NAI Piedmont Triad

Q2 2026 Industrial Market Outlook

PIEDMONT TRIAD

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Upstate South Carolina & Piedmont Triad, NC Commercial Real Estate Market

Regional Growth & In-Migration

The Upstate of South Carolina and North Carolina's Piedmont Triad continue to rank among the Southeast's fastest-growing metro corridors, sustained by a durable in-migration wave rather than a single-quarter spike. Households and businesses relocating from higher-cost, higher-tax markets in the Northeast and West cite a consistent set of drivers: a milder, four-season climate less exposed to coastal storm risk; a strong quality of life anchored by walkable downtowns, outdoor recreation in the nearby Blue Ridge foothills, and revitalized urban cores; South Carolina's and North Carolina's comparatively favorable individual and corporate tax positioning relative to peer states; and a cost of living that remains well below the national average even as home prices climb. Layered on top of these lifestyle drivers is deep and broadening job availability, which is doing as much to pull in new residents as any single tax or climate factor.

Major Job Announcements Driving Demand

Each of the region's three core markets posted headline-grabbing investment news this year. In the Piedmont Triad, the Carolina Core continues to benefit from sustained economic development momentum, most notably JetZero's roughly 14,500-job aviation manufacturing commitment, part of a broader package that pledged 16,000 jobs to the Triad and contributes to a statewide pipeline targeting 59,000 new positions in 2026 across aerospace, biotech, advanced manufacturing, and EVs. In Greenville-Spartanburg, Isuzu North America's $280 million assembly plant in Greenville County anchors a new wave of automotive investment, joined by ZF Chassis Systems' $55.4 million Spartanburg County expansion and Siemens' $165 million data-center and electrical-equipment build-out in Spartanburg — all reinforcing the supplier ecosystem built around BMW's Spartanburg plant. In Columbia, Scout Motors' build-out in Blythewood remains the region's marquee project: a $2 billion production center expected to deliver more than 4,000 permanent jobs, supplemented by a $300 million, roughly 1,000-job Supplier Park announced last fall, with the first assembly workers already training on-site ahead of 2027 vehicle production.

Industrial Absorption & Construction Pipeline

Industrial demand across the combined footprint remains robust, with net absorption continuing to outpace new deliveries as automotive OEMs, tier-one and tier-two suppliers, and logistics users backfill existing inventory. Speculative development, which slowed sharply over the past two years as developers worked through elevated vacancy and financing costs, is expected to resume in 2027, positioning well-located sites in Greenville-Spartanburg, the Piedmont Triad, and the Columbia/Blythewood corridor to capture the next wave of supplier and distribution demand once shovels are back in the ground.

Housing: Challenge and Opportunity

Population and job growth of this magnitude are straining housing supply across every sector — for-sale, market-rate multifamily, workforce, and senior housing all face inventory shortfalls that are pushing prices and rents upward faster than wage growth in some submarkets. For investors and developers, this same imbalance represents one of the region's clearest opportunities: build-to-rent, workforce housing near new manufacturing campuses, and multifamily near urban cores in Greenville, Winston-Salem, Greensboro, and Columbia are each positioned to absorb sustained demand. Bridging this gap will be a defining theme for the region's real estate market through the remainder of the year and into 2027.

BY THE NUMBERS

Q2 2026 INDUSTRIAL MARKET REPORT

MARKET INDICATORS

Piedmont Triad MSA*

	Inventory	Vacancy	Net Absorption	Market Rent	Availability	Under Construction	Delivered
Current Quarter 2Q26	211,952,032	6.2%	493,983	$5.73	15,006,790	3,991,167	393,233
Previous Quarter 1Q26	212,439,818	6.4%	(865,094)	$5.76	15,333,273	2,419,050	0
Previous Year 2Q25	211,749,007	6.0%	1,364,199	$5.70	15,221,590	935,267	0

** Guilford, Alamance and Forsyth Counties*

Source: CoStar

SUBMARKET TRENDS 50K+ SF

CENTRAL GUILFORD & AIRPORT WEST | INVENTORY 44,280,576 SF

VACANCY	RENTAL RATE	ABSORPTION
Q2: 6.4% Q1: 7.1%	Q2: $7.51 Q1: $8.60	Q2: (53,141) Q1: (73,311)

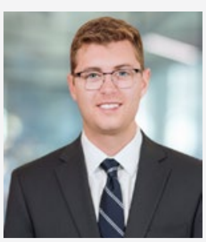
FORSYTH COUNTY | INVENTORY 33,152,777 SF

