CUSHMAN & WAKEFIELD

VANTAGE POINT

DECISIONS IN MOTION

MAPPING CHARLOTTE'S NEXT WAVE OF INDUSTRIAL LEASE EXPIRATIONS

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A PANDEMIC LEASING SURGE IS NOW CONVERGING INTO A MULTI-YEAR ROLLOVER EVENT

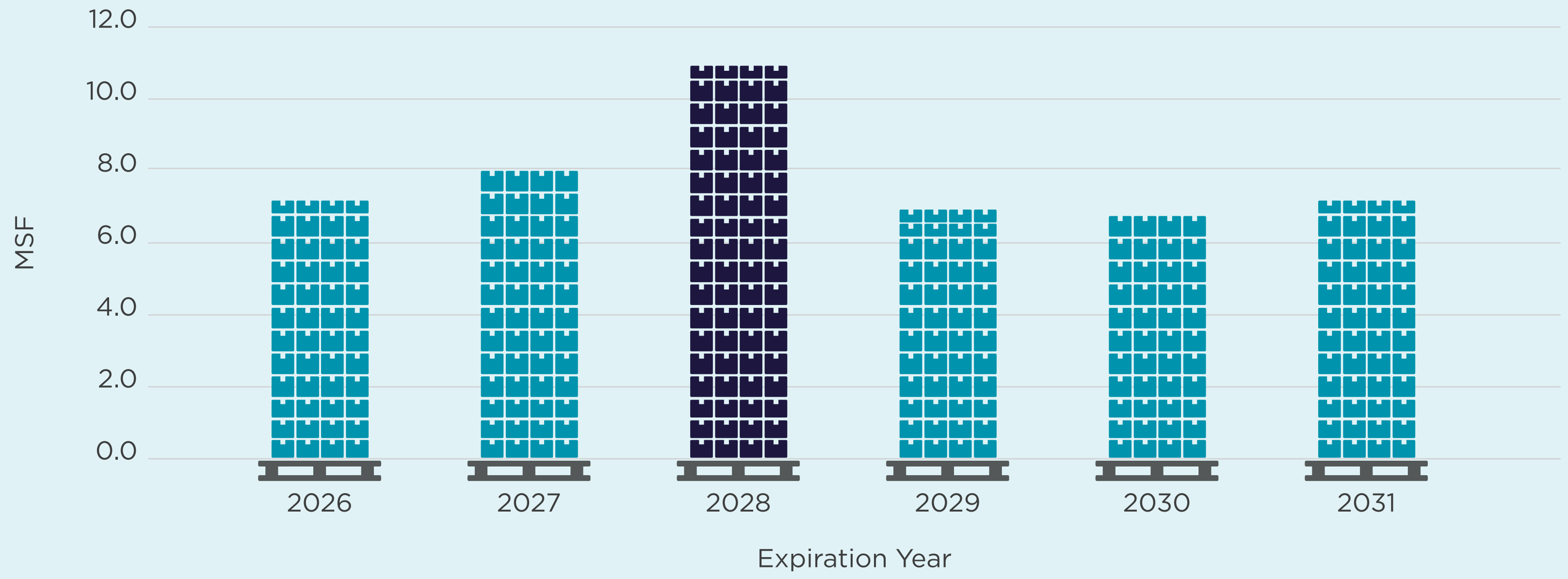
THE MARKET IS SHIFTING FROM GROWTH TO RENEWAL

The surge in industrial leasing during the pandemic did more than drive record absorption, it created a sustained wave of lease expirations over multiple years. As a result, 2026 through 2031 has emerged as a critical rollover period for space signed during that cycle. Because leasing activity was heavily clustered in specific submarkets and industries, expirations will reflect similar patterns of concentration.

This shift marks a transition toward a market where leasing activity is no longer driven by new demand alone, but by how existing space is retained, repositioned, or released back to the market. As these leases come due, the most exposed submarkets and industries will face a clear inflection point, either reaffirming their positions as core demand hubs or testing underlying resilience.

46.1 MSF set to expire between 2026–2031, peaking at 10.8 MSF in 2028—65% above historical averages—and remaining elevated thereafter. This creates a sustained, multi-year leasing cycle rather than a short-term spike.

