

Charlotte

Office market snapshot | Q1 2025

Gradual progress in the Charlotte office market is the dominant theme in Q1 2025, with a few notable highlights. Direct office availability is the lowest it has been since Q1 2023 and has seen a downward trend over the past three quarters. Net absorption is slightly positive, with an emphasis on the CBD outpacing its surrounding urban submarkets. Additionally, businesses are placing a stronger focus on return-to-office (RTO) strategies, all of which suggest a promising outlook for the remainder of 2025.

63.9%

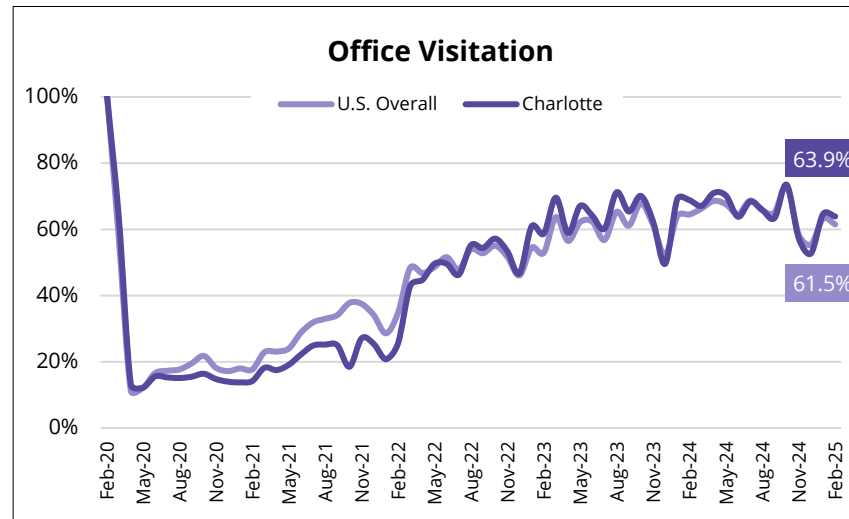
Charlotte's office market is **63.9%** as busy as it was pre-COVID —2.4% above the national average and Charlotte continues to exhibit YoY growth.

0.5%

Charlotte's CBD office submarket is currently sitting at **0.5%** (QTD) positive net absorption as a percentage of total inventory.

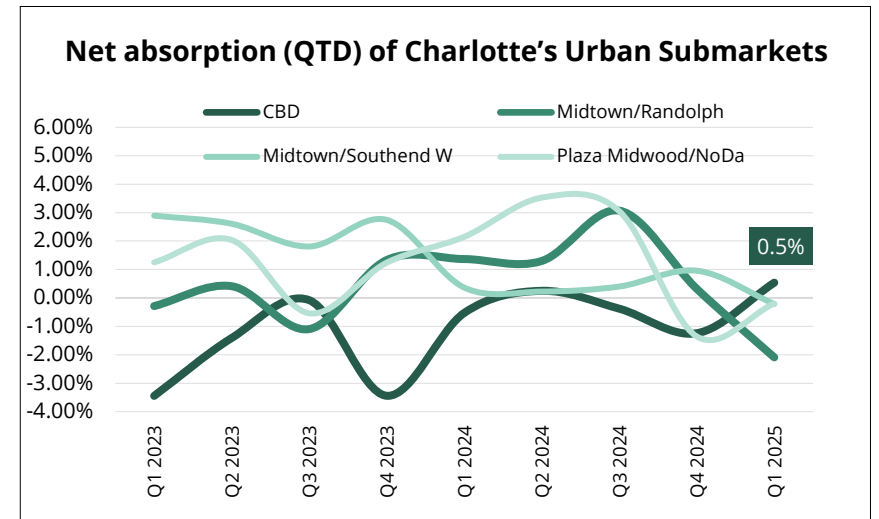
10.7 msf

Class A office space availability in the Charlotte office market has decreased, now standing at **10.7 msf**, down from the all-time high of 11.4 msf recorded in Q3 2024.



