

Q3 2026 Industrial Market Outlook

PIEDMONT TRIAD

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Q3 Commercial Real Estate Review: A Stable Carolinas Market

Commercial real estate conditions across the Carolinas remained stable through the third quarter, supported by continued population growth and steady tenant demand across core asset classes. Retail and industrial continue to lead. Retail availability remains low, as construction over the past several years has been modest and concentrated in suburban submarkets, anchored by national big-box and grocery tenants. Industrial leasing momentum remains steady, with demand focused on new, modern product along the interstate corridors and in port-served markets, as the region absorbs recent deliveries and speculative development slows. In the urban cores, multifamily continues to drive new development, and the momentum is building as more people choose urban living.

Population growth remains the driver of all CRE sectors, as the Carolinas continue to rank among the nation's leaders in in-migration. Housing demand is driving land sales in suburban markets, with employment and retail following close behind. Entitlement challenges continue to slow new single-family housing supply, and higher mortgage rates are constraining demand, thus the housing sector is searching for its equilibrium. Office remains selective, with quality, amenitized and well-located space outperforming older product, and new construction remains limited.

Overall, the market remains stable, but higher long-term rates are the main headwind, weighing on acquisitions, development feasibility and pricing across asset classes. We are hopeful that as energy prices ease, long-term base rates will follow, improving cash flow and project economics. In the meantime, we expect a disciplined but healthy regional market, with new supply following continued population growth. Opportunities are emerging in growing suburbs across the region's major metros, and renewed activity in urban cores positions the Carolinas for continued growth.

BY THE NUMBERS

Q3 2026 INDUSTRIAL MARKET REPORT

MARKET INDICATORS Piedmont Triad MSA*	Inventory	Vacancy	Net Absorption	Market Rent	Availability	Under Construction	Delivered
Current Quarter 3Q26	211,730,899	6.7%	(511,036)	$5.75	17,790,489	5,597,321	280,800
Previous Quarter 2Q26	211,451,049	6.3%	494,927	$5.72	15,019,434	4,018,237	393,233
Previous Year 3Q25	211,419,661	6.2%	(414,418)	$5.50	15,189,171	1,629,663	171,637

** Guilford, Alamance and Forsyth Counties*

Source: CoStar

SUBMARKET TRENDS 50K+ SF

CENTRAL GUILFORD & AIRPORT WEST | INVENTORY 44.04 MSF

VACANCY	RENTAL RATE	ABSORPTION
Q3: 7.3% Q2: 6.5%	Q3: $7.36 Q2: $7.39	Q3: (386,224) SF Q2: (53,141) SF

FORSYTH COUNTY | INVENTORY 33.15 MSF

VACANCY	RENTAL RATE	ABSORPTION
Q3: 10.3% Q2: 11.0%	Q3: $5.89 Q2: $5.78	Q3: 215,495 SF Q2: 200,027 SF

NE & SE ALAMANCE COUNTY | INVENTORY 9.50 MSF

VACANCY	RENTAL RATE	ABSORPTION
Q3: 9.7% Q2: 9.7%	Q3: $5.96 Q2: $5.96	Q3: - Q2: -

Source: CoStar



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KEY TAKEAWAYS

The Triad industrial market took a step back in the third quarter. After nearly 495,000 SF of positive absorption in Q2, the MSA gave back 511,036 SF. That pushed vacancy up 40 basis points to 6.7%, which is 50 basis points higher than a year ago. Availability climbed to 17.8M SF, up 2.8M SF from last quarter, because more space came back to market than was leased. Central Guilford & Airport West drove most of that: absorption there was (386,224) SF and vacancy rose to 7.3%. Forsyth County is trending in a positive direction. It added 215,495 SF for its second straight positive quarter and brought vacancy down to 10.3%.

Rents held up despite a softer quarter. The market average edged up to $5.75/SF, 4.5% above 3Q25, an indication that owners don't have to compete on quality space. Larger second-generation Class B space is still where the market is weakest.

