MARKETBEAT

GREENSBORO / WINSTON-SALEM

INDUSTRIAL Q2 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	Outlook
6.1% Vacancy Rate	▲	▲
-1.6M YTD Net Absorption, SF	▼	▲
$6.06 Asking Rent, PSF	▲	▲

(Overall, Net Asking Rent)

ECONOMIC INDICATORS

	YOY Chg	Outlook
652K Greensboro/Winston-Salem Employment	▲	▲
3.9% Greensboro/Winston-Salem Unemployment Rate	—	▲
4.2% U.S. Unemployment Rate	▲	▲

Source: BLS

ECONOMY

The Greensboro/Winston-Salem/High Point region, known as the Triad, measured economic gains through 2025. Job growth continued as nonfarm employment increased by 1.1% year-over-year (YOY), rising by 7,400 jobs. Unemployment remained flat over the same period at 3.9%, 30 basis points (bps) below the national rate. Notably, aviation company JetZero selected Guilford County in Q2 for a new manufacturing facility, which is expected to bring an astounding 14,500 new jobs and $4.7B in investment.

SUPPLY AND DEMAND

Following eight consecutive quarters of rising vacancy, the supply of vacant space receded in Q2, falling by 40 bps quarter-over-quarter (QOQ) to 6.1% overall. Strong occupancy gains in newer product outweighed the addition of vacant space in older manufacturing facilities resulting in 882,401 square feet (sf) of net absorption gains in Q2, lowering 2025 year-to-date occupancy losses to negative 1.6 million square feet (msf). No new deliveries were recorded in Q2 and the construction pipeline rose to nearly 3.6 msf as six new projects broke ground this quarter. Notably, only 1.1 msf - or 29.9% of the projects currently under construction - were speculative. While no preleasing has occurred in those speculative developments, a gap in new supply is expected after their delivery, giving the market time to absorb the existing excess supply.

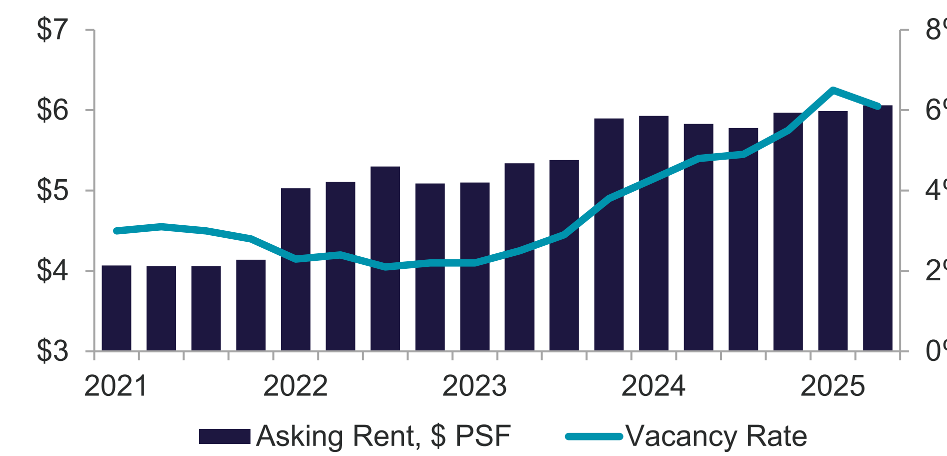
New leasing activity of 970,561 sf was recorded in Q2, pushing the year-to-date total to more than 2.3 msf, slightly higher than the H1 2024 new leasing total. The Airport/West Guilford submarket led leasing demand in Q2 with 42.9% of deals inked, driven by Mohawk Carpet Distribution’s 343,000-sf sublease. Additionally, a significant investment sale transacted in Q2 with Youngs Mill Industrial Center, a fully-leased Class A warehouse/distribution facility selling for $41.0M, making it one of the largest sales in the Triad market.

PRICING

Asking rental rates rose again in Q2, hitting a new high-water mark of $6.06 per square foot overall. Despite the influx of second-generation vacancy in Q2, asking rates have continued to measure steady growth as landlords push rents to keep pace with the market average. As the existing construction pipeline begins to thin out, asking rates are expected to rise near term before moderating as demand for top-quality industrial space continues.

