Transwestern

Dallas-Fort Worth

Industrial Market | Q2 2026

Modern Logistics Leasing Sustains Positive Momentum

Market Observations

- Dallas-Fort Worth industrial fundamentals remained resilient in Q2 2026, with the market recording 6.6M SF of net absorption, 7.4% direct vacancy, and 11.6% availability. Unlike previous quarters that were defined by a handful of mega-deals, Q2 demand was supported by a broader mix of distributors, manufacturers, logistics providers, and owner-users expanding throughout the Metroplex with an average lease size of 210,000 SF. Occupiers continue to take advantage of increased space availability, while developers are becoming more selective about future speculative projects and lean more towards build-to-suit opportunities.
- The market's strongest performance came from South Dallas, which generated more than 3.7 million square feet of quarterly absorption and now accounts for some of the region's largest modern distribution concentrations. Meanwhile, North Fort Worth remains the focal point of future supply, with more than 9.1M SF currently under construction and several major build-to-suit facilities underway. As speculative deliveries slow, landlords have shifted their focus from lease-up competition to securing long-term tenancy.

1.0B SF
Inventory

6.6M SF
Net Absorption

7.4%
Direct Vacancy

11.6%
Total Availability

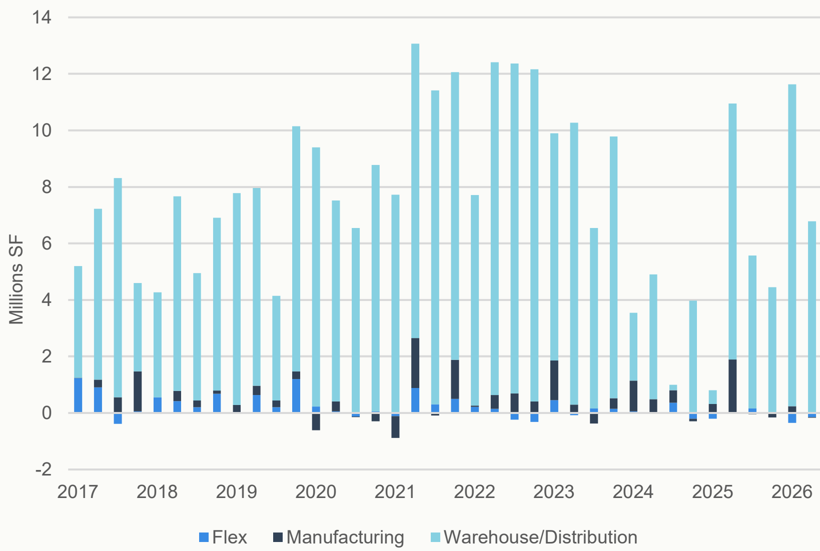
33.5M SF
Under Construction

$9.66 PSF
Asking Rent

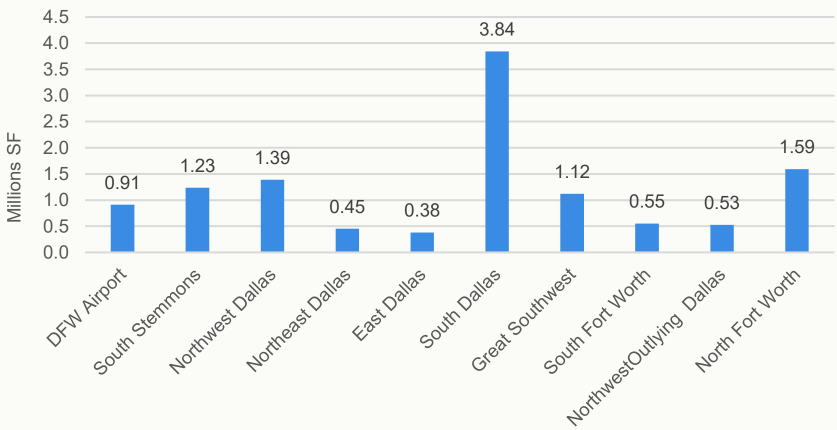
Dallas-Fort Worth

- Leasing and occupancy activity remained concentrated among large-format logistics users, with several major leases driving positive absorption during the quarter. The largest included 1.0M SF at SH-114 TX, 746K SF at Southport Logistics Building 1, 703K SF occupied by Western Partitions and 611K SF occupied by Books-A-Million at Tradepoint 45 East. Offsetting activity included several large move-outs, led by Hayes Retail SVC 530K SF at Skyline Business Park - Building 2,Cardone Industries 408K SF at 360 Business Center – 300 and CTDI 403K SF at Elizabeth Creek Gateway - E.
- Investment activity strong interest for stabilized properties despite higher borrowing costs. Portfolio acquisitions – almost entirely for warehouse/distribution assets - dominated transaction volume during the quarter, while owner-user purchases remained active across multiple submarkets. Buyers are targeting functional infill facilities and properties offering proximity to major labor pools, transportation infrastructure, and data-center-related supply chain networks.
- Asking rents averaged $9.66/SF NNN across DFW in Q2 2026, with the highest overall submarket rents in Northeast Dallas at $11.96/SF, Northwest Dallas at $10.75/SF, and DFW Airport at $10.69/SF. Climbing asking rents are concentrated in newer, more functional logistics spaces which saw availability tighten again this quarter.

