Dallas – Fort Worth

Industrial market snapshot | Q3 2025

The Dallas–Fort Worth industrial market is entering a more balanced phase as construction moderates and vacancy begins to stabilize. Much of the available space is in newly built properties, and the overall vacancy rate has decreased by 90 basis points year-over-year. In Q3 2025, just 2.3 million square feet (msf) were delivered, one of the lowest quarterly totals on record. Groundbreakings also hit a historic low, with only 847k sf started across two projects. While Q3 absorption slowed significantly to 2.7 msf, year-to-date (YTD) absorption remains consistent with historical averages, signaling sustained tenant demand. Investment sales activity has already surpassed the totals from the previous two years, and asset pricing continues to increase.

2.7 msf

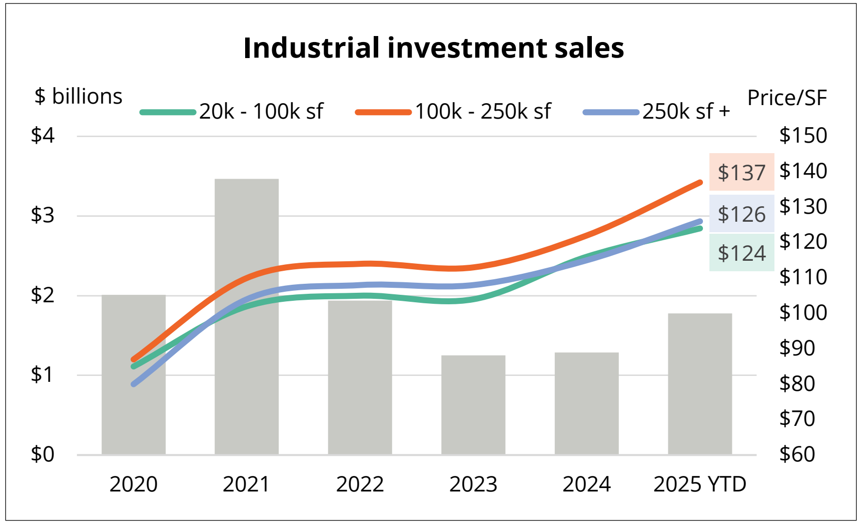
The DFW market recorded 2.7 msf of positive net absorption in the third quarter, bringing the year-to-date total to 19.3 msf.

23.4 msf

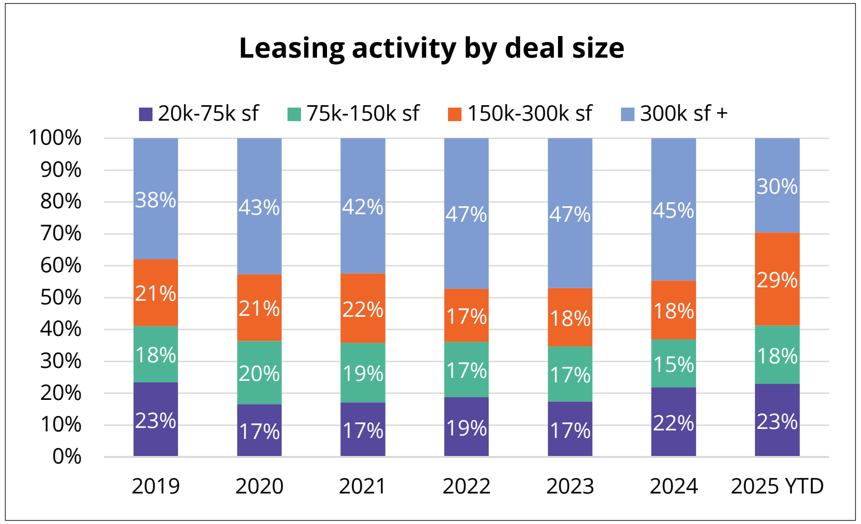
Despite a slight pre-pandemic slowdown, construction remains strong at 23.4 msf, with 4.0 msf set to deliver by year-end.

11.6 msf

Leasing reached 11.6 msf, bringing YTD volume to 36.8 msf, though signs of softening persist amid slower tenant movement.



Dallas–Fort Worth industrial sales volume reached $1.8 billion year-to-date, continuing a three-year upward trend. Asset pricing rose 12.2% year-over-year, led by a 14.2% per-square-foot increase among mid-sized buildings for 100,000–250,000 sf.



Tenant demand is shifting toward mid-size spaces, with 150,000–300,000 sf deals rising from 18% to 29% year-over-year. Bulk space (>300,000 sf) demand fell to a seven-year low, while small-bay product hit a seven-year high at 23% of transactional volume.

Source: Avison Young Market Intelligence, CoStar.

