



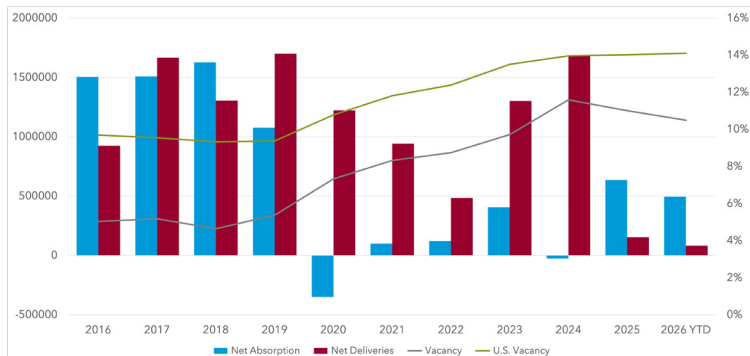
INDUSTRIAL MARKET OVERVIEW

WILL SOSSAMAN, *Broker*

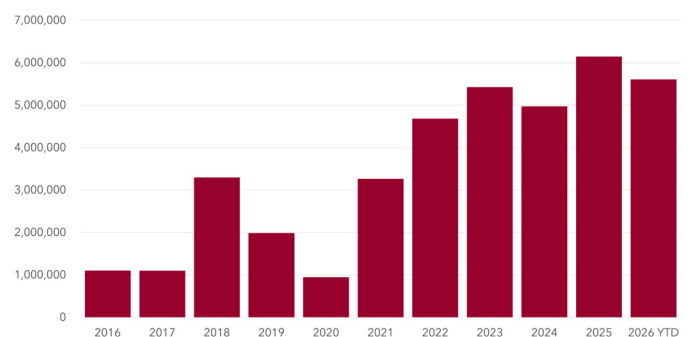
Raleigh's industrial market is absorbing a wave of new supply rather than losing tenants. Twelve-month net absorption reached 2.9 million SF, yet vacancy rose to 7.7% from 6.8% a year ago because 4.0 million SF delivered this year, most of it in Q2. Owners still pushed asking rents up 3.2% to \$13.20/SF, well ahead of the 1.3% national pace Lee reported for Q2. Larger users are favoring the I-40 and US-64 corridors south and east of Raleigh, led by a 216,000 SF lease in Garner. With 5.6 million SF still under construction, leasing will need to keep pace to hold vacancy below 8%.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▼ 12 Mo. Net Absorption SF	2,895,717	3,793,791	3,122,719	3,432,184	2,859,156
▼ Vacancy Rate	7.66%	7.71%	6.76%	6.07%	6.76%
▲ Avg NNN Asking Rate PSF	\$13.20	\$13.14	\$13.03	\$12.93	\$12.79
▲ Sale Price PSF	\$157.78	\$157.20	\$156.35	\$154.70	\$147.65
◀▶ Cap Rate	7.80%	7.80%	7.79%	7.78%	7.88%
▲ Under Construction SF	5,610,116	4,180,266	5,961,079	6,147,011	5,556,821
▲ Inventory SF	112,819,175	112,673,705	109,775,990	108,809,677	108,616,657

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
255 Eagle Crest Way Garner, NC	625,000 SF	\$21,251,000 \$34.00 PSF	Johnson Brothers Liquor Company Bagwell Properties	4 Star Industrial Distribution
5724 McCrimmon Pky Morrisville, NC	95,879 SF	\$13,200,000 \$137.67 PSF	Gala Realty Advisors, LLC Marriner Properties LLC	2 Star Industrial Manufacturing
1526 Brightleaf Blvd Smithfield, NC	93,753 SF	\$6,500,000 \$69.33 PSF	Prestige Home Solutions APG Companies	3 Star Industrial Warehouse

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
500 N Greenfield Pky Garner, NC	216,164 SF	Longleaf Industrial	Undisclosed	Undisclosed
881 Arrowrock Rd Wendell, NC	132,720 SF	Summit Real Estate Group	Undisclosed	Undisclosed
106 Jeffrey Way Youngsville, NC	50,000 SF	undisclosed	Undisclosed	Undisclosed

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