

ECONOMIC OVERVIEW:

In Q3 2026, the Salt Lake City market reported an employment level of 858,500 jobs and the unemployment rate decreased slightly from 3.7% a year ago to 3.6%.¹ The Salt Lake City economy of \$124.7 billion, as measured by 2026 gross metro product, is forecasted to climb to \$128.3 billion in 2027 and \$132.2 billion in 2028.²

SUPPLY AND DEMAND:

Salt Lake City's industrial vacancy rate, including sublease space, decreased quarter-over-quarter (QOQ) to 7.6% in Q3 2026, down slightly from 7.8% in Q2 2026. Direct vacancy drove the improvement, falling to 6.5% from 6.8%, while sublease vacancy held steady at 1.1%. Year-over-year (YOY), overall vacancy rose 90 basis points (bps) from 6.7%.

The North West submarket saw the quarter's largest new availabilities. On the sublease side, SLC Global Logistics Center, Building 6 (821 N. 6550 W.) added 150,000 square feet (sf), followed by 113,000 sf at 4625 W. 1730 S., the space formerly occupied by Essendant. On the direct side, The Quadrant II (1195 N. 6550 W.) added 108,500 sf and 2580–2620 S. Decker Lake Blvd. added 107,000 sf.

Manufacturing (MFG) space remained the tightest industrial product type in the market, with vacancy holding steady at 2.3%, followed closely by office service/flex (OS/FX) space at 2.8%. Warehouse/distribution (W/D) vacancy edged down to 9.5% from 9.8% in Q2 2026; however, available space remains concentrated among larger facilities, highlighting the ongoing disconnect between elevated big-box availability and strong demand for small- and mid-sized industrial properties.

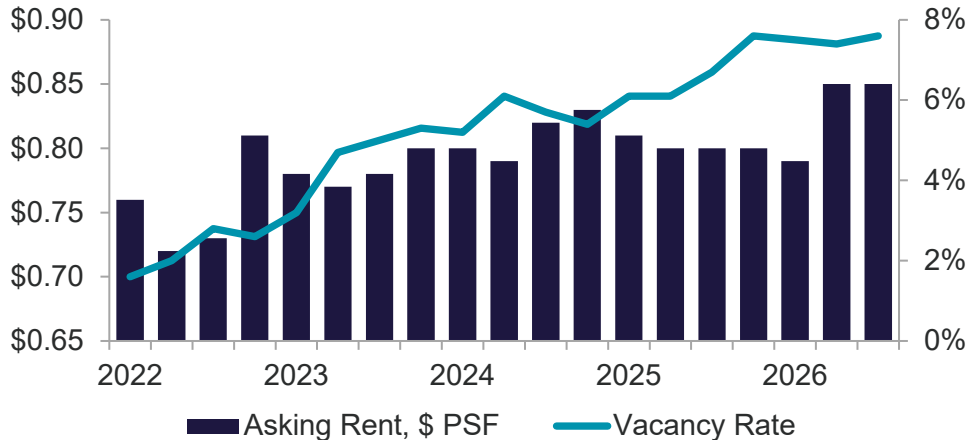
Net absorption remained positive during Q3 2026, totaling 391,000 sf, down from the 621,000 sf recorded in Q2 2026. The MFG segment accounted for the majority of gains, posting just over 268,000 sf of positive net absorption, primarily within the North West submarket. In contrast, the OS/FX segment recorded 69,000 sf of negative net absorption during the quarter. By lease type, direct net absorption totaled 721,000 sf, while sublease net absorption totaled negative 330,000 sf.

Move-in activity during the quarter was led by Biovation Labs, which occupied 253,200 sf at Freeport West Landmark 5. Additional notable occupancies included Systima Technologies, which moved into 173,000 sf at West Valley Logistics Center III (2550 S. Mountain View Corridor), and GOFO Inc., which took 159,000 sf at Westport Distribution II. All three transactions occurred within the North West submarket, reinforcing its position as the region's primary hub for large-scale industrial activity.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & NET ASKING RENT



