

FIGURES | SAVANNAH INDUSTRIAL | Q4 2025

Competitive supply and slower leasing mark year-end conditions

▲ 10.6%
Total Vacancy Rate

▼ 599K
SF Net Absorption

▲ 4.3M
SF Under Construction

▲ 1M
SF Delivered

▼ 841K
SF Leasing Activity

▲ \$7.11
Avg NNN Lease Rate

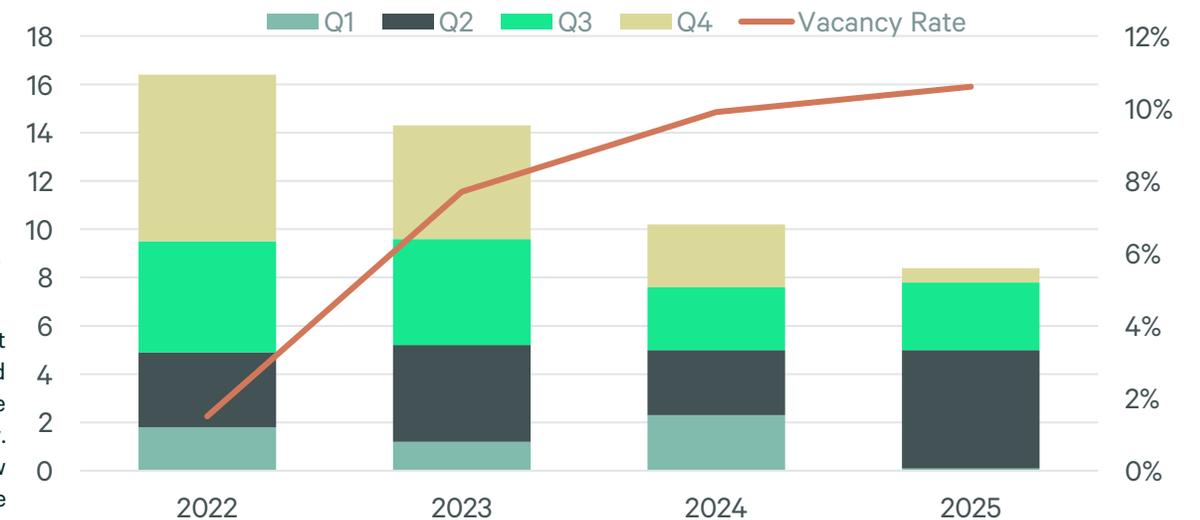
Note: Arrows indicate change from previous quarter.

Key Takeaways

- Following strong performance in Q1 and Q3, Leasing momentum slowed sharply in Q4 with activity totaling 841K sq. ft., the lowest quarterly volume since 2020.
- Net absorption registered 599K sq. ft., reflecting seasonal factors and tenant caution after earlier periods of robust demand.
- Vacancy climbed to 10.6% and availability reached 13.3% as new deliveries combined with second-generation and sublease space kept supply elevated.
- The average NNN rent edged up to \$7.11 per sq. ft., with larger blocks maintaining pricing stability while smaller footprints faced greater pressure.

Savannah’s industrial market posted mixed results in 2025. Leasing activity was strong in Q1 and Q3 but slowed sharply in Q4 to 841K sq. ft., the lowest quarterly total of the year. Net absorption registered 599K sq. ft., reflecting seasonal factors and tenant caution. Second-generation and sublease space continued to grow in 2025, competing with new Class A product and contributing to elevated supply. Vacancy held at 10.6% while availability climbed to 13.3%, highlighting the challenge of clearing both new deliveries and older inventory. The average NNN rent edged up to \$7.11 per sq. ft., with larger blocks more resilient than smaller footprints. Conditions in 2026 are expected to remain tenant-favorable, with competitive options and pricing strategies supporting deal flow.

FIGURE 1: Quarterly Net Absorption and Total Vacancy Rate
Million Sq. Ft.



Source: CBRE Research, Q4 2025

Market Overview

- The Savannah industrial market continues to be one of the most attractive in the country for investors and occupiers.
- Savannah is one of the fastest growing markets as a percentage of inventory, having grown more than 66 MSF in the last 5 years.
- Georgia's largest economic development project in history - the \$5-billion Hyundai Metaplant – is now operational, generating an additional pool of supplier demand that has already leased and is expected to continue leasing distribution product as the plant ramps up production.
- The **Georgia Ports Authority** is the key driver for the Savannah Industrial Market:
 - Two Terminals: Ocean & Garden City Terminal; modern & deep water.
 - The Port of Savannah is the third busiest and fastest growing port in the nation. GPA is underway on growth projects to increase overall container capacity from the current level of 8.0-million twenty-foot equivalent units (TEU) to 12-13-million TEU's by 2032.
 - GPA has invested \$3.2-billion in its facilities in the last 10 years and plans to invest another \$4.5-billion over the next 10 years to expand its container handling capabilities.
 - Unlike all other major ports in the nation, GPA operates its own facilities providing for a much more efficient and tailored customer experience.

