



# Office Market Report

## Charlotte - NC USA

PREPARED BY



Barrett Fowler  
Broker-in-Charge



**OFFICE MARKET REPORT**

Market Key Statistics	1
Leasing	3
Rent	8
Construction	12
Under Construction Properties	14
Sales	16
Sales Past 12 Months	18
Economy	20
Market Submarkets	25
Supply & Demand Trends	29
Rent & Vacancy	31
Sale Trends	33



12 Mo Deliveries in SF	12 Mo Net Absorption in SF	Vacancy Rate	Market Asking Rent Growth
1.8M	1M	14.8%	1.4%

Charlotte's office market is gathering momentum heading into the final stretch of 2025. Twin tailwinds of stronger job growth in the finance and professional services sectors, combined with slowing supply, have stabilized vacancy rates. Leasing activity ticked up in the first half of 2025, as interest from new-to-market tenants returned and in-market movers took increasingly large footprints. Net absorption reached positive territory for the fourth consecutive quarter in 25Q2, a streak not matched in the market since 2019.

At the same time, the large-scale consolidations and downsizings that characterized the largest negative absorption shocks in the early 2020s have slowed considerably as most pre-pandemic leases have expired. Though Vanguard vacated 490,000 SF in 25Q2, their move to a new 700,000 SF owner-occupied campus in the University was a net positive for absorption.

With new construction down to a decade-long low, pressure from new supply is also dwindling. The market's vacancy rate of 14.8%, though more than double its lows five years ago, grew only 20 basis points annually through 25Q2.

Though the pipeline of new trophy space is effectively empty after the delivery of the Commonwealth mixed-use center, an overhang of available space in aging Uptown towers and isolated suburban campuses reflects continued fragmentation. In Uptown, for example, buildings built prior to 1990 are more than 40% vacant, while newer properties in the submarket are roughly 10%

available.

Owners of the best-located properties with patient capital and deep pockets have invested in amenity upgrades and move-in-ready spec suite spaces. This effort to capture the top of the second tier has paid off for some landlords. As professional services job growth surged by 5%, year-over-year, full-floor tenants have been increasingly active as illustrated by Trimont's three-floor lease at One South. That activity has stemmed the broader rental rate decline seen in the most-challenged Uptown towers, where rents have fallen as low as \$30/SF. These mid-tier buildings are carving a niche as "A-minus," mid-cost alternatives to a narrowing supply of trophy space in fashionable South End, where rates have reached the mid \$50s/SF.

Large-scale corporate relocations and expansions, which were few and far between in the past five years, began to return in 2025. Trimont, AssetMark, and Citigroup all announced significant job growth commitments in Charlotte, improving the prospects for filling large blocks of trophy and renovated space.

A lack of new supply provides the biggest potential upside for Charlotte's office forecast, as any increase in absorption activity will quickly compress vacancies. Macroeconomic uncertainty and slowing job growth at the national level as of late summer 2025, however, represent significant downside risks if uncertainty punctures leasing momentum through indecision from corporate tenants.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	53,652,433	21.4%	\$40.97	21.9%	(172,063)	0	36,450
3 Star	58,247,913	13.3%	\$31.27	11.5%	37,114	46,859	255,858
1 & 2 Star	26,200,136	4.4%	\$25.39	5.0%	(17,657)	0	0
Market	138,100,482	14.8%	\$33.92	14.3%	(152,606)	46,859	292,308

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	0.4% (YOY)	10.3%	14.0%	14.8%	2025 Q3	4.9%	2000 Q2
Net Absorption SF	1M	1,473,744	800,847	4,920,568	2006 Q1	(1,465,814)	2021 Q2
Deliveries SF	1.8M	2,315,422	843,757	4,892,329	2009 Q1	522,878	2015 Q2
Market Asking Rent Growth	1.4%	2.3%	1.5%	8.2%	2008 Q1	-7.7%	2010 Q1
Sales Volume	\$1.1B	\$981.6M	N/A	\$3.5B	2022 Q2	\$0	2004 Q1

A financial services hiring spree, a slowdown in moveouts, and the return of large-footprint out-of-market office users are leading to improved office fundamentals in Charlotte in the second half of 2025. The market posted four consecutive quarters of positive absorption in 25Q2 for the first time since 2019. While the office vacancy rate remains elevated at 14.8%, the positive absorption and limited new construction have allowed vacancies to stabilize.

Though macroeconomic uncertainty led some groups to scale back or pause expansion plans in 25Q2, overall job growth surged 2.6% on a year-over-year basis in Charlotte, vastly outpacing the national rate. Office-using sectors, such as professional and business services, grew by 5% in Charlotte. New leasing activity through 25H1 was nearly 25% higher than 24H1, boosting optimism among some market participants for a continued turnaround in the beleaguered property type.

Brokers reported an uptick in new-to-market firms touring large blocks of available space, and those tours began to pay dividends. After limited relocation announcements from out-of-market firms over the past four years, the first half of 2025 brought relocation and expansion announcements totaling nearly 1,000 projected jobs. Trimont, which completed its purchase of Wells Fargo's commercial lending arm, leased 68,000 SF at One South in Uptown, where it will relocate from Atlanta. Coinbase announced plans to lease 58,600 SF at 110 East in South End. AssetMark expanded into 48,000 SF at 2825 South, and Citigroup pledged a 500-job expansion at an unspecified space in Charlotte.

Though the flight-to-quality trend continues, large-scale consolidations, which led to negative absorption shocks as major employers right-sized their office footprints from 2021 through early 2024, began to slow. More than

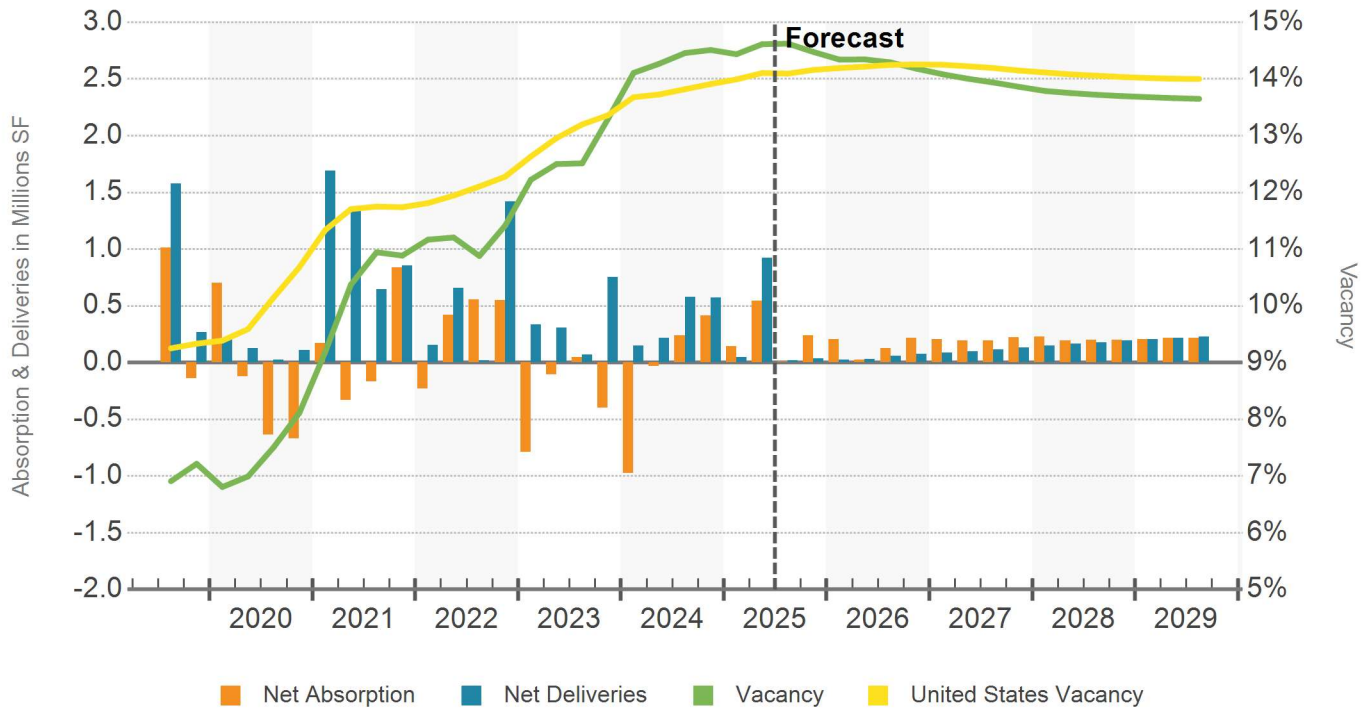
62% of office space leased prior to April 2020 has now expired, meaning most currently occupied office space was leased with post-pandemic conditions in mind.

Moveouts from Synchrony Financial at Rushmore One in Ballantyne (-170,000 SF), and Wells Fargo's consolidation of back office space at Innovation Park in University (-196,000 SF), weighed on submarket fundamentals. But some moves were a net positive for the broader market. Vanguard, for example, moved into the newly built headquarters campus in the University area, which it had purchased at a discount from Centene last year, in 25Q2. Though the financial services company vacated nearly 500,000 SF before at Water Ridge Business Park in the Airport Submarket, the new headquarters totals 700,000 SF, opening the group up to potential employee recruitment from the company's other office hubs.

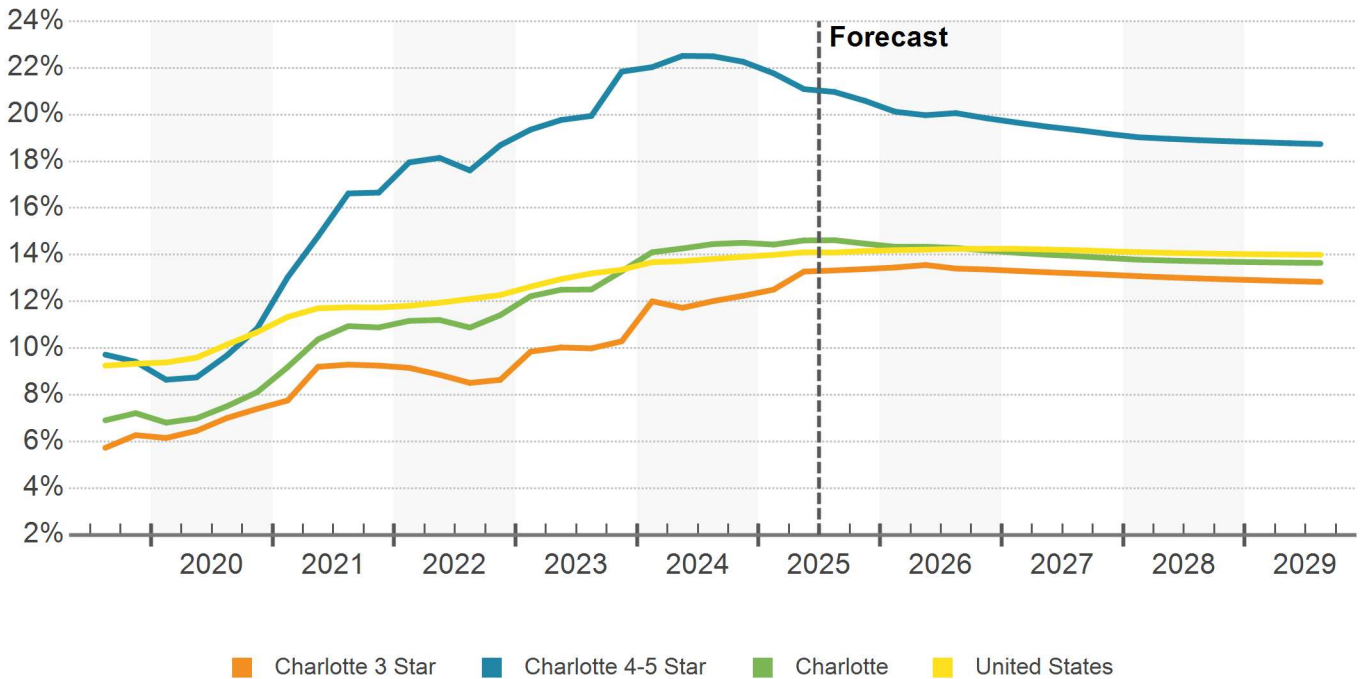
Looking forward, office-using job growth will reclaim its position as the primary driver of office demand. And as construction starts remain at decade-long lows, supply pressure will be limited for the foreseeable future, raising the prospects for lower vacancies ahead.

The Charlotte market is entering the final stretch of 2025 with substantial momentum. So far, while some office users in industrial-facing industries have pulled back, the financial and professional services sectors have benefited from expectations of deregulatory policy. And the Charlotte market's comparatively lower costs of living have positioned the market for continued population growth. Broader economic headwinds are gathering, however. Slower economic growth in the first half of 2025 and volatile trade policy are chief among them. For now, macroeconomic uncertainty represents the most significant downside risk for continued positive demand, both for office workers and office space.

