



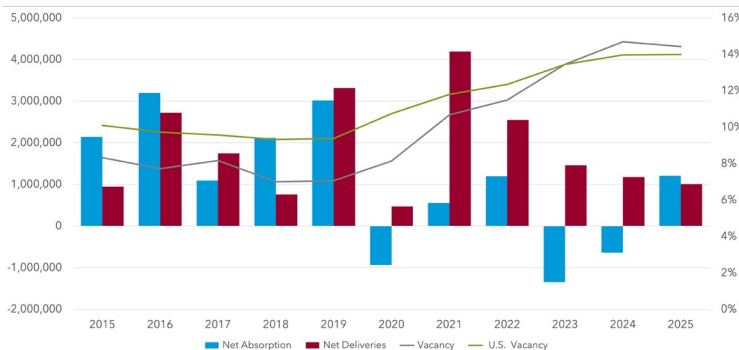
OFFICE MARKET OVERVIEW

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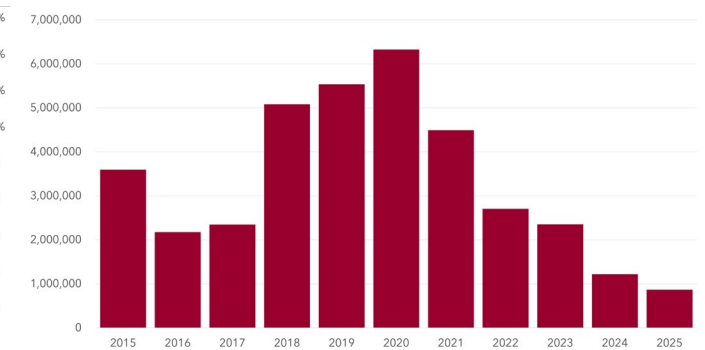
The Charlotte Q4 2025 office market reflects gradual stabilization as leasing activity remains positive but moderated. Twelve-month net absorption declined from the prior quarter, while vacancy improved slightly, signaling early balance between supply and demand. Average NNN asking rates increased marginally, continuing slow upward trend despite ongoing workplace uncertainty. Construction activity remains limited, keeping new inventory growth in check. Overall, the office market shows signs of resilience, supported by selective tenant demand and disciplined development activity.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ 12 Mo. Net Absorption SF	1,267,086	1,290,308	816,241	(334,735)	(1,142,520)
▼ Vacancy Rate	14.50%	14.70%	14.40%	14.50%	14.40%
▲ Avg NNN Asking Rate PSF	\$33.27	\$33.22	\$33.28	\$33.21	\$33.08
▲ Sale Price PSF	\$232.00	\$229.00	\$229.00	\$229.00	\$234.00
◀ ▶ Cap Rate	8.60%	8.60%	8.60%	8.60%	8.50%
▲ Under Construction SF	890,354	302,354	1,180,947	1,227,518	1,629,090
▲ Inventory SF	137,877,846	137,849,846	136,940,153	136,884,639	136,314,113

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
600 S. Tryon Street Charlotte, NC	413,009 SF	\$223,000,000 \$539.82 PSF	Highwoods Properties, Inc. Lincoln Property Company	Class A
440 S. Church Street Charlotte, NC	392,750 SF	\$75,750,000 \$192.87 PSF	Town Lane Epic	Class A
1918 Randolph Road* Charlotte, NC	252,198 SF	Undisclosed	Remedy Medical Properties Welltower, Inc.	Class A

*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1332 Central Avenue Charlotte, NC	143,903 SF	Nuveen	Scout Motors	Manufacturing
8505 IBM Drive Charlotte, NC	99,130 SF	Accesso Partners	AT&T	Communication Services
600 S. Tryon Street Charlotte, NC	90,816 SF	Highwoods Properties, Inc.	American Express	Banking

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