

FIGURES | DALLAS/FORT WORTH INDUSTRIAL | Q2 2025

Construction pipeline increases at a steady pace while vacancy continues to decline



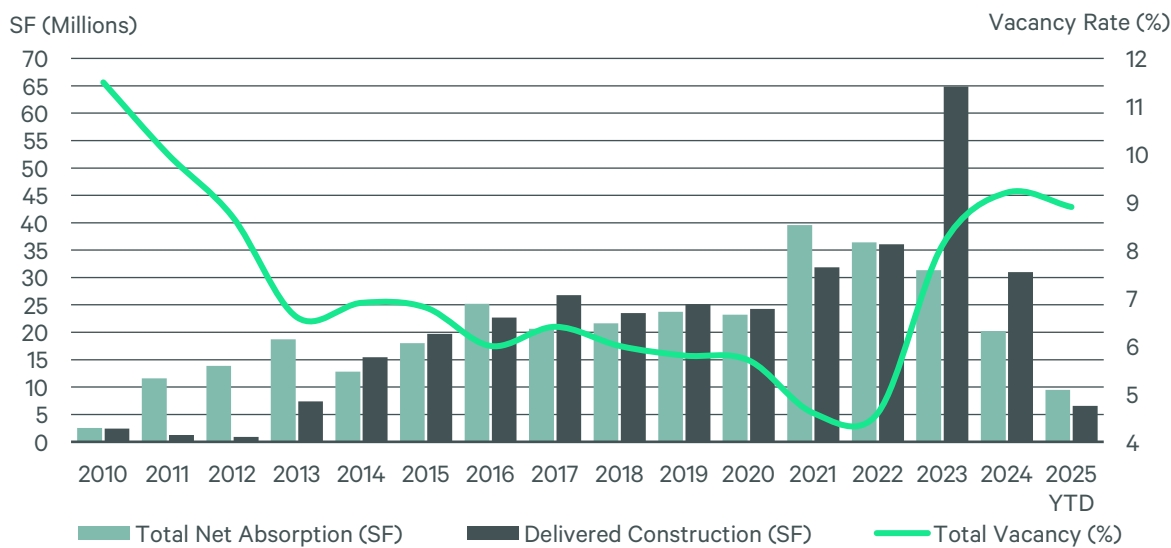
Note: Arrows indicate change from previous quarter.

MARKET OVERVIEW

- Nearly 5.5 million sq. ft. of industrial space was absorbed by occupiers during Q2 2025.
- Q2 2025 deliveries totaled nearly 3.8 million sq. ft. and were 49.1% pre-leased.
- The construction pipeline increased during Q2 2025 and totaled 15.4 million sq. ft.
- The vacancy rate was down 30 basis points over the quarter, standing at 8.8%.

The second quarter of 2025 marked the 59th consecutive quarter, or nearly fifteen years, of positive net absorption for the Dallas/Fort Worth industrial market as 5.5 million sq. ft. of net absorption was tracked over the quarter. The trailing 12-month absorption total was 18.8 million sq. ft., 5.5 million less than the 24.3 million sq. ft. trailing 12-month absorption posted in Q2 2024. Vacant deliveries were 2 million sq. ft. less than the amount absorbed, causing the vacancy rate to fall by 30 basis points at 8.8%. Even though active construction increased by 3.5 million sq. ft. and new starts increased by 2.3 million sq. ft. over the quarter, the construction pipeline is still relatively low in comparison to previous quarters. As the construction pipeline continues at a steady pace, vacancy should continue to decrease as occupancy within newly delivered spec continues to take place. Significant leases signed will take occupancy within the upcoming months of 2025 as tenant demand continues to stay strong within Dallas/Fort Worth.

Figure 1: Dallas/Fort Worth Industrial Market (Annual)



Source: CBRE Research, Q2 2025.