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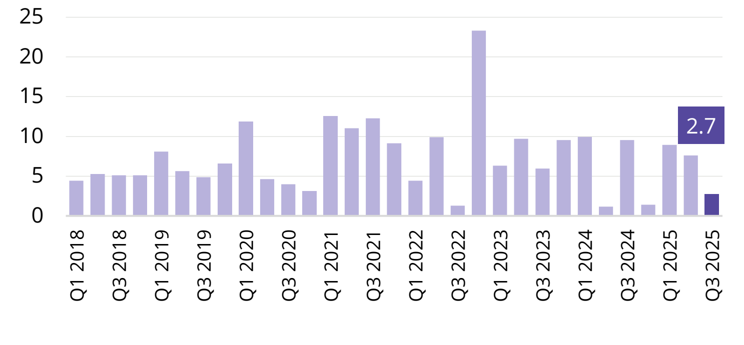
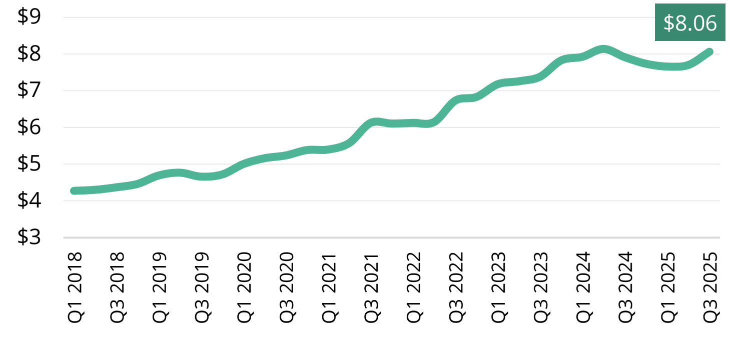
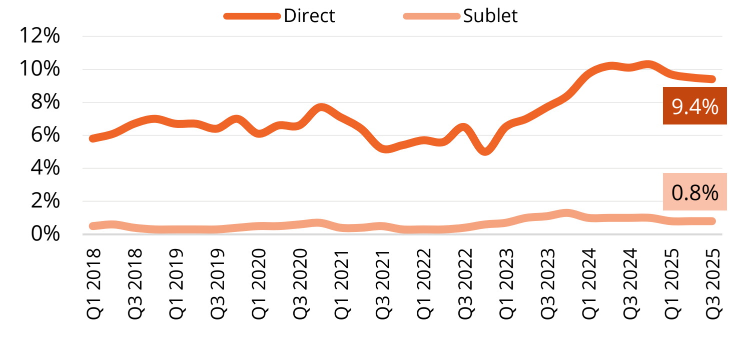
Net absorption (msf)



Direct asking rents (psf/NNN)



Vacancy



Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Modine	2100 N Refuge Way	683,569	New	Direct
American Standard	801 E Wintergreen Road	626,147	Renewal	Direct
VM Innovations	1200 W Wintergreen Road	416,891	Renewal	Direct
Dr Pepper Snapple Group	1251 N Cockerell Hill Road	376,601	Renewal	Direct

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Blackstone	Wildlife Commerce Park & Core 35 Logistics Center*	$718,000,000	$124	Crow Holdings
BKM Capital Partners	7- building portfolio*	$60,300,000	$116	TA Realty
Peachtree Group	545 Airport Drive	$23,587,200	$180	Clay Dev & Construction
Sedberry & Associates	2251 E Division Street	$7,271,000	$122	BridgeView Real Estate

Note: * Indicates a portfolio sale.
Source: Avison Young Market Intelligence, CoStar.

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Get in touch

Jason Steele
Manager, Southeast Industrial
Market Intelligence
Jason.Steele@avisonyoung.com

Carol JeanLouis
Analyst, Texas Industrial
Market Intelligence
carol.jeanlouis@avisonyoung.com

	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption sf (QTD)	Net absorption sf (YTD)	Annual direct asking rent psf NNN
South Dallas	145,180,911	1,953,195	194,190	11.4%	0.3%	11.7%	(2.7%)	724,289	5,642,803	$6.40
North Fort Worth	133,926,039	1,307,508	7,987,478	6.9%	1.3%	8.2%	(3.4%)	124,527	4,169,796	$7.93
Great Southwest / Arlington	101,034,785	984,947	1,191,312	8.3%	0.8%	9.1%	(0.6%)	589,282	1,059,227	$7.90
Northwest Dallas	100,571,752	271,261	3,477,022	9.5%	1.3%	10.8%	3.2%	(208,241)	328,542	$9.55
DFW Airport	85,158,553	1,665,669	1,209,557	11.2%	1.2%	12.4%	1.0%	248,751	1,313,946	$11.73
Northeast Dallas	78,567,194	1,650,450	2,616,917	6.8%	1.1%	7.9%	1.7%	(177,800)	356,188	$6.94
South Fort Worth	76,967,439	2,394,062	5,303,911	8.6%	0.5%	9.1%	(0.3%)	562,542	2,310,345	$6.61
South Stemmons	74,101,249	196,996	1,228,677	7.1%	0.4%	7.5%	(1.%)	34,327	999,676	$9.36
East Dallas	55,875,054	1,278,000	203,169	16.6%	0.6%	17.2%	(4.3%)	811,439	3,081,238	$7.73
Market total	**851,382,976**	**11,702,088**	**23,412,233**	**9.4%**	**0.8%**	**10.2%**	**(0.8%)**	**2,709,116**	**19,261,761**	**$8.06**

	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption sf (QTD)	Net absorption sf (YTD)	Annual direct asking rent psf NNN
Warehouse	336,647,946	5,019,878	6,593,221	10.2%	0.8%	11.0%	(1.0%)	759,552	7,075,932	$8.55
Distribution	417,870,557	4,512,058	16,365,806	10.6%	1.0%	11.6%	(0.8%)	1,969,202	9,580,186	$8.23
Manufacturing	96,864,473	2,170,152	453,206	1.4%	0.4%	1.7%	(0.4%)	(19,638)	2,605,643	$5.72
Market total	**851,382,976**	**11,702,088**	**23,412,233**	**9.4%**	**0.8%**	**10.2%**	**(0.8%)**	**2,709,116**	**19,261,761**	**$8.06**

Source: Avison Young Market Intelligence, CoStar.

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