

FIGURES | GREENSBORO-WINSTON/SALEM INDUSTRIAL | Q1 2026

# Demand Rebounds as Vacancy Falls and Pipeline Expands

▼ 6.8%  
Vacancy Rate

▲ 1.4M  
SF Net Absorption

▼ 257,000  
SF Construction Delivered

▲ 3.8M  
SF Under Construction

▲ \$6.59  
NNN/YR Direct Lease Rate

Note: Arrows indicate change from previous quarter.

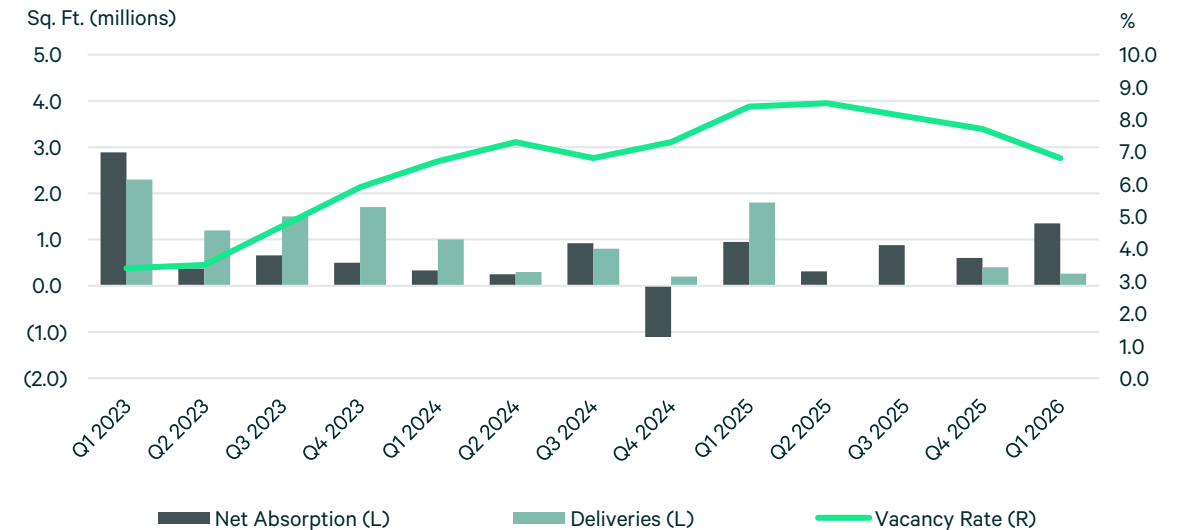
## Market Overview

Greensboro/Winston-Salem continues to experience increased tenant demand as the market posts 1.4 million sq. ft. of positive absorption in Q1 2026 – up 748,000 sq. ft. quarter-over-quarter and 41.9% year-over-year – driven by Airport, Davie County, Southeast Alamance, and West Forsyth submarkets. This strengthening demand pushed the vacancy rate down by 160 basis points (bps) year-over-year while availability fell to 9.0%, 70 bps over the same period.

Pricing and supply dynamics also point to a tightening market, with average asking rents edging up to \$6.59 per sq. ft. - a 2.0% increase quarter-over-quarter and 0.3% higher than a year earlier - signaling firmer landlord pricing as space options narrow. Active construction expanded to 3.8 million sq. ft. as Food Lion parent company Ahold Delhaize broke ground on their 1.1 million sq. ft. distribution facility in Southeast Guilford, notably increasing the already build-to-suit-heavy pipeline.

More than 3.0 million sq. ft. of leased space transacted in Q1, primarily concentrated in Southeast Guilford, Southeast Alamance, and Airport submarkets. New leases accounted for 2.4 million sq. ft., or 80.7% of total activity, and Class A space made up 1.7 million sq. ft. of that total.

