



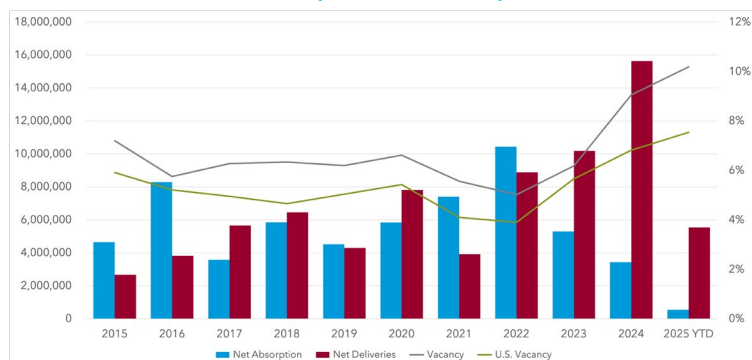
## INDUSTRIAL MARKET OVERVIEW

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

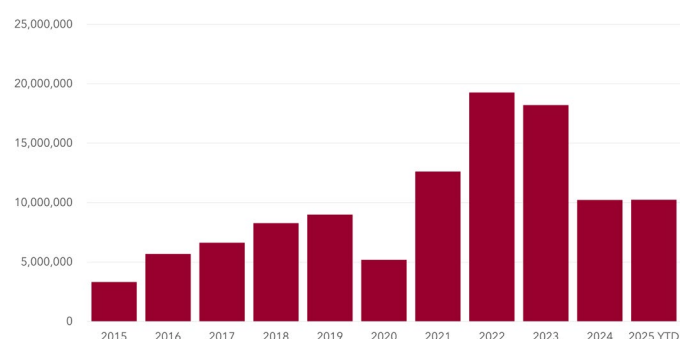
Charlotte's industrial market is under pressure from a large amount of new supply, while leasing activity has slowed due to weakened retail spending and uncertainty about tariffs. Vacancy and availability rates, which had stabilized earlier in 2025, increased again in the second quarter, with availability reaching 11.3%—over 3 percentage points higher than the lows two years ago. Although population growth supports long-term industrial demand, risks in the near term are rising because strong construction activity and slow retail spending are expected to keep vacancies elevated through at least mid-2026. As a result, industrial rent growth is projected to decelerate to around 3% by early 2026, though this remains ahead of the national average.

MARKET INDICATORS	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
▲ 12 Mo. Net Absorption SF	4,273,762	2,124,908	5,787,470	3,444,076	(735,062)
▲ Vacancy Rate	10.10%	9.90%	9.20%	9.10%	8.60%
▲ Avg NNN Asking Rate PSF	\$9.73	\$9.60	\$9.51	\$9.36	\$9.17
▲ Sale Price PSF	\$108.00	\$106.00	\$103.00	\$101.00	\$99.00
◀ ▶ Cap Rate	7.40%	7.40%	7.50%	7.50%	7.50%
▲ Under Construction SF	10,244,737	8,687,045	9,617,763	10,226,326	14,218,440
▲ Inventory SF	396,647,383	395,037,548	392,898,351	391,103,855	385,364,268

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
12220 Carolina Logistics Drive Pineville, NC	1,006,462 SF	\$101,772,000 \$101.12 PSF	Blackstone, Inc. Beacon Development Company	Class A
11925 Carolina Logistics Drive Pineville, NC	525,624 SF	\$71,799,380 \$136.60 PSF	Artemis Real Estate Partners Beacon Development Company	Class A
10230 Pineville Distribution Street Pineville, NC	525,000 SF	\$64,114,287 \$122.12 PSF	Artemis Real Estate Partners Beacon Development Company	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
325 Lineberger Road Gastonia, NC	511,661 SF	NorthPoint Development	MAT Logistics	Hardware Manufacturing
8820 Old Dowd Road Charlotte, NC	473,954 SF	Johnson Development Associates	Kuehne+Nagel	Freight Transport
1900 Continental Boulevard Charlotte, NC	213,783 SF	LM Real Estate Partners	Deufol	Packing and Crating

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2025 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com