Survey Criteria

Includes all classes of competitive industrial space 10,000 sq. ft. and greater in Bryan, Chatham, Bulloch, Effingham, and Liberty County, Georgia, and Jasper County, South Carolina. Buildings under construction are evidenced by site excavation or foundation work. Excludes self-storage, specialized manufacturing, data centers, and industrial outdoor storage.

*Note: Beginning 2024, CBRE Research expanded the Savannah industrial market to include Bulloch County and Liberty County in Georgia. Historical adjustments were made to data going back to the beginning of 2023.

Note: As of Q2 2025, our methodology for collecting data has changed. In previous quarters, we considered space absorbed as soon as a company physically occupied space. A new lease will factor into net absorption as soon as the lease is signed and confirmed. To reflect these changes, we have also gone back the past year and changed those numbers proactively. Special circumstances may occur where methodology adjustments have been made which may impact current quarter data.

FIGURE 2: Market Statistics

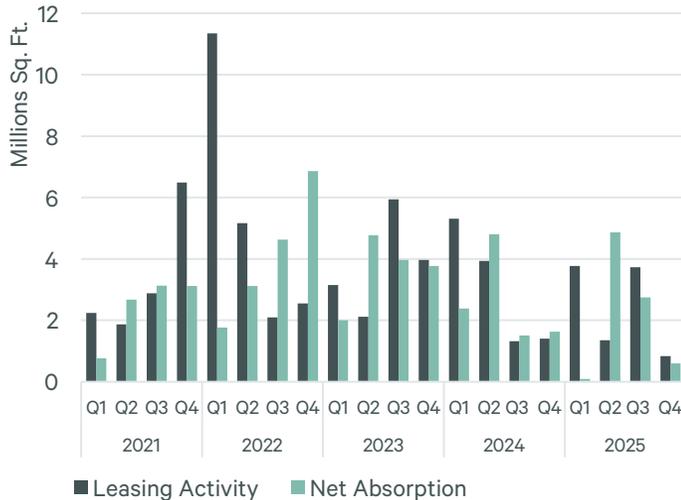
Quarter/Year	Market Rentable Area (sq. ft)	Total Vacancy Rate %	Total Avail Rate %	Net Absorption (sq. ft.)	YTD Net Absorption (sq. ft.)	Under Construction (sq. ft.)	Avg. NNN Lease Rate (\$/sq. ft./Yr)
Q4 2025*	159,221,309	10.6	13.3	599,217	8,306,877	4,285,660	\$7.11
Q3 2025*	158,270,346	10.5	12.9	2,751,361	7,707,660	4,246,914	\$7.06
Q2 2025*	157,525,194	11.4	14.1	4,861,411	4,956,293	4,550,866	\$7.05
Q1 2025*	151,271,780	11.2	12.2	94,882	94,882	8,501,132	\$7.23
Q4 2024*	148,117,577	9.9	11.3	2,583,551	10,195,288	9,555,890	\$7.07
Q3 2024*	145,566,725	9.6	10.4	2,648,375	7,611,737	12,080,656	\$7.12
Q2 2024*	142,042,058	9.4	9.4	2,664,822	4,963,362	14,222,914	\$7.20
Q1 2024*	136,535,655	7.8	10.4	2,298,540	2,298,540	18,454,306	\$7.07
Q4 2023*	133,661,827	7.7	9.8	4,716,930	13,501,302	17,963,648	\$7.30
Q3 2023*	126,991,076	6.2	6.8	4,417,722	9,610,127	20,533,998	\$7.20
Q2 2023*	120,198,784	4.3	4.3	3,958,553	5,192,405	26,116,231	\$6.34
Q1 2023*	112,544,247	1.3	2.0	1,233,852	1,233,852	27,507,613	\$6.24
Q4 2022	100,367,620	0.8	1.6	6,858,881	16,455,221	26,269,775	\$6.09
Q3 2022	94,415,220	0.5	0.5	4,632,622	9,596,340	25,435,509	\$6.02

Source: CBRE Research, Q4 2025

Net Absorption and Leasing Highlights

Leasing activity slowed sharply in Q4, totaling 841K sq. ft., the lowest since 2020. For the full year, a notable shift emerged in leasing patterns as 42.8% of 2025 deals occurred in second generation buildings. This represented a sharp departure from 2023 when nearly 78.2% of new transactions were concentrated in post-2022 Class A deliveries. Savannah has long operated as a tight industrial market, with new Class A deliveries over the past four years leasing quickly after completion. Conditions have shifted, and second-generation space now captures a larger share of demand due to cost efficiency, proven locations, and competitive pricing. Despite slower demand late in the year, net absorption finished the fourth quarter at 599K sq. ft. Overall, these dynamics signal a market recalibration heading into 2026 as elevated vacancy and a wider set of choices are expected to favor tenants who prioritize value while landlords sharpen positioning to sustain absorption.