Figure 1: Historical Net Absorption, Deliveries, and Vacancy



Source: CBRE Research, Q1 2026

## Availability Rate

Market availability finished at 9.0% in Q1 2026, down from 9.7% in Q4 2025. On a year-over-year basis, availability declined from 10.7% in Q1 2025, marking the fifth consecutive quarter of decreasing availability. This tightening follows a short-term glut of space from 2022 to 2023 caused by nearly 10.5 million sq. ft. of new speculative industrial construction completions.

West Forsyth posted the highest availability rate at 23.7% in Q1 2026, although this number was primarily driven by two buildings – 285 Logistics and 4665 Annapolis Drive – that together offer more than 1 million sq. ft. of available space. Additionally, Airport and Southeast Alamance submarkets are experiencing short-term elevated availability levels due to recent construction, however, overall market leasing velocity for first-generation space has consistently led to quick stabilization for newer properties in recent years. The North Guilford submarket had the lowest availability rate at 2.5%, followed by Southeast Forsyth at 2.9%.

Sublease space reduced by 10 bps, resulting in a recorded 725,000 sq. ft. of sublease space on the market in Q1 2026.

## Asking Rent

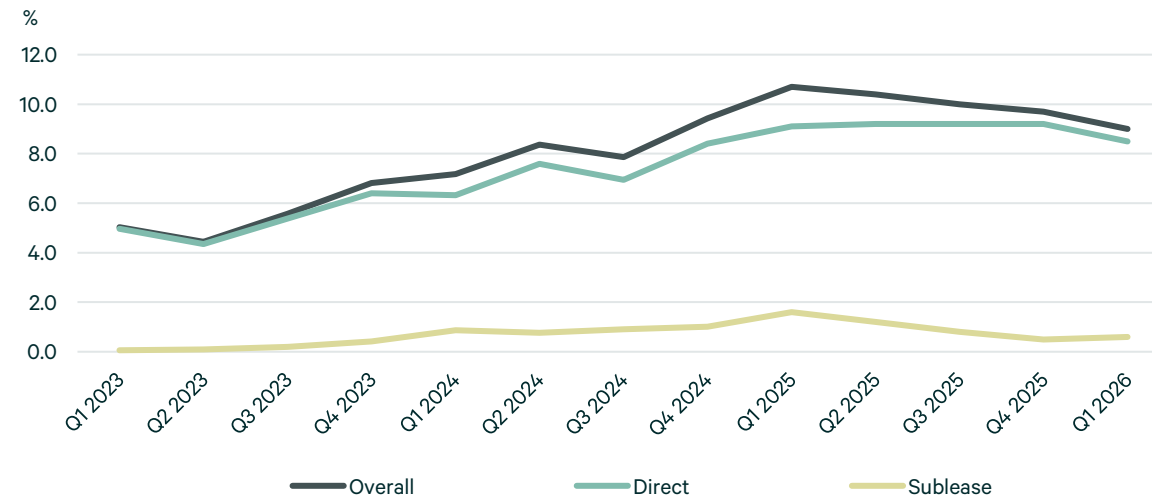
Recent leasing success has outpaced historic averages for the Greensboro market, tightening supply and bolstering landlord confidence in tenant demand. This has caused organic rent growth for existing Class A assets as well as boosted top-of-market rents for new properties breaking ground.

Class A warehouse rates have grown 7% year-over-year and average \$7.83 per sq. ft. NNN. In the same time, Class A premiums have widened notably from Class B and C asking rents, from 15.3% to 23.7% and from 41.9% to 53.6%, respectively.

Overall average direct asking rent reached \$6.59 per sq. ft. in Q1 2026, up 2.0% quarter-over-quarter. Although direct rents rose by only 0.3% year-over-year from Q1 2025 to Q1 2026 specifically, the market has experienced 7.8% annualized rent growth across the past four years.