Expiring SF By Year



ROLLOVER RISK IS CONCENTRATED ALONG THE I-77 CORRIDOR

EXPOSURE IS CLUSTERED—NOT MARKET-WIDE

A contiguous band of **elevated lease expirations has formed along the I-77 corridor,** driven by sustained e-commerce demand and tenant preference for interstate and urban core access.

Southwest Submarket:

Leads the cycle with 12.8 MSF of expirations, forming the core of sustained rollover pressure.

North Submarket:

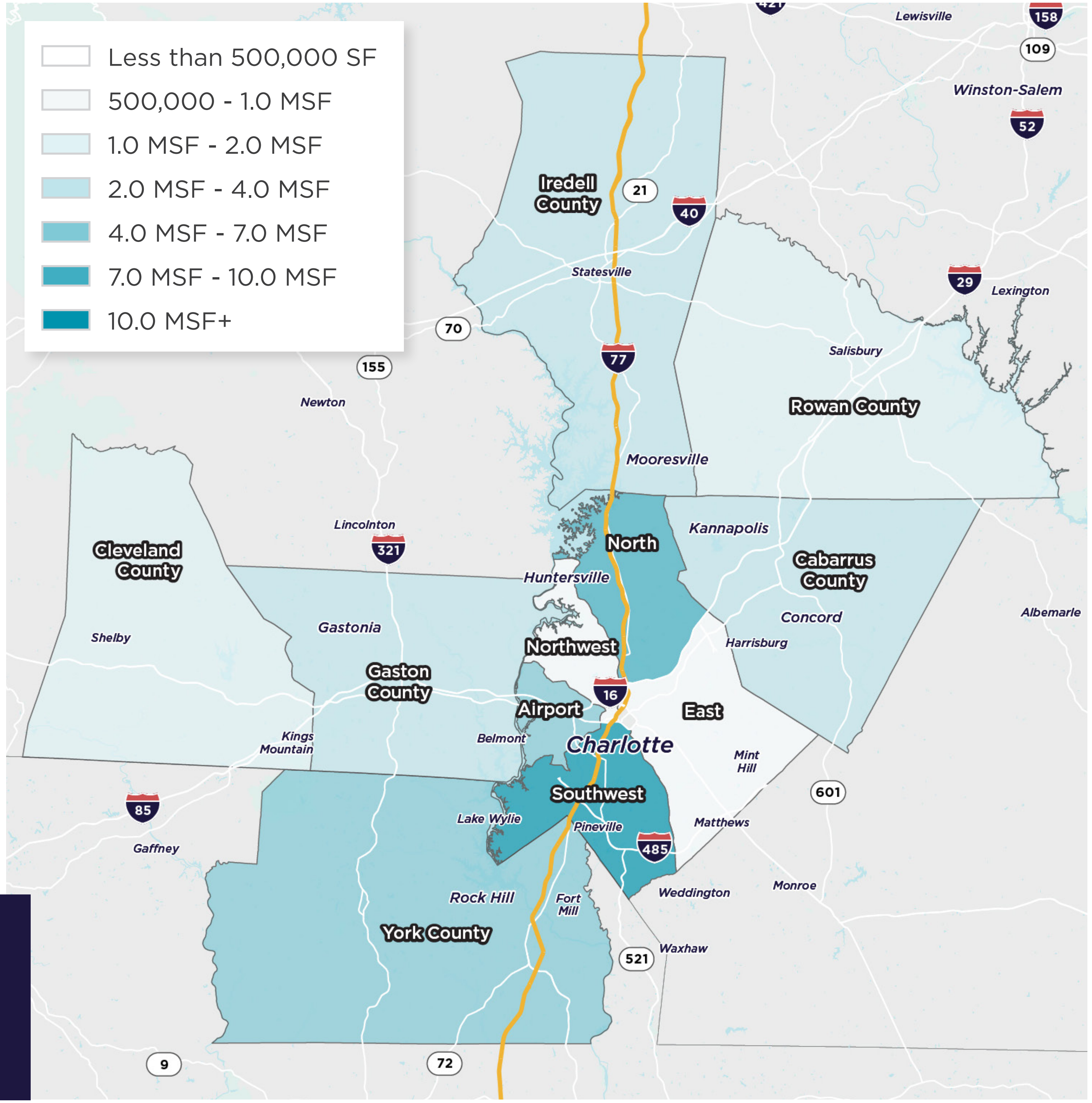
8.3 MSF of expirations, with activity building into the **2028 peak.**

Airport & York County Submarkets:

6.0+ MSF of expirations, reinforcing I-77 as the center of leasing risk and opportunity.