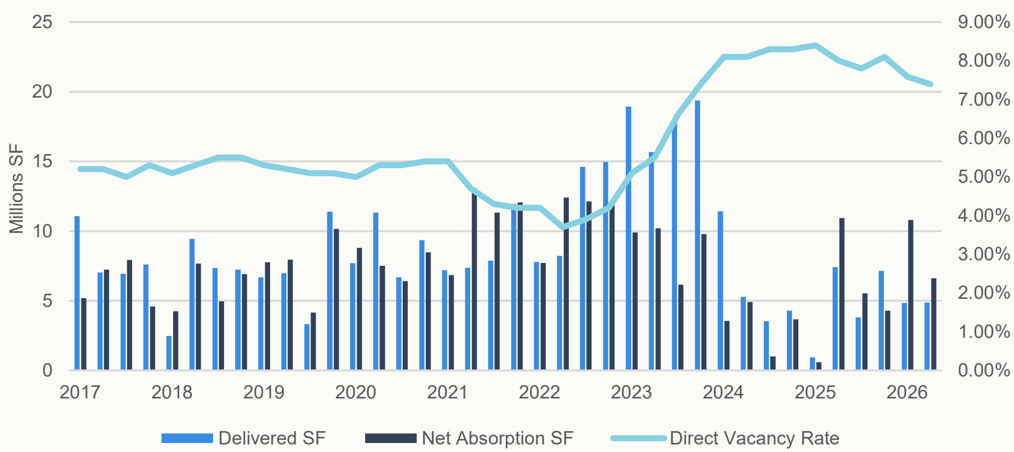
Net Absorption By Product Type



Lease Transactions Over 50K By Submarket



Delivery Impact On Key Indicators



Construction Key Indicators

# of Buildings U/C
144

Available Space U/C
19.6M SF

U/C Total SF
33.5M SF

U/C % Pre-Leased
40.90%

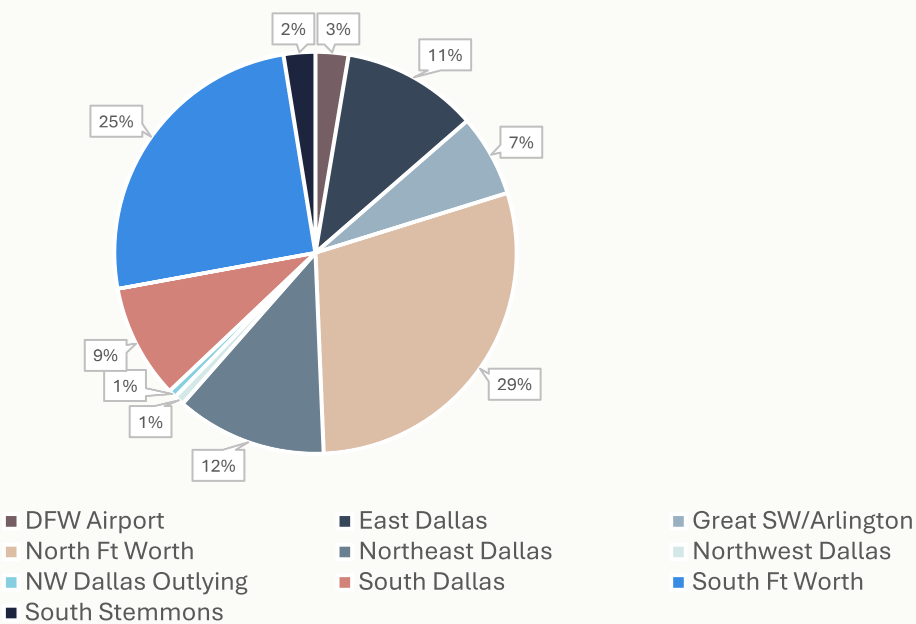
Source: Transwestern, CoStar

Construction Summary

- While Dallas-Fort Worth still has more than 33.5M SF under construction, only 40% is preleased, which means that new starts have slowed considerably especially when compared to