Dallas/Fort Worth Industrial Market

North Texas remains a destination for corporate occupiers and job seekers alike. The region includes two major cargo moving airports, three Class 1 railroads, and is the point of convergence for four interstates. Interstate 35, the “NAFTA Highway”, provides direct access to manufacturing centers in Mexico and is the backbone of a major auto manufacturing corridor, the Texas-Mexico Automotive Supercluster, that stretches from the Bajío in Mexico to Dallas/Fort Worth. DFW International Airport is the region’s gateway to the world and economic engine that drives \$37 billion in North Texas economic activity and supports 228,000 jobs. The airport is one of the highest capacity in the world and is now the second busiest globally in terms of passengers. Additionally, the 19 cargo carriers that call on Dallas/Fort Worth International Airport connect to 32 major cargo markets around the world, including key hubs in Asia and Europe.

Development pipeline increased

Developers delivered the same amount of product as they kicked off for the first time since Q4 2022 with 3.8 million sq. ft delivered and 3.8 million sq. ft. in new starts. The total amount of space under construction increased over the quarter from 11.9 million sq. ft. underway to 15.4 million sq. ft. in active construction; the preleased rate for under construction product increased from 8.2% to 18.4% at the end of Q2 2025.

Only three submarkets had speculative space preleased as of mid-year. North Fort Worth had the highest concentration of speculative construction preleased, at 564,000 sq. ft. The second-highest concentration of speculative space preleased was in Northeast Dallas at 78,000 sq. ft. Great Southwest/Arlington followed at 74,000 sq. ft. Preleased submarkets inclusive of speculative and build-to-suit space include Southern DFW/287 at 100%, North Fort Worth at 28.1%, Northeast Dallas at 18.8%, Great Southwest/Arlington at 7.8%, DFW Airport at 5.7%, and Northwest Dallas at 4.6%.

Absorption sustained solid pace

Almost 5.5 million sq. ft. was absorbed over the second quarter of 2025, bringing the amount of industrial space absorbed in Dallas/Fort Worth since Q4 2010 to 328 million sq. ft. To put this number in perspective, this is enough warehouse floor space to build a six-lane highway from CBRE Headquarters in Dallas to the CBRE office in El Paso, including room for shoulders!

Figure 2: DFW Market Trailing 12 Months Absorption

	Q3 2024 Net Absorption	Q4 2024 Net Absorption	Q1 2025 Net Absorption	Q2 2025 Net Absorption	12 Month Net Absorption
Market					
DFW Airport	333,104	-89,710	256,676	367,605	867,675
East Dallas	139,607	1,437,070	1,433,167	91,216	3,101,060
Northeast Dallas	196,440	-24,939	250,866	-214,244	208,123
Northwest Dallas	-909,115	488,760	(730,462)	344,495	-806,322
South Dallas	1,706,917	-352,302	902,258	954,679	3,211,552
South Stemmons	161,290	790,124	39,294	311,565	1,302,273
287 Corridor	321,840	193,268	852,793	165,103	1,533,004
Dallas Totals	1,950,083	2,442,271	3,004,592	2,020,419	9,417,365
Great Southwest/Arlington	-395,470	-264,008	(337,035)	-6,737	-1,003,250
North Fort Worth	2,987,738	326,602	1,648,129	3,275,197	8,237,666
South Fort Worth	680,211	1,549,442	(292,487)	168,934	2,106,100
Fort Worth Totals	3,272,479	1,612,036	1,018,607	3,437,394	9,340,516
Market Totals	5,222,562	4,054,307	4,023,199	5,457,813	18,757,881

Source: CBRE Research, Q2 2025.

3PLs drove demand in Q2 2025

3PLs drove demand in the second quarter for the first time since Q3 2023. Of the seven million sq. ft. in leasing activity for transactions over 100,000 sq. ft. tracked by CBRE Research in Q2 2025, 2 million sq. ft., or 28.6%, of activity was attributable to 3PLs. Warehouse and Storage accounted for 1.9 million sq. ft., or 26.8%. Rounding out the top three sectors, Manufacturing accounted for 1.8 million sq. ft., or 26.0%, of quarterly leasing activity. CBRE Research is currently tracking 37 tenant requirements totaling over 16.2 million sq. ft. active in the market. This amount is in line with long-term tenant demand observed in Dallas/Fort Worth.