Lease Expiration Clusters by Submarkets

(2026 - 2031)



MOTION TO WATCH

Leasing competition and rollover risk will be disproportionately concentrated along the I-77 corridor rather than distributed across the broader market.

THREE INDUSTRIES WILL DRIVE THE OUTCOME OF THIS ENTIRE CYCLE

NEARLY 80% OF EXPIRING SQUARE FOOTAGE IS CONCENTRATED IN RETAIL, MANUFACTURING, AND LOGISTICS USERS

Lease rollover exposure is highly concentrated by industry, **with nearly 80% of expiring square footage tied to just three sectors**—creating a cycle driven by sector-specific demand rather than broad market fundamentals.

Retail & Wholesale 36.3% | 9.3 MSF

Largest driver of rollover activity, reflecting continued demand from distribution-oriented users and proximity to population centers.

Manufacturing 27.4% | 7.0 MSF

A significant share of exposure tied to **industrial production**, linking rollover outcomes to **broader economic conditions.**

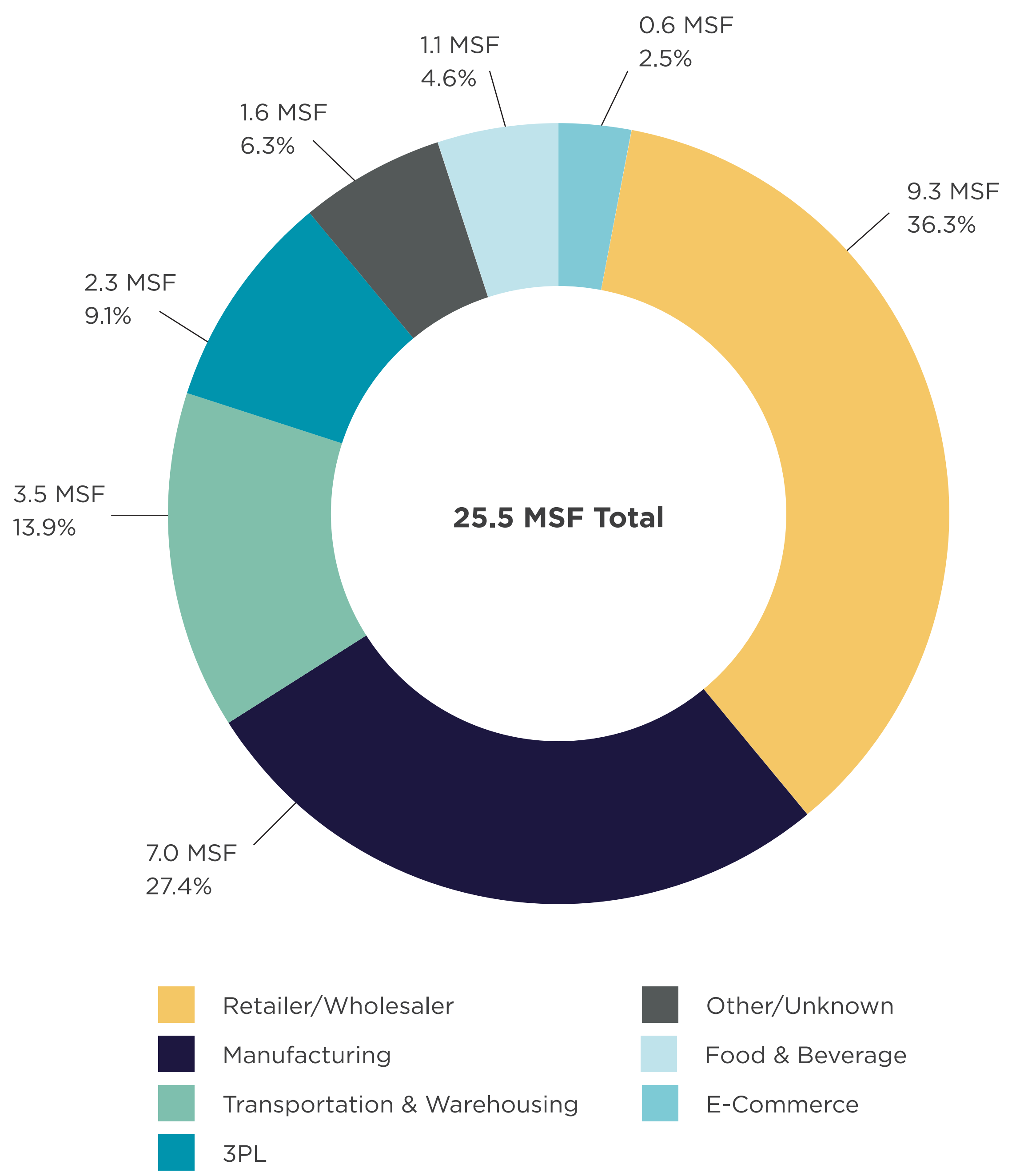
Transportation & Warehousing 13.9% | 3.5 MSF

