First Half 2026
Market Report

Commercial Real Estate Insights for Lincoln, NE

NAI FMA Realty

SIOR CCIM IREM INSTITUTE OF REAL ESTATE MANAGEMENT

Overall Market

Market fundamentals remain sound, but today's commercial real estate market is being defined less by demand and more by disciplined decision-making from investors, landlords, and tenants alike.

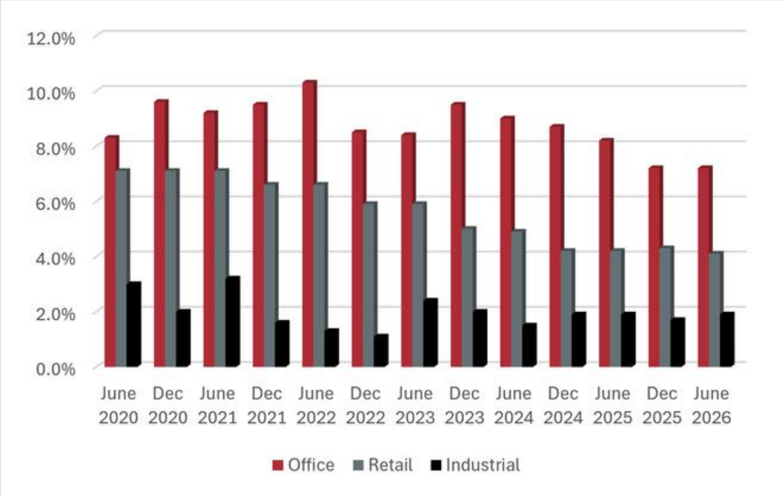
Sector	Vacancy	Net Absorption (SF)	Average Asking Rate
Office	7.2%	37,017	$21.17/SF Full Service
Retail	4.1%	38,864	$14.64/SF NNN
Industrial	1.9%	(26,918)	$8.73/SF NNN

Executive Summary

Lincoln's commercial real estate market remained stable through the first half of 2026, but overall activity slowed as economic uncertainty, elevated interest rates, and tighter underwriting continued to influence both leasing and investment decisions. While occupancy levels remain relatively healthy across much of the market, transaction volume softened as buyers and sellers continue to struggle to align on pricing expectations and financing costs.

Investment activity was particularly subdued during the period. Many investors have taken a more conservative approach, keeping capital on the sidelines while evaluating market conditions. Others appear to be pursuing investment opportunities that offer larger or more immediate returns, reducing demand for traditional commercial real estate acquisitions. As a result, more transactions have required extended negotiations, and a growing number have failed to reach closing despite reaching the contract stage.

Overall Market Historical Vacancy



Overall Market

Jared Froehlich, SIOR, CCIM
Commercial Advisor

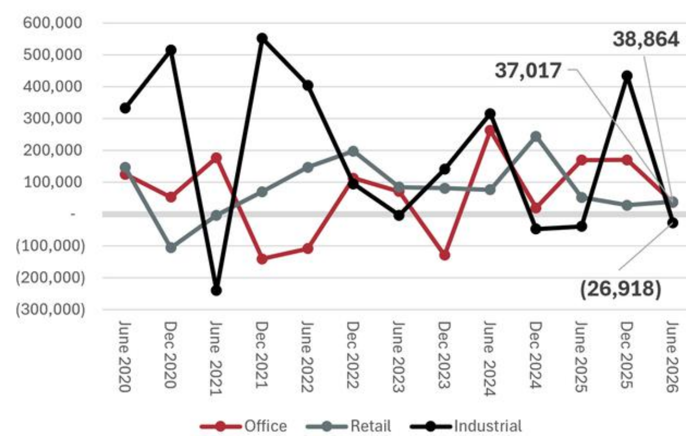
"Lincoln's commercial real estate market remains fundamentally stable, but activity has become much more deliberate. Industrial continues to lead the market, retail remains steady, and the office sector, while slower, has generally stabilized. Elevated borrowing costs and economic uncertainty are causing tenants, buyers and investors to make more measured decisions while placing greater emphasis on flexibility, quality and occupancy costs. Demand remains healthy for well-located, functional properties, but transactions are taking longer and often require greater creativity to reach the finish line."

