



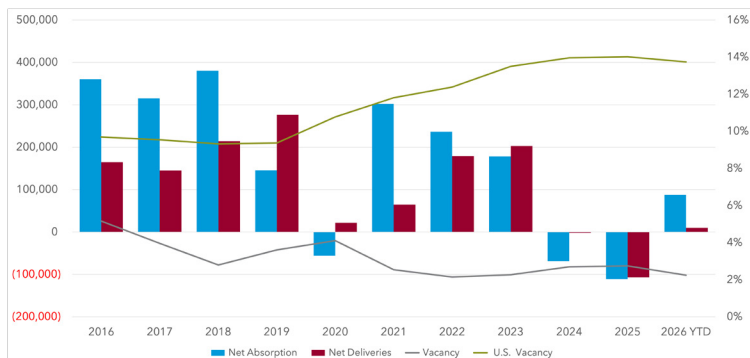
OFFICE MARKET OVERVIEW

LANNIN BRADDOCK, *Senior Director*

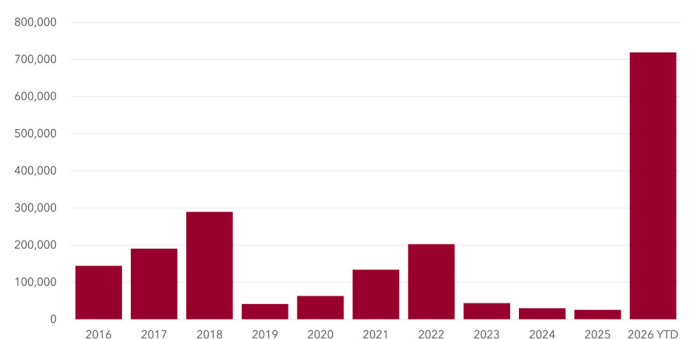
Wilmington's office market turned the corner in Q3 2026. Tenants filled roughly 62,000 SF in the quarter, lifting 12-month net absorption to a positive 36,810 SF after a year of negative readings. Vacancy fell to 2.2%, a fraction of the 13.7% U.S. rate, and asking rents rose 1.6% to \$27.22/SF. The largest leases came at 929 N Front Street, where Thermo Fisher Scientific renewed 57,000 SF and 1001 Military Cutoff Road, where NVR took 14,340 SF. Supply is the new variable: 719,000 SF is under construction, the most since at least 2016, up from just 26,000 SF at the end of 2025.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▲ 12 Mo. Net Absorption SF	36,810	(62,729)	(56,440)	(111,093)	(199,663)
▼ Vacancy Rate	2.2%	2.6%	2.5%	2.7%	2.4%
▲ Avg NNN Asking Rent PSF	\$27.22	\$27.11	\$27.04	\$26.90	\$26.80
▲ Sale Price PSF	\$181.46	\$178.44	\$175.33	\$170.29	\$167.60
▼ Cap Rate	9.3%	9.4%	9.55%	9.69%	9.80%
◀ ▶ Under Construction	719,063	719,063	729,063	26,000	33,500
◀ ▶ Inventory	15,667,282	15,667,282	15,657,282	15,657,282	15,649,782

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1410 Commonwealth Dr Wilmington, NC	57,955 SF	\$2,397,000 \$41.36 PSF	Pd Properties LLC Station Land LLC	2 Star Office
2739 Iron Gate Dr Wilmington, NC	20,000 SF	\$11,240,000 \$562.00 PSF	Hammes BMT Properties	3 Star Office
8840 Old Georgetown Rd SW Sunset Beach, NC	14,774 SF	\$3,100,000 \$208.00 PSF	Town of Calabash Virginia Williamson Building LLC	3 Star Office

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
929 N Front St Wilmington, NC	57,000 SF	City of Wilmington	Thermo Fisher Scientific	Scientific
1001 Military Cutoff Rd Wilmington, NC	14,340 SF	Military Cutoff Associates	NVR, Inc.	Construction
1001 Military Cutoff Rd Wilmington, NC	10,339 SF	Military Cutoff Associates	Dynamic Engineering Consultants	Engineering Services

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