Reinforces the outsized role of logistics users in **shaping leasing demand across the cycle.**

MOTION TO WATCH

The trajectory of this leasing cycle will be determined by a narrow set of industries, with outcomes closely tied to consumer demand, logistics activity, and manufacturing performance rather than diversified market growth.

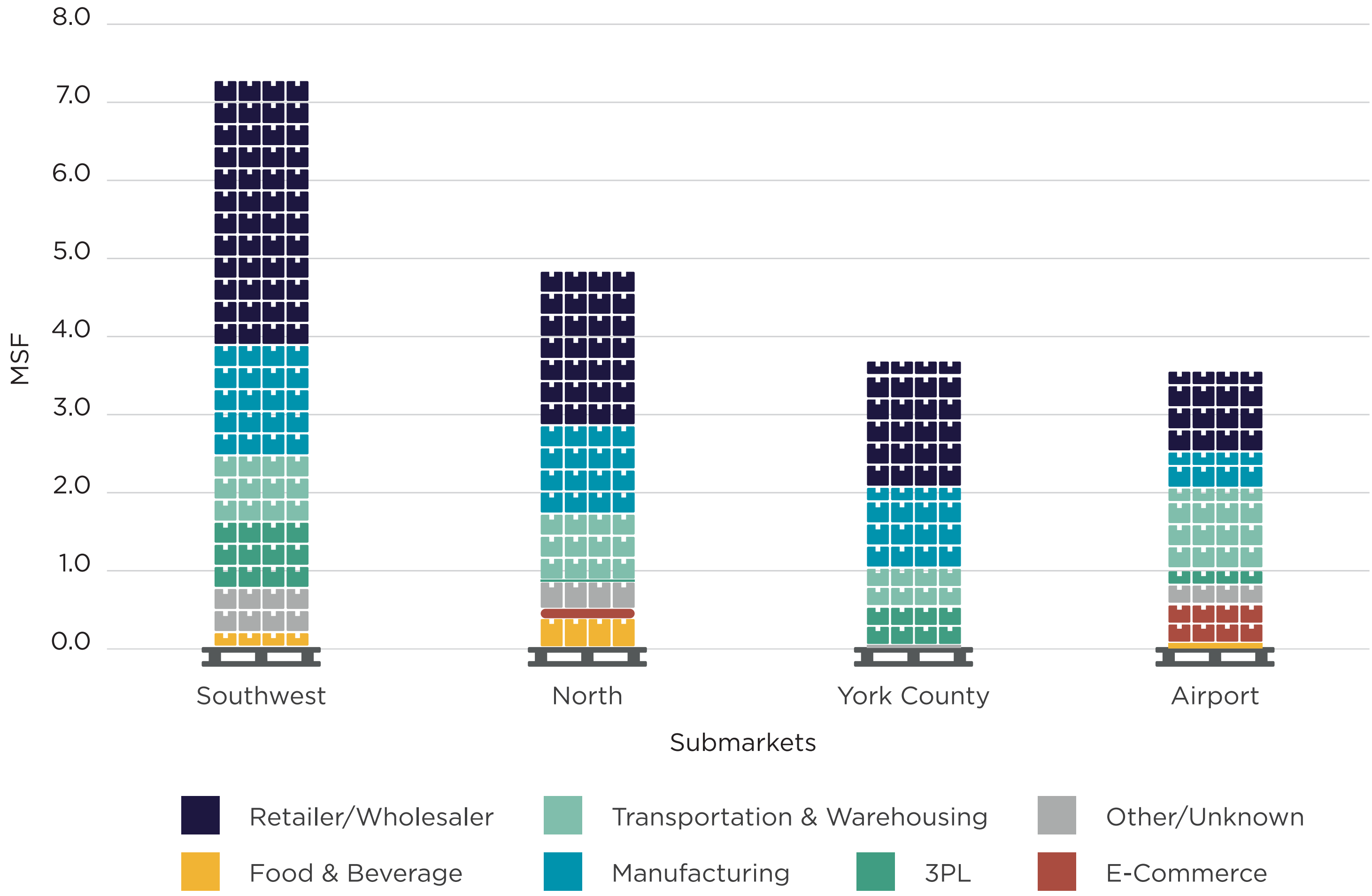
Distribution of Expiring SF by Tenant Industry During Peak Years
(2026 - 2028)