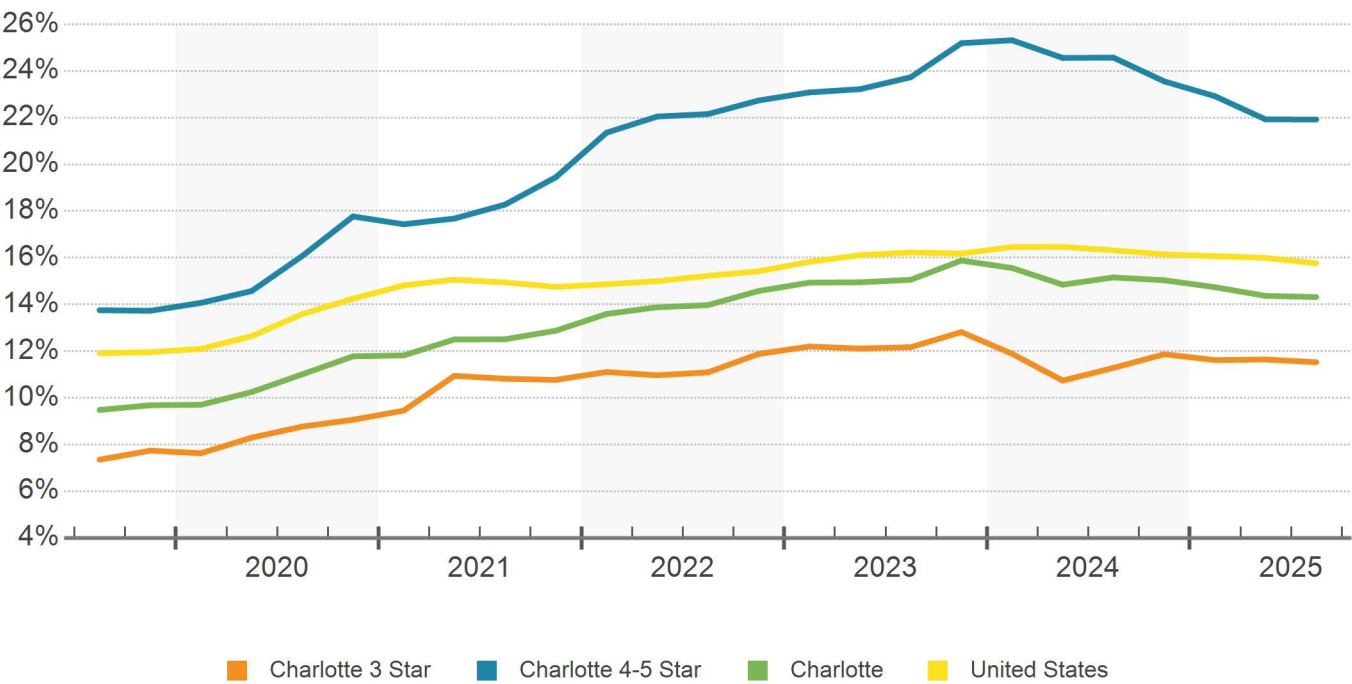
## NET ABSORPTION, NET DELIVERIES & VACANCY



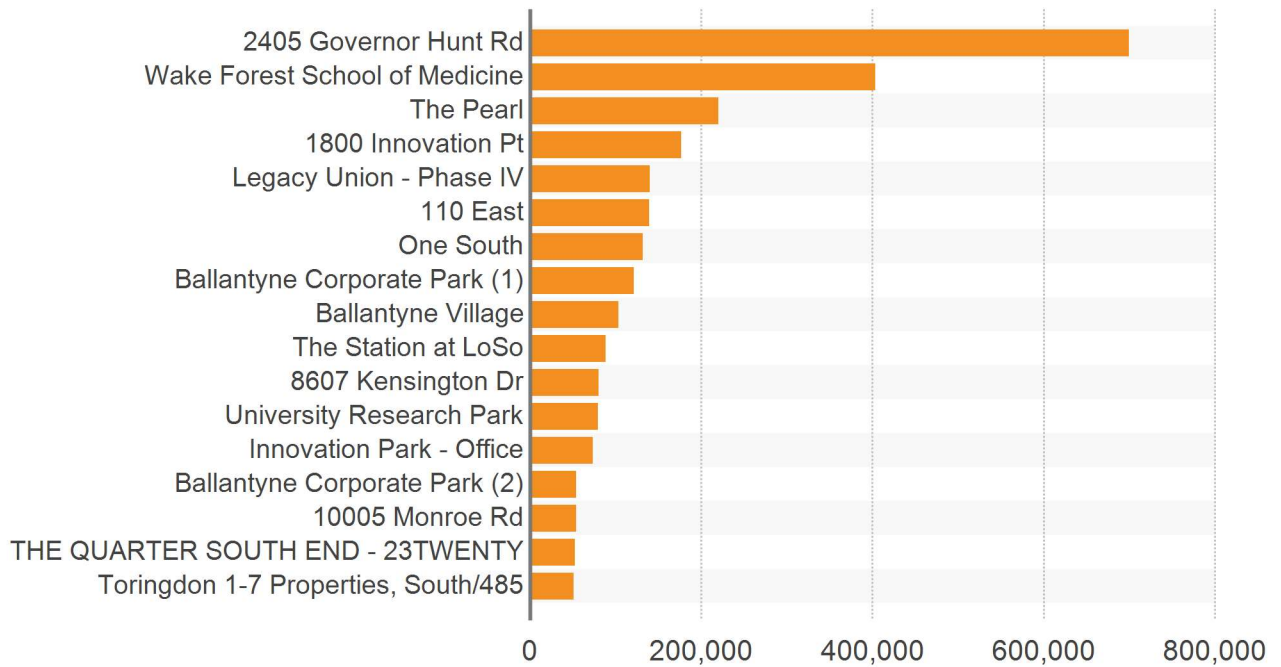
## VACANCY RATE



AVAILABILITY RATE



## 12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
2405 Governor Hunt Rd	University	700,000	0	0	700,000	0	0	700,000
Wake Forest School of Medicine	Midtown/Southend	403,633	0	0	403,633	0	0	403,633
The Pearl	Midtown/Southend	313,000	93,000	0	220,000	0	0	220,000
1800 Innovation Pt	York County	276,075	0	161,781	0	0	0	177,021
Legacy Union - Phase IV	CBD	410,880	269,044	65,542	0	0	0	140,341
110 East	Midtown/Southend	370,000	204,942	7,775	111,991	8,579	0	139,497
One South	CBD	907,704	291,049	47,514	90,833	(7,677)	0	131,574
Ballantyne Corporate Park (1)	South/485	271,262	39,324	(5,182)	5,519	104,912	0	121,143
Ballantyne Village	South/485	112,616	9,461	103,155	0	0	0	103,155
The Station at LoSo	Midtown/Southend	104,261	6,693	46,280	25,421	16,659	0	88,360
8607 Kensington Dr	Union County	80,000	0	0	0	0	0	80,000
University Research Park	University	126,427	0	0	0	0	0	79,443
Innovation Park - Office	University	273,667	56,316	0	0	0	0	73,278
Ballantyne Corporate Park (2)	South/485	160,353	0	0	0	0	0	54,340
10005 Monroe Rd	Matthews	55,045	0	0	0	0	0	54,000
THE QUARTER SOUTH END - ...	Midtown/Southend	76,737	11,097	0	0	52,615	0	52,615
Toringdon 1-7 Properties, South...	South/485	75,000	0	9,668	0	0	0	50,979
<b>Subtotal Primary Competitors</b>		<b>4,716,660</b>	<b>980,926</b>	<b>436,533</b>	<b>1,557,397</b>	<b>175,088</b>	<b>0</b>	<b>2,669,380</b>
Remaining Charlotte Market		133,383,822	19,392,589	(296,367)	(1,013,026)	(327,694)	0	(1,632,231)
<b>Total Charlotte Market</b>		<b>138,100,482</b>	<b>20,373,515</b>	<b>140,166</b>	<b>544,371</b>	<b>(152,606)</b>	<b>0</b>	<b>1,037,149</b>



## TOP OFFICE LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
110 East	Midtown/Southend	88,173	Q3 25	First Horizon Corporation	Fischer	Trinity Partners
First Citizens Bank Plaza	CBD	79,586	Q1 25	-	-	CBRE
One South	CBD	67,935	Q2 25	Trimont	-	-
David Taylor Corporate Center	University	66,774	Q1 25	FEMA	-	David Dorsch CRE, LLC
University Research Park	University	64,000	Q4 24	R.E. Mason	Legacy Real Estate...	CBRE
110 East	Midtown/Southend	58,600	Q2 25	Coinbase	JLL	Trinity Partners
Ballantyne Village	South/485	50,000	Q1 25	CliftonLarsonAllen, LLP	-	-
2825 South	Midtown/Southend	48,107	Q3 25	AssetMark	-	-
3325 S Tryon St	Midtown/Southend	43,833	Q2 25	Carbon Performance	Royster Commercial...	Gresset Commercial R...
110 East	Midtown/Southend	39,800	Q2 25	SouthState Bank	JLL	Trinity Partners
Camp North End	Plaza Midwood/NoDa	37,129	Q3 25	Centene Corp	Cushman & Wakefield	Trinity Partners
Arrowpoint Office Park	Airport	37,042	Q2 25	Compleat Kidz	-	-
5500 N Tryon St *	Plaza Midwood/NoDa	35,850	Q2 25	Charlotte Islamic Academy	EXP REALTY	-
The Line	Midtown/Southend	34,626	Q1 25	Capital One Services, LLC	-	-
2825 South	Midtown/Southend	34,396	Q3 25	-	-	Trinity Partners
One South	CBD	33,606	Q2 25	Deriva Energy	-	Trinity Partners
The Edison Arrowood	Airport	31,392	Q4 24	National Board of Examin...	Foundry Commercial	Foundry Commercial
David Taylor Corporate Center	University	31,197	Q1 25	Orano	-	David Dorsch CRE, LLC
525 N Tryon St	CBD	30,524	Q2 25	Oily Oily	-	JLL
Lakemont Business Park	York County	30,478	Q2 25	Westshore	-	JLL
University Research Park	University	30,381	Q2 25	-	-	Foundry Commercial
Panorama Tower	South/485	30,000	Q4 24	Snap One Holdings Corp	JLL	Stream Realty Partners...
LakePointe Corporate Center	Airport	29,841	Q1 25	Compass Group	-	Trinity Partners
Ballantyne Corporate Park	South/485	29,397	Q3 25	-	-	Northwood Office
Ballantyne Corporate Park	South/485	29,397	Q3 25	-	-	Northwood Office
Ballantyne Corporate Park	South/485	29,397	Q3 25	-	-	Northwood Office
Innovation Park - Office *	University	28,500	Q4 24	Imagine	-	Accesso Partners
19525 Jetton	Northeast/I-77	26,759	Q2 25	Aquesta Insurance Servic...	-	-
Regions 615	CBD	26,710	Q2 25	-	-	CBRE
Ballantyne Corporate Park	South/485	26,007	Q3 25	-	-	Northwood Office
Prosperity Place	University	25,865	Q3 24	-	-	CBRE
Legacy Union - Phase IV	CBD	25,558	Q4 24	Industrious	-	Lincoln Harris
Legacy Union - Phase IV	CBD	25,511	Q3 25	-	-	Lincoln Harris
Legacy Union - Phase IV	CBD	25,464	Q2 25	-	-	Lincoln Harris
Rushmore Five	South/485	25,435	Q4 24	-	-	Northwood Office
Legacy Union - Phase IV	CBD	25,417	Q2 25	-	-	Lincoln Harris
Legacy Union - Phase IV	CBD	25,321	Q4 24	LS3P Associates Ltd	-	Lincoln Harris
Forest Park	Airport	25,264	Q2 25	-	-	CBRE
Lakepointe Corporate Ctr.	Airport	25,069	Q3 25	-	-	CBRE
Coliseum Centre	Airport	25,000	Q2 25	-	JLL	6 Summit Partners LLC...

\*Renewal

The office market in Charlotte is continuing to fragment in the second half of 2025. And rent growth trends are following suit. Asking rent growth here is outpacing the national rate at 1.4%, year over year. However, that pace of growth is substantially slower than the 7% to 8% annual average common in the market in the late 2010s.

Moreover, the relatively flat recent trend conceals growing variation between submarkets and property vintages. Rents in newly built trophy space in the most in-demand neighborhoods continue to escalate, setting new market records. In isolated suburban campus properties and central business district towers, elevated vacancies have led to declining rents and growing discounts.

The South End Submarket, which has been the center of new trophy office development since 2020, has seen asking rents grow by more than 30% cumulatively over the past five years. Rents here now average in the mid-\$40/SF range, with the newest and best properties such as The Line, Vantage South End, and 110 East pushing rents into the mid-to-high \$50s/SF.

In the adjacent Uptown Submarket, rents have taken a different track. Five years ago, average asking rents were roughly equal at around \$37/SF in both South End and Uptown. Since then, Uptown rents have stagnated, while South End rents soared. Though the newest Uptown properties continue to command rents in the mid-to-high \$40s/SF range, rents in unrenovated

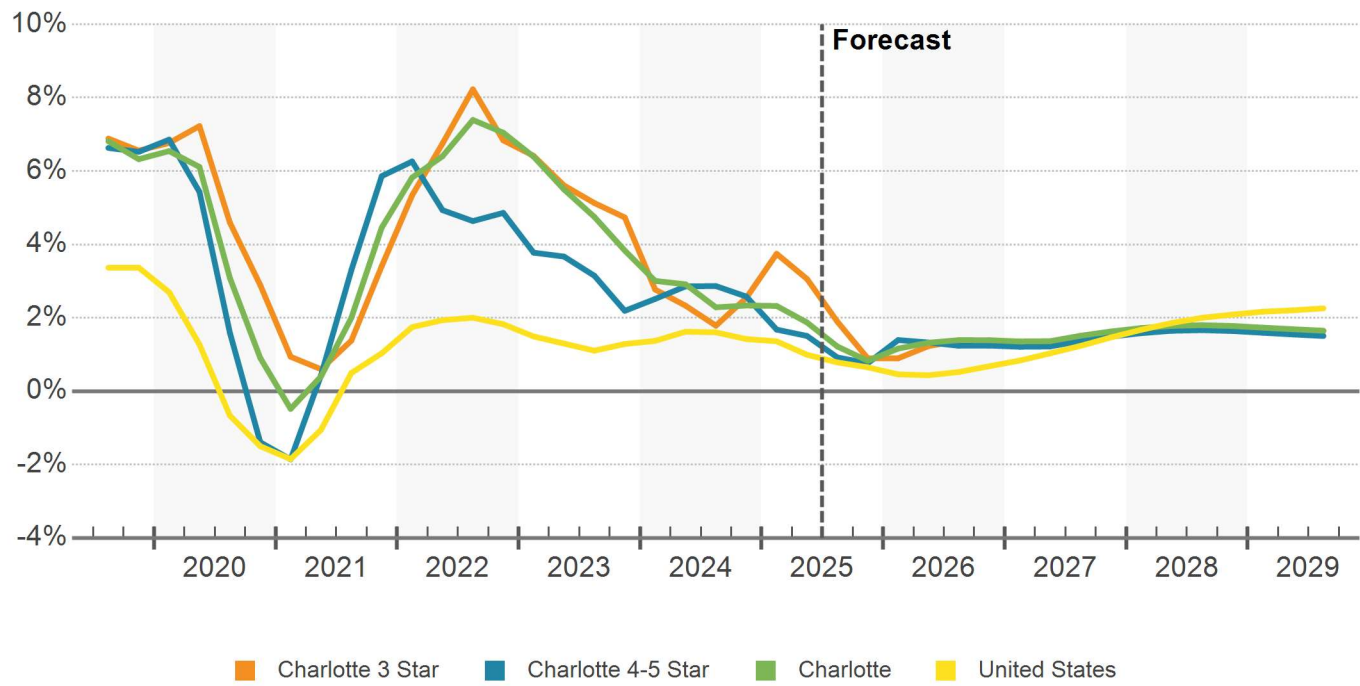
1980s-vintage towers have fallen into the low \$30s/SF range.

Some older and well-located properties in Uptown have been able to push rents into the \$40s/SF. Ownership groups with patient capital willing to underwrite costly long-term renovations, amenity additions, and spec suite development are positioning these properties to compete for tenants as the market's dwindling supply of trophy space leases. Concessions such as free rent and tenant improvement packages have drifted well into the \$100/SF range on 10-year deals in this emerging tier of buildings.