the record levels set 2022/23. Developers are prioritizing build-to-suit and highly differentiated logistics facilities such as 4 Haslet County Road a build-to-suit for Lennox, which is dampening speculative starts.

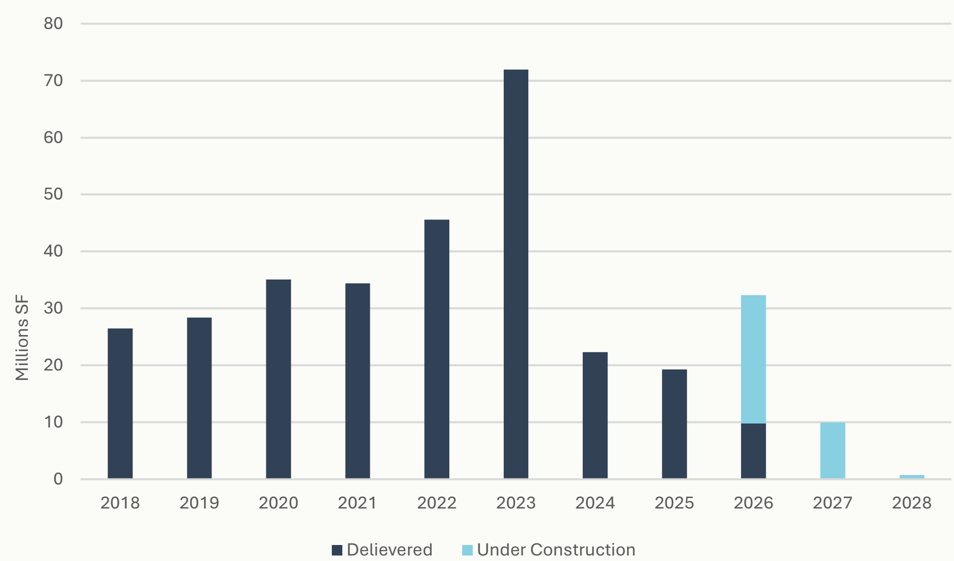
- As a result, occupancy growth is beginning to outpace new supply, allowing vacancy and availability rates to trend downward. North Fort Worth and South Fort Worth remain the primary growth corridors, collectively accounting for mainly half of all space currently under construction in the Metroplex.

