



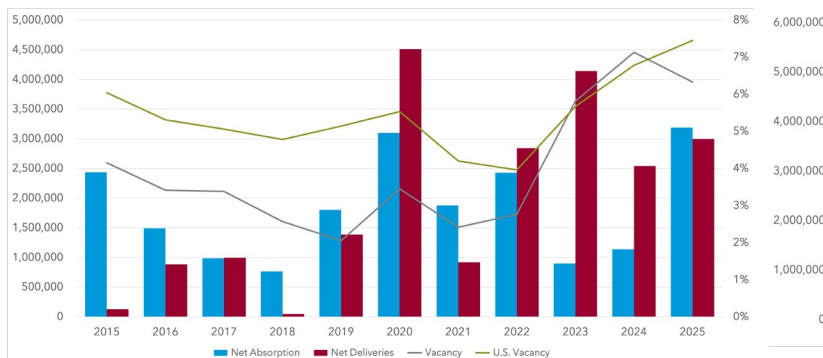
INDUSTRIAL MARKET OVERVIEW

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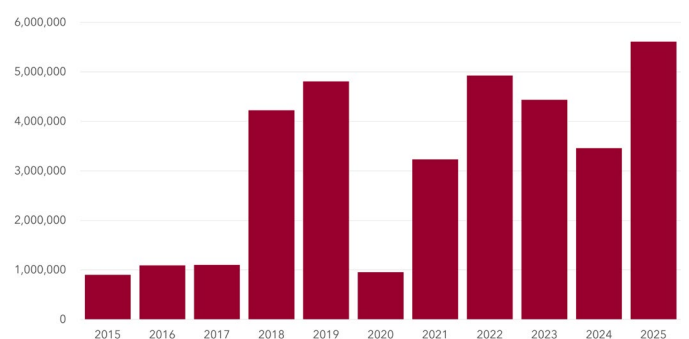
Raleigh's industrial market continued to accelerate in Q4 2025, posting 3.19 million SF in annual net absorption, its strongest showing this year. Vacancy fell to 6.33%, supported by sustained tenant demand. Average asking rents rose to \$12.65 PSF, while sale prices increased to \$153 PSF, continuing a steady upward trend. Cap rates compressed slightly to 7.73%, reflecting solid investor appetite. Construction activity surged to 5.61 million SF, up from 3.40 million SF in Q3 2025, marking a new cycle high. Total inventory reached 108.2 million SF. Raleigh remains one of the region's most resilient industrial hubs, driven by growth and confidence.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▲ 12 Mo. Net Absorption SF	3,187,810	2,777,062	2,190,618	1,401,729	1,137,777
▼ Vacancy Rate	6.33%	6.75%	6.80%	7.38%	7.13%
▲ Avg NNN Asking Rate PSF	\$12.65	\$12.57	\$12.59	\$12.35	\$12.27
▲ Sale Price PSF	\$153.00	\$145.67	\$139.00	\$137.00	\$132.00
▼ Cap Rate	7.73%	7.84%	8.00%	7.99%	8.27%
▲ Under Construction SF	5,611,856	3,395,290	3,165,148	3,904,749	3,458,569
▲ Inventory SF	108,193,015	108,173,810	107,314,159	105,965,428	105,621,642

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
421 Milburnie Lake Drive* Raleigh, NC	289,632 SF	\$60,625,033 \$209.32 PSF	Nuveen Beacon Development Company	Class A
431 Milburnie Lake Drive* Raleigh, NC	221,363 SF	\$43,874,967 \$198.20 PSF	Nuveen Beacon Development Company	Class A
1200 Innovation Avenue* Morrisville, NC	175,951 SF	\$34,397,662 \$195.50 PSF	EQT Real Estate ASB Capital Management	Class A

*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Morgan Road Benson, NC	1,064,880 SF	Edgewater Ventures	Vulcan Elements	Electronic Component Manufacturing
2000 Science Drive Morrisville, NC	202,000 SF	King Street Properties	Novasartis	Pharmaceutical Preparation Mfg
560 Hinton Oaks Boulevard Knightdale, NC	110,000 SF	Wake Stone Corporation	Carrier Enterprise	Warm Air HVAC Equipment

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