MARKET FUNDAMENTALS

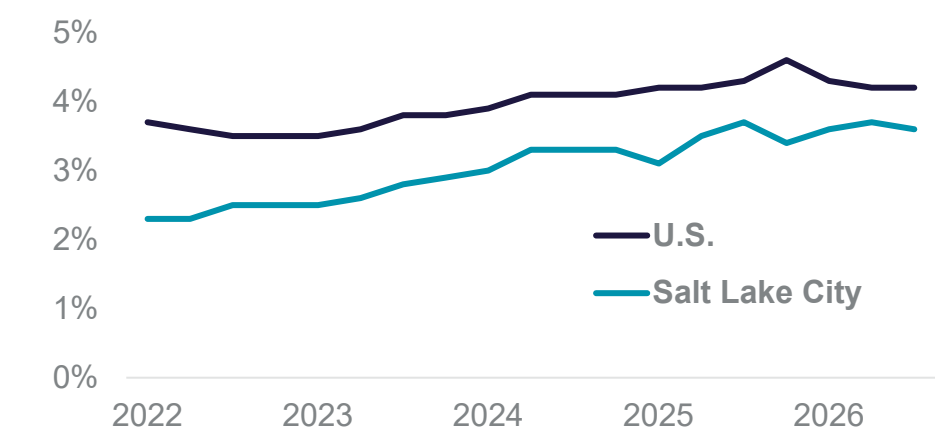
	YOY Chg	Outlook
7.6% Vacancy Rate	▲	▲
391K Net Absorption, SF	▲	▲
\$0.85 Asking Rent, PSF (Overall, Net Asking Rent)	▲	▬

ECONOMIC INDICATORS

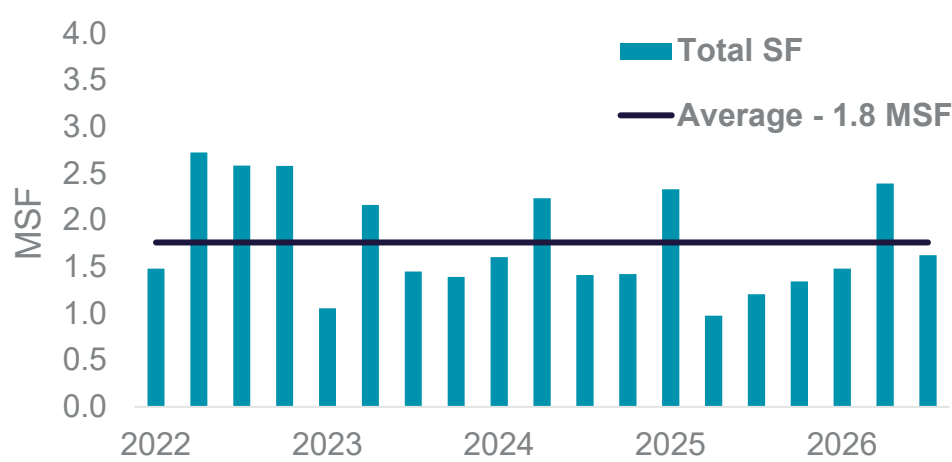
	YOY Chg	Outlook
858.5K Salt Lake City Employment	▲	▲
3.6% Salt Lake City Unemployment Rate	▼	▼
4.2% U.S. Unemployment Rate ¹	▼	▲

