

# Charlotte

Office - Q3 2026

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## Leasing cools in Q3 after a record-setting four-quarter run

After four consecutive quarters above 1.2 million square feet (msf), Charlotte office leasing slowed to 0.6 msf in Q3 2026, below the five-year quarterly average of 0.8 msf. The decline reflects a lull in large-block deals rather than weaker demand, with midsize transactions leading activity, led by Huber Engineered Woods' 51,428-square-foot (sf) relocation and Lincoln Financial's 42,130-sf renewal. Trailing four-quarter leasing totaled 4.8 msf, up 34.0% year over year, buoyed by financial services arrivals such as Capital Group and SMBC. With most pre-pandemic leases now expired, move-outs have fallen to a four-year low as occupiers settle into right-sized footprints.

### Class A asking rents reach a cycle high as availability tightens

Charlotte's Class A average asking rents climbed to \$38.79 per square foot (psf), up 2.6% year over year, while the overall average rose 2.2% to \$34.74 psf. Pricing power reflects tightening supply, as Class A availability fell 40 basis points quarter over quarter to 19.8%, its lowest level since late 2021. Midtown/South End remains the premium submarket, with average rents at \$47.12 psf and a 6.3% availability rate. The newly delivered 110 East is already fully leased, with rents exceeding \$65.00 psf. Meanwhile, renovated legacy towers in the Central Business District, such as One South, are attracting tenants priced out of trophy space, pushing rents above \$45.00 psf. Preleasing efforts are also underway at future developments across the city, with asking rents exceeding \$75.00 psf, regardless of location.

### Construction stays near decade lows as renovations fill the gap

Riverside's Queensbridge Collective, pre-leased to Moore Van Allen, Pacific Life and EY, remains the market's lone active office project. Tight lending and elevated costs continue to stall speculative development, as proposed gross rents for new towers are about 25.0% above top-of-market rates. Instead, obsolete towers are being converted to other uses, or owners are upgrading properties to better compete in the market. Renovation is emerging as the market's main source of quality space, with pre-2000 buildings upgraded over the past decade absorbing over 250,000 sf over the past year.

### KEY STATISTICS

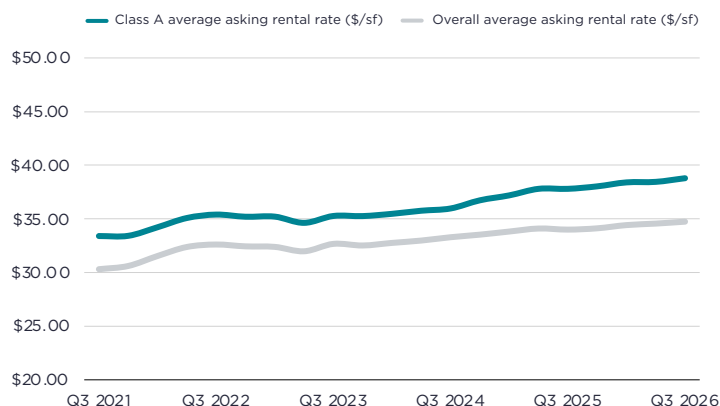
|                            | Q3 2025  | Q3 2026  | Y-O-Y    |
|----------------------------|----------|----------|----------|
| Inventory                  | 59.6 msf | 62.8 msf | +3.2 msf |
| Availability rate          | 24.9%    | 20.9%    | -400 bps |
| Asking rental rate         | \$34.00  | \$34.74  | +2.2%    |
| Class A asking rental rate | \$37.80  | \$38.79  | +2.6%    |
| Quarterly leasing activity | 1.2 msf  | 0.6 msf  | -0.6 msf |
| Available sublease space   | 2.8 msf  | 1.9 msf  | -0.9 msf |

### Outlook

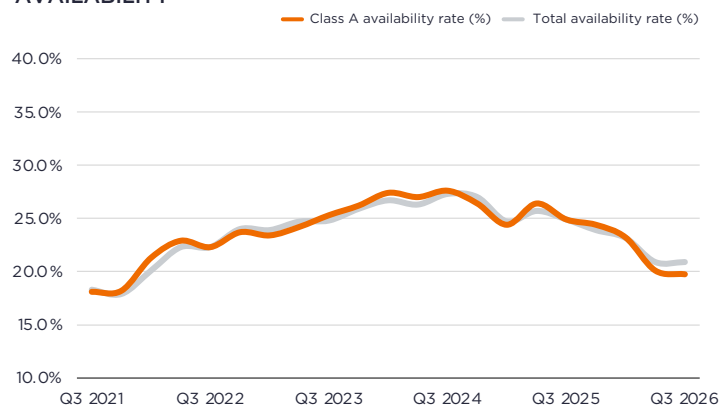
- 01** Financial services growth and steady in-migration of employers and talent should lift leasing back above its five-year average in 2027.
- 02** Availability will keep contracting as steady demand meets a thin construction pipeline and conversions remove obsolete stock.

- 03** Rent growth is expected to broaden beyond trophy assets as tenants priced out of top-tier space turn to renovated Class A-minus buildings.