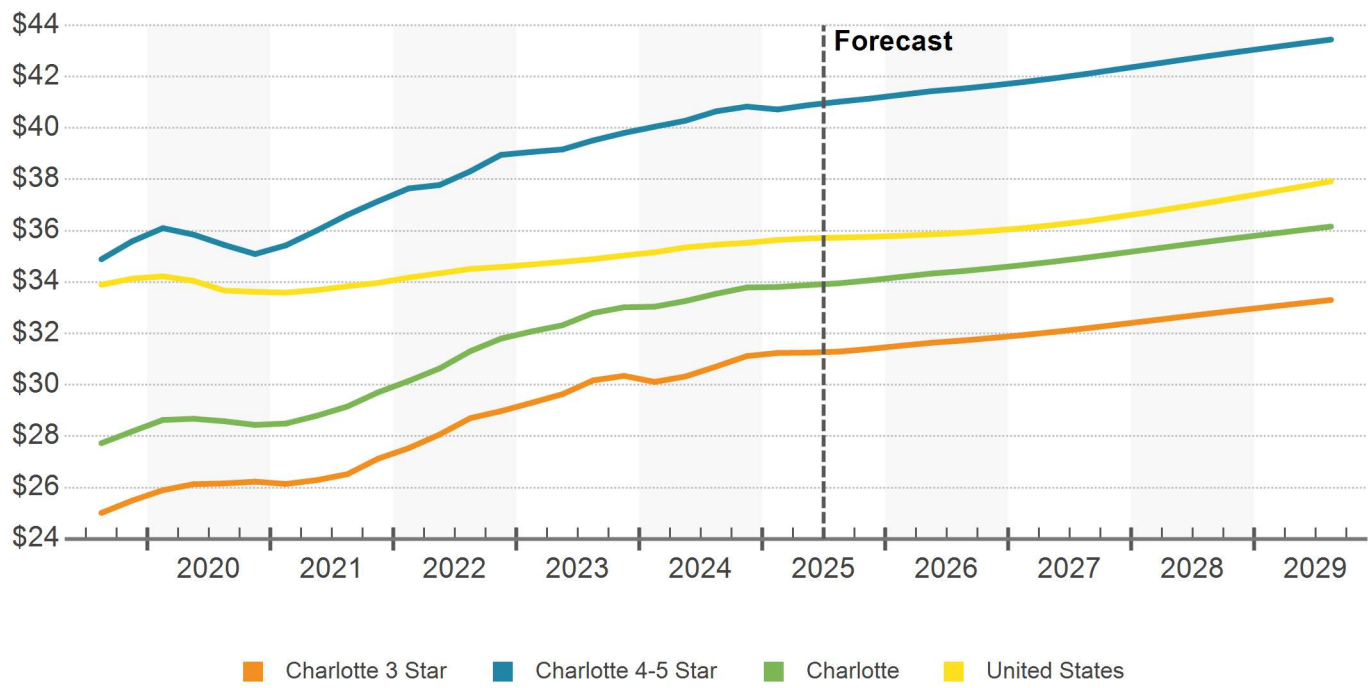
Tenant leverage remains substantial in supply-heavy submarkets, though ownership groups in tighter submarkets are pushing back, slightly. Suburban brokers report a decline in free rent, from one month per year to four months on a five-year term. And property owners are pushing tenants to commit to minimums of 3 years on renewals or 7-10 years as a prerequisite for generous TI allowances. "It takes us 48-52 months to amortize those TIs," said one landlord representative. "We have to get the term if they are pushing for \$80/SF."

The balance of bargaining power is likely to remain in tenants' favor for the foreseeable future, especially in commoditized spaces. Trophy space in the market's most favored locations, on the other hand, will soon be in short supply as new construction is at a standstill.

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET



## 4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Charlotte</b>	\$0.51	\$0.81	\$0.26	\$1.88	\$4.48	<b>\$7.94</b>
Cabarrus County	\$0.50	\$0.87	\$0.26	\$1.41	\$4.98	<b>\$8.02</b>
CBD	\$0.42	\$0.84	\$0.31	\$2.15	\$6.27	<b>\$9.99</b>
East Charlotte	\$0.51	\$1.04	\$0.24	\$1.28	\$5.04	<b>\$8.11</b>
Gaston County	\$0.86	\$1.09	\$0.29	\$0.60	\$3.96	<b>\$6.80</b>
Iredell County	\$0.47	\$0.83	\$0.24	\$3.37	\$4.50	<b>\$9.41</b>
Lancaster County	\$0.43	\$1.14	\$0.31	\$0.33	\$3	<b>\$5.21</b>
Midtown	\$0.58	\$0.83	\$0.30	\$1.84	\$4.54	<b>\$8.09</b>
Northeast Charlotte	\$0.44	\$0.54	\$0.25	\$1.27	\$3.44	<b>\$5.94</b>
Northwest Charlotte	\$0.49	\$0.93	\$0.24	\$1.41	\$4.93	<b>\$8</b>
South Charlotte	\$0.51	\$0.74	\$0.21	\$2.19	\$5.24	<b>\$8.89</b>
Southeast Charlotte	\$0.14	\$0.73	\$0.15	\$1.20	\$2.84	<b>\$5.06</b>
Southwest Charlotte	\$0.51	\$0.69	\$0.29	\$1.32	\$3.06	<b>\$5.87</b>
Union County	\$0.50	\$1.64	\$0.15	\$0.25	\$5.76	<b>\$8.30</b>
York County	\$0.70	\$1.20	\$0.22	\$5.15	\$3.68	<b>\$10.95</b>

Expenses are estimated using CMBS, NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

## 3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Charlotte</b>	\$0.43	\$0.75	\$0.24	\$1.89	\$3.56	<b>\$6.87</b>
Cabarrus County	\$0.39	\$0.73	\$0.21	\$2.21	\$3.59	<b>\$7.13</b>
CBD	\$0.35	\$0.80	\$0.24	\$2.34	\$4.68	<b>\$8.41</b>
Chester County	\$0.37	\$1.14	\$0.28	\$3.30	\$2.49	<b>\$7.58</b>
East Charlotte	\$0.36	\$0.76	\$0.19	\$1.42	\$3.39	<b>\$6.12</b>
Gaston County	\$0.74	\$0.74	\$0.24	\$1.04	\$2.75	<b>\$5.51</b>
Iredell County	\$0.38	\$0.73	\$0.21	\$1.95	\$3.50	<b>\$6.77</b>
Lancaster County	\$0.38	\$1.12	\$0.29	\$2.35	\$2.67	<b>\$6.81</b>
Lincoln County	\$0.46	\$0.74	\$0.25	\$1.29	\$4.27	<b>\$7.01</b>
Midtown	\$0.48	\$0.76	\$0.25	\$2.12	\$3.66	<b>\$7.27</b>
Northeast Charlotte	\$0.44	\$0.61	\$0.32	\$1.67	\$4	<b>\$7.04</b>
Northwest Charlotte	\$0.43	\$0.74	\$0.23	\$1.47	\$3.99	<b>\$6.86</b>
Rowan County	\$0.35	\$0.73	\$0.19	\$1.45	\$3.22	<b>\$5.94</b>
South Charlotte	\$0.45	\$0.60	\$0.25	\$1.79	\$4.56	<b>\$7.65</b>
Southeast Charlotte	\$0.16	\$0.72	\$0.14	\$1.54	\$2.66	<b>\$5.22</b>
Southwest Charlotte	\$0.44	\$0.68	\$0.24	\$1.75	\$3.03	<b>\$6.14</b>
Union County	\$0.37	\$0.73	\$0.20	\$1.41	\$3.43	<b>\$6.14</b>
York County	\$0.60	\$1.15	\$0.21	\$3.47	\$3.10	<b>\$8.53</b>

Expenses are estimated using CMBS, NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.



## 1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Charlotte</b>	\$0.40	\$0.78	\$0.19	\$2	\$2.96	<b>\$6.33</b>
Cabarrus County	\$0.29	\$0.73	\$0.16	\$1.52	\$2.71	<b>\$5.41</b>
CBD	\$0.27	\$0.66	\$0.26	\$3.85	\$4.43	<b>\$9.47</b>
Chester County	\$0.32	\$1.14	\$0.24	\$1.72	\$2.12	<b>\$5.54</b>
East Charlotte	\$0.32	\$0.76	\$0.17	\$2.21	\$2.99	<b>\$6.45</b>
Gaston County	\$0.64	\$0.74	\$0.21	\$0.98	\$2.37	<b>\$4.94</b>
Iredell County	\$0.37	\$0.73	\$0.20	\$1.23	\$3.43	<b>\$5.96</b>
Lancaster County	\$0.30	\$1.14	\$0.23	\$3.20	\$2.04	<b>\$6.91</b>
Lincoln County	\$0.32	\$0.73	\$0.17	\$0.88	\$2.94	<b>\$5.04</b>
Midtown	\$0.44	\$0.76	\$0.20	\$3.10	\$3.43	<b>\$7.93</b>
Northeast Charlotte	\$0.41	\$0.66	\$0.31	\$2.05	\$3.82	<b>\$7.25</b>
Northwest Charlotte	\$0.35	\$0.75	\$0.19	\$2.06	\$3.30	<b>\$6.65</b>
Rowan County	\$0.30	\$0.73	\$0.16	\$1.04	\$2.76	<b>\$4.99</b>
South Charlotte	\$0.39	\$0.63	\$0.19	\$2.70	\$4	<b>\$7.91</b>
Southeast Charlotte	\$0.17	\$0.73	\$0.13	\$2.13	\$2.53	<b>\$5.69</b>
Southwest Charlotte	\$0.36	\$0.71	\$0.18	\$2.05	\$2.61	<b>\$5.91</b>
Union County	\$0.28	\$0.74	\$0.15	\$1.26	\$2.53	<b>\$4.96</b>
York County	\$0.52	\$1.14	\$0.18	\$3.52	\$2.62	<b>\$7.98</b>

Expenses are estimated using CMBS, NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

The office construction pipeline in Charlotte is effectively empty as of the second half of 2025. The delivery of the Commonwealth mixed-use development, which includes 160,000 SF of trophy office space, in 25Q3 brought a nation-leading supply surge that expanded office inventory here by more than 10 million SF over the past five years.

With capital and construction costs elevated, lenders and equity investors have taken a skeptical stance on new office development. And rents in the Charlotte market can't yet provide the returns needed to break ground.

Furthermore, a glut of older supply still hangs over the market. More than 80% of the space delivered since 2020, and more than 60% of the space delivered since 2024, has found a tenant. That occupancy, though, has come at the expense of the older properties. In-market tenants have traded dated space for trophy suites. Legacy Union 6Hundred, for example, is nearly 60% leased since opening in 2024. Its anchor tenant, law firm Robinson Bradshaw, moved into its 102,000 SF space from 120,000 SF in the 1983-built One Independence in 25Q1.

Vacancies in pre-1990 buildings now exceed 40% in the Uptown and University submarkets and above 25% in Airport. The South Park submarket has retained better occupancy in older buildings, with a vacancy rate below 20%, due to its lack of new supply, substantial renovations, and premium location.

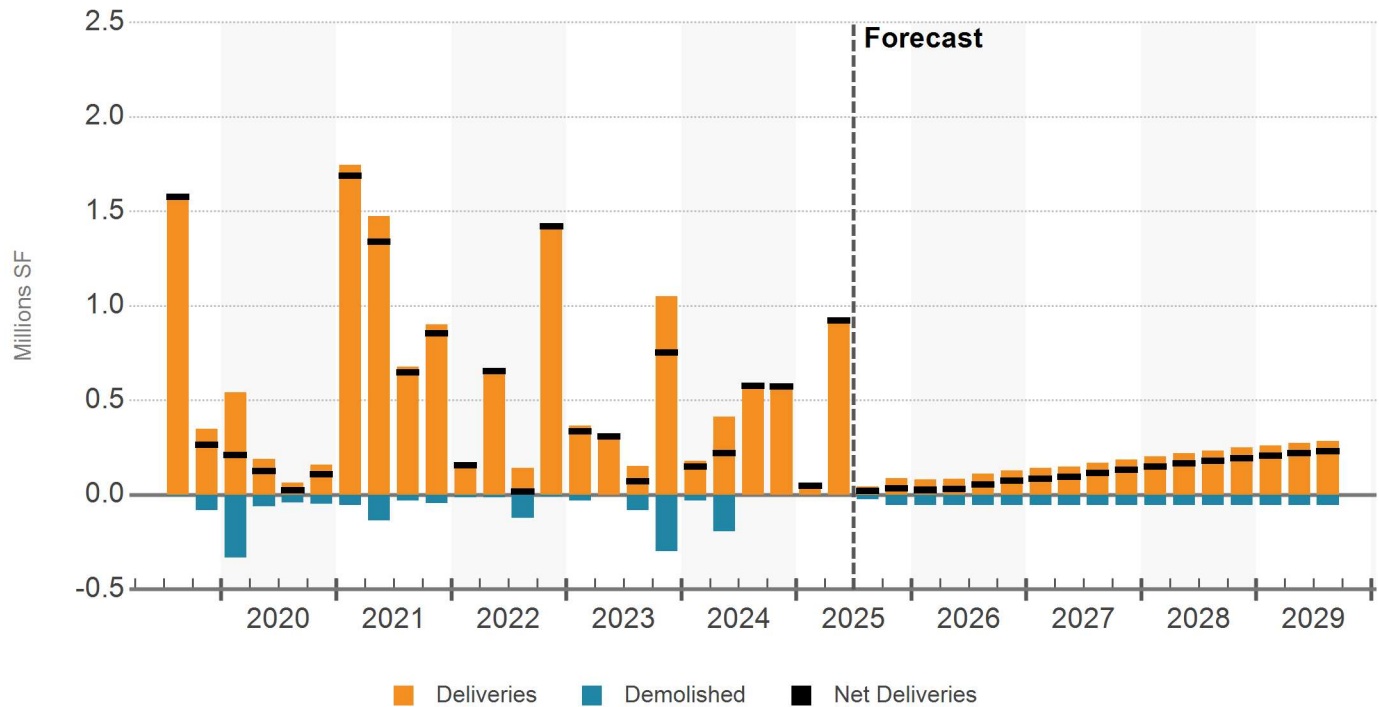
Owners of many of these older office buildings have invested heavily in spec suite development, amenity floors, and retail tenant curation to drive leasing activity. And they have found substantial success in the best-located and best-renovated properties.

Renovated properties along the Tryon Street corridor, such as the 1974-built and 2021-renovated One South, have increased occupancy, while even 2020s-vintage buildings just a few blocks away, such as FNB Tower, struggle to lease up. In fact, availability in buildings built before 2000 but renovated since 2015 fell by 576,000 SF in the year ending 25Q2. By comparison, available space in unrenovated pre-2000 properties saw continued moveouts and increasing availability.

Renovation efforts are likely to intensify as distress in high-vacancy properties mounts and new owners scoop up properties at a significantly discounted basis. Other properties, such as the Johnston Building, 200 North College, and 526 South Church, have traded hands and are set to leave office inventory through conversion to hospitality, multifamily, and retail uses.

Proposed projects, such as Crescent's Carson and Tryon or Riverside's Queensbridge tower, are plentiful but will likely remain on hold until preleasing demand heats up or a statement-making anchor tenant emerges. Market participants estimate the rents required to justify new construction are close to 30% higher than today's trophy rents.

