

Q3 2026 Office 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 OFFICE MARKET REPORT

MARKET INDICATORS

Piedmont Triad MSA*

	Inventory	Vacancy	Net Absorption	Market Rent	Availability	Under Construction	Delivered
Current Quarter 3Q26	54,702,726	8.7%	(168,029)	$20.04	5,155,956	244,985	0
Previous Quarter 2Q26	54,702,726	8.4%	160,040	$19.86	5,112,098	244,985	154,575
Previous Year 3Q25	54,522,001	8.4%	692,005	$18.80	5,606,944	321,975	6,252

** Guilford, Alamance and Forsyth Counties*

Source: CoStar

SUBMARKET TRENDS

GREENSBORO CBD, W GUILFORD & AIRPORT WEST | INVENTORY 8.63 MSF

VACANCY	RENTAL RATE	ABSORPTION
Q3: 11.0% Q2: 10.4%	Q3: $20.66 Q2: $20.72	Q3: (52,291) SF Q2: 10,567 SF

NE GUILFORD COUNTY & NW GUILFORD COUNTY | INVENTORY 9.99 MSF

VACANCY	RENTAL RATE	ABSORPTION
Q3: 9.3% Q2: 9.4%	Q3: $22.61 Q2: $21.65	Q3: 11,414 SF Q2: 93,626 SF

NW WINSTON SALEM | INVENTORY 11.41 MSF

VACANCY	RENTAL RATE	ABSORPTION
Q3: 12.1% Q2: 12.3%	Q3: $16.74 Q2: $16.77	Q3: 18,521 SF Q2: 51,108 SF

Source: CoStar



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KEY TAKEAWAYS

The Piedmont Triad office market currently contains approximately 59.1 million square feet of inventory, with an 8.2% vacancy rate and 5.2 million square feet of available space. Over the past 12 months, the market recorded 87,500 square feet of positive net absorption and 1.4 million square feet of leased space, although net absorption declined 15.9% from the prior period. Market asking rents increased 1.9% to $21.45 per square foot, while average sale prices rose 6.7% to $140 per square foot. Investment activity remains steady, with approximately $271 million in sales volume across 204 transactions and an average market capitalization rate of 10.0%. Meanwhile, office construction has slowed considerably, with 179,000 square feet under construction, down 49.2% from the prior period. Overall, the market shows signs of gradual stabilization, supported by rising rents and sale prices and a smaller development pipeline; however, slowing absorption and substantial available space suggest that tenant demand remains measured. These conditions create opportunities for tenants to negotiate favorable lease terms and for investors to pursue properties with value-add potential, while owners should prioritize competitive pricing, tenant retention, and targeted property improvements.

SIGNIFICANT TRANSACTIONS



3043 SOUTH CHURCH STREET
BURLINGTON, NC

750 SF
Bob Lewis, CCIM, SIOR
Howard Hawks, CCIM



4045 UNIVERSITY PARKWAY, SUITE 150
WINSTON-SALEM, NC

26,104 SF
Richard Clarke

DEAL HIGHLIGHT NAI Piedmont Triad was selected by local owners to lease a 750 square foot portion of their larger condominium in Westpark Professional Center on South Church Street in Burlington. Within days of listing the property, B. Lewis Counseling and Consulting and Gigi's Elevating Massage toured the property and signed a three-year lease with the owners. Bob Lewis, CCIM, SIOR and Howard Hawks, CCIM represented the Landlord in the transaction.

PROJECTS SHAPING OUR MARKET



The Grounds office building, Winston-Salem

The Grounds is a 100-acre mixed-use development in the Deacon Boulevard area, backed by Carter, Front Street Capital, Wake Forest University and the City of Winston-Salem, with an opening targeted for fall 2027. Five founding retailers were announced Sept 16, including Bagels & Co., which is opening its first North Carolina location at 414 Deacon Blvd. The development includes a 127,000 SF Class A office building anchored by Wake Forest University. As of September 2026, retail construction is underway, brickwork on the multifamily buildings is nearing completion, and the office building is taking shape. More retailers are expected by the first quarter of 2027. The first phase is a $200 million-plus project that includes a 42,000 SF retail village. Sources: WFDD



Former BB&T Financial Center auction, Winston-Salem.

The vacant 20-story tower at 200 W. Second St. went to online auction Sept 8–10 with a $300,000 starting bid. The tower sold for $3.9 million to an unnamed buyer, a 93.5% discount from the $60 million investors paid in 2014. Greater Winston-Salem, Inc.'s CEO said he is connecting the new owners with local leaders to explore opportunities.

Sources: Winston-Salem Journal

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 OFFICE OPPORTUNITIES



4045 Premier Dr
High Point, NC
up to 5,240 SF

Office/Medical

Lease Rate
$16.50 SF/YR



4196 MENDENHALL OAKS
High Point, NC
±3,648 - 7,480 SF

2 Spaces Available

Lease Rate
$12.50 SF/YR



445 DOLLEY MADISON RD
Greensboro, NC
±714 - 7,511 SF

3 Spaces Available

Lease Rate
$21.50 SF/YR



3810 N ELM ST
Greensboro, NC
±1,970 - 2,945 SF

1 Space Available

Lease Rate
$15.50 SF/YR

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.