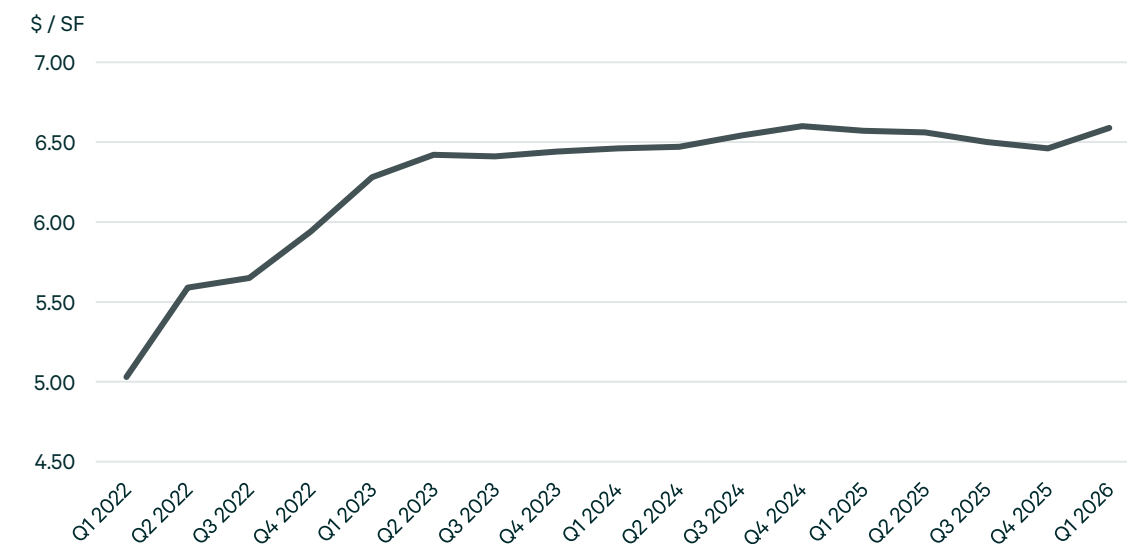
Kernersville posted the highest average asking lease rate in Q1 2026 at \$10.34 per sq. ft., driven largely by Flex and Small Bay availabilities at South Park Business Center, where the high watermark was \$12.75 per sq. ft. NNN.

Figure 2: Availability Rates



Source: CBRE Research, Q1 2026

Figure 3: Average Direct Asking Rate



Source: CBRE Research, Q1 2026

## Net Absorption

The Triad continues to experience accelerating growth in industrial leasing, evidenced by 1.4 million sq. ft. of net absorption for the quarter and 3.2 million sq. ft. for the trailing twelve-month period. Class A space accounted for 65.1% - or 2.1 million sq. ft. - of the trailing twelve-month total as tenant demand remains heavily concentrated towards newer, more modern space.

Four submarkets primarily drove absorption this quarter – Airport, Davie County, Southeast Alamance, and West Forsyth – each recording more than 230,000 sq. ft. of positive absorption.

The General Construction and Special Trade Contractors industries together accounted for 637,000 sq. ft. of positive absorption, which mirrors the largest absorption-moving transactions in Q1 2026: Wesco Distribution’s new 298,500 sq. ft. space at 116 TriWest Drive in Davie County and Matcor, Inc.’s 97,500 sq. ft. space at 285 Logistics in West Forsyth.

Several expansions also contributed to positive absorption. Most notably, Core Technology Injection Molding moved into their 104,000 sq. ft. space at 5670 Millstream Road in Southeast Guilford; the company tripled their footprint and manufacturing capacity in the move.