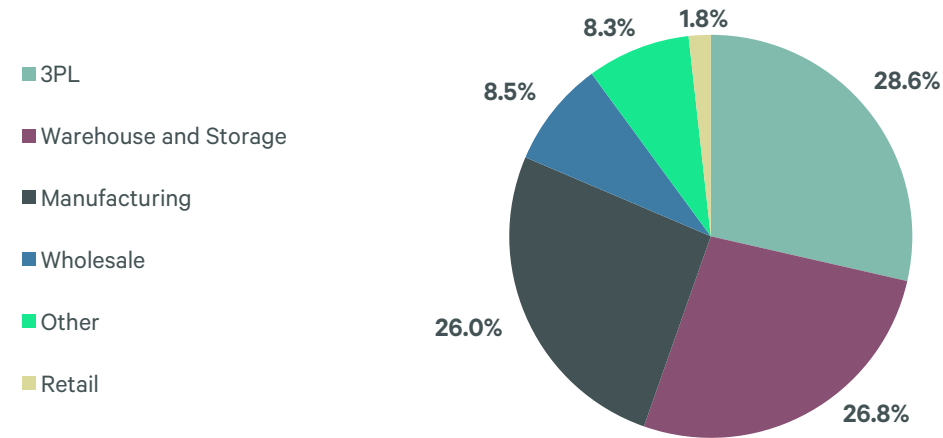
Since January 2025, there have been a total of 21.8 million sq. ft. in new lease transactions totaling 315 deals signed within Dallas/Fort Worth. The top two submarkets were North Fort Worth accounting for 5.1 million sq. ft., or 23.4%, of activity and South Dallas accounting for 3.8 million sq. ft., or 17.3%, of activity. Great Southwest/Arlington followed at 2.7 million sq. ft., or 12.4%, of activity. Of the 315 lease transactions, there were two transactions of 1 million sq. ft. and above, five transactions that ranged from 500,000 sq. ft. to 1 million sq. ft., seven transactions that ranged from 300,000 sq. ft. to 500,000 sq. ft., 38 transactions that ranged from 100,000 sq. ft. to 300,000 sq. ft., and a total of 263 transactions less than 100,000 sq. ft. in size.

CBRE House View Economic Update

Policy announcements and the news cycle—not economic fundamentals—are driving sentiment today. Q2 2025 began with the Liberation Day tariffs and subsequent escalation that caused growth expectations to plummet. But by the top of Q3 2025, both the trade war rhetoric and effective tariff rate have softened. While consumer and business sentiment surveys remain weak, the hard economic data (e.g., jobless claims, CPI, orders) points to a steadier economy. To be sure, it could take time for the costs associated with higher tariffs and global uncertainty to filter through, but in the meantime CBRE has increased its 2025 GDP growth outlook to 1.3% for 2025. Barring further disruptions this provides upside risk for hiring in coming quarters.

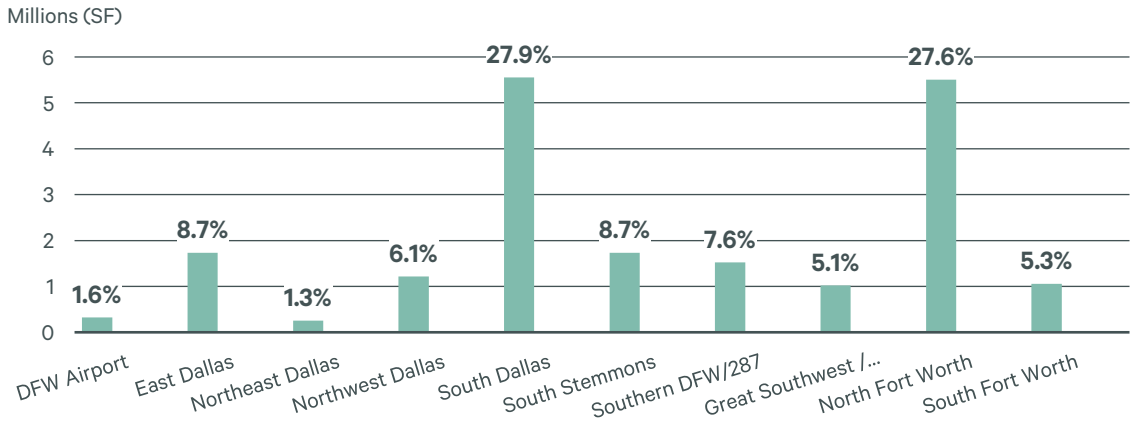
Commercial real estate markets are taking these changes in stride. On the occupier side, continued growth translates into positive absorption for many sectors and markets, including offices. Regarding capital markets, investment volume is on track to exceed 2023 and 2024 levels. This is supported by credit issuance making a turnaround and credit spreads falling back to pre-April 2 levels.