Outlook

Market conditions are expected to remain challenging through the remainder of the year. Until borrowing costs ease or pricing expectations adjust, investment sales will likely continue at a measured pace. Buyers are expected to remain selective, focusing on well-leased, quality assets with predictable cash flow, while some owners may choose to delay bringing properties to market rather than accept today's pricing environment.

On the leasing side, tenant behavior continues to evolve. Businesses are taking longer to make occupancy decisions and increasingly favor shorter lease terms, additional renewal options, and greater flexibility to accommodate uncertain business conditions. While Lincoln's diverse economy should continue to support long-term demand for commercial space, the market is likely to remain tenant- and buyer-conscious until broader economic conditions provide greater confidence.

Overall Market Historical Net Absorption



Piedmont Shopping Center | 1265 S. Cotner Blvd.

Sales Market Trends

Commercial Real Estate Sales, Lincoln, NE

First Half 2026

Elizabeth Park
4433 S. 70th Street

NAI FMA Realty

Sales

Sales Market Overview

Commercial real estate sales activity in Lincoln continues to move at a more deliberate pace as higher borrowing costs and tighter underwriting shape buyer decisions. Properties are generally spending more time on the market, and investors have become increasingly selective. While quality assets continue to trade, buyers and sellers remain challenged to align pricing expectations, particularly as rising capitalization rates place downward pressure on investment values.

Despite these headwinds, average sale prices have remained resilient across most property types. Owner-users continue to drive much of the transaction activity, while investors are placing greater emphasis on risk, leasing potential, and future capital costs. As a result, well-positioned properties continue to attract interest, but assets requiring significant improvements or repositioning often face longer marketing periods and more extensive negotiations before closing.

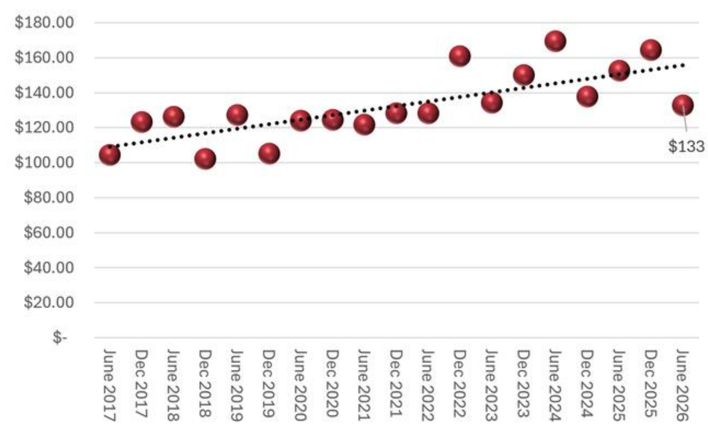
Sale Prices

	Average Price	High Price	Low Price
Office	$133/SF	$231/SF	$68/SF
Retail	$240/SF	$1,091/SF	$70/SF
Industrial	$144/SF	$193/SF	$99/SF
Multi-Family	$85,533/Unit	$164,167/Unit	$53,833/Unit

Office Sales

Office sale prices continue to reflect a diverse mix of property types and buyer motivations. Sales during the period ranged from a second-floor office condominium purchased for residential conversion ($68/SF) to newly constructed office flex condominiums that achieved the highest price per square foot ($231). The largest office transaction was the $11 million sale of the 116,000-square-foot building at 4800 NW 1st Street. This variety of transactions illustrates how changes in property type and intended use can significantly influence annual pricing averages.

