



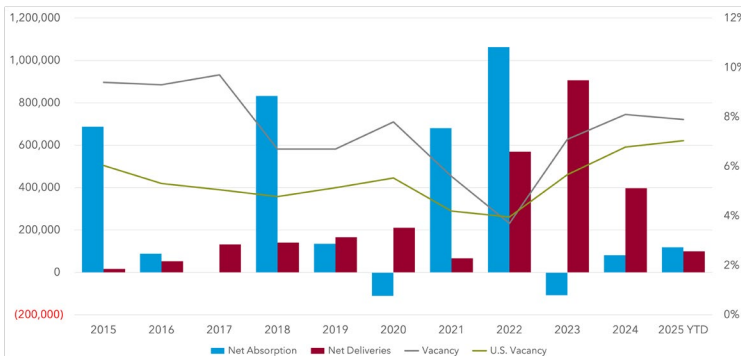
INDUSTRIAL MARKET OVERVIEW

DAVID DIVINE, *Senior Director*

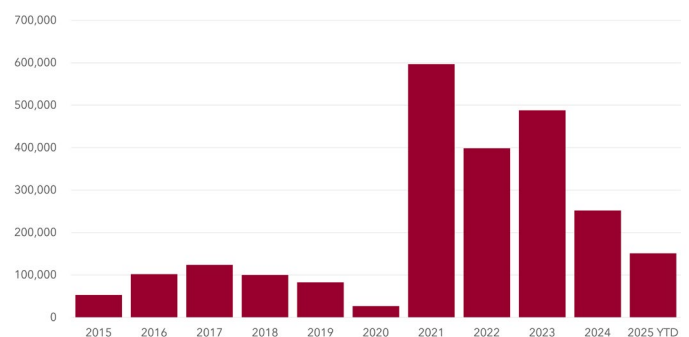
Wilmington's industrial market experienced further softening in Q1 2025. Net absorption turned negative at -109,389 SF, reversing Q4's modest 81,140 SF gain. Vacancy remained elevated at 7.9%, only slightly down from 8.1%. Average asking rents declined to \$6.50 PSF from \$6.58, reflecting tenant pushback amid increased availability. Despite market headwinds, sale prices remained firm at \$89 PSF, indicating ongoing investor interest. Construction paused with no new deliveries this quarter, suggesting a reset in the development pipeline. The market is in a transitional phase, balancing recent supply growth with evolving tenant demand.

MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▼ 12 Mo. Net Absorption SF	(109,389)	81,140	299,877	565,204	367,439
▼ Vacancy Rate	7.9%	8.1%	6.8%	5.9%	6.0%
▼ Avg NNN Asking Rate PSF	\$6.50	\$6.58	\$8.18	\$8.10	\$8.16
▼ Sale Price PSF	\$65	\$89	\$75	\$34	\$97
▲ Cap Rate	8.8%	6.5%	6.5%	6.5%	6.5%
▼ Under Construction SF	150,981	251,981	550,711	467,630	464,030
▼ Inventory SF	29,512,521	29,521,881	29,193,151	29,175,151	29,148,751

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1401 S. 6th Street Wilmington, NC	13,300 SF	\$965,750 \$72.61 PSF	Milo Capital LLC Walton Holdings LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
9101 NE Lackey Road Leland, NC	25,705 SF	Private Owner	Undisclosed	Undisclosed

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