Sources: ¹www.bls.gov ²Moody's Analytics

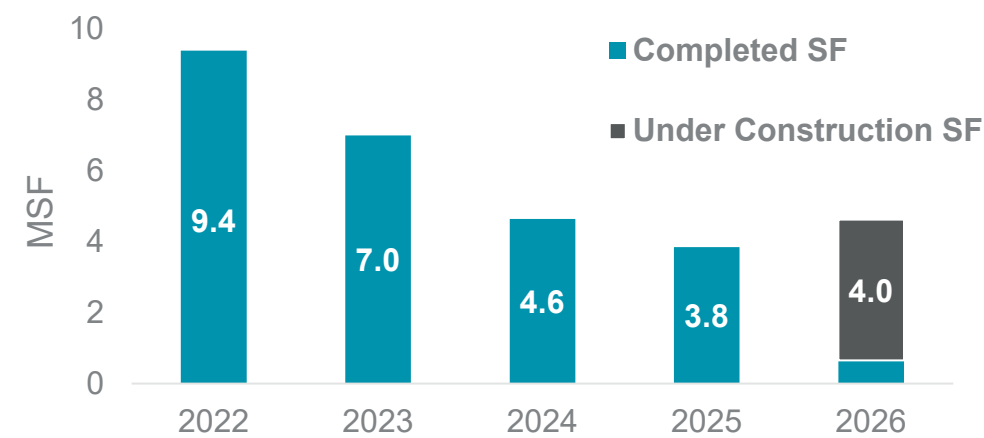
UNEMPLOYMENT RATE IN COMPARISON



NEW LEASING ACTIVITY - EXCLUDING RENEWALS



CONSTRUCTION COMPLETIONS BY YEAR IN SF



PRICING:

Average asking rents across all industrial property types stayed the same during Q3 2026, remaining at \$0.85 per square foot (psf) per month on a triple-net (NNN) basis since Q2 2026, but up from \$0.80 psf YOY. Smaller industrial properties continue to outperform, with buildings between 10,000 and 100,000 sf posting a low 1.5% vacancy rate. Limited availability, particularly among 10,000 to 50,000-sf facilities, continues to support rent growth in this segment, with an average asking rate of \$1.14 psf. Conversely, vacancy among big-box properties exceeding 100,000 sf is currently at 5.6%, with an average asking rate of \$0.85 psf, reflecting softer demand and prompting landlords to adopt more competitive pricing strategies. Overall, the outlook for asking rents remains neutral, with upward pressure in the small- and mid-sized segment offset by softer fundamentals among larger W/D properties.

LEASING ACTIVITY:

Leasing activity remained stable in Q3 2026, totaling 1.6 million square feet (msf) of new lease volume, excluding renewals. This represents a decrease from the 2.4 msf recorded in Q2 2026 but a significant YOY gain from the 1.0 msf leased in Q3 2025. The North West submarket, which contains approximately 73% of the region's industrial inventory, continued to drive market activity, accounting for 1.3 msf, or 77% of total quarterly leasing volume. The quarter's largest new lease transaction was Biovation Labs' 253,000-sf commitment at Freeport West Landmark 5, followed by an undisclosed tenant's 163,000-sf lease at The Quadrant II, both in the North West submarket and both occupying in the current quarter. Renewal activity continued its momentum, totaling approximately 1.1 msf during the quarter, compared to 1.3 msf in Q2 2026 and considerably higher than the 592,000 sf in Q3 2025. Notable renewals included Boart Longyear Company's 256,000-sf extension at 2455 S. 3600 W. and The Boeing Company's 100,000-sf renewal at Airport Distribution Center 1, both located in the North West submarket.

INVENTORY:

The Salt Lake City industrial market completed four W/D facilities during Q3 2026. Northpoint Commerce Center, located at 2760 N. 2200 W., added 175,400 sf to the North West submarket, followed by 201 Commerce Center buildings 2 and 3 (4387 W. 2100 S.), both containing approximately 131,000 sf each. The development pipeline remains active, currently totaling 4.0 msf across 26 buildings. Activity is led by the fourth phase of SLC Global Logistics Center, a three-building project totaling approximately 962,500 sf, with 797,500 sf still available for prelease. This is followed by 5400 Commerce Center, a three-building project comprising approximately 470,000 sf, all of which remains available for prelease. Construction activity continues to be dominated by speculative W/D developments, primarily concentrated in the North West submarket. Scheduled completions extend through 2027, with only 15.3% of the pipeline currently preleased. As additional supply comes online, vacancy is expected to rise in the near term as newly completed projects are absorbed by the market but will likely begin to trend downward by 2027, assuming limited new construction starts.

OUTLOOK

- Demand for outdoor storage and trailer yard facilities remains strong.
- Small freestanding industrial buildings with yard space continue to lease quickly and attract owner-user interest.
- Vacancy is projected to rise modestly in the near term as new supply delivers, before trending downward by 2027 as absorption improves.
- Elevated land costs and limited availability of infill development sites continue to shift new construction activity toward outlying submarkets.
- Power infrastructure constraints remain a key factor in site selection and expansion plans as demand grows from hyperscale and metro edge data centers, along with advanced manufacturing users.
- Rising fuel costs may create near-term uncertainty and heighten occupier focus on transportation efficiency, increasing demand for rail-served facilities and rail freight solutions.