THE SOUTHWEST SUBMARKET DRIVES LEASE EXPIRATION

TENANT MIX—NOT JUST LOCATION—WILL DETERMINE LEASING OUTCOMES

Expiring SF by Tenant Industry and Submarket During Peak Years
(2026 - 2028)



MOTION TO WATCH

The concentration of upcoming rollovers in the Southwest will have an outsized impact on Charlotte's market fundamentals through 2028.

Rollover risk will diverge by submarket, with outcomes driven by differences in tenant mix rather than overall market conditions.

Southwest Submarket:

Largest concentration of expirations, making it the **primary source** of future rollover risk and leasing activity.

North Submarket:

More balanced tenant mix, suggesting steadier—but less concentrated—exposure across the cycle.

York County:

Most concentrated demand profile, with **72.2% of expirations tied to retail and manufacturing—**creating greater sensitivity to shifts in a narrow set of industries.

Airport Submarket:

Heavily weighted toward logistics users (57.8%), aligning performance with **distribution demand and supply chain activity.**

LEASE SIZE DISTRIBUTION WILL DETERMINE HOW RISK MATERIALIZES

FEW LARGE DECISIONS VS. MANY SMALL ONES

Rollover risk varies significantly by lease size, with smaller deals diffusing exposure across many tenants and large-format leases concentrating risk in a limited number of decisions.

Southwest Submarket

Primarily driven by small-format leases (**61.6% of expirations**), dispersing risk across a high volume of tenant decisions.