SPACE DEMAND / DELIVERIES

OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CONSTRUCTION (SF)	YTD CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (MF)*	OVERALL WEIGHTED AVG NET RENT (FX)*	OVERALL WEIGHTED AVG NET RENT (W/D)*
Airport/West Guilford	34,500,526	2,247,512	6.5%	99,624	592,327	258,280	50,000	-	$7.21	$7.05
Burlington/Alamance County	27,633,552	2,303,314	8.3%	-128,831	0	187,500	0	$4.55	-	$7.08
Central Greensboro	14,082,695	944,229	6.7%	-367,223	13,503	144,100	0	$4.87	$9.78	$6.73
Central Winston-Salem	3,454,578	85,046	2.5%	-5,000	0	0	0	-	$4.28	-
Davie County	8,590,510	1,126,502	13.1%	181,012	352,625	0	0	$3.95	-	$5.51
East Guilford	9,197,882	937,733	10.2%	195,000	340,000	270,000	0	$3.95	$9.00	$6.20
High Point/Thomasville	45,004,460	947,928	2.1%	-389,068	325,752	0	0	$5.92	-	$5.31
Kernersville	6,942,121	590,718	8.5%	-72,665	2,259	0	0	-	$11.25	$7.35
North Forsyth County	19,872,990	1,373,687	6.9%	-402,271	60,629	0	0	$6.46	$10.19	$6.99
North Greensboro	8,756,916	598,895	6.8%	307,200	450,000	0	0	-	-	$4.97
North Guilford County	8,146,889	0	0.0%	0	0	0	0	-	-	-
Outlying Davidson County	15,965,314	680,366	4.3%	-47,096	0	0	0	$3.50	-	$3.75
Randolph County	18,169,858	1,156,142	6.4%	4,312	0	2,270,000	0	$3.20	-	$3.95
Rockingham County	15,731,255	617,499	3.9%	-35,000	0	0	0	$6.25	-	$3.53
Southeast Forsyth	14,471,389	1,141,221	7.9%	-539,900	158,000	440,000	0	$3.74	-	$5.19
West Forsyth	6,075,396	961,491	15.8%	-416,991	50,000	0	0	-	-	$5.08
MARKET TOTALS	**256,596,331**	**15,712,283**	**6.1%**	**-1,616,897**	**2,345,095**	**3,569,880**	**50,000**	**$4.84**	**$7.85**	**$6.17**

**Rental rates reflect weighted net asking $psf/year*

MF = Manufacturing FX = Flex W/D = Warehouse/Distribution

KEY LEASE TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Eagle Hill Park	Airport/West Guilford	Mohawk Carpet Distribution	343,000	Sublease
SouthPoint Business Park - ND - 158	Davie County	Amarr Door Co.	152,160	New Lease
3401 Burlington Rd	North Greensboro	Starr Electric Company, Inc.	100,000	New Lease