Charlotte office visitation is outperforming the national average, currently 63.9% as busy as it was pre-COVID & 2.4% higher than the national average of 61.5%. This increase is driven by proactive initiatives from companies encouraging employees to return to the office (RTO). For example, Wells Fargo has invested in enhancing office amenities, including opening a new food hall and sports courts, to make the workplace more appealing to its 27,000 Charlotte-based employees.

Source: Avison Young Market Intelligence, Avison Young Office Business Index, CoStar



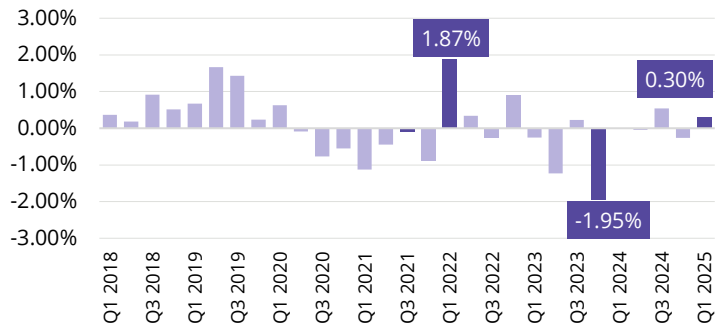
Among Charlotte's urban office submarkets, the CBD submarket stands out as the only one to achieve positive net absorption as a percentage of total inventory this quarter, posting a rate of 0.5% (QTD). In contrast, the Midtown/Randolph submarket trails behind with a negative net absorption as a percentage of total inventory this quarter of -2.1% (QTD).

**AVISON
YOUNG**

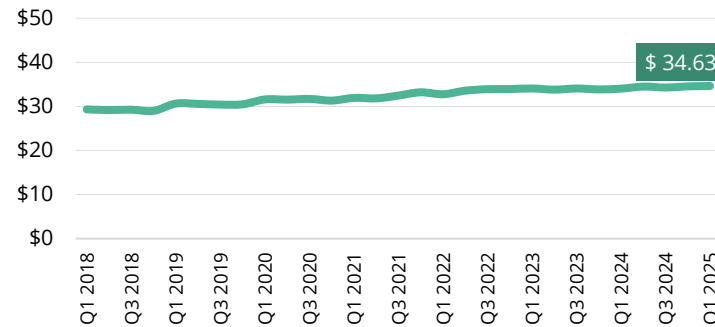
Charlotte

Office market snapshot | Q1 2025

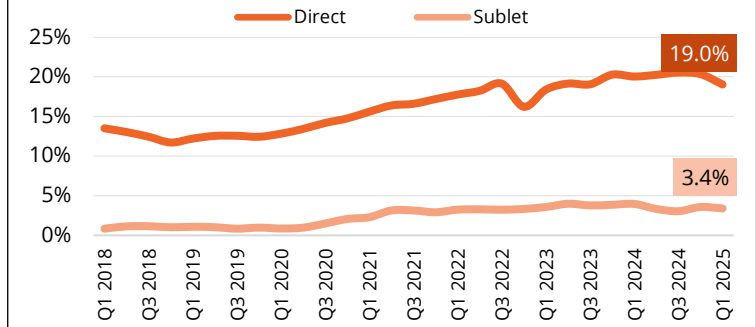
Net absorption as a % of inventory



Direct asking rents (psf/FS)



Availability



Recent leasing activity

| Tenant | Address | Size (sf) | Transaction type | Lease type |
|----------------------------|------------------------------|-----------|------------------|------------|
| CliftonLarsenAllen, LLP | 14815 Ballantyne Village Way | 50,000 | Direct | New |
| Capital One Financial Corp | 2151 Hawkins St. | 34,626 | Direct | New |
| Compass Group | 3730 Glen Lake Dr. | 29,481 | Direct | Renewal |

Recent sales activity

| Buyer | Address | Sale price | Sale price psf | Seller |
|--------------------------|--------------------|---------------|----------------|---------------------|
| Cousins Properties | Vantage South End | \$328,500,000 | \$514 | Spectrum |
| A H Real Estate Holdings | 200 N College St | \$32,900,000 | \$72 | Terra Funding Trust |
| Reign Capital | 200 N Caldwell St. | \$28,100,000 | \$74.21 | AT&T |