## DELIVERIES & DEMOLITIONS



## SUBMARKET CONSTRUCTION

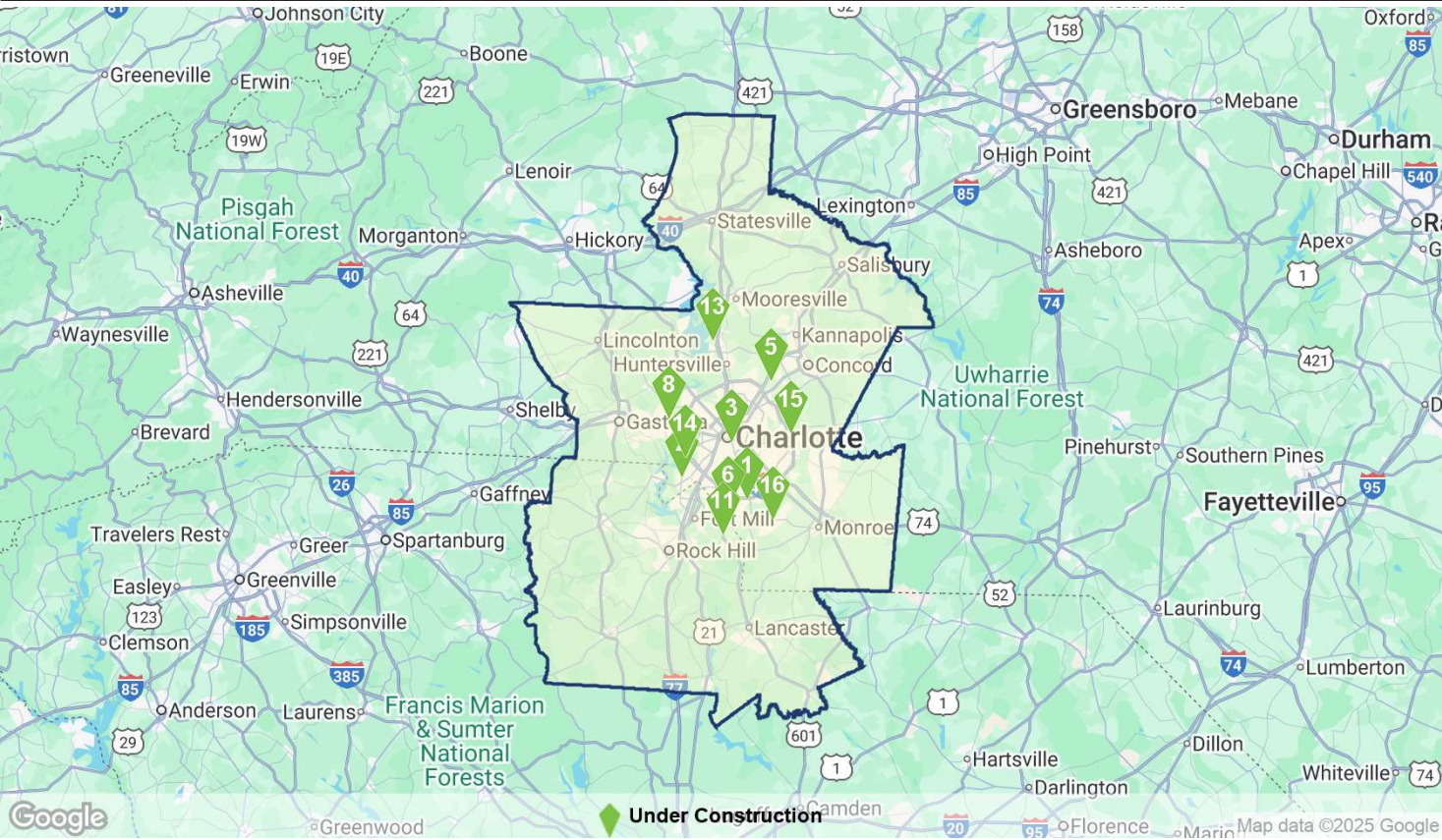
No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	South/485	2	95	95	100%	1	42,908	47,500	1
2	Lancaster County	4	56	19	34.6%	8	20,303	13,932	5
3	Airport	3	50	29	57.6%	7	37,900	16,500	4
4	Midtown/Randolph	1	28	28	100%	1	15,242	28,000	2
5	Cabarrus County	1	26	26	100%	1	9,831	25,643	3
6	Union County	2	16	16	100%	1	6,518	8,050	7
7	Gaston County	1	10	6	58.4%	6	6,283	10,358	6
8	Northeast/I-77	1	8	0	0%	9	14,569	7,700	8
9	East Charlotte	1	4	4	100%	1	9,673	4,280	9
10	CBD	0	0	0	-	-	207,761	-	-
	All Other	0	-	-	-		16,118	-	
Totals		16	292	223	76.2%		18,941	18,269	

# Under Construction Properties

Charlotte Office

Properties	Square Feet	Percent of Inventory	Released
16	292,308	0.2%	76.2%

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

	Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1	Rea Farms Sports Medic... 11415 Golf Links Dr	★★★★☆	80,000	1	Jan 2025	Jan 2026	- Griffing, John
2	13515 Steele Creek Rd	★★★★☆	33,500	2	Dec 2022	Dec 2025	- Flagship Healthcare Properties
3	520 Providence Rd	★★★★☆	28,000	3	May 2024	Sep 2025	- Charlotte Pipe & Foundry Co
4	Office Building Highway 521 & Dobys Bridg	★★★★☆	27,450	1	Dec 2024	Oct 2025	-
5	7300 Scott Padgett Park...	★★★★☆	25,643	1	Feb 2024	Oct 2025	-
6	South Charlotte Medical... Old Ardrey Kell Road	★★★★☆	15,000	2	Apr 2025	Apr 2026	-
7	Novant Health 6470 Weddington Road	★★★★☆	12,600	1	Jun 2025	Jun 2026	-



# Under Construction Properties

Charlotte Office

## UNDER CONSTRUCTION

	Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8	<a href="#">246 Beatty Dr</a>	★ ★ ★ ★ ★	10,358	2	Nov 2024	Sep 2025	-
9	<a href="#">Building 2</a> US HWY 521	★ ★ ★ ★ ★	10,334	1	Oct 2024	Oct 2025	Foothills Capital
10	<a href="#">Building 3</a> US Highway 8512	★ ★ ★ ★ ★	9,000	1	Oct 2023	Feb 2026	-
11	<a href="#">US HWY 521</a>	★ ★ ★ ★ ★	8,943	1	Jan 2025	Dec 2025	Foothills Capital
12	<a href="#">Berewick Town Center D...</a>	★ ★ ★ ★ ★	8,500	1	Jul 2025	Sep 2026	-
13	<a href="#">Fountain Court - Buildin...</a> 18620 W Catawba Ave	★ ★ ★ ★ ★	7,700	2	Nov 2024	Sep 2025	-
14	<a href="#">Berewick Town Center Dr</a>	★ ★ ★ ★ ★	7,500	1	Aug 2025	Apr 2026	-
15	<a href="#">Heartland Dental</a> 12809 Albemarle Rd	★ ★ ★ ★ ★	4,280	1	Aug 2024	Mar 2026	- Alpha Omega Financial Group
16	<a href="#">Heartland Dental</a> 6400 Weddington Road	★ ★ ★ ★ ★	3,500	1	Jun 2025	Jun 2026	- Aston Properties

Office investment has slowly returned to the Charlotte market as investors place bets that valuations are nearing the bottom. Annual transaction volume through 25Q2 nearly doubled on a year-over-year basis after reaching decade-long lows in 2023. Still, the \$1.1 billion that has traded over the past year is more than one-third lower than the five-year average from 2015 to 2019.

This reacceleration has come mostly at the extremes. Newer trophy assets with long-dated WALTs emerged from a two-year dormancy as institutional capital scooped up a handful of core deals at values up to 20% below pandemic-era peaks. At the opposite end, high-vacancy properties have attracted opportunistic groups seeking deep discounts of up to 60% below pre-pandemic values. For the bulk of office developments caught in the middle, market participants say sellers remain unwilling to clear at the market. Instead, ownership groups keep counting on a return to leasing velocity as trophy supply dwindles.

Charlotte's higher-than-average concentration of newly built product, coupled with the trend of REIT and institutional portfolio managers trimming excess office, has brought new core listings to the market. In December, Cousins purchased the 2021-built, 627,979-SF, fully leased Vantage for \$328.5 million or \$523/SF. The sale may be a reflection of price changes at the high end compared to similar trades at the peak. For comparison, CBRE Investment Management paid \$652/SF for The Line—also in South End—in June 2022, close to 20% above the recent Vantage trade.

Quality suburban assets have seen more diverse pricing trajectories. US Realty Advisor's April 2025 purchase of the 452,000-SF office campus occupied by LPL

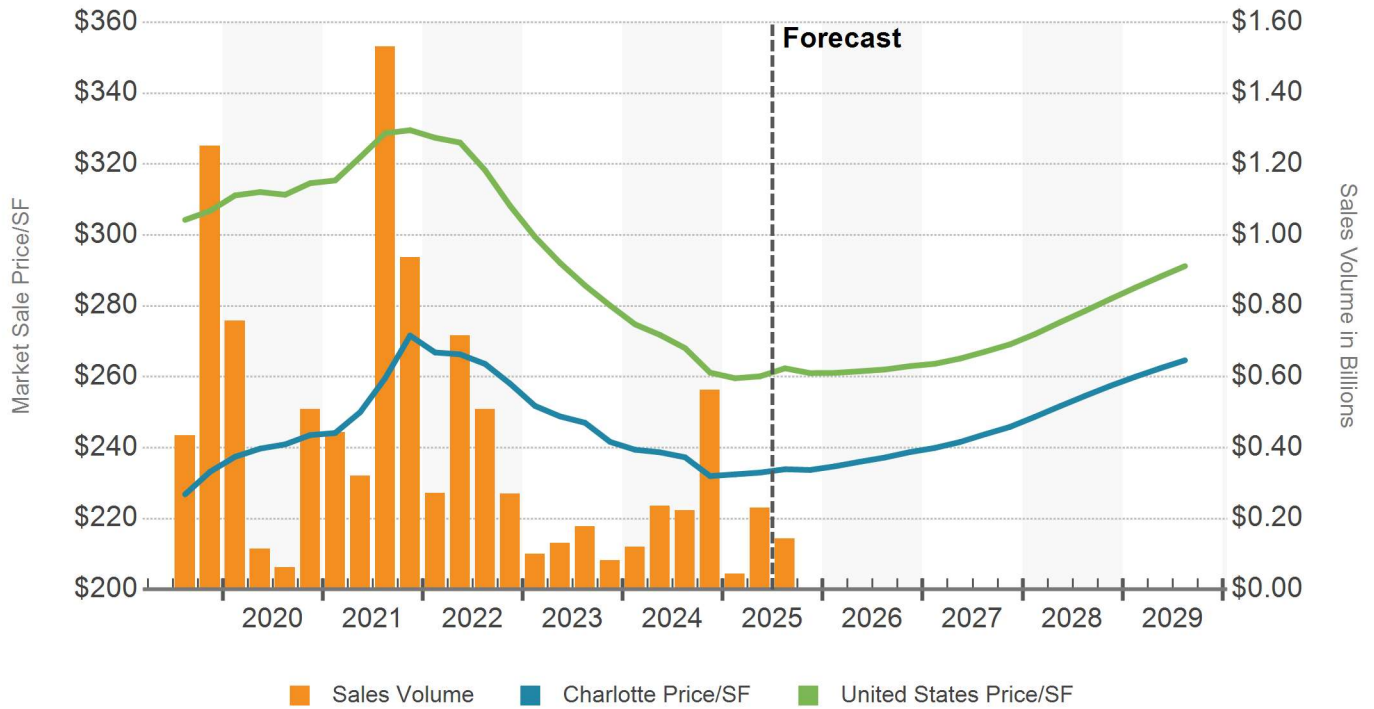
Financial closed at \$107 million or \$237/SF. That was about 20% lower than the seller, a REIT divesting the property to rebalance their portfolio toward more industrial, paid in 2017. In July, though, user SPX Flow sold its former Ballantyne headquarters, a 261,000-SF property built in 2011, to Estein and Vanderbilt Office Properties. The fully leased property traded for \$71.5 million or \$274/SF, roughly the same price SPX Flow purchased the property for in 2015.

While some of these deals have stabilized pricing in recent quarters, deeply discounted trades are relentlessly compressing values. Non-medical investment sales larger than 50,000 SF reached the \$150 to \$200/SF range in the first half of 2025, from less than \$100/SF a year prior, though well below their peak of \$400/SF in 2021.

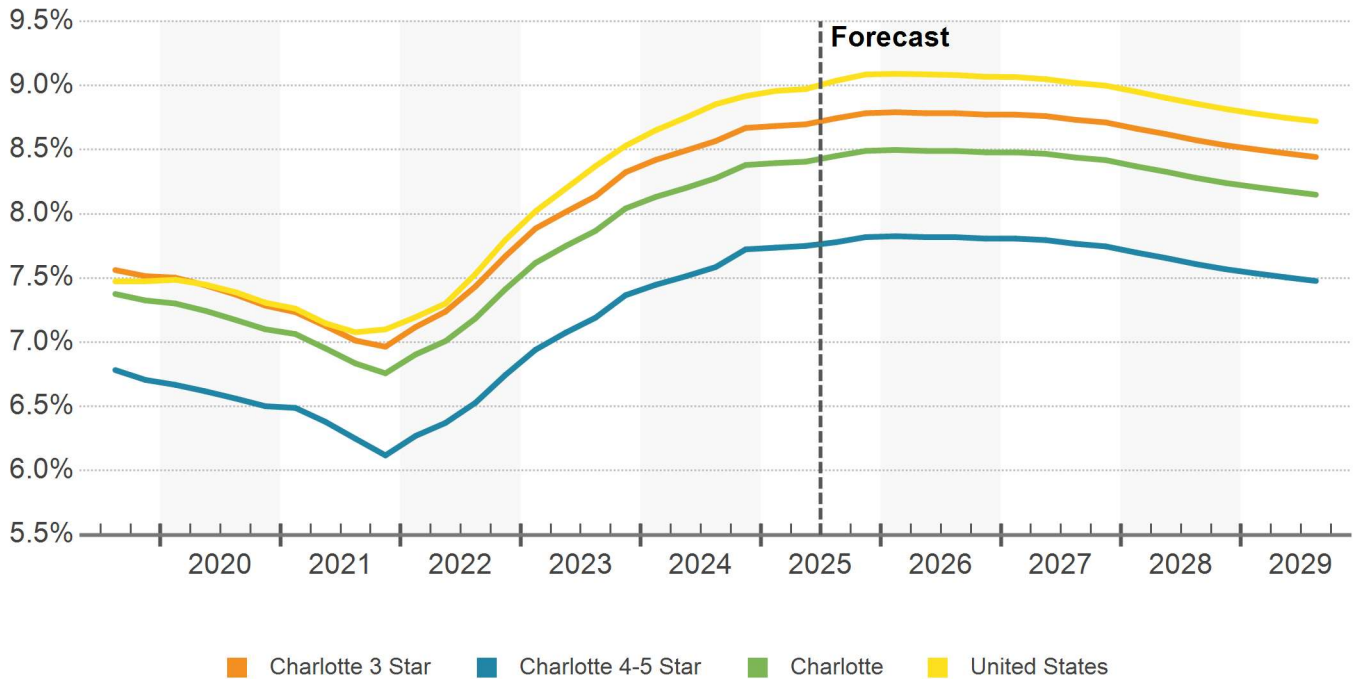
Value losses have been the most extreme in Uptown, where older towers have struggled with a structural decline in demand and owners have run out of refinancing options. Boutique opportunistic funds have stepped in to execute repositioning plays, such as Highland Ventures' April 2025 short-sale purchase of the 1998-built 525 North Tryon at \$52/SF, a 60% discount from the prior sale. Other properties are slated for conversion, such as the Johnston Building, which hotel developer KHP Partners bought for \$100/SF or 45% below its 2019 price.

Additional distress is likely in the coming years, as the CMBS delinquency rate now surpasses 15%. With the market's fundamentals stabilizing and capital markets thawing, however, 2025 is likely to bring more deal-making, should macroeconomic uncertainty ease.