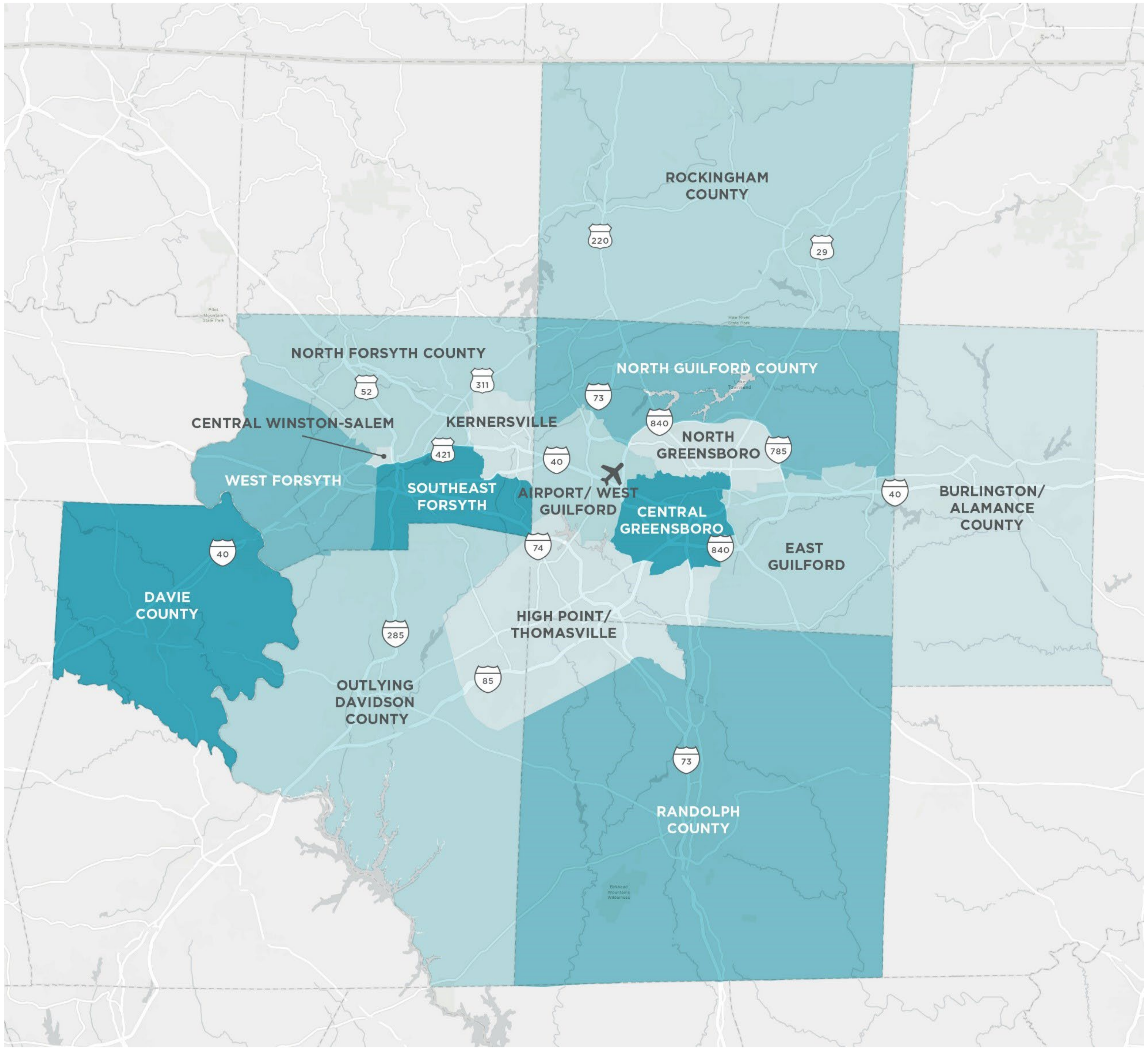
KEY SALES TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	SELLER | BUYER	SF	PRICE | $ PSF
Youngs Mill Industrial Center	East Guilford	Williams Development Group | EQT Exeter	402,000	$41.0M | $102.17
73 Business Center	Airport/West Guilford	Samet Corporation | IP Capital Partners	192,154	$19.7M | $102.78

KEY SPECULATIVE PROJECTS UNDER CONSTRUCTION

PROPERTY	SUBMARKET	KEY TENANT	SF	OWNER | DEVELOPER
Union Cross Industrial Center - Building 5	Southeast Forsyth	N/A	300,000	Front Street Capital
Central Carolina Logistics Center	Burlington-Alamance County	N/A	187,500	BlueScope Properties
AXIAL Liberty Commerce	Airport/West Guilford	N/A	173,280	Axial Industrial

INDUSTRIAL SUBMARKETS



MADELYN DAVIS
Senior Research Analyst, Carolinas
Tel: +1 919 439 5148
Madelyn.Davis@cushwake.com

JP PRICE
Research Manager, Carolinas
Tel: +1 704 335 4433
JP.Price@cushwake.com

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