VACANCY	RENTAL RATE	ABSORPTION
Q2: 11.0% Q1: 12.9%	Q2: $5.78 Q1: $5.86	Q2: 200,027 SF Q1: (874,872) SF

NE & SE ALAMANCE COUNTY | INVENTORY 9,497,447 SF

VACANCY	RENTAL RATE	ABSORPTION
Q2: 9.7% Q1: 9.7%	Q2: $5.96 Q1: $5.96	Q2: - Q1: 269K SF

Source: CoStar



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KEY TAKEAWAYS

The Triad industrial market has turned a corner in the first half of 2026, shifting away from last year's inventory overhang. Several lingering Class A vacancies over 100,000 SF have finally leased, while a fresh selection of smaller suites (10,000 to 35,000 SF) rolled back onto the market. Though leasing for these smaller spaces started slow, inquiry volume and momentum are building. Class A demand remains high, while larger, second-generation Class B space continues to struggle—marking the market's defining tension.

Encouragingly, developers are pulling product out of the ground again. After a three-year stretch spent absorbing speculative deliveries, merchant builders are launching new projects across multiple submarkets.

Driving this confidence is the Carolina Core. Flagship advanced-manufacturing wins and megasite investments have put the Triad squarely on the radar of institutional capital. However, sourcing acquirable product remains a challenge. Capital buyers need scale and quality, but many current owners—having experienced rapid rent growth—are pricing assets at levels that only pencil for owner-users.

Ultimately, the deals are out there. The current window rewards those who understand where this market is heading, not just where it has been.

SIGNIFICANT TRANSACTIONS

300 SHERWEE DRIVE
RALEIGH, NC

9,600 SF
Lawrence Cox,
Beau Macintosh, CCIM

550 NORTHRIDGE PARK DR
RURAL HALL, NC

57,000 SF
Richard Clarke

1708 FAIRFAX ROAD
GREENSBORO, NC

78,000 SF
John Purdie

DEAL HIGHLIGHT Lawrence Cox (NAI Piedmont Triad) represented the Seller and Beau McIntosh (Furman Capital Advisors) represented the Buyer in the sale of 300 Sherwee Drive, a 9,600 SF industrial building in Raleigh, NC. The seller no longer needed the facility for business operations and the property presented itself as an investment opportunity for the buyer to capitalize on the robust RDU flex/industrial market. The property went under contract as soon as it hit the market, ultimately closing the at a sales price of $200/SF. The sale accomplished the seller’s objectives and provided a great investment opportunity for the buyers. Our NAI Piedmont Triad and FCA team are grateful to both parties involved in this successful transaction. (Lawrence Cox & Beau McIntosh, CCIM)

PROJECTS SHAPING OUR MARKET

Lumentum $610M Semiconductor Fab — Greensboro

After buying a nearly shuttered factory, Lumentum is transitioning into production mode with $610 million to outfit the fab with new equipment, and will use the Greensboro site for lasers, modules, and optical subsystems — with Nvidia as the customer. Lumentum acquired the 240,000-square-foot facility at 7908 Piedmont Triad Parkway, which Qorvo had shut down as it moved production to Texas, and intends to add 400–500 jobs over two-plus years. Source: ConnectCRE

Ahold Delhaize (Food Lion) Distribution Center — Burlington/Guilford Line

The $860M, 1.1-million-square-foot facility broke ground earlier in the year and construction has continued through Q2, with completion targeted for 2029.
Source: Business North Carolina

HOW JETZERO IS RESHAPING THE COMMERCIAL REAL ESTATE MARKET IN GREENSBORO, NC

A Once-in-a-Generation Catalyst

In June 2025, aerospace startup JetZero announced it would build its first full-scale manufacturing campus at Piedmont Triad International Airport (PTI) in Greensboro — a $4.7 billion investment expected to create more than 14,500 jobs between 2027 and 2036, at an average salary above $89,000. Backed by United Airlines, Alaska Airlines, and the U.S. Air Force, JetZero will produce its blended-wing Z4 airliner, a design touted as roughly 50% more fuel-efficient than conventional jets, at what the company calls its “Factory of the Future.” Groundbreaking took place at PTI in June 2026, kicking off construction on an 8-million-square-foot campus spanning more than 600 acres — the largest single-employer commitment in North Carolina history, backed by over $1 billion in state incentives and roughly $784 million more from Guilford County and Greensboro combined.

For a mid-sized Southern city, a project of this scale doesn’t just add a factory — it resets the entire commercial real estate equation. Here’s how it’s playing out across industrial, residential, office, and retail property in and around Greensboro.

Industrial and Land: The First Mover

The most immediate effect has been on land around PTI itself. JetZero’s 600-plus-acre footprint — much of it former golf course land the airport authority had already graded and marketed as “shovel-ready” — has been absorbed, but the airport authority continues acquiring

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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

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.naipt.com.