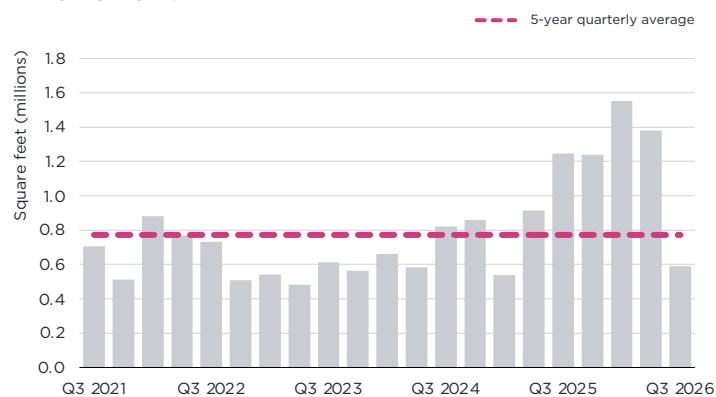
### ASKING RENT



### AVAILABILITY



### LEASING ACTIVITY

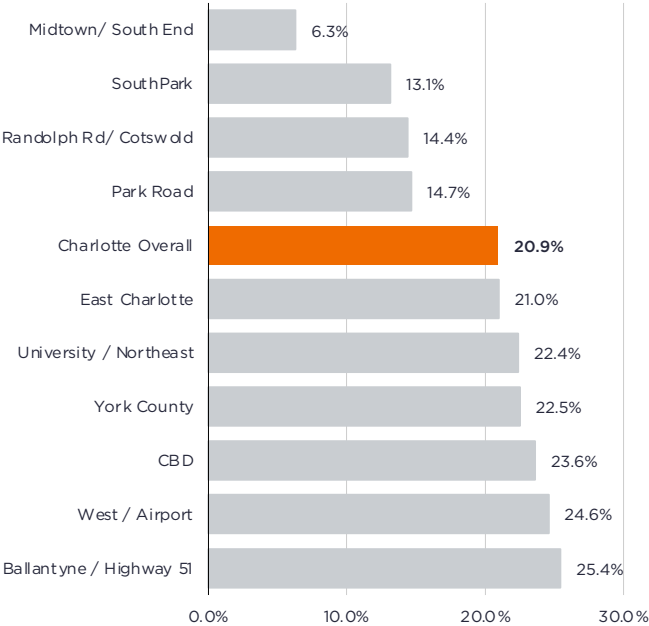


NOTABLE LEASES

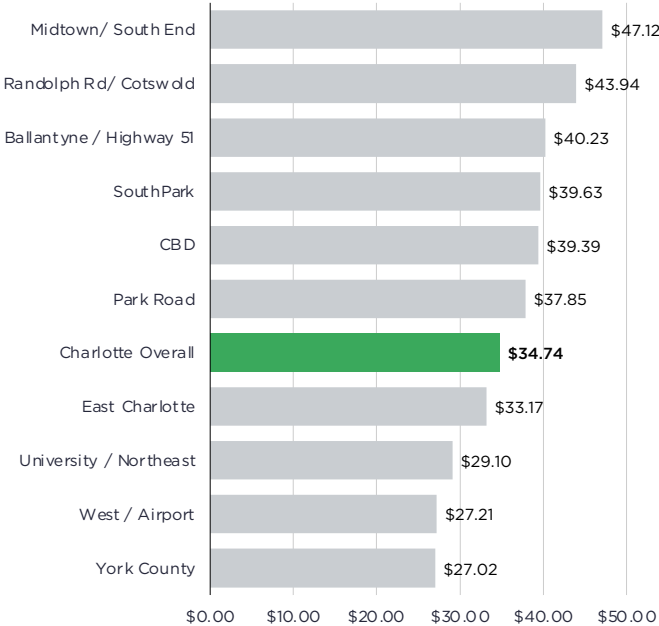
\*Trophy building    \*\*Sublease

| Tenant                        | Industry                                     | Submarket               | Address                          | Size (SF) | Transaction type    |
|-------------------------------|----------------------------------------------|-------------------------|----------------------------------|-----------|---------------------|
| Huber Engineered Woods        | Manufacturing                                | West / Airport          | 500 South Turner Avenue          | 51,428    | Relocation          |
| Comparion Insurance           | Financial Services & Insurance               | Ballantyne / Highway 51 | 13830 Ballantyne Corporate Place | 42,130    | Renewal             |
| Arium Networks                | Technology, Advertising, Media & Information | Midtown / South End     | 1431 West Morehead Street        | 29,802    | New Location        |
| McKim & Creed                 | Architecture, Engineering & Construction     | Ballantyne / Highway 51 | 11121 Carmel Commons Boulevard   | 20,935    | Relocation          |
| Solve Industrial Motion Group | Manufacturing                                | West / Airport          | 9101 Kings Parade Boulevard      | 19,578    | Relocation          |
| Junior Achievement            | Education                                    | East Charlotte          | 1701 North Graham Street         | 19,451    | Renewal             |
| Charles Schwab                | Financial Services & Insurance               | Midtown / South End     | 110 East Boulevard*              | 16,003    | Expansion           |
| Palmetto Solar                | Energy & Utilities                           | Midtown / South End     | 1616 Camden Road                 | 13,068    | Renewal & Expansion |
| BAE Systems                   | Business, Professional & Consulting Services | Ballantyne / Highway 51 | 3530 Toringdon Way               | 10,775    | Relocation          |
| Sidley Austin                 | Legal Services                               | CBD                     | 200 South College Street         | 10,279    | Relocation          |

AVAILABILITY RATE COMPARISON (%)  
CHARLOTTE SUBMARKETS



RENTAL RATE COMPARISON (\$/SF)  
CHARLOTTE SUBMARKETS



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Unless otherwise noted, all rents quoted throughout this report are average asking gross (full service) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical availability and rent data are subject to change due to changes in inventory. The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, the source for data is Savills Research. Copyright © 2026 Savills