## SALES VOLUME & MARKET SALE PRICE PER SF

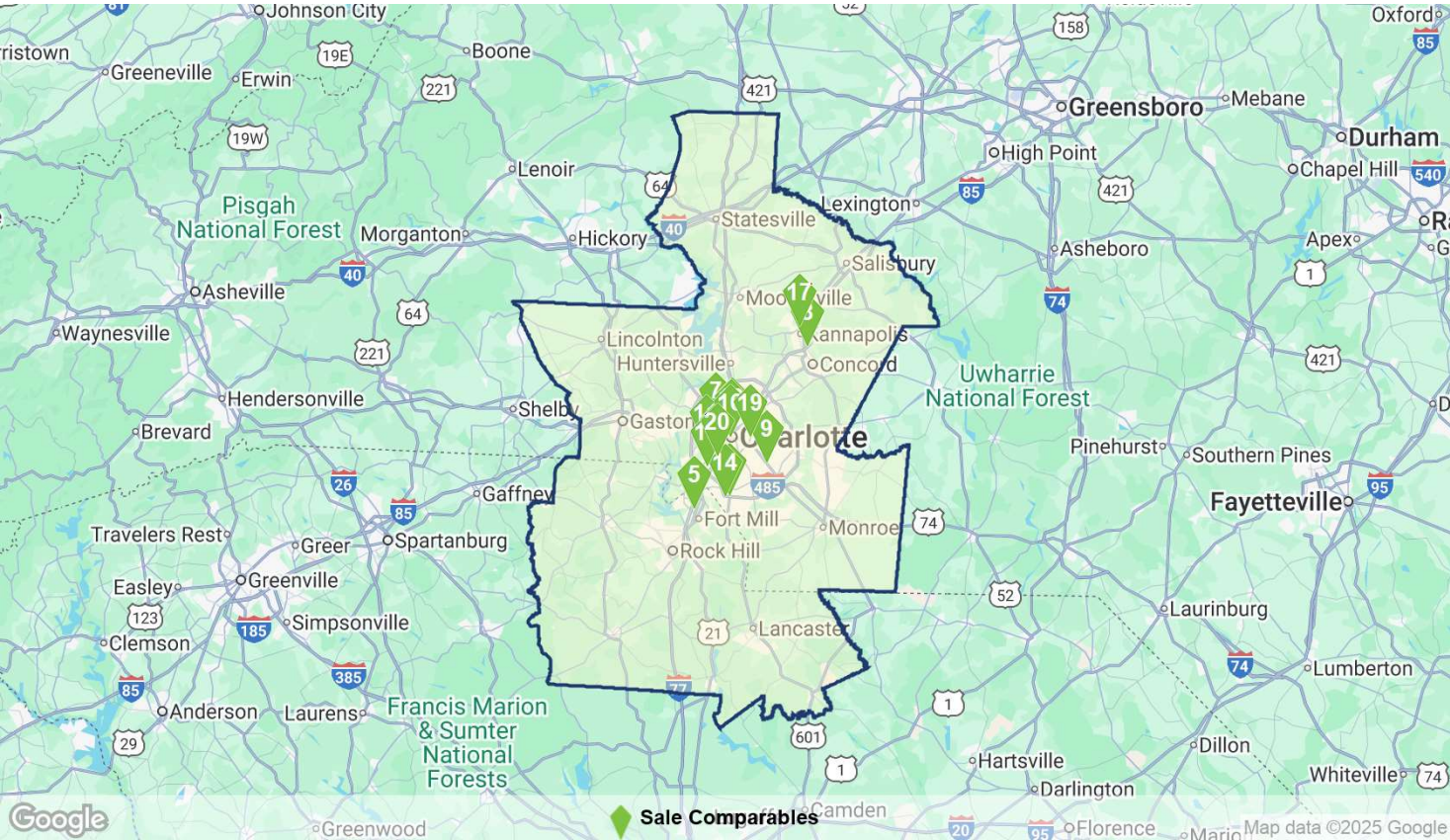


## MARKET CAP RATE



Sale Comparables	Avg. Cap Rate	Avg. Price/SF	Avg. Vacancy At Sale
403	7.7%	\$165	15.9%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$30,000	\$4,642,174	\$975,000	\$172,757,450
Price/SF	\$0.50	\$165	\$198	\$1,153
Cap Rate	6.0%	7.7%	7.4%	9.1%
Time Since Sale in Months	0.0	6.4	6.8	12.0
Property Attributes	Low	Average	Median	High
Building SF	128	23,363	5,462	458,169
Stories	1	2	1	32
Typical Floor SF	128	8,729	3,793	162,372
Vacancy Rate At Sale	0%	15.9%	0%	100%
Year Built	1824	1975	1982	2026
Star Rating	★★★★★	★★★★★ 2.5	★★★★★	★★★★★



# Sales Past 12 Months

Charlotte Office

## RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
<b>1</b> Vantage South End - We... 1415 Vantage Park Dr	★★★★★	2021	329,000	0.8%	12/2/2024	\$172,757,450	\$525	-
<b>2</b> Vantage South End - Eas... 1120 S Tryon St	★★★★★	2022	288,000	1.6%	12/2/2024	\$155,742,550	\$541	-
<b>3</b> LPL Financial Headquart... 1055 Lpl Way	★★★★★	2016	307,166	0%	4/18/2025	\$72,500,000	\$236	-
<b>4</b> Ballantyne Tower 13320 Ballantyne Corporat...	★★★★★	2011	260,958	0%	7/10/2025	\$71,500,000	\$274	8.3%
<b>5</b> LPL Financial Headquart... 1040 Lpl Way	★★★★★	2016	144,432	0%	4/18/2025	\$34,300,000	\$237	-
<b>6</b> 121 W Trade St	★★★★★	1990	353,120	33.5%	12/30/2024	\$32,000,000	\$91	-
<b>7</b> 3158 Freedom Dr	★★★★★	2022	66,272	0%	9/24/2024	\$27,715,000	\$418	-
<b>8</b> 1000 Progress Pl NE	★★★★★	1996	116,308	0%	10/9/2024	\$26,710,950	\$230	-
<b>9</b> INQ @ 2401 2401 Sardis Rd N	★★★★★	1990	162,372	0%	8/18/2025	\$24,200,000	\$149	-
<b>10</b> 525 N Tryon St	★★★★★	1998	425,300	52.4%	5/1/2025	\$24,000,000	\$56	-
<b>11</b> Four Coliseum Centre 2730 W Tyvola Rd	★★★★★	1998	195,168	0%	12/13/2024	\$20,000,000	\$102	-
<b>12</b> Wake Forest University... 200 N College St	★★★★★	1920	458,169	91.6%	12/13/2024	\$16,892,457	\$37	-
<b>13</b> thExchange 5200 77 Center Dr	★★★★★	1977	107,925	49.9%	9/19/2024	\$13,571,887	\$126	-
<b>14</b> Rushmore Three 11115 Rushmore Dr	★★★★★	1999	38,144	100%	12/20/2024	\$12,200,000	\$320	-
<b>15</b> thExchange 5250 77 Center Dr	★★★★★	1984	91,900	92.3%	9/19/2024	\$12,111,755	\$132	-
<b>16</b> 900 S McDowell St	★★★★★	1972	20,058	0%	6/30/2025	\$11,250,000	\$561	-
<b>17</b> David H Murdock Core R... 150 N Research Campus Dr	★★★★★	2008	311,000	0%	10/17/2024	\$9,288,500	\$30	-
<b>18</b> ArrowPoint One 9401 Arrowpoint Blvd	★★★★★	1985	66,684	0%	12/2/2024	\$9,080,000	\$136	-
<b>19</b> 3033 Eastway Dr	★★★★★	2021	20,128	0%	9/24/2024	\$9,035,000	\$449	-
<b>20</b> thExchange 5600 77 Center Dr	★★★★★	1980	61,170	25.5%	9/19/2024	\$8,085,818	\$132	-

Located in southern central North Carolina, the city of Charlotte is the largest in the Carolinas at nearly 900,000 population. Its surrounding metropolitan area encompasses 10 counties – seven in North Carolina and three in South Carolina – totaling 2.8 million people

Charlotte regularly ranks as one of the fastest-growing metropolitan areas in the United States. Thanks to a temperate climate and diverse economy, Charlotte has become a destination for newcomers from throughout the country. Since 2010, population growth here has doubled the national average, and the area has added more than 500,000 new residents.

Corporate relocations have long been a major driver of job growth in Charlotte. As home to the headquarters of Bank of America and Truist and the largest employment center for Wells Fargo, the financial services industry is a key economic contributor. The financial sector accounts for about 8% of jobs but nearly 20% of income here.

Nine Fortune 500 and 18 Fortune 1000 companies are headquartered here. Headquarters are attracted to the market because of its large financial services workforce as well as low and declining corporate tax rate in North Carolina. At 2.5%, the North Carolina corporate tax rate is set to decline to 0% by 2030, so long as revenue targets are met.

Just across the border in South Carolina, generous state incentives have drawn manufacturing and distribution centers. Combined with highly-ranked school systems

and comparatively affordable for-sale housing prices, the South Carolina suburbs in the Charlotte area have become popular migration destinations

The Charlotte metropolitan area produces about \$260.4 billion of economic output annually, making it the 21<sup>st</sup> largest economy in the country. This aligns with the market's population of 2.8 million, ranking Charlotte as the 22<sup>nd</sup> largest metro area in the United States by population.

Strong population growth has led to substantial economic growth, and the market's 4.2% real gross domestic product growth rate outpaced national growth of 2.8%. Among large metros, Charlotte had the third-fastest-growing economy in the country in 2023, behind Orlando and Seattle and just ahead of in-state rival Raleigh.

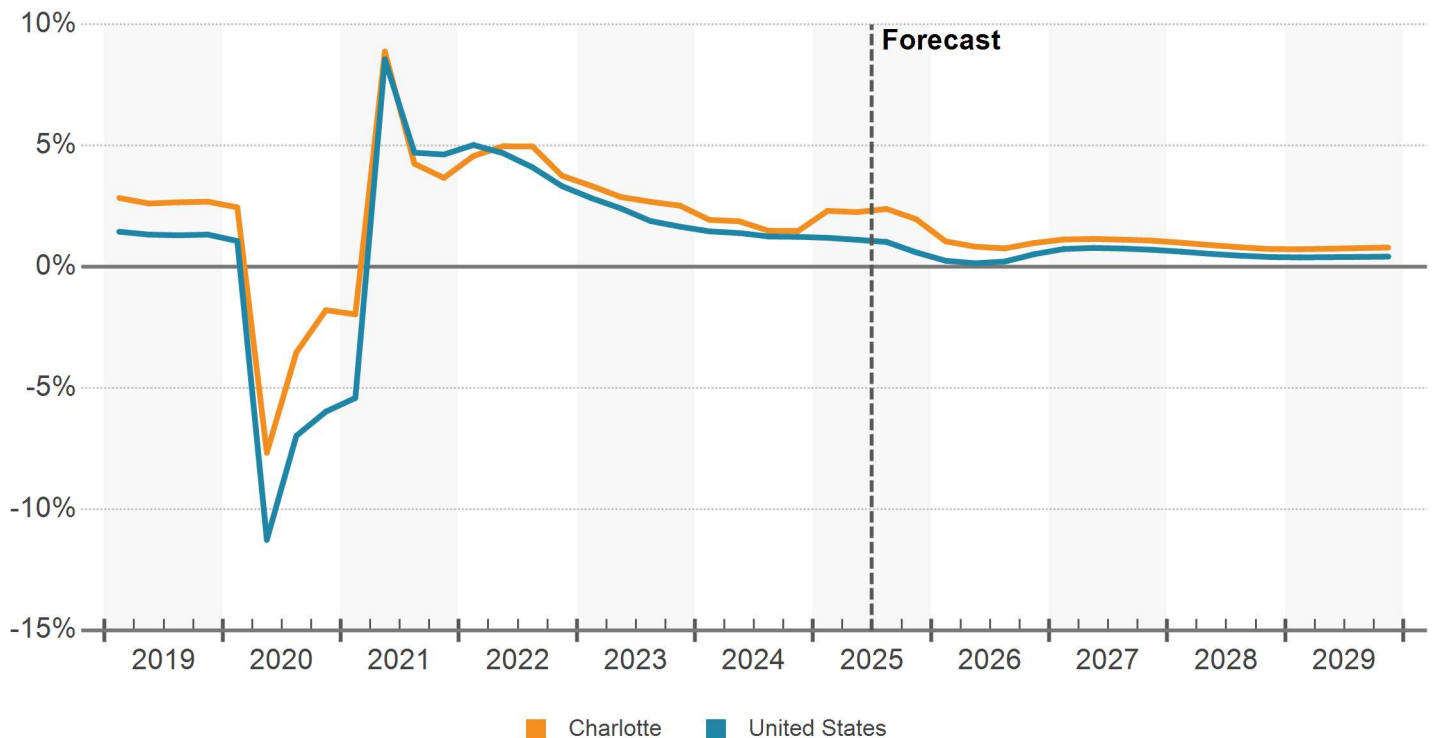
While office-using employment predominates in the urban core, suburban and exurban areas in Charlotte have significant concentrations of manufacturing and distribution jobs. Historically, the region was home to the United States' largest hub of textile manufacturing. While offshoring has diminished the importance of the textile industry here over the past decades, more advanced production has grown in its place. Siemens, Eli Lilly, and Daimler Trucks maintain manufacturing facilities here, and suppliers for major automotive production facilities nearby, such as BMW in Spartanburg, South Carolina, and Toyota's new plant in Randolph County, North Carolina, regularly land in the Charlotte area.

## CHARLOTTE EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	106	0.9	-1.75%	-0.80%	0.12%	0.33%	0.04%	0.07%
Trade, Transportation and Utilities	283	1.1	1.47%	0.62%	2.28%	0.84%	0.64%	0.24%
Retail Trade	136	1.0	0.48%	0.44%	1.03%	0.02%	0.58%	0.18%
Financial Activities	128	1.6	1.73%	0.97%	3.76%	1.31%	1.20%	0.29%
Government	176	0.8	2.11%	0.85%	1.87%	0.68%	0.71%	0.22%
Natural Resources, Mining and Construction	84	1.1	3.04%	1.20%	4.01%	2.10%	0.99%	0.60%
Education and Health Services	157	0.6	4.76%	3.38%	3.29%	2.21%	1.02%	0.74%
Professional and Business Services	234	1.2	4.51%	-0.03%	2.14%	1.34%	0.94%	0.66%
Information	27	1.0	0.66%	0.09%	2.83%	0.67%	0.90%	0.35%
Leisure and Hospitality	156	1.0	2.01%	1.41%	2.34%	1.18%	1.40%	0.80%
Other Services	56	1.1	2.18%	1.19%	3.11%	0.73%	0.83%	0.23%
<b>Total Employment</b>	<b>1,406</b>	<b>1.0</b>	<b>2.34%</b>	<b>1.06%</b>	<b>2.40%</b>	<b>1.19%</b>	<b>0.87%</b>	<b>0.45%</b>