## Construction Activity

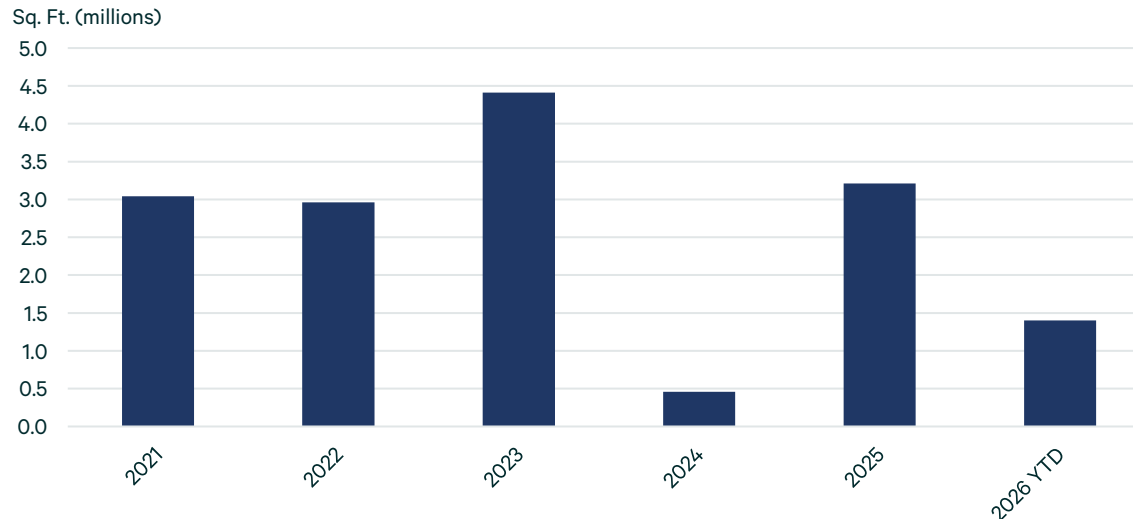
The construction pipeline continued to grow this quarter as over 1.2 million sq. ft. broke ground – almost entirely comprised of regional grocery store giant, Ahold Delhaize, commencing their 1.1 million sq. ft. build-to-suit distribution center in Southeast Guilford.

Build-to-suit developments currently make up 75.2% of the 3.8 million sq. ft. construction pipeline, as occupiers show more confidence in making long-term commitments. Last Mile and Food & Beverage distribution facilities comprise 1.9 million sq. ft. of the build-to-suit pipeline, underscoring the market’s effort to scale services amid continued regional population growth.

Active speculative construction – which currently includes four warehouse projects - sits slightly under 1 million sq. ft. and is fully concentrated within Southeast Guilford and Southeast Forsyth.

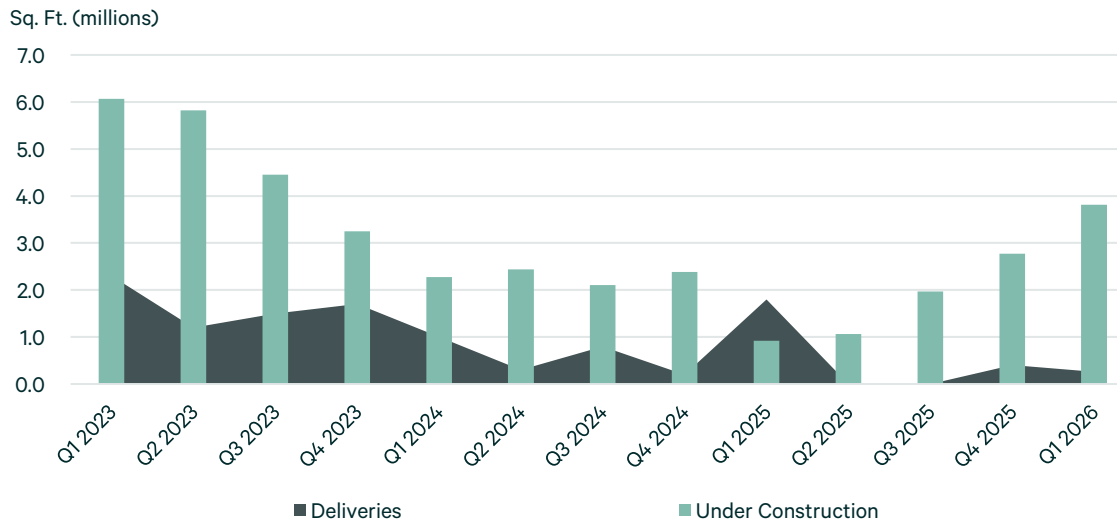
Three buildings totaling 257,000 sq. ft. delivered in Q1, the largest of which was Core Technology’s 104,000 sq. ft. headquarters and manufacturing plant in Southeast Guilford. In South Greensboro, Koury Corporation finished a 93,000 sq. ft. speculative project that is fully pre-leased by AC Corporation. Lastly, in Southeast Forsyth, Range Properties completed their 60,000 sq. ft. multi-tenant flex property.