Charlotte

Office market snapshot | Q1 2025

Get in touch

Nick Claudio
Senior Vice President
+1 704 512 0231
nick.claudio@avisonyoung.com

Zach Simpson
Vice President
+1 704 315 5091
zach.simpson@avisonyoung.com

Lem Doss
Associate
+1 704 285 2069
lem.doss@avisonyoung.com

Bryse Ranniello
Market Intelligence Analyst
+1 215 595 5139
bryse.ranniello@avisonyoung.com

| | Existing inventory sf | Deliveries sf (YTD) | Under development sf | Direct availability | Sublet availability | Total availability | Net absorption (QTD) | Net absorption % of inventory (YTD) | Annual direct asking rent psf FS |
|--------------------------|-----------------------|---------------------|----------------------|---------------------|---------------------|--------------------|----------------------|-------------------------------------|----------------------------------|
| CBD | 24,250,634 | -- | -- | 18.2% | 2.1% | 20.3% | 0.5% | 0.5% | \$ 38.27 |
| Midtown/Randolph | 1,220,686 | -- | -- | 4.5% | 3.2% | 7.7% | (2.1%) | (2.1%) | \$ 43.70 |
| Midtown/South End (West) | 5,724,982 | -- | -- | 16.6% | 0.4% | 17.0% | (0.2%) | (0.2%) | \$ 44.61 |
| Plaza Midwood/NoDa | 1,538,505 | -- | 280,157 | 32.6% | 2.3% | 34.8% | (0.2%) | (0.2%) | \$ 44.30 |
| Urban Subtotal | 32,734,807 | -- | 280,157 | 18.3% | 1.9% | 20.2% | 0.3% | 0.3% | \$ 39.37 |
| Airport | 11,086,817 | -- | -- | 18.5% | 6.6% | 24.8% | (0.3%) | (0.3%) | \$ 27.82 |
| Costwold | 97,393 | -- | -- | 0.0% | 0.0% | 0.0% | (0.6%) | (0.6%) | - |
| East Charlotte | 1,781,987 | -- | -- | 18.1% | 0.7% | 18.8% | (0.3%) | (0.3%) | \$ 21.27 |
| Matthews | 959,218 | -- | -- | 16.6% | 0.0% | 16.6% | 0.0% | 0.0% | \$ 23.68 |
| Northeast/I-77 | 2,288,419 | -- | 26,759 | 13.5% | 7.3% | 19.7% | (0.4%) | (0.4%) | \$ 29.39 |
| Northwest Charlotte | 1,497,789 | -- | -- | 28.2% | 0.0% | 28.2% | 0.0% | 0.1% | \$43.59 |
| Park Road | 845,731 | -- | -- | 16.3% | 1.3% | 17.6% | 0.7% | 0.7% | \$ 31.76 |
| South Carolina | 3,311,292 | -- | -- | 17.5% | 15.3% | 32.8% | (1.1%) | (1.1%) | \$ 26.05 |
| South Charlotte | 1,136,483 | -- | -- | 17.5% | 0.9% | 18.4% | (2.0%) | (2.0%) | \$ 28.43 |
| South/485 | 6,281,227 | -- | -- | 28.3% | 4.1% | 32.4% | 0.9% | 0.9% | \$ 36.79 |
| Southpark | 4,618,439 | -- | -- | 16.4% | 3.6% | 20.0% | 1.0% | 1.0% | \$ 39.71 |
| University | 6,979,330 | -- | -- | 19.1% | 2.2% | 21.3% | 1.7% | 1.7% | \$ 27.84 |
| Suburban Subtotal | 40,884,125 | -- | 26,759 | 19.7% | 4.6% | 24.2% | 0.2% | 0.2% | \$ 30.93 |
| Market total | 73,618,932 | -- | 306,916 | 19.1% | 3.4% | 22.4% | 0.3% | 0.3% | \$ 34.63 |