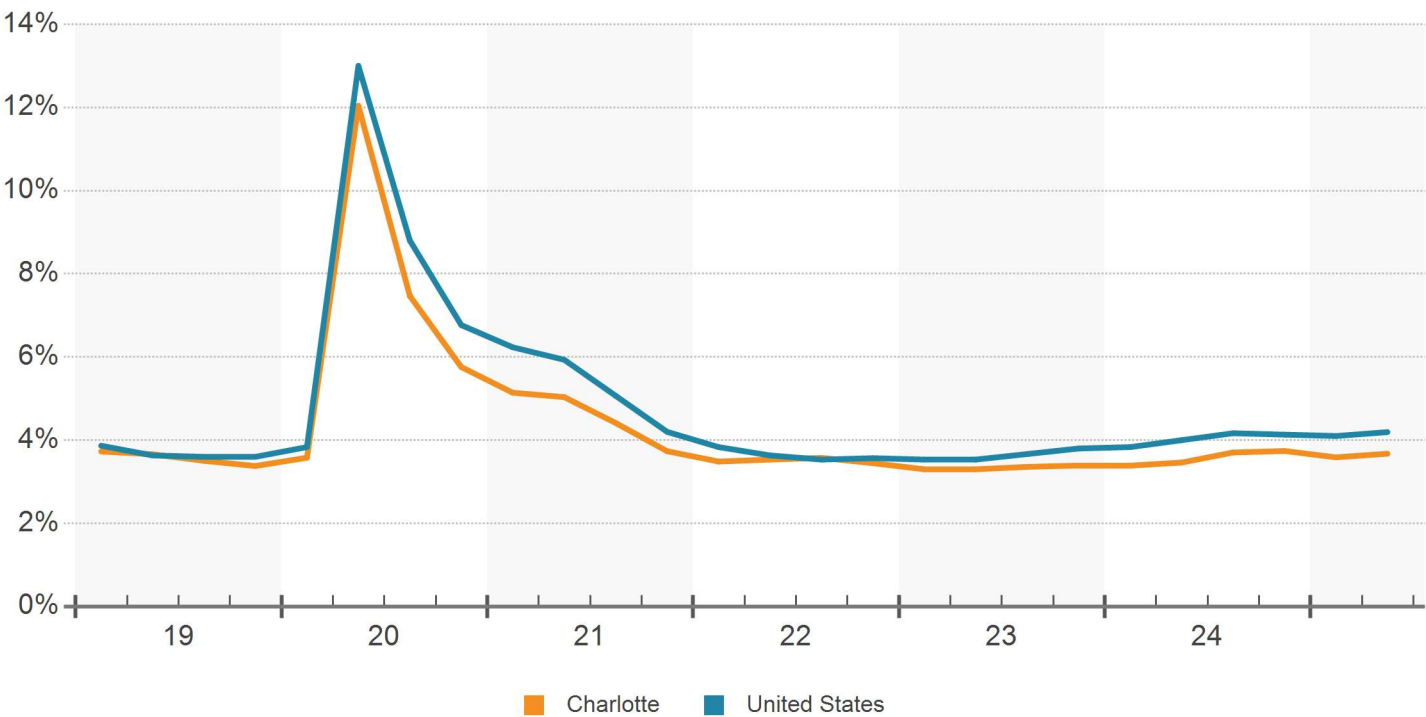
Source: Oxford Economics  
LQ = Location Quotient

## JOB GROWTH (YOY)

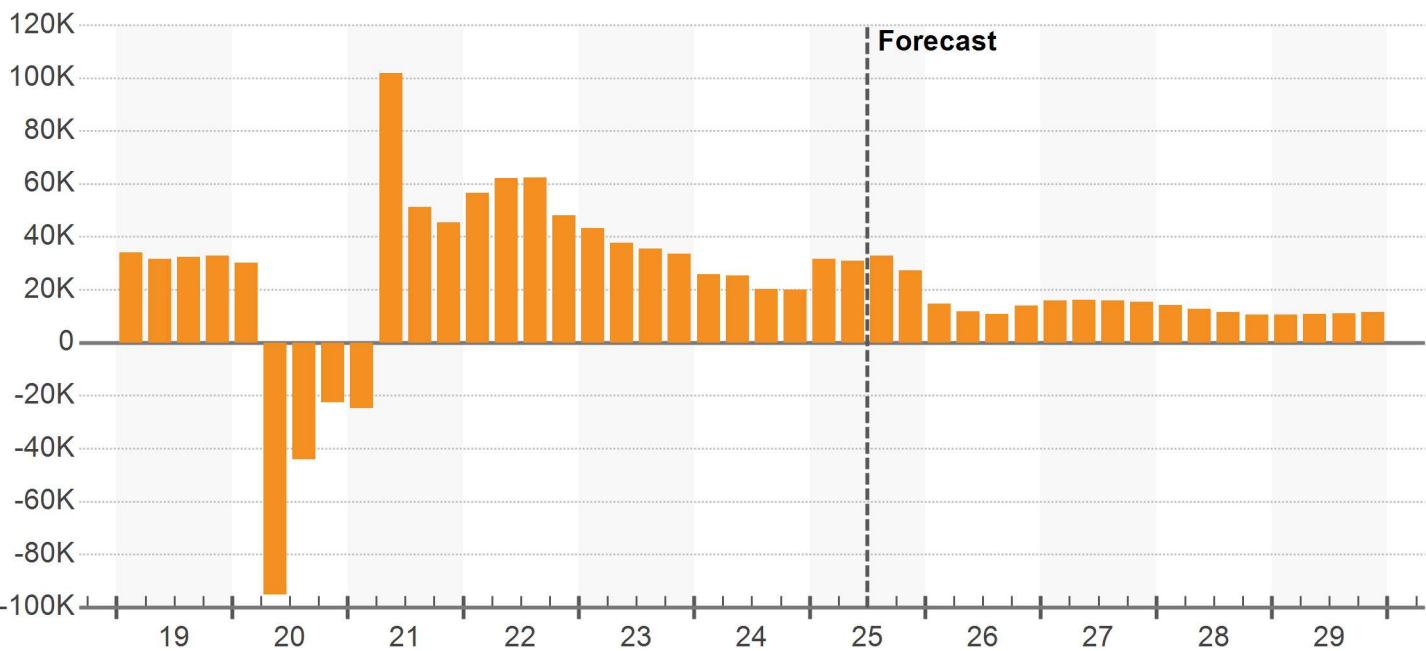


Source: Oxford Economics

UNEMPLOYMENT RATE (%)

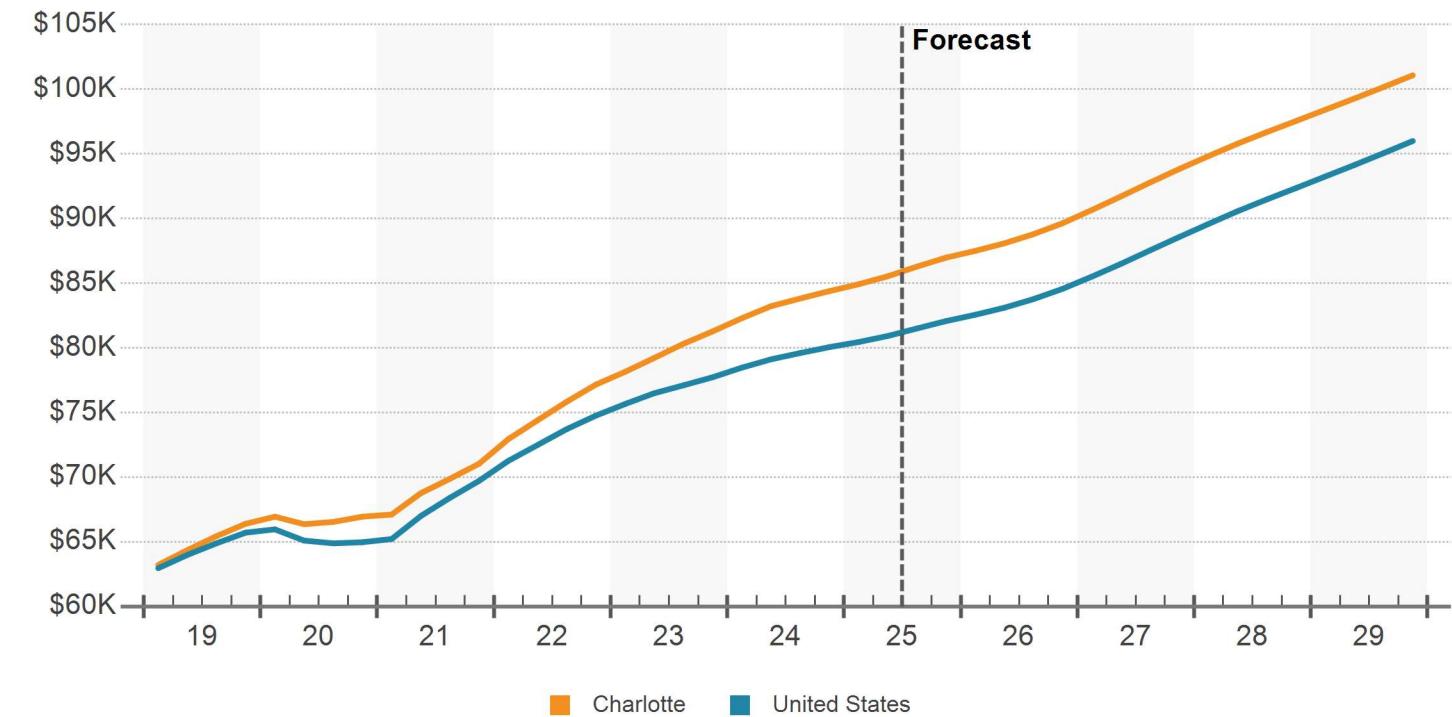


NET EMPLOYMENT CHANGE (YOY)

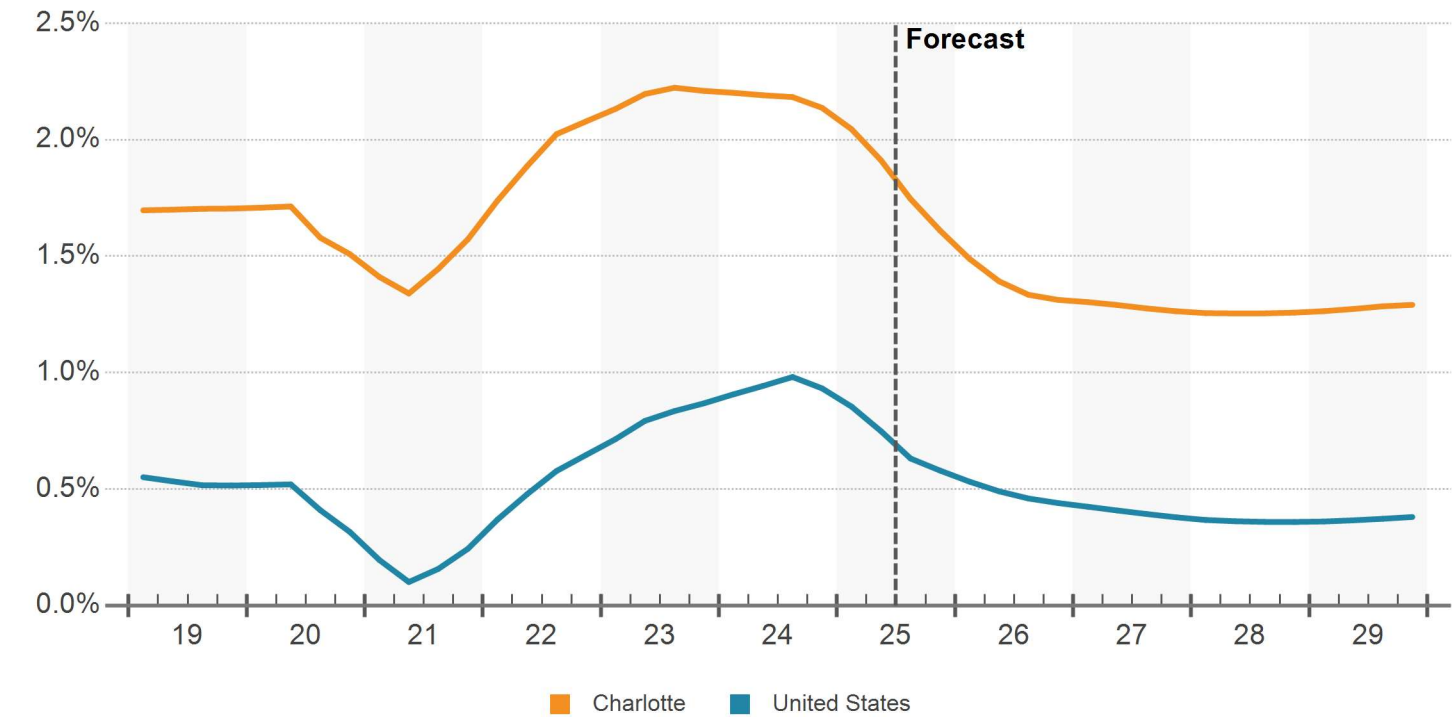




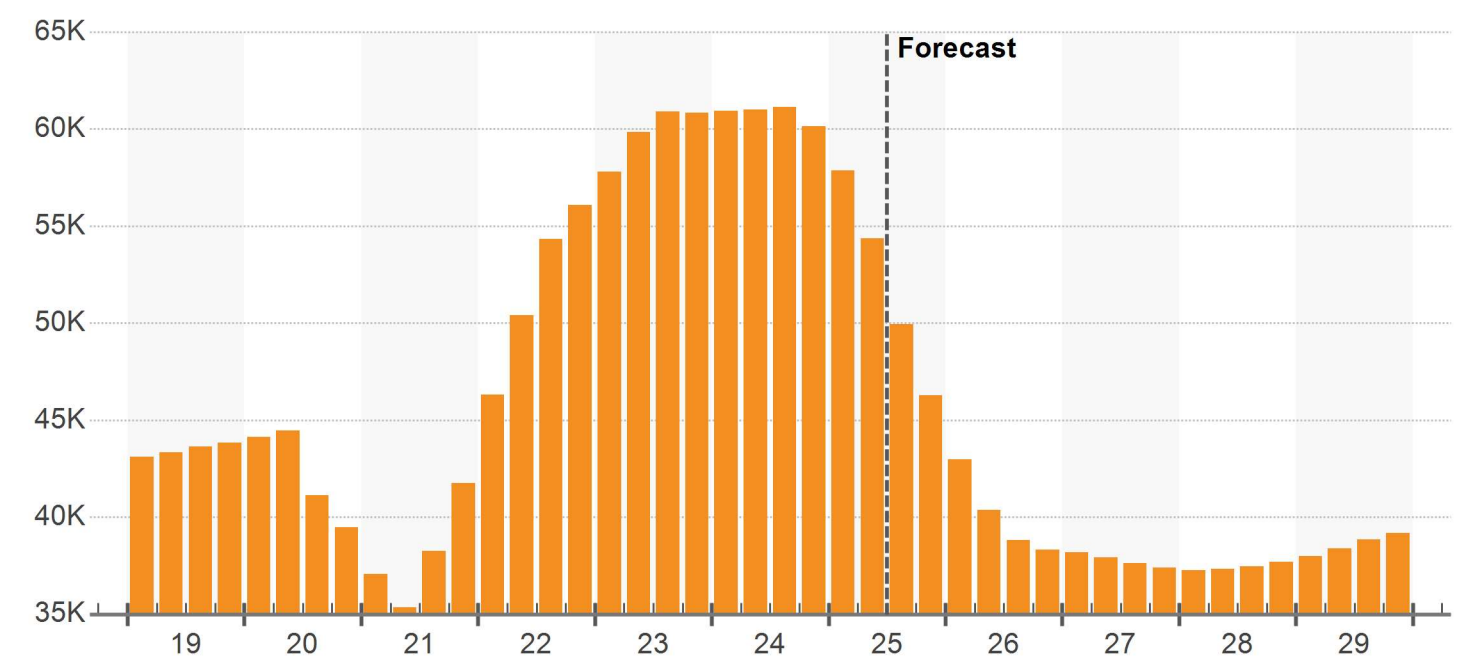
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