Figure 4: Net Absorption Trend



Source: CBRE Research, Q1 2026

Figure 5: Construction Activity



Source: CBRE Research, Q1 2026

## Leasing Activity

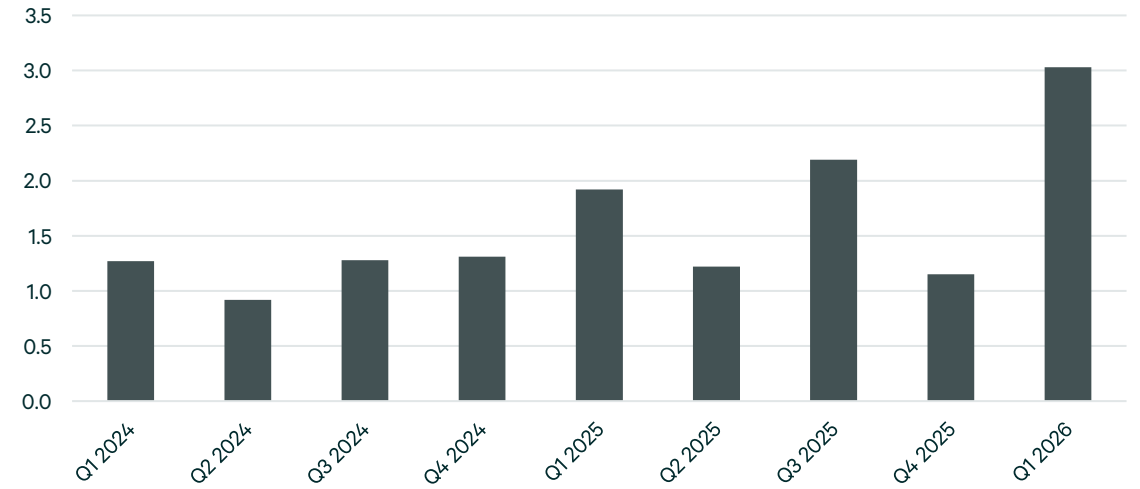
It was an active quarter across the market as six submarkets each experienced over 100,000 sq. ft. in transactions. The largest lease of the quarter was the aforementioned Ahold Delhaize build-to-suit at 1442 NC Highway 61 South. Additionally, Millennium Print Group – a subsidiary of The Pokémon Company that manufactures its trading cards – took 579,000 sq. ft. at Haw River Distribution Center in Southeast Alamance.

Since Q1 2025, Class A space has accounted for 52.3% of new leases and 61.1% of renewal and expansion activity in the market and a total of over 5.1 million sq. ft.. The average Class A new lease size in the same period was 170,000 sq. ft., however, when outliers<sup>1</sup> are removed, the average is 83,000 sq. ft..

Several large renewals were signed, including a confidential global logistics company extending 150,000 sq. ft. at 4747 McConnell Road in Southeast Guilford and construction and industrial supply firm SouthernCarlson extending their 140,000 sq. ft. at Union Cross Industrial Center in Southeast Forsyth. The Construction and Distribution/Logistics industries together made up more than 1.6 million sq. ft. – or 70.4% - of total leasing activity.