Office Average Price/Square Foot

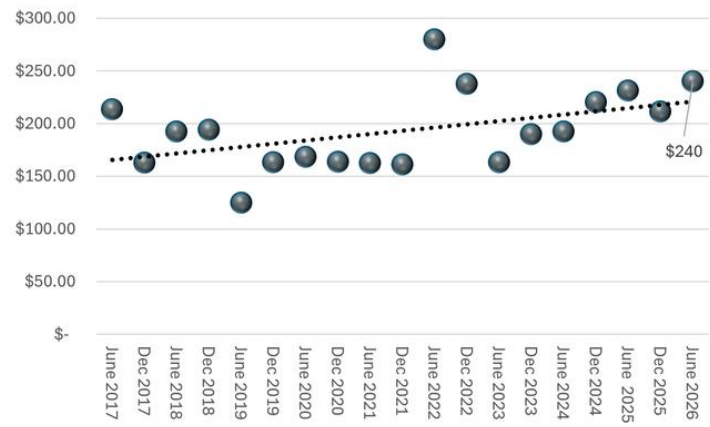


Sales

Retail Sales

Retail sales recorded one of the widest pricing ranges among all property sectors. The highest price per square foot was achieved by a Scooter's Coffee drive-thru investment property, where value was driven primarily by the long-term income stream rather than the real estate itself. At the opposite end of the spectrum, an older automotive repair facility represented the lowest sale price per square foot. The largest retail transaction was the $12.7 million sale of the VASA Fitness property at 4615 Vine Street, demonstrating continued investor interest in well-leased retail assets despite broader market uncertainty.

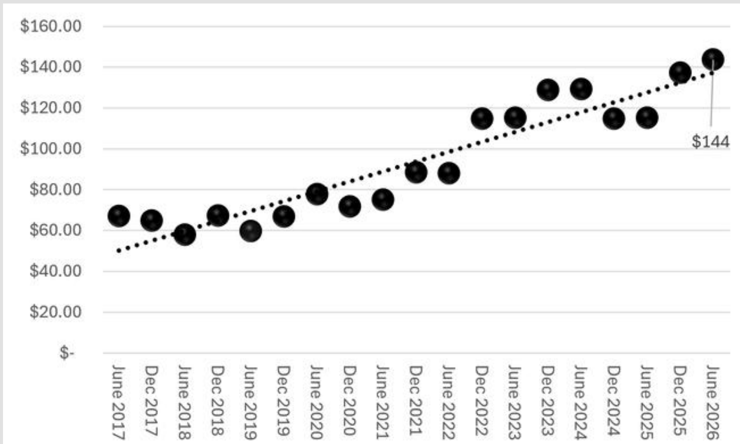
Retail Average Price/Square Foot



Industrial Sales

Industrial sale prices continue to trend upward, supported by limited inventory and steady owner-user demand. Flex industrial properties consistently command the highest prices per square foot due to their combination of warehouse, office, and showroom space, while traditional warehouse facilities continue to trade primarily in the $120 to $140 per square foot range. The largest industrial sale during the period was the 32,968-square-foot building at 1941 SW 6th Street, which sold for $3.9 million, reinforcing the continued strength of Lincoln's industrial market.

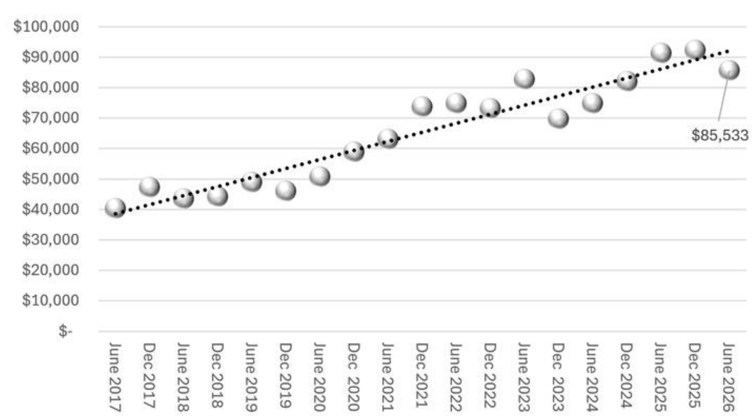
Industrial Average Price/Square Foot



Multifamily Sales

Multifamily sales remained concentrated in smaller apartment properties, with a median transaction size of just six units. Most sales occurred below $100,000 per unit, although properties with exceptional locations or newer improvements continued to achieve premium pricing. The highest price per unit—approximately $164,000—was paid for a 12-unit property within walking distance of the University of Nebraska–Lincoln, highlighting the value placed on highly desirable locations. The largest multifamily transaction was the 246-unit apartment community at 3615 North Hill Road, which sold for $22.9 million, illustrating continued investor demand for larger stabilized assets.

