\$439,000 \$8.75 PSF	Sasp LLC Ech Investments LLC	Class B
900 NE Branchview Drive Concord, NC	22,000 SF	\$4,200,000 \$190.91 PSF	MLL Capital Carolina Asthma & Allergy Ctr P.A.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
10101 David Taylor Drive Charlotte, NC	66,774 SF	Simms Development Co.	FEMA	Government & Public Safety
14815 Ballantyne Village Way Charlotte, NC	50,000 SF	American Realty Advisors	CLA (CliftonLarsonAllen)	Accounting Services
2151 Hawkins Street Charlotte, NC	34,626 SF	CBRE / Portman Holdings	Capital One	Commercial Banking

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