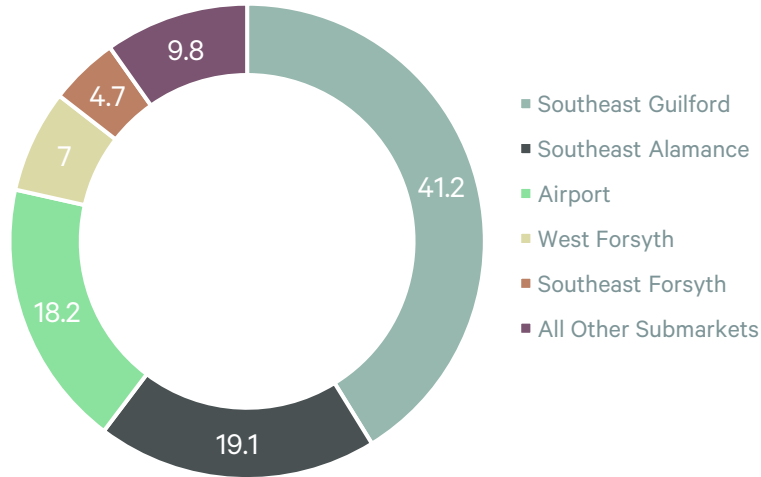
1 - The use of the term "outliers" here references deals where area leased falls more than one standard deviation outside the mean

Figure 6: Leasing Activity Trend  
Sq. Ft. millions



Source: CBRE Research, Q1 2026

Figure 7: Leasing Activity by Submarket (% of Total Activity)



Source: CBRE Research, Q1 2026

Figure 8: Key Lease Transactions

Tenant	Sq. Ft. Leased	Transaction Type	Address	Submarket
Ahold Delhaize d.b.a. Food Lion	1,100,000	New Lease	1442 NC Highway 61 S	Southeast Guilford
Millennium Print Group	579,000	New Lease	1325 Truby Drive	Southeast Alamance
Confidential Tenant	150,000	Renewal	4747 McConnell Center Dr	Southeast Guilford
SouthernCarlson	140,000	Renewal	4980 Millennium Drive	Southeast Forsyth
Piedmont Candy	116,000	New Lease	90 Piedmont Industrial Dr	West Forsyth
Bunzl	114,000	Renewal	1605 Piedmont Commerce Drive	Airport
Cranston Trucking	110,000	Renewal	780 Pegg Rd	Airport
Confidential Tenant	101,000	New Lease	8425 Triad Drive	Airport

Source: CBRE Research, Q1 2026

## Market Statistics by Size

Figure 9

Size Range	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Q1 Net Absorption (MSF)	YTD Net Absorption (MSF)	Deliveries (SF)	Under Construction (MSF)
Under 100,000 sq. ft.	42.31	4.8	6.9	6.4	0.6	7.27	-	-	153,000	0.18
100,000-199,999 sq. ft.	25.79	10.0	11.8	11.0	0.8	6.62	0.23	0.23	104,000	0.28
200,000-299,999 sq. ft.	16.71	7.7	11.2	9.9	1.3	5.96	0.30	0.30	-	0.62
300,000-499,999 sq. ft.	19.69	9.2	13.7	13.4	0.3	6.63	0.04	0.04	-	1.03
500,000-749,999 sq. ft.	8.65	3.7	3.7	3.7	-	4.78	0.58	0.58	-	0.60
750,000 sq. ft.	14.27	4.5	4.5	4.5	-	5.75	0.21	0.21	-	1.10
<b>Total</b>	<b>127.43</b>	<b>6.8</b>	<b>9.0</b>	<b>8.5</b>	<b>0.6</b>	<b>6.59</b>	<b>1.36</b>	<b>1.36</b>	<b>257,000</b>	<b>3.81</b>

Source: CBRE Research, Q1 2026

## Market Statistics by Product Type

Figure 10

Product Type	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Q1 Net Absorption (MSF)	YTD Net Absorption (MSF)	Deliveries (SF)	Under Construction (MSF)
Distribution/Logistics	84.35	7.6	10.1	9.5	0.6	6.56	1.24	1.24	93,000	3.30
Manufacturing - General	37.62	4.6	6.4	6.0	0.4	5.47	0.12	0.12	104,000	0.38
R&D/Flex	5.46	9.7	11.0	9.9	1.2	11.28	-	-	60,000	0.13
<b>Total</b>	<b>127.43</b>	<b>6.8</b>	<b>9.0</b>	<b>8.5</b>	<b>0.6</b>	<b>6.59</b>	<b>1.36</b>	<b>1.36</b>	<b>257,000</b>	<b>3.81</b>

