



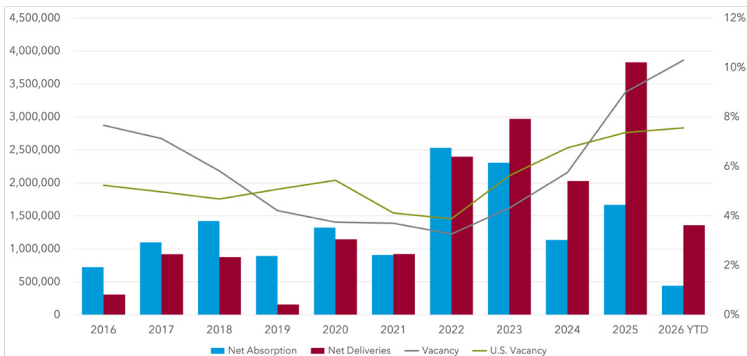
INDUSTRIAL MARKET OVERVIEW

WILL SOSSAMAN, *Broker*

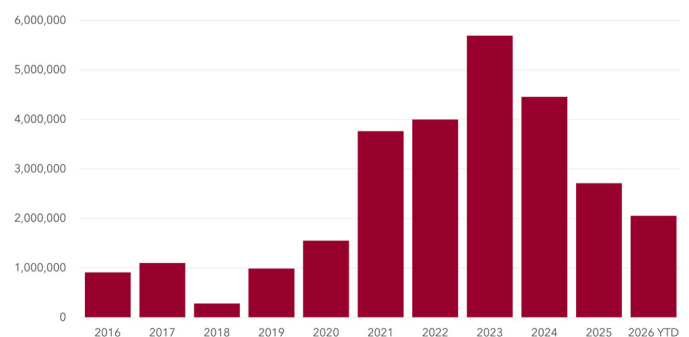
Durham's industrial vacancy climbed to 10.3% in Q3 2026, up from 7.2% a year ago, as new buildings delivered faster than tenants could fill them. About 864,000 SF delivered in the quarter while net absorption was roughly 103,000 SF, leaving 12-month absorption at just 101,125 SF. Owners and investors are looking past the gap: asking rents rose 3.7% over the year to \$11.94/SF and sale prices rose 7.7% to \$144/SF. Hines added to that bet in June, breaking ground on an 800,000 SF speculative park on the former Wolfsped site. With 2.1 million SF still under construction, vacancy is likely to stay elevated into 2027.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▼ 12 Mo. Net Absorption SF	101,125	797,273	138,426	1,667,557	2,331,224
▲ Vacancy Rate	10.30%	9.18%	9.96%	9.00%	7.16%
▲ Avg NNN Asking Rate PSF	\$11.94	\$11.88	\$11.76	\$11.66	\$11.52
▲ Sale Price PSF	\$144.34	\$143.15	\$143.92	\$141.55	\$134.02
▼ Cap Rate	7.18%	7.19%	7.16%	7.18%	7.29%
▼ Under Construction SF	2,053,818	2,636,464	2,768,464	2,710,485	2,532,123
▲ Inventory SF	61,211,739	60,347,380	60,215,380	59,852,614	59,037,017

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
2910 Weck Dr Durham, NC	168,330 SF	undisclosed	Atlanta Property Group DRA Advisors	3 Star Industrial Warehouse
550 Lucy Garrett Rd Roxboro, NC	118,000 SF	\$7,450,000 \$63.14 PSF	F9 Investments Corp West Egg Real Estate LLC	3 Star Industrial Manufacturing
2710 Weck Dr Durham, NC	108,750 SF	undisclosed	Atlanta Property Group DRA Advisors	3 Star Industrial Warehouse

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
930 Gateway Dr Apex, NC	207,200 SF	Beacon Properties	undisclosed	undisclosed
5 National Way Durham, NC	187,500 SF	JLL Income Property Trust	undisclosed	undisclosed
3860 Brightleaf Ln Apex, NC	150,969 SF	JLL Income Property Trust	undisclosed	undisclosed

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