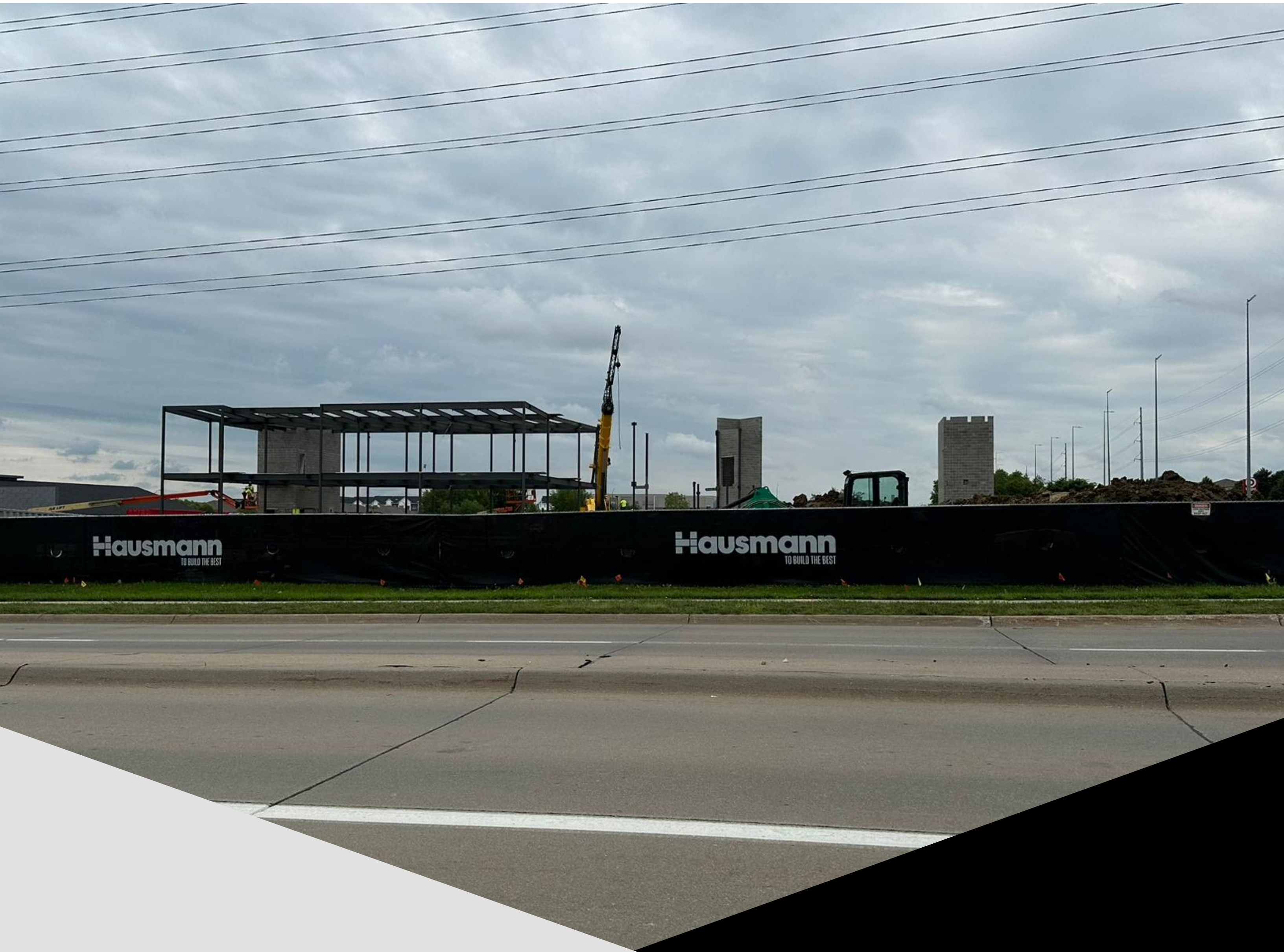
Multifamily Average Price/Unit



Building Permit Activity

Commercial Real Estate Building Permits Issued in Lincoln, NE

First Half 2026



3901 Yankee Hill Rd.

NAI FMA Realty

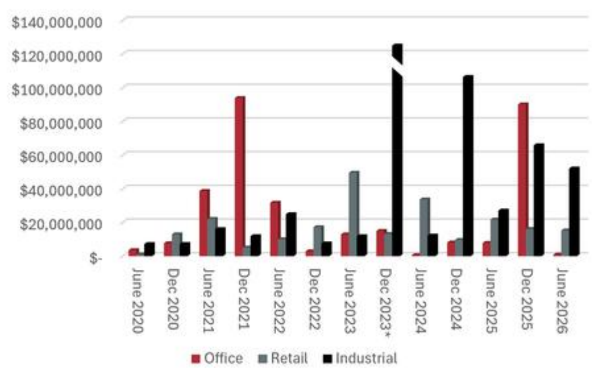
Building Permits

Construction Activity

Building Permits by Building Type

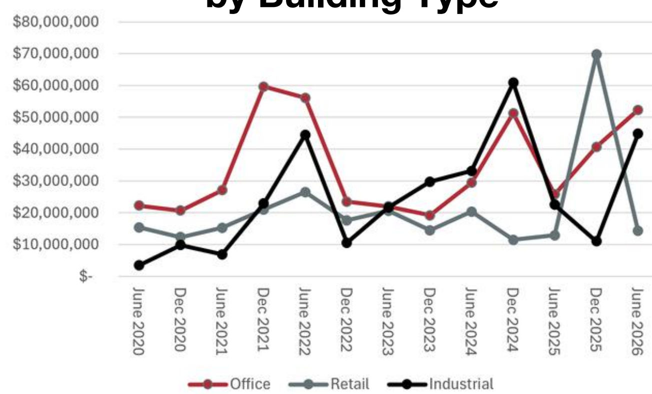
	New Construction	Alterations	Total
Office	$875,000	$52,348,015	$53,233,015
Retail	$15,275,000	$14,293,150	$29,568,150
Industrial	$52,031,609	$44,826,446	$96,858,055

New Construction Building Permits by Building Type



*December 2023 Industrial permit totaled approximately $460 million. The column has been truncated to improve data visibility.

Alteration Building Permits by Building Type



Construction Activity Overview

Commercial construction activity in Lincoln remained active during the first half of 2026, although the pace varied significantly by property type. Industrial development continued to account for the largest share of new construction value, driven in part by several large-scale projects. Retail construction remained healthy with new quick-service restaurants, automotive retailers, and neighborhood commercial developments moving forward. While retail permit values were lower than in recent reporting periods, the number and diversity of projects suggest development activity remains steady rather than slowing.

Office construction presents a more mixed picture. New office development has become increasingly limited, with most activity centered on renovations and tenant improvements rather than ground-up construction. Although alteration permits have remained consistent, a prolonged slowdown in new office projects could eventually lead to a shortage of modern office inventory. Notable developments currently underway include the office building at 3901 Yankee Hill Road, which will be anchored by City Bank & Trust and include second-floor office space for lease, and the mixed-use project at 4755 Madison Avenue, which will combine multifamily housing with ground-floor retail

Andy Widman
Commercial Advisor

NAI FMA Realty

"Lincoln's building permit activity shows signs of normalizing following the unprecedented industrial investments of 2023 regarding data center permits but remains historically strong. Mid-year 2026 permit valuations are tracking above the 10-year average, supported by steady retail and industrial investment. This moderation should be viewed as a recalibration rather than a decline, reflecting a balanced development pipeline that is increasingly aligned with the long-term needs of Lincoln's economy."

