Q2 2026 Retail Market Outlook

PIEDMONT TRIAD

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MESSAGE FROM A SHAREHOLDER

Q2 2026 RETAIL MARKET REPORT

Robbie Perkins, CCIM, SIOR
NAI Piedmont Triad Market President, Shareholder

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

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MARKET INDICATORS

Piedmont Triad MSA*

	Inventory	Vacancy	Net Absorption	Market Rent	Availability	Under Construction	Delivered
Current Quarter 2Q26	82,295,613	4.2%	(31,009)	$15.62	3,198,186	314,992	42,835
	▲	▲	▲	▲	▲	▲	▼
Previous Quarter 1Q26	82,252,778	4.1%	(176,399)	$15.11	3,172,675	283,827	44,618
	▲	▲	▼	▼	▲	▲	▼
Previous Year 2Q25	82,170,199	3.5%	179,773	$15.75	2,743,637	131,685	124,284

* *Guilford, Alamance and Forsyth Counties*

Source: CoStar

SUBMARKET TRENDS

GREENSBORO CBD , W GUILFORD COUNTY & NW GUILFORD COUNTY | INVENTORY 23.7 MSF

VACANCY		RENTAL RATE		ABSORPTION	
▲	Q2: 4.9% Q1: 4.5%	▼	Q2: $16.57 Q1: $17.06	▲	Q2: (55,542) SF Q1: (219,846) SF

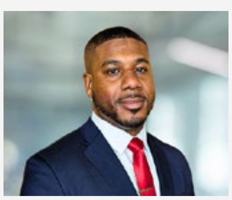
WINSTON-SALEM CBD & NW FORSYTH | INVENTORY 6.8 MSF

VACANCY		RENTAL RATE		ABSORPTION	
▼	Q2: 5.8% Q1: 6.1%	▲	Q2: $13.81 Q1: $12.88	▲	Q2: 29,462 SF Q1: (16,932) SF

BURLINGTON & NW ALAMANCE | INVENTORY 6.5 MSF

VACANCY		RENTAL RATE		ABSORPTION	
▼	Q2: 2.4% Q1: 5.1%	▲	Q2: $9.16 Q1: $8.85	▲	Q2: 19K SF Q1: (176K) SF

Source: CoStar



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KEY TAKEAWAYS

The second quarter of 2026 across the Piedmont Triad retail market was defined by strong investment activity in stabilized, well-located assets while broader leasing fundamentals continued to soften. Greensboro's Adams Farm Shopping Center was the marquee deal of the quarter, trading at $21.2 million ($210/SF) with a Harris Teeter anchor at 98% occupancy, purchased by Charlotte-based Aston Properties — a clear signal that grocery-anchored product in strong suburban locations remains highly sought after. Winston-Salem saw its largest transaction of the period close in June with Walkertown Commons selling for $14.3 million fully leased, and Clemmons' River Ridge Shopping Center trading at $8.6 million in July, both reflecting continued institutional and private capital targeting stabilized centers. High Point's investment story was similarly driven by quality, with the Vann York automotive portfolio trading across three properties at an average of $276/SF, pushing the submarket's YTD average sale price to $209/SF — well above 2025's full-year average of $160/SF.

On the leasing and operations side, however, Q2 2026 told a more cautious story. Burlington recorded negative net absorption of (114,700 SF) over the trailing 12 months with vacancy rising to 3.2%, and High Point/SW Guilford County posted negative 87,600 SF of absorption with a 7.3% vacancy rate dragged down by a mall carrying over 52% vacancy. Rent growth decelerated sharply across all four markets, with High Point at just 0.4% YOY and Burlington at 1.5% — both well below their five-year averages. New construction remains intentionally light, with the 35,000 SF project at 209 Lindsay Street in High Point and Buc-ee's in Burlington among the only active projects in the region. The picture that emerges from Q2 2026 is a two-speed market: investors are paying up for quality and stability, but the day-to-day leasing environment across the Triad is under pressure heading into the second half of the year.

SIGNIFICANT TRANSACTIONS

2920 MARTINSVILLE ROAD
GREENSBORO, NC

9,000 SF
Robbie Perkins, CCIM, SIOR
Tammy Dixon, CCIM, SIOR, CMB
Brendan Richardson, CCIM

263 GRETAS WAY
KERNERSVILLE, NC

12,000 SF
Ben Sturgill

5824 SAMET DRIVE, STE 170 & 175
HIGH POINT, NC

14,309 SF
Nancy Cox

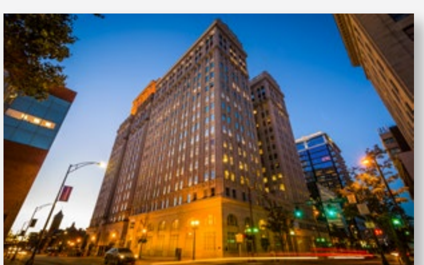
DEAL HIGHLIGHT NAI Piedmont Triad is pleased to announce the sale of Winstead Commons, a six-tenant retail condominium property located on the ground floor of a mixed-use building in Greensboro's Northwest Guilford County submarket. The property is positioned in a highly desirable and growing area, offering excellent visibility along Martinsville Road and convenient access to the heavily traveled Lawndale Drive corridor. Robbie Perkins, Tammy Dixon, and Brendan Richardson of NAI Piedmont Triad represented the seller in the transaction. NAI Piedmont Triad will also continue to provide property management services for the property moving forward. *(Brendan Richardson, CCIM, Broker)*

PROJECTS SHAPING OUR MARKET

Groundbreaking on North Carolina's first Buc-ee's — Mebane

Over a dozen politicians and public officials attended the groundbreaking in Mebane for the state's first Buc-ee's — a 30-acre property with a 74,000-square-foot facility and 120 fueling positions, expected to create more than 200 jobs. The store will cost $60–70 million to build and is expected to spark significant development on the surrounding 320-acre site.

Source: ConnectCRE



RISE Infill Redevelopment Program Launch — Greensboro

The City of Greensboro launched RISE Infill, a loan participation program partnering with private lenders to support redevelopment of underutilized commercial properties, renovation of vacant or aging buildings, and mixed-use investment across designated corridors — directly targeted at the kind of ground-floor retail/office conversions happening downtown.

Source: City of Greensboro

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 RETAIL OPPORTUNITIES

1304 S. SCALES ST
Reidsville, NC
±2,800 SF
Investment Opportunity
Sale Price
$410,000

1325 Eugene St
Greensboro, NC
12 Units
Flexible Sizing
Lease Rate
from $600

435 DOLLEY MADISON
Greensboro, NC
±4,450 SF
1 Space Available Now
Lease Rate
$14.50 SF/YR

531 W MEADOWVIEW
Greensboro, NC
±2,520 - 20,000 SF
Busy Shopping Center
Sale Price/ Lease Rate
$550,000

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.