Construction By Submarket



Source: Transwestern, CoStar

Construction Pipeline



Source: Transwestern, CoStar

Market Indicators Table

All Classes of Space | Q2 2026

Submarket	Inventory SF	Direct Vacant SF	Direct Vacancy Rate	Overall Availability Rate	Under Construction SF	Net Absorption SF	YoY Net Absorption SF	Asking Rent NNN
DFW AIRPORT								
FLEX/R&D	5,565,212	547,091	9.8%	12.7%	-	(15,531)	(30,657)	$15.64
MANUFACTURING	2,367,095	26,829	1.1%	1.1%	-	(18,270)	(26,829)	$12.62
WAREHOUSE/DISTRIBUTION	85,770,473	6,572,827	7.7%	10.7%	828,192	(95,512	3,811,885	$10.21
TOTAL - DFW AIRPORT	93,458,007	7,146,747	7.6%	10.6%	828,192	(129,313)	3,754,399	$10.69
SOUTH STEMMONS								
FLEX/R&D	12,263,270	640,529	4.9%	7.2%	-	26,304	(7,168)	$14.89
MANUFACTURING	7,728,023	175,180	2.3%	3.8%	-	(53,000)	(86,680)	$10.80
WAREHOUSE/DISTRIBUTION	86,618,653	8,253,848	9.5%	13.5%	797,199	746,091	(73,802)	$9.03
TOTAL - SOUTH STEMMONS	106,682,593	9,069,557	8.5%	12.1%	797,199	719,395	(196,017)	$9.90
NORTHWEST DALLAS								
FLEX/R&D	14,159,233	945,102	6.7%	9.1%	80,000	98,287	216,887	$15.06
MANUFACTURING	7,112,177	241,254	3.4%	5.4%	-	117	(60,642)	$11.72
WAREHOUSE/DISTRIBUTION	102,940,469	9,803,536	9.5%	14.4%	2,421,111	1,124,746	2,515,046	$10.04
TOTAL - NORTHWEST DALLAS	124,211,879	10,989,892	8.8%	13.3%	2,501,111	1,223,150	2,671,291	$10.75
NW DALLAS OUTLYING								
FLEX/R&D	25,000	25,000	100%	100%	-	-	-	$16.42
MANUFACTURING	97,313	28,100	28.9%	28.9%	-	(28,100)	(28,100)	$11.61
WAREHOUSE/DISTRIBUTION	4,316,569	1,260,565	29.2%	32.1%	2,421,111	1,124,746	2,515,046	$9.59
TOTAL – NW OUTLYING DALLAS	4,438,882	1,313,665	29.6%	32.4%	200,100	499,021	495,829	$9.89

Source: Transwestern

Market Indicators Table

All Classes of Space | Q2 2026

Submarket	Inventory SF	Direct Vacant SF	Direct Vacancy Rate	Overall Availability Rate	Under Construction SF	Net Absorption SF	YoY Net Absorption SF	Asking Rent NNN
NORTHEAST DALLAS								
FLEX/R&D	20,304,537	1,226,231	6.0%	8.4%	121,200	(178,688)	(241,869)	$15.90
MANUFACTURING	19,553,655	719,850	3.7%	4.6%	225,000	10,010	(152,711)	$14.39
WAREHOUSE/DISTRIBUTION	80,158,692	6,540,309	8.2%	12.4%	3,446,087	110,461	2,140,532	$10.33
TOTAL - NORTHEAST DALLAS	120,016,884	8,486,390	7.1%	10.5%	3,792,287	(58,217)	1,745,952	$11.96
EAST DALLAS								
FLEX/R&D	2,544,301	124,798	4.9%	6.0%	-	(72,764)	6,542	$14.59
MANUFACTURING	7,131,907	47,655	0.7%	0.7%	-	35,821	(3,051)	$12.28
WAREHOUSE/DISTRIBUTION	56,253,542	5,196,940	9.2%	13.0%	3,423,029	(488,196)	3,009,824	$7.74
TOTAL - EAST DALLAS	65,929,750	5,326,059	8.1%	11.4%	3,423,029	(481,795)	3,056,659	$8.62
SOUTH DALLAS								
FLEX/R&D	2,526,288	66,974	2.7%	2.9%	-	4,264	(5,639)	$11.31
MANUFACTURING	19,146,479	144,408	0.8%	2.9%	-	-	(11,604)	$11.62
WAREHOUSE/DISTRIBUTION	134,837,242	8,617,169	6.4%	9.4%	2,876,569	3,736,558	7,667,980	$7.69
TOTAL - SOUTH DALLAS	156,510,009	8,828,551	5.6%	8.5%	2,876,569	3,740,822	7,650,737	$8.14
GREAT SOUTHWEST								
FLEX/R&D	5,342,492	392,414	7.3%	8.8%	-	5,765	(74,778)	$14.16
MANUFACTURING	12,211,010	-	0.0%	0.0%	-	105,763	125,763	$11.50
WAREHOUSE/DISTRIBUTION	103,109,232	8,442,002	8.2%	13.3%	2,058,971	223,159	1,627,851	$8.89
TOTAL - GREAT SOUTHWEST	120,662,734	8,834,416	7.3%	11.8%	2,058,971	334,687	1,678,836	$9.57