Building Permits

Construction Activity

New Construction Building Permits

Office

1st Half 2026: $ 875,000
2nd Half 2025: $90,073,202

Retail

1st Half 2026: $15,275,000
2nd Half 2025: $16,127,000

Industrial

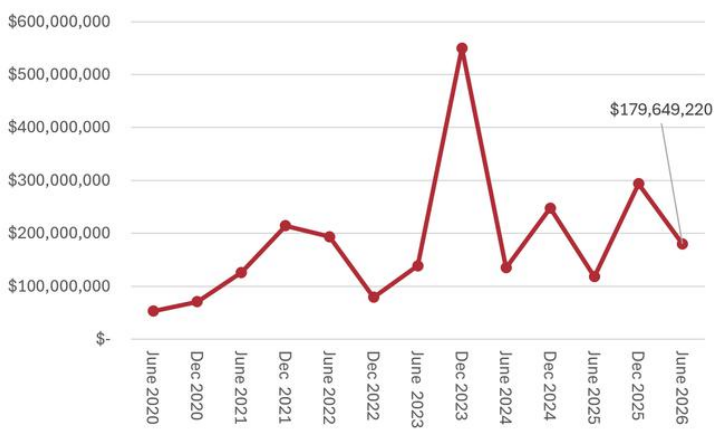
1st Half 2026: $52,031,609
2nd Half 2025: $65,835,000

Building Permit Activity

Several large permit applications highlight continued investment in existing commercial properties across Lincoln. At 475 Fallbrook Boulevard, a $16 million renovation will prepare the entire 75,000-square-foot building for a future office tenant, demonstrating that well-located office space continues to attract significant capital investment. Healthcare also remains an active sector, with Bryan Medical Center East undertaking approximately $13 million in renovations to modernize its facilities.

Industrial investment continues beyond new construction. Crete Carrier's $20 million renovation at 400 NW 56th Street reflects the ongoing trend of existing industrial users expanding and upgrading facilities to support long-term operations. In addition, two speculative industrial buildings currently under construction at 1000 and 1001 Bauer Circle will add much-needed lease inventory to a market that continues to experience limited industrial availability

Total Value of Building Permits (Dollars for Six Months Ending)



Notable Projects and Outlook

The Google Data Center remains the most significant construction project currently underway in Lincoln and continues to have a substantial impact on industrial building permit totals. The company began acquiring land in 2019 and was issued its first building permit in late 2023. The total value of new building permit applications for the Google project are more than $721,000,000, however the actual cost of construction could be higher. The majority of industrial new construction permit value during recent reporting periods can be attributed to this project.

Looking ahead, industrial and retail construction activity is expected to remain steady, supported by continued business investment and several projects already under construction. Office development, however, may experience a period of limited new construction. While renovation and tenant improvement activity remains healthy, the lack of new office projects will be an important trend to monitor as developers evaluate future demand for modern office space.

Office Market Insights

Lincoln, NE

First Half 2026

Bryan Medical Center
5055 A Street

NAIFMA Realty

Office

Highlights

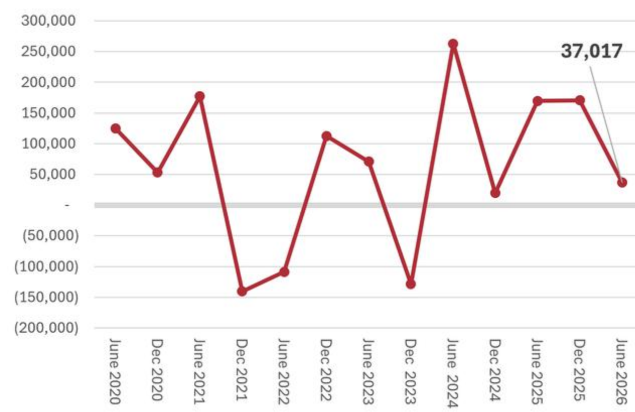
Vacancy ↔	Absorption ↑	Average Asking Rate (Full Service) ↑	New Construction SF
7.2%	37,017	$21.17/SF	61,159 SF