Sources: CoStar, Real Capital Analytics, Cushman & Wakefield Research

MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	DIRECT VACANT (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	YTD CNSTR COMPLETIONS (SF)	YTD SALES ACTIVITY (SF)	OVERALL WEIGHTED AVG NET RENT (ALL TYPES)*
North East	5,844,777	251,055	251,055	4.3%	-74,074	-121,812	88,967	0	0	0	\$1.00
North West	121,800,022	8,509,589	10,296,416	8.5%	383,377	1,389,279	4,466,098	2,823,001	534,018	2,094,939	\$0.80
Central East	4,878,455	130,431	130,431	2.7%	-55,098	-63,277	48,714	0	0	71,417	\$1.26
Central West	13,957,269	630,163	640,163	4.6%	-67,375	-132,228	235,963	689,345	15,602	248,546	\$1.07
South East	1,518,699	0	0	0.0%	0	9,496	10,804	0	0	18,953	N/A
South West	18,021,895	1,201,585	1,248,970	6.9%	204,557	156,709	647,604	457,834	100,534	178,293	\$0.99
MARKET TOTALS	166,021,117	10,722,823	12,567,035	7.6%	391,387	1,238,167	5,498,150	3,970,180	650,154	2,612,148	\$0.85

PROPERTY TYPE	INVENTORY (SF)	DIRECT VACANT (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CNSTR (SF)	YTD CNSTR COMPLETIONS (SF)	YTD SALES ACTIVITY (SF)	OVERALL WEIGHTED AVG NET RENT (ALL TYPES)*
Warehouse / Distribution	120,332,970	9,736,315	11,414,226	9.5%	192,511	1,269,269	4,963,044	3,970,180	630,970	2,316,752	\$0.84
Manufacturing	23,004,590	390,121	522,215	2.3%	268,193	98,403	132,417	0	0	57,000	\$0.87
Office Service / Flex	22,683,557	596,387	630,594	2.8%	-69,317	-129,505	402,689	0	19,184	238,396	\$1.00
MARKET TOTALS	166,021,117	10,722,823	12,567,035	7.6%	391,387	1,238,167	5,498,150	3,970,180	650,154	2,612,148	\$0.85

KEY LEASE TRANSACTIONS Q3 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
2455 S. 3600 W.	North West	Boart Longyear Company	256,000	Renewal*
Freeport West – Landmark 5 (1420 S. 5070 W.)	North West	Biovation Labs	253,231	Direct
The Quadrant II – 1195 N. 6550 W.	North West	Undisclosed	163,146	Direct
Westport Distribution II – 6195 W. 300 S.	North West	GOFO Inc.	159,201	Direct
Synergy Business Park IV (9160 S. 500 W.)	South West	Pacific Bridge Advisors	100,226	Sublease
Airport Distribution Center 1 (1760 N. 2200 W.)	North West	The Boeing Company	100,000	Renewal*