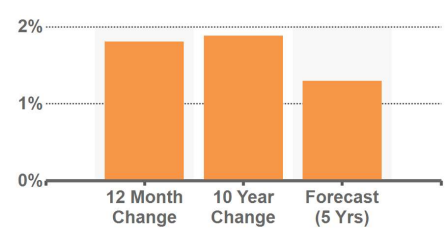


DEMOGRAPHIC TRENDS

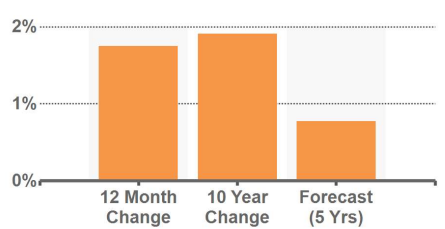
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	2,906,783	342,084,281	1.8%	0.7%	1.9%	0.6%	1.3%	0.4%
Households	1,155,494	134,495,766	1.9%	0.8%	2.2%	1.0%	1.4%	0.5%
Median Household Income	\$85,995	\$81,275	2.9%	2.3%	4.7%	4.0%	3.8%	3.9%
Labor Force	1,481,803	170,819,703	1.7%	1.5%	1.9%	0.8%	0.8%	0.3%
Unemployment	3.7%	4.2%	0.1%	0.1%	-0.2%	-0.1%	-	-

Source: Oxford Economics

POPULATION GROWTH



LABOR FORCE GROWTH

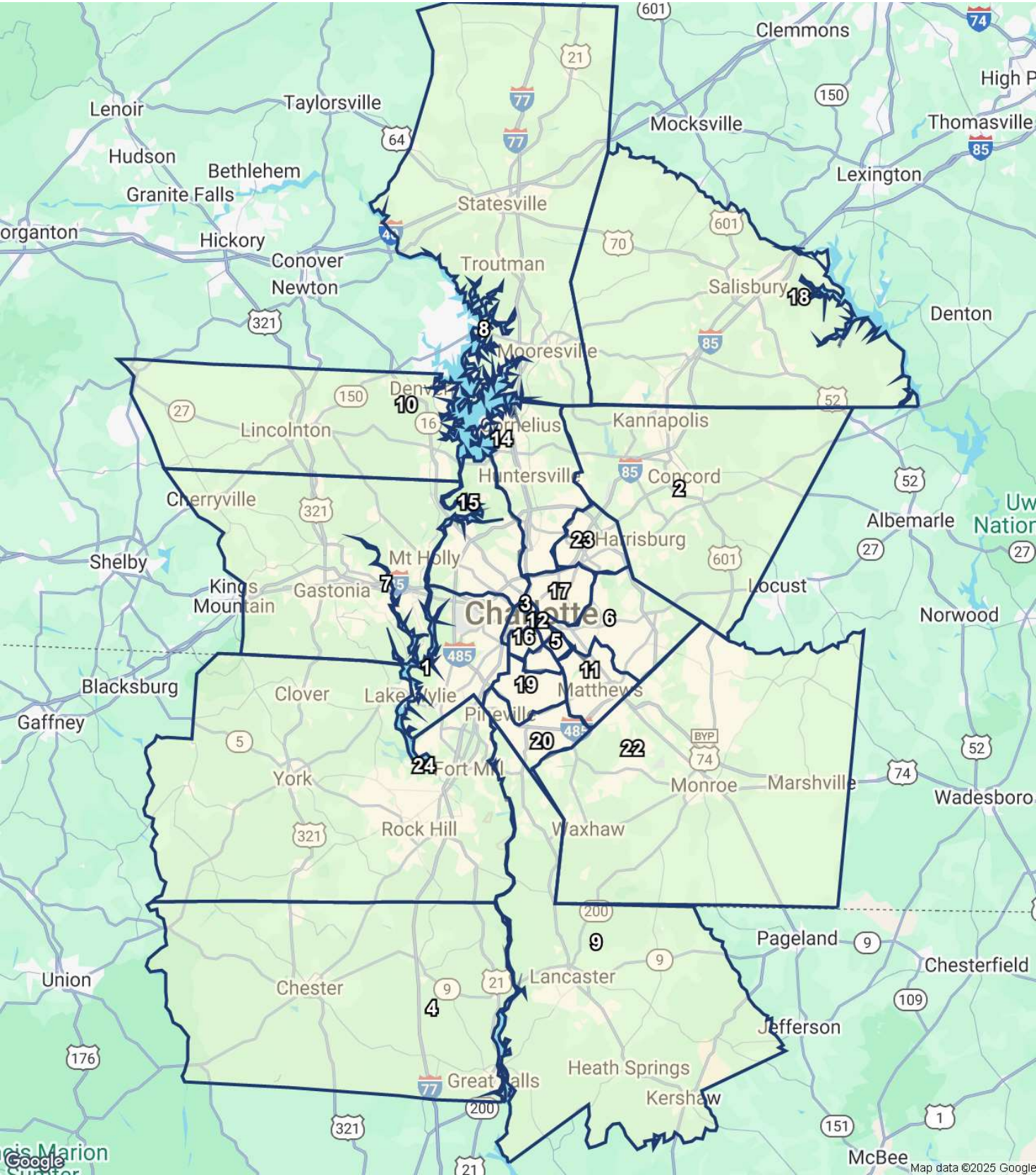


INCOME GROWTH



Source: Oxford Economics

CHARLOTTE SUBMARKETS



## SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Airport	393	14,895	10.8%	2	1	15	0.1%	11	3	50	0.3%	3
2	Cabarrus County	567	5,574	4.0%	9	1	4	0.1%	13	1	26	0.5%	5
3	CBD	129	26,801	19.4%	1	1	156	0.6%	4	0	0	0%	-
4	Chester County	38	142	0.1%	24	0	0	0%	-	0	0	0%	-
5	Cotswold	39	492	0.4%	23	0	0	0%	-	0	0	0%	-
6	East Charlotte	334	3,231	2.3%	14	1	5	0.2%	12	1	4	0.1%	9
7	Gaston County	766	4,813	3.5%	11	2	104	2.2%	5	1	10	0.2%	7
8	Iredell County	544	5,526	4.0%	10	3	16	0.3%	10	0	0	0%	-
9	Lancaster County	145	2,944	2.1%	16	2	22	0.7%	9	4	56	1.9%	2
10	Lincoln County	242	1,236	0.9%	21	0	0	0%	-	0	0	0%	-
11	Matthews	260	3,078	2.2%	15	1	47	1.5%	8	0	0	0%	-
12	Midtown/Randolph	229	3,490	2.5%	12	0	0	0%	-	1	28	0.8%	4
13	Midtown/Southend	467	11,440	8.3%	3	2	717	6.3%	1	0	0	0%	-
14	Northeast/I-77	437	6,367	4.6%	7	6	64	1.0%	7	1	8	0.1%	8
15	Northwest Charlotte	169	2,082	1.5%	20	0	0	0%	-	0	0	0%	-
16	Park Road	84	1,232	0.9%	22	0	0	0%	-	0	0	0%	-
17	Plaza Midwood/NoDa	302	3,303	2.4%	13	1	160	4.8%	3	0	0	0%	-
18	Rowan County	392	2,509	1.8%	19	0	0	0%	-	0	0	0%	-
19	South Charlotte	174	2,727	2.0%	18	0	0	0%	-	0	0	0%	-
20	South/485	191	8,195	5.9%	6	0	0	0%	-	2	95	1.2%	1
21	SouthPark	100	5,956	4.3%	8	0	0	0%	-	0	0	0%	-
22	Union County	447	2,913	2.1%	17	2	89	3.0%	6	2	16	0.6%	6
23	University	170	10,459	7.6%	4	0	0	0%	-	0	0	0%	-
24	York County	672	8,697	6.3%	5	2	404	4.6%	2	0	0	0%	-



## SUBMARKET RENT

No.	Submarket	Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Airport	\$29.79	15	1.5%	10	0.5%	9
2	Cabarrus County	\$29.36	16	1.7%	4	0.4%	11
3	CBD	\$41.89	1	1.3%	18	1.0%	3
4	Chester County	\$28.76	17	1.4%	13	0%	22
5	Cotswold	\$34.94	5	2.0%	1	0.3%	15
6	East Charlotte	\$25.21	24	1.3%	20	0.1%	19
7	Gaston County	\$25.49	22	0.9%	24	-0.1%	24
8	Iredell County	\$28.17	19	1.5%	11	0.4%	10
9	Lancaster County	\$31.67	9	1.5%	9	0.6%	6
10	Lincoln County	\$27.31	20	1.0%	23	0%	21
11	Matthews	\$28.36	18	1.7%	5	0.3%	14
12	Midtown/Randolph	\$33.67	6	1.3%	16	0.1%	18
13	Midtown/Southend	\$41.17	2	1.5%	8	1.3%	2
14	Northeast/I-77	\$31.02	12	1.8%	3	0.3%	13
15	Northwest Charlotte	\$33.28	7	1.3%	15	0.6%	5
16	Park Road	\$31.71	8	1.3%	17	1.5%	1
17	Plaza Midwood/NoDa	\$31.01	13	1.2%	22	0.6%	7
18	Rowan County	\$25.43	23	1.2%	21	0%	23
19	South Charlotte	\$31.35	11	1.4%	12	0.2%	16
20	South/485	\$38.57	4	1.4%	14	0.8%	4
21	SouthPark	\$39.56	3	1.6%	7	0.4%	12
22	Union County	\$26.05	21	1.6%	6	0.1%	20
23	University	\$29.85	14	1.8%	2	0.5%	8
24	York County	\$31.43	10	1.3%	19	0.2%	17

## SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Airport	3,187,399	21.4%	22	(651,641)	-4.4%	24	-
2	Cabarrus County	95,892	1.7%	6	73,759	1.3%	7	-
3	CBD	6,632,273	24.7%	24	(505,393)	-1.9%	23	-
4	Chester County	1,272	0.9%	2	(1,272)	-0.9%	19	-
5	Cotswold	7,106	1.4%	3	4,408	0.9%	16	-
6	East Charlotte	306,066	9.5%	12	(85,771)	-2.7%	22	-
7	Gaston County	162,350	3.4%	7	68,483	1.4%	8	0.7
8	Iredell County	225,594	4.1%	8	(7,471)	-0.1%	20	-
9	Lancaster County	660,145	22.4%	23	9,811	0.3%	15	2.2
10	Lincoln County	10,982	0.9%	1	826	0.1%	17	-
11	Matthews	305,241	9.9%	13	44,922	1.5%	10	1.0
12	Midtown/Randolph	165,108	4.7%	9	22,372	0.6%	11	-
13	Midtown/Southend	1,193,160	10.4%	16	915,860	8.0%	1	0.8
14	Northeast/I-77	579,296	9.1%	11	(10,988)	-0.2%	21	-
15	Northwest Charlotte	366,956	17.6%	18	11,756	0.6%	14	-
16	Park Road	127,513	10.4%	15	14,932	1.2%	12	-
17	Plaza Midwood/NoDa	639,170	19.4%	20	785	0%	18	204.0
18	Rowan County	40,695	1.6%	5	61,945	2.5%	9	-
19	South Charlotte	232,128	8.5%	10	14,632	0.5%	13	-
20	South/485	1,652,614	20.2%	21	318,767	3.9%	3	-
21	SouthPark	871,532	14.6%	17	83,945	1.4%	6	-
22	Union County	47,044	1.6%	4	94,853	3.3%	5	0.9
23	University	1,998,355	19.1%	19	367,713	3.5%	2	-
24	York County	865,624	10.0%	14	189,916	2.2%	4	2.1

## OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	140,292,649	894,542	0.6%	858,933	0.6%	1.0
2028	139,398,107	683,682	0.5%	822,428	0.6%	0.8
2027	138,714,425	424,644	0.3%	812,426	0.6%	0.5
2026	138,289,781	181,761	0.1%	570,382	0.4%	0.3
2025	138,108,020	1,019,406	0.7%	926,559	0.7%	1.1
YTD	138,100,482	1,011,868	0.7%	531,931	0.4%	1.9
2024	137,088,614	1,512,899	1.1%	(356,891)	-0.3%	-
2023	135,575,715	1,463,111	1.1%	(1,252,677)	-0.9%	-
2022	134,112,604	2,244,971	1.7%	1,293,182	1.0%	1.7
2021	131,867,633	4,527,743	3.6%	508,984	0.4%	8.9
2020	127,339,890	626,023	0.5%	(724,157)	-0.6%	-
2019	126,713,867	3,229,804	2.6%	2,780,348	2.2%	1.2
2018	123,484,063	922,624	0.8%	2,157,259	1.7%	0.4
2017	122,561,439	1,809,952	1.5%	1,142,464	0.9%	1.6
2016	120,751,487	2,756,866	2.3%	3,227,573	2.7%	0.9
2015	117,994,621	901,588	0.8%	2,134,368	1.8%	0.4
2014	117,093,033	742,630	0.6%	1,768,589	1.5%	0.4
2013	116,350,403	52,650	0%	1,992,350	1.7%	0

## 4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	56,469,035	1,083,080	2.0%	963,076	1.7%	1.1
2028	55,385,955	877,673	1.6%	885,403	1.6%	1.0
2027	54,508,282	614,034	1.1%	856,825	1.6%	0.7
2026	53,894,248	214,365	0.4%	571,844	1.1%	0.4
2025	53,679,883	910,111	1.7%	1,603,827	3.0%	0.6
YTD	53,652,433	882,661	1.7%	1,142,221	2.1%	0.8
2024	52,769,772	1,382,880	2.7%	859,625	1.6%	1.6
2023	51,386,892	1,525,972	3.1%	(380,882)	-0.7%	-
2022	49,860,920	1,814,306	3.8%	501,208	1.0%	3.6
2021	48,046,614	4,253,460	9.7%	999,296	2.1%	4.3
2020	43,793,154	801,611	1.9%	(61,938)	-0.1%	-
2019	42,991,543	2,857,935	7.1%	3,135,179	7.3%	0.9
2018	40,133,608	454,374	1.1%	1,371,962	3.4%	0.3
2017	39,679,234	1,851,021	4.9%	471,839	1.2%	3.9
2016	37,828,213	2,156,569	6.0%	1,457,224	3.9%	1.5
2015	35,671,644	445,135	1.3%	715,693	2.0%	0.6
2014	35,226,509	141,647	0.4%	692,113	2.0%	0.2
2013	35,084,862	98,920	0.3%	1,422,888	4.1%	0.1

# Supply & Demand Trends

Charlotte Office

## 3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	58,589,817	33,739	0.1%	108,624	0.2%	0.3
2028	58,556,078	27,293	0%	140,102	0.2%	0.2
2027	58,528,785	31,482	0.1%	158,454	0.3%	0.2
2026	58,497,303	187,973	0.3%	172,915	0.3%	1.1
2025	58,309,330	190,624	0.3%	(500,049)	-0.9%	-
YTD	58,247,913	129,207	0.2%	(495,061)	-0.8%	-
2024	58,118,706	131,825	0.2%	(1,013,620)	-1.7%	-
2023	57,986,881	95,557	0.2%	(870,765)	-1.5%	-
2022	57,891,324	553,059	1.0%	854,275	1.5%	0.6
2021	57,338,265	457,127	0.8%	(635,659)	-1.1%	-
2020	56,881,138	67,612	0.1%	(576,985)	-1.0%	-
2019	56,813,526	511,923	0.9%	(15,074)	0%	-
2018	56,301,603	530,170	1.0%	818,636	1.5%	0.6
2017	55,771,433	237,674	0.4%	527,682	0.9%	0.5
2016	55,533,759	653,610	1.2%	1,381,126	2.5%	0.5
2015	54,880,149	536,136	1.0%	1,330,218	2.4%	0.4
2014	54,344,013	658,078	1.2%	813,252	1.5%	0.8
2013	53,685,935	70,093	0.1%	596,839	1.1%	0.1