York County

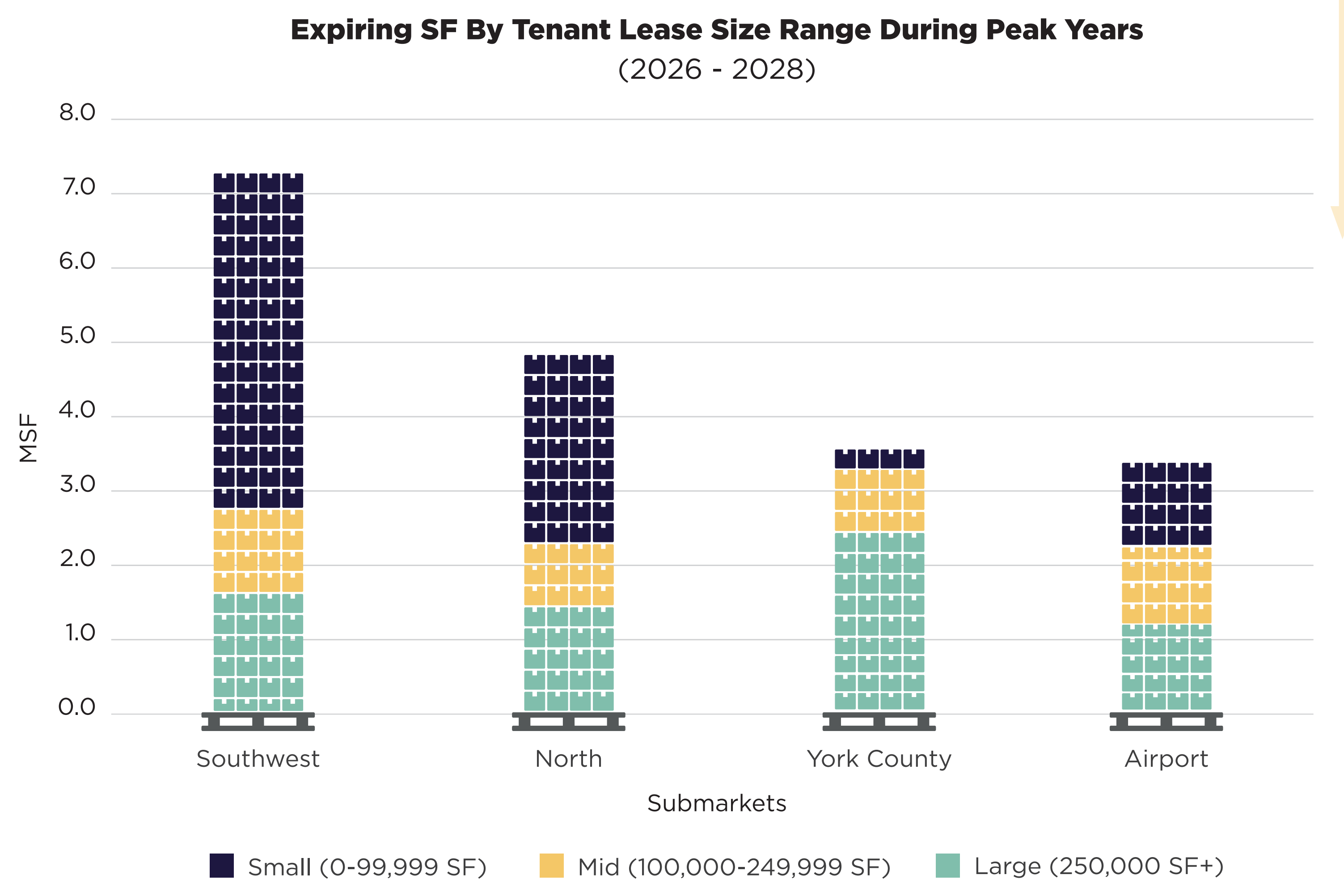
Highly concentrated in large-format leases (**68.0% greater than 250K SF**), increasing exposure to a limited number of high-impact outcomes.

North Submarket

Skews toward **smaller and mid-sized leases**, suggesting more distributed rollover risk.

Airport Submarket

Balanced across large-, mid-, and small-sized leases, resulting in a more diversified exposure profile.



MOTION TO WATCH

Submarkets dominated by large leases face more binary, high-impact outcomes, while those with smaller leases will experience more gradual, distributed leasing pressure.

THIS CYCLE WILL BE DEFINED BY POSITIONING, NOT JUST DEMAND

WHO CAPTURES DEMAND WILL MATTER MOST

The upcoming rollover cycle is not a single market-wide event—it is a layered and highly differentiated process shaped by three core forces:

Geographic Concentration

A significant share of expirations is clustered along the I-77 corridor, linking submarkets through a shared wave of lease decisions.

Industry Exposure

Nearly 80% of expiring space is tied to a small set of sectors, anchoring outcomes to logistics, manufacturing, and consumer demand dynamics.

Lease Structure

Risk is either dispersed across many smaller tenants or concentrated within a limited number of large-format decisions.

Together, these dynamics will drive diverging outcomes across submarkets.

The Southwest submarket is positioned to exert the greatest influence on overall activity given its scale, while others—particularly York County—face more concentrated, high-impact exposure profiles.

As a result, the next phase of Charlotte's industrial market will not be defined by a single recovery path, but by which locations are best positioned to retain tenants, capture demand, and navigate an extended period of rollover pressure.

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