**Local statistics may vary from national statistics *Rental rates reflect weighted net asking \$psf/month

KEY SALE TRANSACTIONS Q3 2026

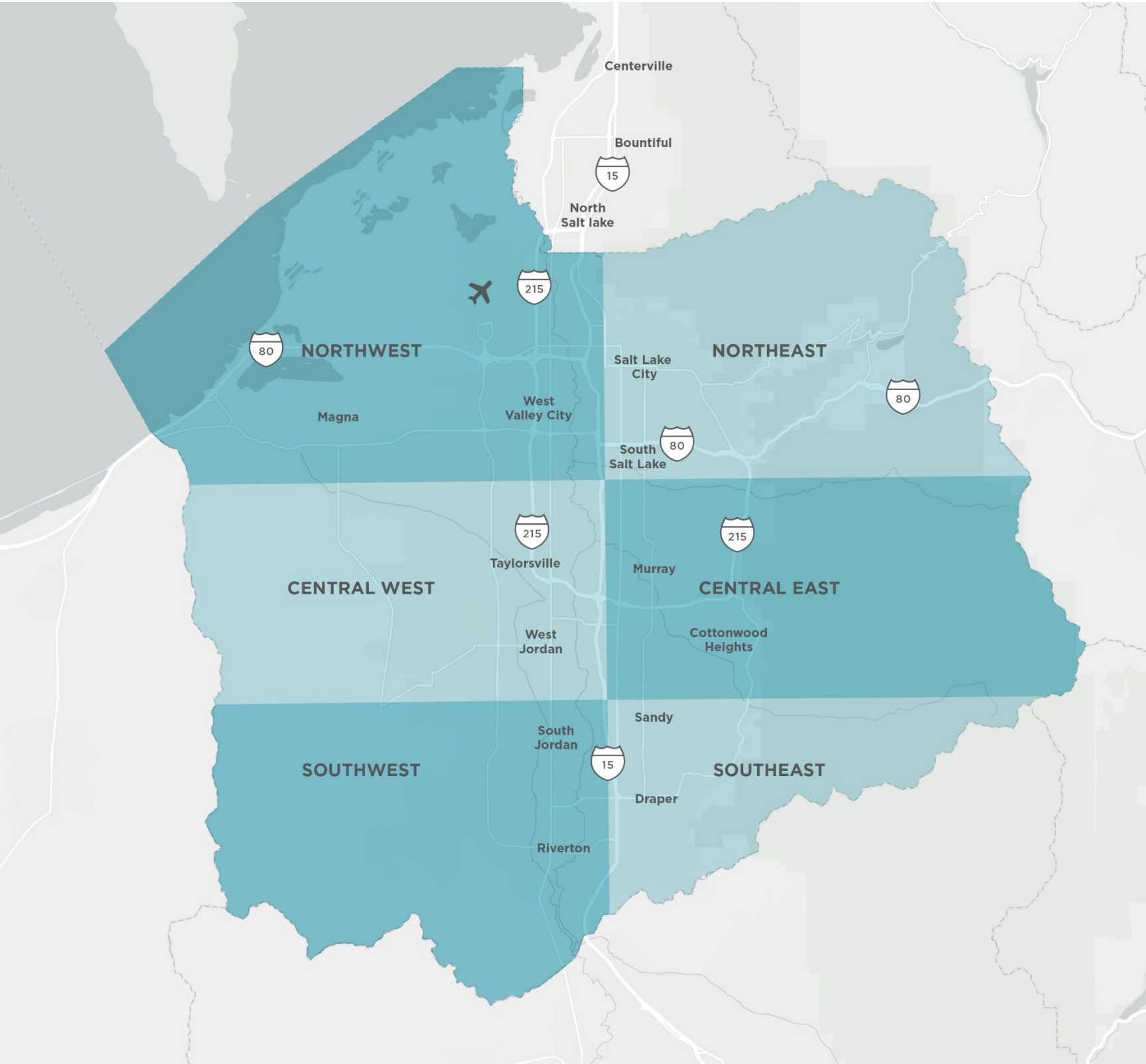
PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
Pickett Circle Portfolio (3 Buildings) – 515-539 Pickett Cir.	North West	Picket Circle / MCA Realty	77,688	Confidential
Franklin Campus – Patrick Henry Building (2607 S. Decker Lake Blvd.)	North West	Franklin Covey / Utah Department of Health & Human Services	48,927	\$8.5M / \$176
4225 S. 500 W.	Central West	Walker Tape Co. / Jadian IOS	28,000	Confidential
9425 S. 670 W.	South West	Aspen Press Co. / WD Electronics	23,255	\$4.7M / \$202
4172 - 4192 W. 8370 S.	Central West	Daltrev / Dumas Wollochot	22,421	\$4.3M / \$191

*Renewals not included in leasing activity statistics

KEY CONSTRUCTION COMPLETIONS Q3 2026

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER / DEVELOPER
Northpoint Commerce Center – (2760 N. 2200 W.)	North West	Vacant	175,383	Hamilton Partners
201 Commerce Center – Building 2 (2198 S. Commerce Center Dr.)	North West	Aerovironment	130,733	201CC Land, LLC
201 Commerce Center – Building 3 (4387 W. 2100 S.)	North West	Vacant	130,733	201CC Land, LLC
140 North Apollo Road	North West	Vacant	56,885	Lynn Woodward Electric

INDUSTRIAL SUBMARKETS



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