Source: CBRE Research, Q1 2026

## Market Statistics by Class

Figure 11

Property Class	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Q1 Net Absorption (MSF)	YTD Net Absorption (MSF)	Deliveries (SF)	Under Construction (MSF)
Class A	24.10	9.7	12.3	11.7	0.6	7.99	0.85	0.85	257,000	3.81
Class B and C	103.33	6.1	8.3	7.7	0.6	6.08	0.51	0.51	-	-
<b>Total</b>	<b>127.43</b>	<b>6.8</b>	<b>9.0</b>	<b>8.5</b>	<b>0.6</b>	<b>6.59</b>	<b>1.36</b>	<b>1.36</b>	<b>257,000</b>	<b>3.81</b>

Source: CBRE Research, Q1 2026

## Market Statistics by Submarket

Figure 12

Submarket	Net Rentable Area (MSF)	Total Vacancy (%)	Total Availability (%)	Direct Availability (%)	Sublease Availability (%)	Avg. Direct Asking Rate (\$/SF NNN/yr)	Q1 Net Absorption (MSF)	YTD Net Absorption (MSF)	Deliveries (SF)	Under Construction (MSF)
Airport	20.78	7.3	11.5	11.1	0.4	7.94	0.23	0.23	60,000	-
Clemmons	0.48	10.5	10.5	10.5	-	6.50	-	-	-	-
Davidson County	24.84	5.0	7.1	6.0	1.1	4.96	0.01	0.01	-	-
Davie County	8.46	4.5	4.5	4.5	-	4.92	0.30	0.30	-	0.04
High-Point/SW Guilford	8.06	1.8	5.6	5.1	0.5	6.03	(0.06)	(0.06)	-	-
Kernersville	4.42	2.7	4.0	3.7	0.2	10.34	(0.01)	(0.01)	-	0.38
North Alamance	5.82	4.8	4.8	4.8	-	4.36	-	-	-	-
North Forsyth	8.12	7.0	10.4	10.2	0.1	6.27	0.04	0.04	-	-
North Guilford	7.05	2.5	2.5	2.5	-	7.42	0.01	0.01	-	-
South Greensboro	7.40	10.0	11.3	10.9	0.5	7.92	0.05	0.05	93,000	0.55
Southeast Alamance	6.81	15.7	18.3	17.6	0.6	7.25	0.58	0.58	-	0.64
Southeast Forsyth	6.58	2.0	2.9	2.0	0.9	4.98	-	-	-	0.39
Southeast Guilford	7.65	5.8	5.9	3.5	2.3	7.67	0.10	0.10	104,000	1.81
Southwest Alamance	5.39	16.3	17.7	17.5	0.2	5.22	(0.16)	(0.16)	-	-
West Forsyth	5.57	16.7	23.7	23.7	-	6.05	0.27	0.27	-	-
<b>Total</b>	<b>127.43</b>	<b>6.8</b>	<b>9.0</b>	<b>8.5</b>	<b>0.6</b>	<b>6.59</b>	<b>1.36</b>	<b>1.36</b>	<b>257,000</b>	<b>3.81</b>

