



Q1
2026

Industrial Market Outlook

PIEDMONT TRIAD

MESSAGE FROM THE CEO

Q1 2026 INDUSTRIAL MARKET REPORT



Jon A. Good, SIOR
*Chief Executive Officer &
Shareholder*

Q1 2026 CRE Outlook - Stability Returns to a Growth Market

The commercial real estate market across the Southeastern United States is transitioning into a period of stabilization and measured growth. After a prolonged stretch of elevated interest rates and constrained deal flow, capital markets are beginning to reopen as borrowing costs ease, and buyer-seller expectations realign. This shift is driving a meaningful uptick in transaction activity throughout 2026. The Southeast remains particularly well-positioned, supported by sustained population growth, corporate migration, and a relative cost advantage that continues to attract both investors and occupiers.

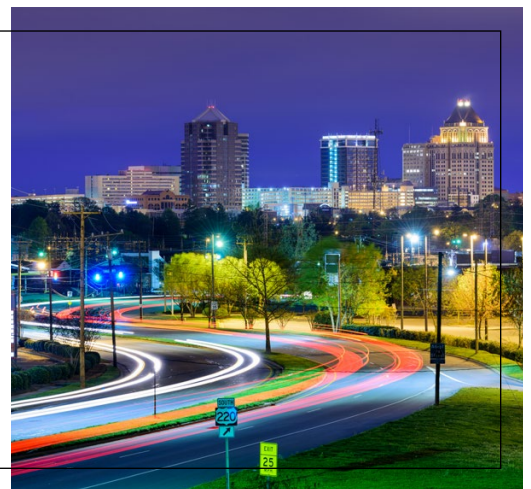
At the asset level, industrial remains a foundational sector, though it has shifted from rapid expansion to a more balanced phase. Vacancy is stabilizing, new development is moderating, and demand is being driven by longer-term structural trends such as reshoring, logistics optimization, and data center growth. Retail has proven more resilient than anticipated, especially in high-growth Sun Belt markets, where well-located, experience-oriented centers are outperforming. Office demand continues to evolve, with a clear flight to quality favoring newer, highly amenitized spaces, while older inventory faces ongoing pressure.

From an economic standpoint, the outlook for the Southeast remains constructive, albeit more disciplined. Moderate GDP growth, steady consumer spending, and continued business investment are providing a stable foundation, even as inflation and labor dynamics introduce some uncertainty. What differentiates this region is its underlying momentum, including favorable demographics, pro-business environments, and infrastructure investment, which continues to outpace much of the country. As a result, we see a market that is no longer defined by volatility, but by selective opportunity, where success will hinge on asset quality, strategic positioning, and long-term vision.

ABOUT NAI PIEDMONT TRIAD

NAI Piedmont Triad (NAIPT) has been one of the Triad's most respected brokerage firms for more than three decades. With three offices covering Greensboro, Burlington, High Point, and Winston-Salem, its presence is far reaching and committed to quality client services and proven results. NAIPT's team is comprised of the area's leading commercial real estate experts who thrive in a culture based on collaborative efforts and shared success. Focused on client success and committed to the community, NAIPT continues to improve the Triad's commercial real estate landscape with a progressive vision and trusted experience.

For more information visit www.naibt.com.



BY THE NUMBERS

Q1 2026 INDUSTRIAL MARKET REPORT

MARKET INDICATORS

Piedmont Triad MSA*

	Inventory	Vacancy	Net Absorption	Market Rent	Availability	Under Construction	Delivered
Current Quarter 1Q26	212,439,818	6.4%	(865,094)	\$5.76	15,333,273	2,419,050	0
	⊞	▲	▼	▼	▲	▲	▼
Previous Quarter 4Q25	212,439,818	6.0%	965,795	\$5.61	15,351,157	1,319,050	423,880
	▲	▼	▲	▼	▲	▲	▼
Previous Year 1Q25	211,861,655	6.7%	(870,743)	\$5.69	15,758,407	642,267	454,450

* Guilford, Alamance and Forsyth Counties

Source: CoStar

SUBMARKET TRENDS 50K+ SF

CENTRAL GUILFORD & AIRPORT WEST | INVENTORY 35 MSF

VACANCY ▼ Q1: 7.1% Q4: 9.8% RENTAL RATE ▲ Q1: \$8.60 Q4: \$8.32 ABSORPTION ▲ Q1: 1.1M SF Q4: 684K SF

NE GUILFORD COUNTY & NW GUILFORD COUNTY | INVENTORY 15.8 MSF

VACANCY ▲ Q1: 4.7% Q4: 4.6% RENTAL RATE ▲ Q1: \$6.76 Q4: \$6.49 ABSORPTION ▲ Q1: 13.8K SF Q4: (390K) SF

FORSYTH COUNTY | INVENTORY 33.6 MSF

VACANCY ▲ Q1: 10.6% Q4: 10.0% RENTAL RATE ▲ Q1: \$6.85 Q4: \$6.64 ABSORPTION ▼ Q1: (183K) SF Q4: 211K SF

NE & SE ALAMANCE COUNTY | INVENTORY 9.5 MSF

VACANCY ▼ Q1: 9.7% Q4: 12.6% RENTAL RATE ▲ Q1: \$6.56 Q4: \$6.31 ABSORPTION ▲ Q1: 269K SF Q4: (127K) SF

Source: CoStar

KEY TAKEAWAYS



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The Triad industrial market remains highly active. Following a surge of transactions closing out Q4 2025, activity pivoted slightly at the start of Q1 2026.

Fundamentals across all segments remain solid. Notably, leasing velocity has accelerated in the small-bay segment, with strong demand for spaces ranging from 20,000 to 150,000 square feet as tenants seek right-sized solutions in strategic locations. Second-generation product has also seen increased traction, driven by tenants prioritizing more competitive lease rates.

