

Q3 2026 Retail 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 RETAIL MARKET REPORT

MARKET INDICATORS

Piedmont Triad MSA*

	Inventory	Vacancy	Net Absorption	Market Rent	Availability	Under Construction	Delivered
Current Quarter 3Q26	82,314,524	4.2%	(125,526)	$15.42	3,090,514	624,268	72,881
Previous Quarter 2Q26	82,244,143	4.0%	(33,509)	$15.62	2,942,815	650,798	42,835
Previous Year 3Q25	82,131,433	3.6%	(11,929)	$15.90	2,747,558	467,524	79,501

** Guilford, Alamance and Forsyth Counties*

Source: CoStar

SUBMARKET TRENDS

GREENSBORO CBD , W GUILFORD COUNTY & NW GUILFORD COUNTY | INVENTORY 23.79 MSF

VACANCY ▲ Q3: 4.2% Q2: 4.0%

RENTAL RATE ▼ Q3: $16.40 Q2: $16.57

ABSORPTION ▲ Q3: (42,431) SF Q2: (62,942) SF

WINSTON-SALEM CBD & NW FORSYTH | INVENTORY 6.87 MSF

VACANCY ▼ Q3: 5.5% Q2: 5.7%

RENTAL RATE ▼ Q3: $13.36 Q2: $13.81

ABSORPTION ▼ Q3: 17,820 SF Q2: 29,462 SF

BURLINGTON & NW ALAMANCE | INVENTORY 1.13 MSF

VACANCY ▼ Q3: 0.9% Q2: 2.4%

RENTAL RATE ▼ Q3: $11.23 Q2: $11.67

ABSORPTION ▲ Q3: 17,060 SF Q2: 1,016 SF

Source: CoStar

KEY TAKEAWAYS



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The Piedmont Triad saw demand soften in the third quarter. Net absorption dropped to (125,526) SF from (33,509) SF last quarter, and vacancy moved up to 4.2% compared to 3.6% a year ago. Market rent fell to $15.42, down 1.3% for the quarter and 3.0% for the year. This is likely due to the elevated cost of borrowing, and the Federal Reserve's rate increase in September, to a range of 3.75% to 4%, adds to that pressure. The local economy is holding up, with unemployment in Guilford, Forsyth and Alamance counties between 3.8% and 4.2% in August, down about half a point from last year.

Smaller tenants are carrying the leasing across the Triad, with food and beverage leading the way along with fitness and medical retail. About 70% of leases were under 3,000 SF. In July, Crunch Fitness leased nearly 29,000 SF at Battleground Plaza in Greensboro. Under construction sits at 624,268 SF, down 4.1% from last quarter but up 33.5% from last year.

There is still demand from institutional investors for grocery anchored shopping centers. In July, InvenTrust Properties purchased the four-building New Garden Crossing in Greensboro for $34 million. Capital is still active, but softer leasing and falling rent point to a cautious fourth quarter.

SIGNIFICANT TRANSACTIONS



9597 US BUSINESS 29
RUFFIN, NC

8,844 SF
Will Blackwell, SIOR



5836 SAMET DRIVE, SUITE 135
HIGH POINT, NC

14,309 SF
Nancy Cox



303-H PISGAH CHURCH ROAD
GREENSBORO, NC

2,534 SF
Banks Handy

DEAL HIGHLIGHT NAI Piedmont Triad is pleased to announce the sale of 9597 US Business 29, a 5,784 SF mixed-use commercial building featuring both residential and retail space in Ruffin, Rockingham County. Located approximately 30 minutes from Greensboro and 14 minutes from Caesars Virginia in Danville, the property offers convenient regional access, and its zoning allows for multi-family redevelopment of approximately seven units, providing significant upside potential for the new owner. Will Blackwell of NAI Piedmont Triad represented the seller in the transaction. *(Will Blackwell, SIOR, Broker)*

PROJECTS SHAPING OUR MARKET



The Grounds names its first retailers, 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. 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



Rural King opens in Greensboro.

The store opened Sept 11, 2026 at 3703 Farmington Drive, the retailer's fourth North Carolina location. It shadow-anchors Stonesthrow Crossing and arrived earlier than the 2027 timeline in earlier coverage.
Sources: PR Newswire / Trade & Industry Development; Shopping Center Business.

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 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.