Figure 3: Q2 2025 Lease Transactions Over 100,000 Sq. Ft. by Tenant Industry



Source: CBRE Research, Q2 2025.

Figure 4: YTD 2025 Lease Transactions Over 100,000 Sq. Ft. by Submarket and Percent of Total



Source: CBRE Research, Q2 2025.

Figure 5: Dallas/Fort Worth Industrial Market Stats

	Inventory			Vacancy			Net Absorption			Construction		
	Bldg. Count	Total Sq. Ft.	% of Market	Direct Sq. Ft.	Direct %	Total %	Qtr. Direct	Qtr. Total	2025 Total	Active	Qtr. Deliveries	2025 Deliveries
Submarket												
DFW Airport	761	94,762,395	9.3	9,681,846	10.2	11.2	589,282	367,605	624,281	1,780,910	1,172,571	1,172,571
East Dallas	733	60,575,356	5.9	8,191,269	13.5	13.5	91,216	91,216	1,524,383	203,169	300,347	300,347
Northeast Dallas	1,806	113,422,682	11.1	6,780,836	6.0	6.8	-99,691	-214,244	36,622	1,715,182	139,937	1,553,664
Northwest Dallas	1,573	126,880,117	12.4	10,676,649	8.4	9.3	497,549	344,495	-385,967	1,721,753	0	180,657
South Dallas	644	122,140,895	12.0	13,646,287	11.2	11.7	894,115	954,679	1,856,937	799,006	0	59,970
South Stemmons	2773	129,505,927	12.7	6,981,019	5.4	6.0	330,845	311,565	350,859	523,167	0	0
287 Corridor	188	25,753,688	2.5	3,222,248	12.5	12.6	165,103	165,103	1,017,896	440,000	30,220	30,220
Dallas Totals	8,478	673,041,060	66	59,235,384	8.8	9.4	2,413,189	2,020,419	5,025,011	7,183,187	1,643,075	3,297,429
Great Southwest/Arlington	1,376	122,498,056	12.0	9,701,614	7.9	9.0	154,617	-6,737	-343,772	945,863	200,493	305,565
North Fort Worth	797	134,828,100	13.2	7,658,977	5.7	6.3	3,391,617	3,275,197	4,923,326	6,469,893	0	968,313
South Fort Worth	1,549	90,399,461	8.9	6,298,178	7.0	7.6	202,070	168,934	-123,553	814,221	1,982,058	1,982,058
Fort Worth Totals	3,722	347,725,617	34.1	23,658,769	6.8	7.6	3,748,304	3,437,394	4,456,001	8,229,977	2,182,551	3,255,936
Market Totals	12,200	1,020,766,677	100	82,894,153	8.1	8.8	6,161,493	5,457,813	9,481,012	15,413,164	3,825,626	6,553,365

Source: CBRE Research, Q2 2025.

Figure 6: Dallas Industrial Market Stats – DFW Airport and East Dallas

	Inventory			Vacancy			Net Absorption			Construction		
	Bldg. Count	Total Sq. Ft.	% of Market	Direct Sq. Ft.	Direct %	Total %	Qtr. Direct	Qtr. Total	2025 Total	Active	Qtr. Deliveries	2025 Deliveries
DFW Airport												
East DFW/Las Colinas	420	68,284,268	6.7	6,587,489	9.6	10.9	665,084	427,917	378,914	1,235,324	510,599	510,599
West DFW/Grapevine	341	26,478,127	2.6	3,094,357	11.7	11.9	-75,802	-60,312	245,367	545,586	661,972	661,972
DFW Airport Totals	761	94,762,395	9.3	9,681,846	10.2	11.2	589,282	367,605	624,281	1,780,910	1,172,571	1,172,571
East Dallas												
Central East Dallas	398	17,677,469	1.7	683,839	3.9	3.9	13,024	13,024	-56,544		300,347	300,347
East Dallas/Mesquite	312	30,545,375	3.0	3,344,048	10.9	10.9	-186,748	-186,748	361,321	203,169	0	0
Forney/Terrell	23	12,352,512	1.2	4,163,382	33.7	33.7	264940	264940	1219606	0	0	0
East Dallas Totals	733	60,575,356	5.9	8,191,269	13.5	13.5	91,216	91,216	1,524,383	203,169	300,347	300,347

