

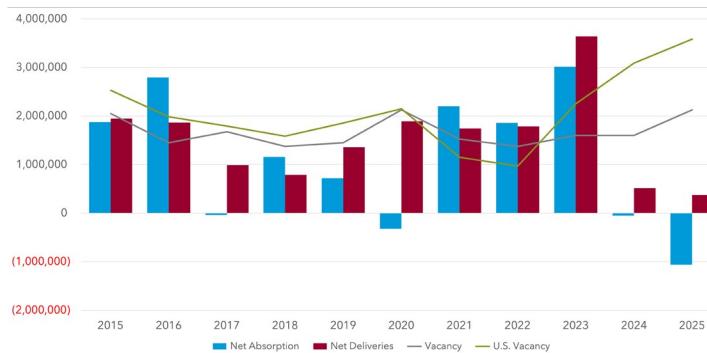
INDUSTRIAL MARKET OVERVIEW

HEATHER KREIGER, CCIM, Principal, Regional Research Director

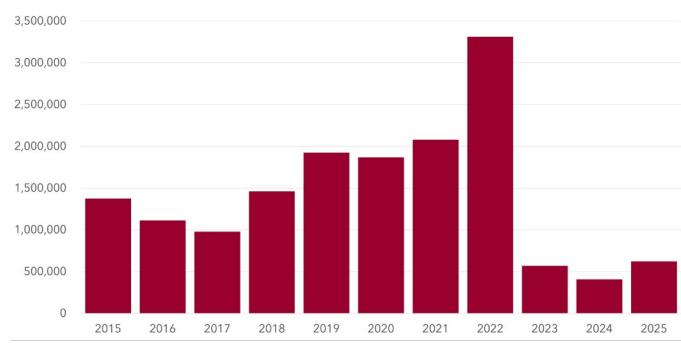
Western Pennsylvania's industrial market remained stable in Q4 2025, with vacancy holding at 5.5% quarter-over-quarter, though up from 4.8% a year ago. Demand softened over 2025, pushing trailing-12-month net absorption to -1.06 million SF, slightly improved from Q3 but well below the near-break-even pace in late 2024. Development remains modest relative to the 204.7 million SF inventory, with 623,192 SF under construction. Average NNN asking rents eased to \$7.96/SF, down from \$8.85/SF in Q3 and \$8.47/SF a year ago. Investment pricing moderated, with average sale price at \$71/SF and cap rates stable near 8.8%.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▲ 12 Mo. Net Absorption SF	(1,061,906)	(1,094,695)	(469,338)	76,453	(52,105)
◀ ▶ Vacancy Rate	5.50%	5.50%	5.20%	5.10%	4.80%
▼ Avg NNN Asking Rate PSF	\$7.96	\$8.85	\$8.61	\$8.77	\$8.47
▼ Sale Price PSF	\$71.00	\$85.00	\$52.00	\$54.00	\$60.00
▲ Cap Rate	8.80%	8.70%	8.80%	8.80%	8.80%
▲ Under Construction SF	623,192	473,192	371,192	521,482	408,000
◀ ▶ Inventory SF	204,666,588	204,666,588	204,492,430	204,316,430	204,365,930

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
460 Nixon Road Cheswick, PA	515,411 SF	\$32,000,000 \$62.09 PSF	Treetop Development LLC Maguire Hayden Real Estate Co.	Class B
1729 Pennsylvania Avenue Monaca, PA	274,000 SF	\$2,317,500 \$8.46 PSF	McClymonds Supply & Transit Industrial Logistics Properties Trust	Class C
493 Nixon Road Cheswick, PA	111,600 SF	\$3,477,822 \$31.16 PSF	Dynamics, Inc. Brayman Construction Corporation	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
159 Painter Koser Road Smithton, PA	602,190 SF	Jamar, Inc.	Dicks Sporting Goods	Retailer
150 Thorn Hill Road Warrendale, PA	432,203 SF	McKnight Realty Partners	EOS Energy	Manufacturer
2201 Sweeney Drive Clinton, PA	227,972 SF	The Buncher Company	Mondi Bags USA LLC	Manufacturer



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