## 1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2029	25,233,797	(222,277)	-0.9%	(212,767)	-0.8%	-
2028	25,456,074	(221,284)	-0.9%	(203,077)	-0.8%	-
2027	25,677,358	(220,872)	-0.9%	(202,853)	-0.8%	-
2026	25,898,230	(220,577)	-0.8%	(174,377)	-0.7%	-
2025	26,118,807	(81,329)	-0.3%	(177,219)	-0.7%	-
YTD	26,200,136	0	0%	(115,229)	-0.4%	-
2024	26,200,136	(1,806)	0%	(202,896)	-0.8%	-
2023	26,201,942	(158,418)	-0.6%	(1,030)	0%	-
2022	26,360,360	(122,394)	-0.5%	(62,301)	-0.2%	-
2021	26,482,754	(182,844)	-0.7%	145,347	0.5%	-
2020	26,665,598	(243,200)	-0.9%	(85,234)	-0.3%	-
2019	26,908,798	(140,054)	-0.5%	(339,757)	-1.3%	-
2018	27,048,852	(61,920)	-0.2%	(33,339)	-0.1%	-
2017	27,110,772	(278,743)	-1.0%	142,943	0.5%	-
2016	27,389,515	(53,313)	-0.2%	389,223	1.4%	-
2015	27,442,828	(79,683)	-0.3%	88,457	0.3%	-
2014	27,522,511	(57,095)	-0.2%	263,224	1.0%	-
2013	27,579,606	(116,363)	-0.4%	(27,377)	-0.1%	-



## OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	\$36.30	168	1.6%	7.4%	19,137,360	13.6%	-0.1%
2028	\$35.73	165	1.8%	5.7%	19,095,397	13.7%	-0.2%
2027	\$35.10	162	1.6%	3.9%	19,227,978	13.9%	-0.3%
2026	\$34.54	160	1.4%	2.2%	19,613,002	14.2%	-0.3%
2025	\$34.07	157	0.8%	0.8%	19,991,988	14.5%	0%
YTD	\$33.92	157	1.4%	0.4%	20,373,515	14.8%	0.2%
2024	\$33.79	156	2.3%	0%	19,893,578	14.5%	1.2%
2023	\$33.02	153	3.8%	-2.3%	18,023,788	13.3%	1.9%
2022	\$31.80	147	7.0%	-5.9%	15,308,000	11.4%	0.5%
2021	\$29.71	137	4.5%	-12.1%	14,356,211	10.9%	2.8%
2020	\$28.44	131	0.9%	-15.8%	10,334,572	8.1%	0.9%
2019	\$28.18	130	6.3%	-16.6%	9,143,879	7.2%	0.2%
2018	\$26.51	122	7.2%	-21.6%	8,694,423	7.0%	-1.1%
2017	\$24.72	114	5.5%	-26.8%	9,929,058	8.1%	0.4%
2016	\$23.43	108	6.7%	-30.7%	9,281,358	7.7%	-0.6%
2015	\$21.97	101	5.6%	-35.0%	9,767,198	8.3%	-1.1%
2014	\$20.79	96	4.6%	-38.5%	10,999,978	9.4%	-0.9%
2013	\$19.87	92	3.6%	-41.2%	12,018,643	10.3%	-1.7%

## 4 & 5 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	\$43.60	176	1.5%	6.8%	10,565,462	18.7%	-0.2%
2028	\$42.97	173	1.6%	5.2%	10,446,008	18.9%	-0.3%
2027	\$42.28	170	1.5%	3.5%	10,454,295	19.2%	-0.7%
2026	\$41.66	168	1.2%	2.0%	10,697,648	19.8%	-0.7%
2025	\$41.15	166	0.8%	0.8%	11,055,531	20.6%	-1.7%
YTD	\$40.97	165	1.1%	0.3%	11,489,674	21.4%	-0.9%
2024	\$40.83	165	2.6%	0%	11,749,234	22.3%	0.4%
2023	\$39.81	161	2.2%	-2.5%	11,225,979	21.8%	3.2%
2022	\$38.95	157	4.9%	-4.6%	9,319,125	18.7%	2.0%
2021	\$37.15	150	5.9%	-9.0%	8,006,027	16.7%	5.8%
2020	\$35.09	141	-1.4%	-14.1%	4,751,863	10.9%	1.4%
2019	\$35.59	143	6.5%	-12.8%	4,047,801	9.4%	-1.4%
2018	\$33.41	135	8.0%	-18.2%	4,325,045	10.8%	-2.4%
2017	\$30.93	125	8.1%	-24.2%	5,242,633	13.2%	3.0%
2016	\$28.61	115	6.6%	-29.9%	3,863,451	10.2%	1.3%
2015	\$26.83	108	9.5%	-34.3%	3,164,106	8.9%	-0.9%
2014	\$24.51	99	4.5%	-40.0%	3,434,664	9.8%	-1.6%
2013	\$23.45	95	4.7%	-42.6%	3,985,130	11.4%	-3.8%

## 3 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	\$33.43	160	1.6%	7.4%	7,503,915	12.8%	-0.1%
2028	\$32.91	158	1.8%	5.7%	7,579,410	12.9%	-0.2%
2027	\$32.34	155	1.6%	3.9%	7,692,821	13.1%	-0.2%
2026	\$31.83	152	1.4%	2.3%	7,820,421	13.4%	0%
2025	\$31.40	150	0.9%	0.9%	7,805,754	13.4%	1.1%
YTD	\$31.27	150	2.3%	0.5%	7,739,329	13.3%	1.0%
2024	\$31.12	149	2.5%	0%	7,115,061	12.2%	1.9%
2023	\$30.35	145	4.7%	-2.5%	5,969,616	10.3%	1.7%
2022	\$28.98	139	6.8%	-6.9%	5,003,294	8.6%	-0.6%
2021	\$27.12	130	3.4%	-12.8%	5,304,510	9.3%	1.9%
2020	\$26.23	126	2.9%	-15.7%	4,208,844	7.4%	1.1%
2019	\$25.49	122	6.6%	-18.1%	3,564,247	6.3%	0.9%
2018	\$23.92	115	7.0%	-23.1%	3,037,250	5.4%	-0.6%
2017	\$22.35	107	2.8%	-28.2%	3,325,716	6.0%	-0.6%
2016	\$21.74	104	6.9%	-30.2%	3,650,645	6.6%	-1.4%
2015	\$20.33	97	3.1%	-34.7%	4,378,161	8.0%	-1.5%
2014	\$19.71	94	4.8%	-36.7%	5,172,243	9.5%	-0.4%
2013	\$18.81	90	3.2%	-39.6%	5,327,417	9.9%	-1.0%

## 1 & 2 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2029	\$27.76	165	2.1%	9.7%	1,067,983	4.2%	0%
2028	\$27.19	161	2.3%	7.4%	1,069,979	4.2%	0%
2027	\$26.59	158	2.2%	5.0%	1,080,862	4.2%	0%
2026	\$26.03	154	1.9%	2.8%	1,094,933	4.2%	-0.1%
2025	\$25.53	152	0.9%	0.9%	1,130,703	4.3%	0.4%
YTD	\$25.39	151	0.1%	0.3%	1,144,512	4.4%	0.4%
2024	\$25.31	150	1.0%	0%	1,029,283	3.9%	0.8%
2023	\$25.07	149	6.9%	-1.0%	828,193	3.2%	-0.6%
2022	\$23.44	139	15.9%	-7.4%	985,581	3.7%	-0.2%
2021	\$20.23	120	2.5%	-20.1%	1,045,674	3.9%	-1.2%
2020	\$19.74	117	3.8%	-22.0%	1,373,865	5.2%	-0.5%
2019	\$19.02	113	4.9%	-24.8%	1,531,831	5.7%	0.8%
2018	\$18.14	108	4.9%	-28.3%	1,332,128	4.9%	-0.1%
2017	\$17.29	103	4.1%	-31.7%	1,360,709	5.0%	-1.4%
2016	\$16.61	99	6.2%	-34.4%	1,767,262	6.5%	-1.7%
2015	\$15.64	93	0.3%	-38.2%	2,224,931	8.1%	-0.6%
2014	\$15.60	93	4.7%	-38.4%	2,393,071	8.7%	-1.1%
2013	\$14.90	88	1.3%	-41.1%	2,706,096	9.8%	-0.3%

## OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2029	-	-	-	-	-	-	\$266.76	205	8.1%
2028	-	-	-	-	-	-	\$257.40	197	8.2%
2027	-	-	-	-	-	-	\$245.87	189	8.4%
2026	-	-	-	-	-	-	\$238.77	183	8.5%
2025	-	-	-	-	-	-	\$233.72	179	8.5%
YTD	238	\$418.8M	2.8%	\$2,601,322	\$136.40	7.8%	\$234.25	180	8.4%
2024	352	\$1.1B	4.9%	\$4,367,489	\$180.10	7.4%	\$232	178	8.4%
2023	353	\$490.5M	2.5%	\$1,865,090	\$162.43	7.1%	\$241.65	185	8.0%
2022	499	\$1.8B	7.0%	\$4,540,682	\$235.45	6.6%	\$258.06	198	7.4%
2021	606	\$3.2B	8.3%	\$6,936,276	\$331.67	7.1%	\$271.64	208	6.8%
2020	471	\$1.4B	5.4%	\$4,449,915	\$238.63	6.6%	\$243.56	187	7.1%
2019	544	\$2.7B	9.9%	\$6,874,582	\$231.19	7.2%	\$233.23	179	7.3%
2018	455	\$1.5B	6.9%	\$4,845,589	\$203.61	7.3%	\$221.94	170	7.3%
2017	522	\$2.3B	10.5%	\$6,043,535	\$190.95	7.2%	\$202.72	155	7.3%
2016	428	\$1.3B	7.6%	\$4,088,487	\$184.63	7.8%	\$197.37	151	7.1%
2015	430	\$1.2B	6.7%	\$3,664,479	\$161.14	7.7%	\$185.30	142	7.1%
2014	351	\$1.5B	8.0%	\$5,267,825	\$160.85	7.8%	\$170.69	131	7.2%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

## 4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2029	-	-	-	-	-	-	\$355.70	208	7.5%
2028	-	-	-	-	-	-	\$343.30	201	7.6%
2027	-	-	-	-	-	-	\$327.82	192	7.7%
2026	-	-	-	-	-	-	\$318.55	186	7.8%
2025	-	-	-	-	-	-	\$312.15	183	7.8%
YTD	8	\$201.5M	2.7%	\$25,181,500	\$138.42	8.3%	\$313.02	183	7.8%
2024	25	\$642.1M	6.2%	\$25,683,977	\$195.66	7.0%	\$309.78	181	7.7%
2023	4	\$42.6M	0.6%	\$10,644,500	\$148.69	-	\$324.33	190	7.4%
2022	22	\$1B	7.1%	\$54,039,060	\$321.41	7.5%	\$349.72	205	6.7%
2021	29	\$2.3B	12.8%	\$97,196,022	\$430.16	6.1%	\$370.63	217	6.1%
2020	20	\$1.1B	8.4%	\$55,276,163	\$284.74	5.2%	\$326.09	191	6.5%
2019	33	\$1.5B	13.5%	\$47,227,968	\$263.16	6.2%	\$314.24	184	6.7%
2018	28	\$680.4M	7.4%	\$26,170,598	\$270.48	5.8%	\$300.23	176	6.6%
2017	37	\$1.5B	17.0%	\$40,508,021	\$223.33	6.2%	\$269.34	158	6.7%
2016	23	\$792.2M	12.5%	\$37,724,760	\$234.06	6.2%	\$261.21	153	6.5%
2015	23	\$672.3M	10.6%	\$29,231,761	\$178.33	7.2%	\$243.74	143	6.6%
2014	23	\$771.2M	11.1%	\$36,725,802	\$197.08	6.3%	\$221.48	130	6.7%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

## 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2029	-	-	-	-	-	-	\$224.84	198	8.4%
2028	-	-	-	-	-	-	\$217.16	191	8.5%
2027	-	-	-	-	-	-	\$207.76	183	8.7%
2026	-	-	-	-	-	-	\$201.89	178	8.8%
2025	-	-	-	-	-	-	\$197.67	174	8.8%
YTD	100	\$136.1M	2.9%	\$1,972,295	\$132.50	7.2%	\$198.09	174	8.7%
2024	160	\$373.6M	4.8%	\$3,087,903	\$150.68	7.6%	\$196.27	173	8.7%
2023	155	\$333.2M	3.4%	\$2,872,162	\$181.66	7.1%	\$204.13	180	8.3%
2022	218	\$483.7M	7.0%	\$2,967,742	\$175.90	6.3%	\$217.44	191	7.7%
2021	257	\$641.3M	5.4%	\$3,053,887	\$223.43	6.8%	\$230.04	202	7.0%
2020	218	\$255.9M	3.5%	\$1,661,555	\$168.15	6.7%	\$209.96	185	7.3%
2019	239	\$1B	9.1%	\$5,501,363	\$214.33	7.3%	\$199.87	176	7.5%
2018	185	\$712.6M	7.7%	\$5,239,726	\$177.62	7.2%	\$188.92	166	7.5%
2017	233	\$711.2M	8.2%	\$3,783,108	\$165.55	7.2%	\$174.79	154	7.5%
2016	177	\$452.8M	5.4%	\$2,978,665	\$165.10	7.6%	\$171.34	151	7.3%
2015	206	\$426.9M	5.4%	\$2,864,840	\$152.17	8.1%	\$162.15	143	7.3%
2014	164	\$608.3M	8.2%	\$4,440,143	\$139.04	8.0%	\$151.37	133	7.4%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

## 1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2029	-	-	-	-	-	-	\$178.13	211	8.8%
2028	-	-	-	-	-	-	\$171.25	203	9.0%
2027	-	-	-	-	-	-	\$163.07	193	9.1%
2026	-	-	-	-	-	-	\$157.65	187	9.2%
2025	-	-	-	-	-	-	\$153.51	182	9.2%
YTD	130	\$81.3M	2.7%	\$967,529	\$138.22	8.3%	\$153.62	182	9.2%
2024	167	\$124.2M	2.8%	\$1,079,817	\$218.53	7.1%	\$152.41	180	9.1%
2023	194	\$114.8M	4.4%	\$802,588	\$127.59	7.2%	\$156.02	185	8.8%
2022	259	\$255.8M	6.6%	\$1,235,948	\$164.29	6.9%	\$160.96	191	8.2%
2021	320	\$258.3M	6.7%	\$1,113,293	\$177.85	7.5%	\$161.69	191	7.6%
2020	233	\$135.6M	4.2%	\$898,316	\$163.11	6.6%	\$149.48	177	7.9%
2019	272	\$190.5M	5.7%	\$1,070,407	\$150.43	7.4%	\$141.74	168	8.2%
2018	242	\$109.1M	4.4%	\$737,123	\$128.32	8.0%	\$135.23	160	8.1%
2017	252	\$151.2M	6.0%	\$945,028	\$113.87	7.3%	\$128.56	152	8.0%
2016	228	\$96M	5.3%	\$619,656	\$84.52	9.0%	\$124.67	148	7.7%
2015	201	\$124.7M	4.3%	\$770,027	\$122.30	7.7%	\$117.26	139	7.8%
2014	164	\$84.9M	3.7%	\$707,615	\$104.08	8.0%	\$109.77	130	7.9%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.