



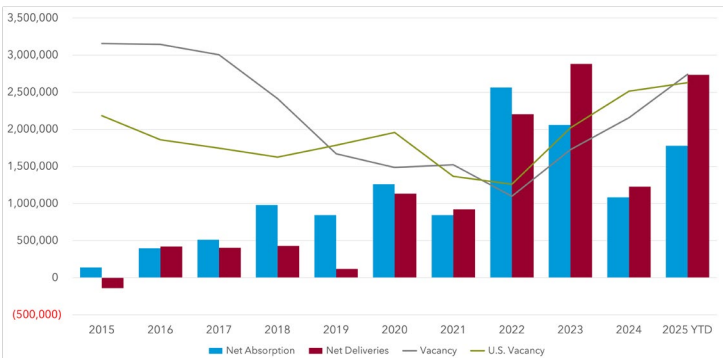
### INDUSTRIAL MARKET OVERVIEW

WILL JUDY, *Broker*

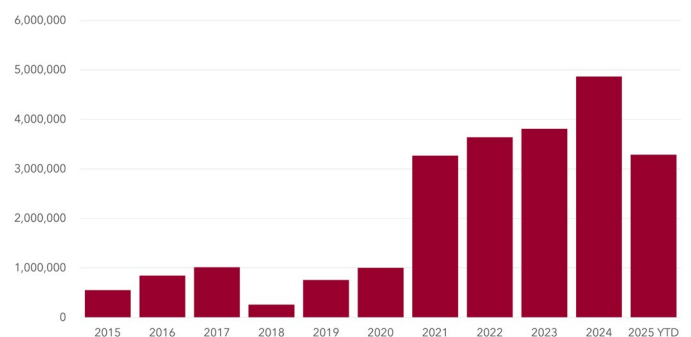
Durham saw exceptional absorption in Q1 2025 at 2.57 million SF—more than doubling Q4’s 1.08 million SF. Vacancy edged up to 7.30% as new supply hit the market. Asking rents dipped to \$11.45 PSF, offering value relative to regional peers. Sale prices rose to \$128 PSF, and cap rates tightened to 7.38%. Construction activity pulled back to 3.3 million SF, down from 4.9 million SF. Despite some pricing pressure, the market remains fundamentally sound, supported by strong leasing and investment interest in logistics and manufacturing hubs.

MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▲ 12 Mo. Net Absorption SF	2,574,173	1,084,319	1,178,003	1,362,918	1,731,066
▲ Vacancy Rate	7.30%	5.98%	5.94%	6.50%	6.29%
▲ Avg NNN Asking Rate PSF	\$11.45	\$11.32	\$11.60	\$11.53	\$11.51
▲ Sale Price PSF	\$128	\$121	\$112	\$145	\$135
▼ Cap Rate	7.38%	7.68%	7.34%	7.43%	7.40%
▼ Under Construction SF	3,286,422	4,865,112	2,888,232	3,113,275	3,180,320
▲ Inventory SF	57,700,652	54,972,032	54,002,769	53,142,318	51,929,860

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1510 E. Lawson Street Durham, NC	20,000 SF	Undisclosed	TTES of Durham Tech Comm Coll Durham County	Class C
1149 N. Main Street Roxboro, NC	16,800 SF	Undisclosed	Miller Herbert & Mary Miller Properties of Roxboro LLC	Class B
115 W. Margaret Lane Hillsborough, NC	16,800 SF	Undisclosed	Miller Herbert & Mary Miller Properties of Roxboro LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1613 Hamlin Road Durham, NC	103,200 SF	Welcome Group	Guardian Logistics Solutions	Transportation & Warehousing
1607 Hamlin Road Durham, NC	64,000 SF	Welcome Group	Undisclosed	Undisclosed
2 Freedom Court Durham, NC	45,000 SF	Blackstone, Inc.	Central States Industrial	Manufacturing

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