Source: CBRE Research, Q1 2026

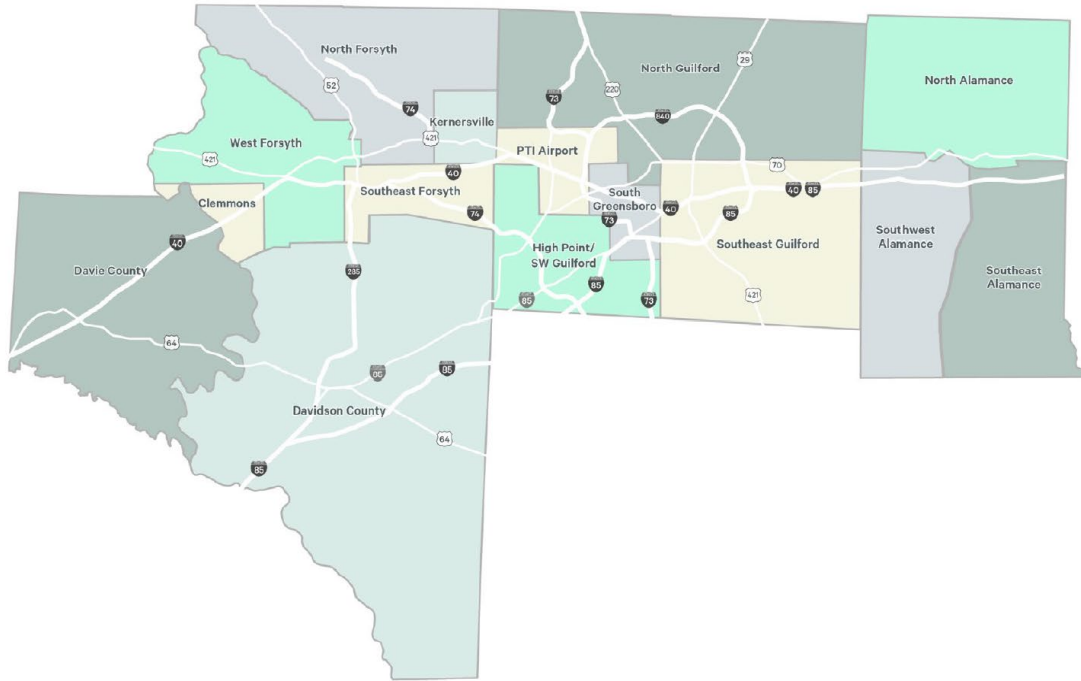
## Economic Overview

The Piedmont Triad continues to demonstrate economic resilience as growth shifts from rapid post-pandemic expansion to a more sustainable pace. Population gains persisted across Burlington, Winston-Salem, and Greensboro–High Point in 2025, with migration serving as the dominant driver of growth. U.S. Census Bureau estimates show Burlington leading the region in percentage growth, largely due to net domestic migration, while Winston-Salem and Greensboro–High Point relied more heavily on in-migration to offset natural population decline. Projections from the North Carolina Office of State Budget and Management indicate continued - though moderating - population increases across Triad counties over the next decade, supporting workforce stability and consumer demand.

State and federal labor data show continued job growth in manufacturing, health care, logistics, and aerospace-related industries, with Winston-Salem ranking among the faster-growing employment centers in North Carolina during 2025. The region's aerospace cluster, centered around Piedmont Triad International Airport, adds further momentum.

Industrial real estate continues to anchor the Triad's economy, supported by demand from logistics, manufacturing, and aerospace users. With inflation trending toward 2%, financing conditions and tenant decision-making are expected to stabilize in 2026. Local broker sentiment reflects a positive outlook on development activity, supporting sustainable long-term growth across the Triad.

## Market Area Overview



### CBRE | Triad

101 Centreport Dr., Suite 160  
Greensboro, NC 27409

### Survey Criteria

Includes all industrial and flex buildings 20,000 sq. ft. and greater in size in Alamance, Davidson, Davie, Forsyth, and Guilford counties. Only buildings that have commenced construction, as evidenced by site excavation or foundation work, are included.

### Methodology Update

Beginning in Q4 2025, adjustments were made to the underlying statistical property set used in this report. These changes reflect the removal of properties that no longer meet current survey criteria. As a result, certain historical metrics may differ from values published in prior quarters. These revisions are intended to enhance data accuracy and ensure the most consistent market representation going forward.

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