Tariff policy continues to influence decision-making, with several offshore manufacturers exploring U.S. locations to mitigate cost pressures and strengthen supply chain resilience. Geopolitical factors have also impacted the market. The ongoing conflict in Iran has contributed to a sharp rise in global oil prices, driving higher transportation costs and, in turn, placing upward pressure on consumer goods and services.

On the development side, merchant builders have re-entered the market, with new speculative projects underway across multiple Triad submarkets. This renewed activity reflects growing confidence in the region's ability to absorb Class A industrial space as the market continues to progress through Q2 2026 and into the balance of the year.

MARKET MOMENTUM

Q1 2026 INDUSTRIAL MARKET REPORT

SIGNIFICANT TRANSACTIONS



SOLD & LEASED

200 KAPP STREET
WINSTON-SALEM, NC

57,646 SF
Richard Clarke
Chris Lowe, CCIM SIOR



SOLD

520 MAIN STREET
CANDOR, NC

15,717 SF
Bob Lewis, CCIM, SIOR
Jason Smith



LEASED

235 BURGESS ROAD, SUITE A
GREENSBORO, NC

30,400 SF
Chris Lowe, CCIM, SIOR,
Ben Sturgill, Banks Handy

DEAL HIGHLIGHT NAI Piedmont Triad represented the Buyer (and end user) of 200 Kapp Street back in 4th quarter 2023. Due to economic changes and other dynamics, the Buyer no longer needed a building of this size and engaged our team to lease or sell the building in 2025. Working with Tenant Rep broker JLL, we leased the Building to a wholly owned subsidiary of Home Depot and subsequently sold the building to a 1031 Buyer in January 2026, resulting in a multimillion profit for our Client. (Richard Clarke, Broker)

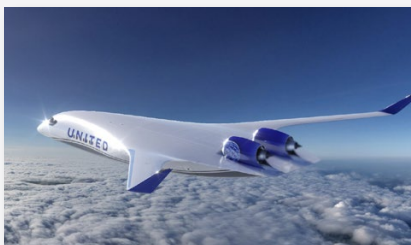
PROJECTS SHAPING OUR MARKET



New Food Lion Distribution Center in Burlington

The Food Lion distribution center, an \$860 million "Project Titan" development, is transforming Burlington's industrial landscape. Spanning 1.1 million square feet on NC Highway 61, this highly automated facility will process 135 million cases of groceries annually. By integrating advanced robotics and cold-storage technology, the project solidifies the Triad's role as a premiere logistics hub. It is projected to create over 500 jobs, with site operations expected to commence in 2029 following its February 2026 groundbreaking.

Source: Alamance News



Jet Zero to break ground in June 2026

JetZero will break ground in June 2026 on its 600-acre global manufacturing hub at Piedmont Triad International Airport. This landmark facility focuses on producing revolutionary blended wing body aircraft, positioning the Triad as a premier aerospace center while driving significant regional economic growth and innovation.

Source: Business North Carolina



\$15 million investment to reshore medical supply manufacturing

Project Renaissance is a pivotal 2026 market driver, seeing GMAX Industries invest \$15 million to reshore medical manufacturing to Winston-Salem. By repurposing 144,000 square feet of existing inventory, the project bolsters the local supply chain, creates high-paying specialized roles, and validates the Triad's strength in advanced medical production.

Source: North Carolina Department of Commerce

INDUSTRIAL ACTIVITY SNAPSHOT

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PIEDMONT TRIAD INTERNATIONAL AIRPORT TAKES OFF AS A MAJOR AEROSPACE HUB

The Triad's underutilized airport is poised to become a top aerospace manufacturing hub.

The skies over Greensboro's airport were gray, and the outlook grim, back in 1979 when Winston-Salem-based Piedmont Airlines announced it was locating its new operations hub in Charlotte.

The region's transportation jewel was becoming someone else's crown, turning Greensboro into an aeronautical backwater. How could that happen, locals asked.

Former Greensboro airport manager Ted Johnson called it a "citywide day of mourning," recalls Kevin Baker, who is now executive director of Piedmont Triad International Airport.

"Or really, maybe a couple decades of mourning," Baker says. "Folks were still bringing that up when I got here (in 2008)." It's not much of a topic of conversation now. PTI is riding a jet stream of sensational economic news as it transforms into one of the key hubs for aviation manufacturing in the United States.

Three futuristic aircraft manufacturers, two major aircraft maintenance facilities, and a huge FedEx air hub are now operating or committed to the airport ditched by Piedmont (now American Airlines). In its annual State of Aviation report last year, the North Carolina Department of Transportation put PTI's employment numbers at 28,990 and its economic impact at almost \$10 billion per year.

Source: Business NC

continue reading →



FIRST LOOK: NEW INDUSTRIAL OPPORTUNITIES



100 DON TRUELL LN

Thomasville, NC
±160,000 SF

I-85 Visibility

For Lease
Call for Price



151 BLUE BELL RD

Greensboro, NC
±9,360 SF

Fully Leased
Investment Property

For Sale
\$1,650,000



3979 OLD LINWOOD RD

Lexington, NC
±163,988 SF

Rail Access

For Lease
Call for Price



541 HAWKINS ST

Burlington, NC
±80,000 SF

HI Zoning

For Lease
\$4.25 SF/YR MG

PROPERTY MANAGEMENT SPOTLIGHT



69,760 SF

8665 W Market St | Greensboro

This ownership is out of Australia and trusted our group to manage their asset. Cruz Foam occupied Building B and our leasing team has Building A for lease.



17,000 SF

2841 Lowery St | Winston-Salem

This property is home to Primo Water, a national tenant that trusted us to handle management at a high level. The owner made the move from accounting-only services to full-service management.