Developers are still building. New space under construction reached 5.6M SF, up 39% from Q2 and more than triple last year's 1.6M SF, while deliveries slowed to 280,800 SF. That pipeline reflects confidence in the Carolina Core, where advanced manufacturing is the region's focus, gaining interest from institutional capital. Finding product to acquire that's scalable is still hard, because many owners are pricing assets at levels that mostly work for owner-users.

One soft quarter doesn't necessarily reflect the long-term view, but it does shift some of the leverage toward tenants, who have more options than they did six months ago. Those who understand where the market is heading will find opportunities that won't be available once the new construction is absorbed.

SIGNIFICANT TRANSACTIONS



809 POST STREET
GREENSBORO, NC

15,017 SF
Allen Jones



164 POINTE SOUTH DRIVE
RANDLEMAN, NC

73,477 SF
Chris Lowe, CCIM, SIOR

DEAL HIGHLIGHT Allen Jones represented the Tenant in the lease of this industrial property after identifying the opportunity while it was under contract to be purchased by an investor. This allowed for an early look at the property, and a head start on negotiating lease terms. The site offers a combination of features including heavy industrial zoning, a fully fenced lot, and excess land for outdoor storage that make properties like this highly functional and sought after. Our team was grateful for the opportunity to work with the Tenant in securing this versatile and well-located industrial site to support their business for years to come.

PROJECTS SHAPING OUR MARKET



Alamance Foods expansion, Graham (Alamance County)

A $500,000 state grant supports the renovation of an 800,000 SF building in Graham, where Alamance Foods will expand and add a new product line. The project is expected to create 94 jobs and attract $36.6 million in investment. It's a large-format reuse story inside your MSA. Source: Governor's office / NC Rural Infrastructure Authority



NC Economic Development: The state's biggest new-job creators

Tech manufacturer Lenovo Group wanted to move quickly on plans for its 130,000-square-foot plant in Whitsett and didn't seek financial incentives from the state. Bobbitt Construction is reconfiguring warehouse space into a production site for advanced AI servers. Lenovo officials also considered Dallas, Memphis and Canton, Ohio, for the investment. The Chinese company has based U.S. operations at Research Triangle Park since buying IBM's personal computing division in 2005. The eastern Guilford facility opened two years later. The project will bring in 420 new jobs.
Source: Business North Carolina

EYEING JETZERO, BILLIONAIRE CARROLL BREAKS GROUND ON SPECULATIVE INDUSTRIAL BUILDING

Billionaire developer Roy Carroll is spending $20 million on 210,600 square feet of speculative industrial space in southern Rockingham County, 11 miles north of the Piedmont Triad International sites for JetZero and Boom Supersonic.

Slated for completion next summer, the warehouse will be located on 21 acres that's part of 270 acres Carroll is developing as an industrial park. The project sits on U.S. 220, a four-lane highway that's an eventual extension of Interstate 73 that already runs past the Greensboro airport. Personal hygiene products maker Ontex Global Manufacturing and PowerSecure, a microgrid energy supplier, are major tenants in the park. They are located in buildings developed by Greensboro-based Carroll Cos.

"We've already delivered build-to-suit and speculative projects in this park, so we know firsthand what companies are looking for here," CEO Carroll said in a statement earlier today. "JetZero and others are bringing in a substantial number of jobs and we feel this location is 'Main and Main' for their suppliers."

NAI Piedmont Triad, the commercial real estate brokerage firm handling the project, is already fielding leasing queries, according to Carroll. One of the remaining sites can accommodate a building with as many as 1.3 million square feet.

Aside from the growing number of tenants at the Greensboro airport, Carroll is touting the proximity of South Rockingham County Corporate Park to Interstate 40 and, further away, several other airports and container sea ports and single-day access to several major markets in the **southeastern U.S.** adjacent parcels,

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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.