Source: CBRE Research, Q2 2025.

Figure 7: Dallas Industrial Market Stats – Northeast Dallas and Northwest Dallas

	Inventory			Vacancy			Net Absorption			Construction		
	Bldg. Count	Total Sq. Ft.	% of Market	Direct Sq. Ft.	Direct %	Total %	Qtr. Direct	Qtr. Total	2025 Total	Active	Qtr. Deliveries	2025 Deliveries
Northeast Dallas												
Allen/McKinney	210	17,156,493	1.7	842,410	4.9	5.7	-56,135	-146,110	-100,717	971,720	0	94,413
Northeast Dallas/Garland	866	53,120,579	5.2	3,709,627	7.0	7.8	167,550	119,140	175,853	300,530	0	1,319,314
Plano	371	21,960,996	2.2	1,019,360	4.6	5.1	-62,638	-38,806	515	442,932	37,664	37,664
Richardson	302	16,833,563	1.6	1,174,477	7.0	8.3	-148,468	-148,468	-157,360	0	102,273	102,273
Rockwall	57	4,351,051	0.4	34,962	0.8	0.9	0	0	118,331	0	0	0
Northeast Dallas Totals	1,806	113,422,682	11	6,780,836	6.0	6.8	-99,691	-214,244	36,622	1,715,182	139,937	1,553,664
Northwest Dallas												
Denton	209	20,288,655	2.0	4,032,847	19.9	20.2	542,507	515,467	357,121	248,361	0	180,657
Lewisville	285	34,949,642	3.4	1,801,895	5.2	6.3	119,499	-8,501	-515,155	1,385,159	0	0
Metropolitan/Addison	430	19,897,017	1.9	1,768,561	8.9	10.1	16,760	234	-71,690	0	0	0
North Stemmons/Valwood	631	49,197,103	4.8	2,416,234	4.9	5.7	-294,159	-275,647	-269,185	88,233	0	0
NW Dallas Outlying	18	2,547,700	0.2	657,112	25.8	25.8	112,942	112,942	112,942	0	0	0
Northwest Dallas Totals	1,573	126,880,117	12	10,676,649	8.4	9.3	497,549	344,495	-385,967	0	0	180,657

Source: CBRE Research, Q2 2025.

Figure 8: Dallas Industrial Market Stats – South Dallas and South Stemmons

	Inventory			Vacancy			Net Absorption			Construction		
	Bldg. Count	Total Sq. Ft.	% of Market	Direct Sq. Ft.	Direct %	Total %	Qtr. Direct	Qtr. Total	2025 Total	Active	Qtr. Deliveries	2025 Deliveries
South Dallas												
Redbird Airport	194	21,816,929	2.1	892,507	4.1	4.4	-122,739	-122,739	-124,854	0	0	0
Southeast Dallas/I-45	331	80,950,075	7.9	12,378,187	15.3	15.9	742,688	712,688	1,697,198	364,306	0	59,970
Southwest Dallas/US 67	119	19,373,891	1.9	375,593	1.9	2.1	274,166	364,730	284,593	434,700	0	0
South Dallas Totals	644	122,140,895	12.0	13,646,287	11.2	11.7	894,115	954,679	1,856,937	799,006	0	59,970
South Stemmons												
East Hines North	623	20,059,451	2.0	1,078,777	5.4	6.6	-97,310	-97,310	-226,173	0	0	0
East Brookhollow	187	7,906,276	0.8	193,815	2.5	2.6	74,999	74,999	36,419	0	0	0
Eastern Lonestar/Turnpike	297	33,002,231	3.2	1,819,934	5.5	5.5	435,557	435,557	516,135	0	0	0
North Trinity	365	9,538,377	0.9	853,108	8.9	9.1	-83,493	-83,493	-89,695	0	0	0
West Hines North	223	9,393,778	0.9	509,006	5.4	5.8	-58,458	-58,458	-14,389	0	0	0
West Brookhollow	971	40,784,634	4.0	2,306,342	5.7	5.9	48,550	29,270	129,062	523,167	0	0
Western Lonestar/Turnpike	107	8,821,180	0.9	220,037	2.5	6.1	11,000	11,000	-500	0	0	0
South Stemmons Totals	2,773	129,505,927	12.7	6,981,019	5.4	6.0	330,845	311,565	350,859	0	0	0