Source: Transwestern

Market Indicators Table – Cont.

All Classes of Space | Q2 2026

Submarket	Inventory SF	Direct Vacant SF	Direct Vacancy Rate	Overall Availability Rate	Under Construction SF	Net Absorption SF	YoY Net Absorption SF	Asking Rent NNN
SOUTH FORT WORTH								
FLEX/R&D	8,488,644	419,149	4.9%	8.4%	167,500	(3,380)	(92,992)	$12.51
MANUFACTURING	16,411,510	113,648	0.7%	1.5%	-	-	(22,598)	$9.67
WAREHOUSE DISTRIBUTION	78,476,102	8,707,496	11.1%	15.6%	7,746,741	103,079	2,215,378	$8.21
TOTAL - SOUTH FORT WORTH	103,376,256	9,240,293	8.9%	13.0%	7,914,241	99,699	2,099,788	$8.71
NORTH FORT WORTH								
FLEX/R&D	4,966,464	112,677	2.3%	4.4%	-	(6,411)	(33,244)	$15.54
MANUFACTURING	8,602,649	244,332	2.8%	2.8%	-	(84,263)	(218,608)	$10.71
WAREHOUSE DISTRIBUTION	138,027,914	8,183,020	5.9%	13.5%	9,113,699	799,132	4,851,980	$8.35
TOTAL - NORTH FORT WORTH	151,597,027	8,540,029	5.6%	12.7%	9,113,699	708,458	4,600,128	$8.77
DALLAS-FORT WORTH								
FLEX/R&D	76,185,441	4,499,965	5.9%	8.2%	368,700	(142,154)	(291,285)	$15.09
MANUFACTURING	100,361,818	1,741,266	2.3%	3.8%	-	(53,000)	(86,680)	$11.84
WAREHOUSE DISTRIBUTION	870,633,535	71,614,212	8.2%	12.9%	32,911,698	6,786,639	28,293,103	$8.87
TOTAL - DALLAS-FORT WORTH	**1,047,180,794**	**77,812,099**	**7.4%**	**11.6%**	**33,505,398**	**6,655,907**	**27,560,102**	**$9.66**

Source: Transwestern

Research Methodology

The information in this report is the result of a compilation of information on Flex, Manufacturing, and Warehouse/Distribution properties located in the DFW metropolitan area. This report includes single tenant, multi-tenant and owner-user properties 25,000 SF and larger, excluding data centers, biotech, and properties owned by a government agency. Transwestern calculates Net Absorption as “Net Leasing,” or change in immediately available space. Space returned to market registers as negative absorption; Space leased or reoccupied registers as positive absorption. Transwestern’s methodology provides a real-time indicator of supply and demand in the space market that eliminates time lags and incomplete information inherent to tracking physical move-ins & move-outs

About Transwestern

Transwestern is a vertically integrated commercial real estate firm dedicated to serving investors, partners and clients through expertise in investment, development, brokerage and property management. We own, lease and operate $64 billion[1] in assets. Our experience spans diverse property types, including logistics, multifamily, retail, mixed-use, healthcare, office, data centers, hotel, and life sciences. Across 35 offices nationwide, our team is united by a culture that cultivates agility, mutual trust and high performance. Learn more at transwestern.com.

[1]Includes all Transwestern enterprise assets and its RAUM as of April 1, 2026

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