FIGURE 3: Net Absorption and Leasing Activity



Source: CBRE Research, Q4 2025

Vacancy

Vacancy edged up to 10.6% as new supply and second-generation space weighed on fundamentals. In 2025, 72.2% of added availability came from buildings delivered in 2022 or earlier, highlighting growing competition between older product and recent completions. Vacancy did not retrain as lease-up slowed and previously occupied blocks returned to market. Pressure was most evident in mid-sized formats, with the 300K–500K sq. ft. range increasing 4.5% YoY. Progress will depend on deal velocity in these segments and a slowdown in construction activity as demand is expected to remain steady in 2026.

FIGURE 4: Vacancy by Size Category

Size	Q4 Vacancy %
750K+	12.0%
500-750K	7.4%
300-500K	11.6%
150-300K	12.9%
Under 150K	6.5%

FIGURE 6: Key Leasing Transactions

Tenant	Location	Size (sq. ft.)	Submarket	Transaction Type
JF Fulfillment	651 Bloomingdale Rd	382,755	Bloomingdale/Pooler	New Lease
Smart Supply Chain	Tradeport Business Center – Bldg. 1	147,000	Bloomingdale/Pooler	New Lease
Smart Supply Chain	Tradeport Business Center – Bldg. 1	110,250	Bloomingdale/Pooler	Expansion
PatioMall	651 Bloomingdale Rd	100,000	Bloomingdale/Pooler	New Lease

Source: CBRE Research, Q4 2025

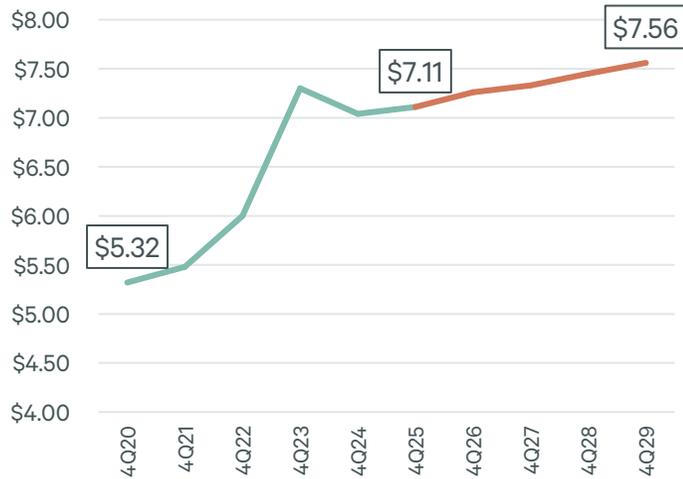
FIGURE 5: Warehouse/Distribution Total Vacancy



Rental Rates

The average NNN asking rent in Savannah closed Q4 2025 at \$7.11 per sq. ft., as concessions remained elevated and pricing dispersion widened across size segments. Free rent continues to be the most significant incentive, with six months commonly offered upfront and additional periods at reduced rent; while annual escalations have moderated to the 3.25% to 3.5% range. Larger blocks of 300K sq. ft. and above have maintained rate stability with selective increases supported by sustained demand from regional and national occupiers. In contrast, footprints under 200K sq. ft. have declined by approximately \$1.00 per sq. ft. over the past six to nine months, driven by rising vacancy and heightened competition from second-generation and sublease space. Looking ahead, rental rates are expected to remain under pressure in early 2026 as vacancy persists and landlords prioritize deal velocity.

FIGURE 7: Historic & Projected Warehouse/Distribution Rental Rates



Source: CBRE Research, Q4 2025

Construction & Deliveries

Savannah’s development pipeline continued to adjust as developers responded to shifting demand and elevated vacancy. Roughly 4.3-million sq. ft. remained under construction, while new starts during the quarter totaled just over 1.0-million sq. ft.. After a surge in mid-sized projects earlier in the cycle, developers paused new starts in the 300K to 500K sq. ft. range throughout 2025. This followed a period of oversupply which pushed vacancy in this segment up 450 bps YoY to 11.6%. Completions for the quarter totaled just under 1.0-million sq. ft. across five buildings, all delivered vacant. While construction activity has moderated, Savannah’s industrial market remains accessible due to low barriers to entry and the availability of entitled land across multiple municipalities. Looking ahead to 2026, only a limited number of projects are expected to break ground, primarily highly targeted developments tied to specific tenant requirements.

FIGURE 9: Top Deliveries in Quarter

Property Name	Property City	Building Size (sq. ft.)	Distance to Port (miles)	Month Completed	Developer
Central Port Logistics Center – Bldg. 5	Savannah	284,580	5	December 2025	Capital Development Partners
Parkway 16 West – Bldg. 1	Bloomingtondale	224,640	13	November 2025	Pritzker Realty Group
Central Port Logistics Center – Bldg. 4	Savannah	168,480	5	December 2025	Capital Development Partners
117 Parkway Dr - A-B	Rincon	165,600	10	December 2025	Parkway Properties
Total Delivered Q4 2025		994,500			

Source: CBRE Research, Q4 2025

FIGURE 8: Under Construction & Deliveries