Source: CBRE Research, Q2 2025.

Figure 9: Fort Worth Industrial Market Stats – 287 Corridor and Great Southwest

	Inventory			Vacancy			Net Absorption			Construction		
	Bldg. Count	Total Sq. Ft.	% of Market	Direct Sq. Ft.	Direct %	Total %	Qtr. Direct	Qtr. Total	2025 Total	Active	Qtr. Deliveries	2025 Deliveries
287 Corridor												
Mansfield/Midlothian	170	17,922,839	1.8	2,907,248	16.2	16.4	165,103	165,103	1,017,896	0	30,220	30,220
Waxahachie/Ennis	18	7,830,849	0.8	315,000	4.0	4.0	0	0	0	440,000	0	0
287 Corridor Totals	188	25,753,688	2.5	3,222,248	12.5	12.6	165,103	165,103	1,017,896	440,000	30,220	30,220
Great Southwest												
Arlington	414	25,934,544	2.5	1,607,533	6.2	6.3	-12,393	-26,393	112,929	161,408	0	0
Lower Great Southwest	425	38,691,911	3.8	2,857,381	7.4	7.8	87,492	-18,388	12,101	284,865	0	0
Upper Great Southwest	537	57,871,601	5.7	5,236,700	9.0	11.0	79,518	38,044	-468,802	499,590	200,493	305,565
Great Southwest Totals	1,376	122,498,056	12.0	9,701,614	7.9	9.0	154,617	-6,737	-343,772	945,863	200,493	305,565

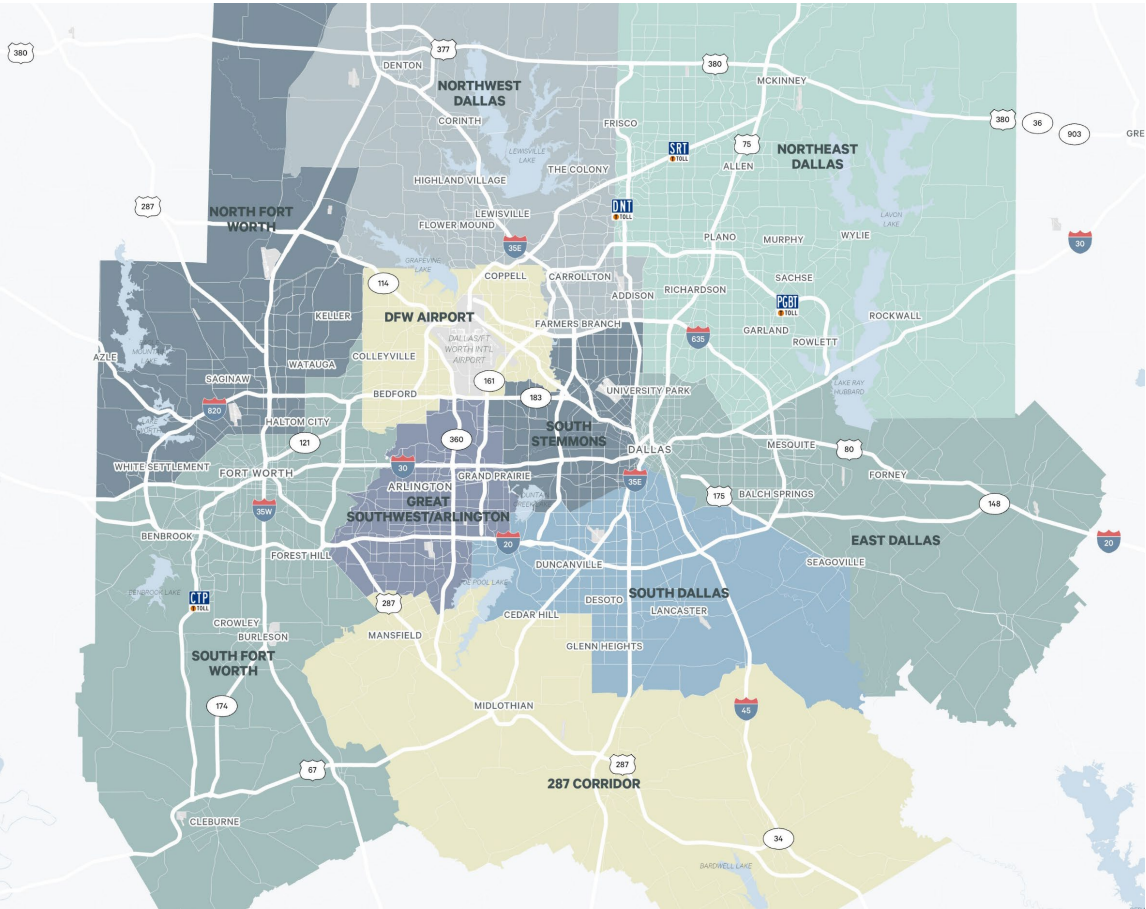
Source: CBRE Research, Q2 2025.

Figure 10: Fort Worth Industrial Market Stats – North Fort Worth and South Fort Worth

	Inventory			Vacancy			Net Absorption			Construction		
	Bldg. Count	Total Sq. Ft.	% of Market	Direct Sq. Ft.	Direct %	Total %	Qtr. Direct	Qtr. Total	2025 Total	Active	Qtr. Deliveries	2025 Deliveries
North Fort Worth												
Meacham Field/Fossil Creek	441	48,395,080	4.7	2,269,370	4.7	5.3	787,155	670,735	2,223,047	321,193	0	968,313
Northeast Tarrant/Alliance	288	79,864,377	7.8	4,914,942	6.2	6.8	2,590,369	2,590,369	2,678,516	5,416,416	0	0
West Tarrant	68	6,568,643	0.6	474,665	7.2	7.2	14,093	14,093	21,763	732,284	0	0
North Fort Worth Totals	797	134,828,100	13.2	7,658,977	5.7	6.3	3,391,617	3,275,197	4,923,326	6,469,893	0	968,313
South Fort Worth												
Cleburne	11	2,896,400	0.3	129,283	4.5	4.5	0	0	0	0	0	0
East Fort Worth	654	27,474,849	2.7	2,869,187	10.4	10.6	-47,781	-71,175	-64,370	0	578,906	578,906
North Central Fort Worth	270	10,755,609	1.1	208,415	1.9	1.9	29,930	29,930	36,077	0	0	0
South Central Fort Worth	240	8,077,413	0.8	129,367	1.6	3.8	-21,597	-31,339	-79,006	0	0	0
South Central Tarrant	299	38,192,894	3.7	2,418,814	6.3	7.1	188,900	188,900	-57,197	0	1,403,152	1,403,152
Southwest Tarrant	75	3,002,296	0.3	543,112	18.1	18.1	52,618	52,618	40,943	814,221	0	0
South Fort Worth Totals	1,549	90,399,461	8.9	6,298,178	7.0	7.6	202,070	168,934	-123,553	814,221	1,982,058	1,982,058

Source: CBRE Research, Q2 2025.

Market Area Overview



Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the Total Building Area. Building Area: The total floor area sq. ft. of the building. Occupied Sq. Ft.: Building Area not considered vacant. Vacant Sq. Ft.: Space that can be occupied within 30 days. Vacancy Rate: Total Vacant Sq. Ft. divided by the Total Building Area.

Survey Criteria

Includes known market relevant industrial buildings 10,000 sq. ft. and greater in size in the Dallas/Fort Worth metro area. Buildings which have begun construction as evidenced by foundation work

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