Office Market Overview

Lincoln's office market remained relatively stagnant during the first half of 2026, with only modest positive absorption and no change in overall vacancy. Leasing activity continues, but at a measured pace, as many businesses postpone expansion decisions amid economic uncertainty. Higher construction and tenant improvement costs have also reduced demand for newly constructed office space, making existing inventory a more attractive option for many tenants.

New office construction remained minimal during the reporting period, and very little additional inventory is expected to be delivered over the next year. While limited development has helped prevent a significant increase in vacancy, it also reflects cautious developer sentiment and uncertainty surrounding future office demand.

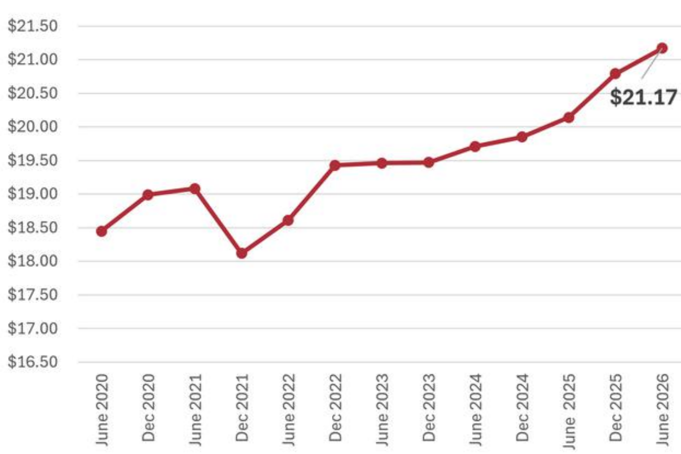
Historical Net Absorption



Asking Rate By Class (Full Service)

	Low	High	Average
Class A	$16.50	$31.75	$23.13
Class B	$13.52	$31.00	$20.53
Class C	$15.00	$22.00	$17.97

Historical Weighted Average Asking Rates (Full Service)



Office

Richard Meginnis, SIOR
President

"Lincoln's office market isn't experiencing meaningful growth, and much of the existing downtown inventory no longer aligns with today's demand. With new office development constrained by cautious lending and limited developer appetite, the market's future depends less on new construction and more on thoughtfully repositioning outdated properties for uses that better serve the community and strengthen the long-term health of the market."

Key Trends & Market Drivers

Overall vacancy remained essentially unchanged during the reporting period, reinforcing the stable but slow-moving nature of Lincoln's office market. Asking rental rates continue to vary considerably by building quality and available space. Much of the wide pricing range within the Class B category can be attributed to lower-level office suites in a Class B building being marketed at more competitive rates, creating a broader spread than would typically be expected. Likewise, the Northwest submarket shows Class A asking rates slightly below Class B, largely due to the limited amount of office inventory in that area rather than a meaningful difference in property quality.

Historical Vacancy

Notable Activity

Office leasing activity remained relatively slow during the first half of 2026, with few major transactions completed. Much of the activity reflected businesses making deliberate occupancy decisions rather than widespread market expansion, as tenants continued to prioritize location, quality, and overall occupancy costs.
Notable activity included Segra establishing a new office at Center on N, 1221 N Street, one of Lincoln's premier Class A office buildings, and the Lincoln Independent Business Association occupying space at Commerce Court, 1230 O Street, demonstrating continued demand for functional, affordably priced office space. These transactions illustrate that while overall leasing activity remains measured, quality buildings and value-oriented office space continue to attract tenants.

Office

Market Outlook

The office market is not expected to experience meaningful growth in the near term. Leasing activity is likely to remain measured as businesses continue to evaluate their long-term space needs and economic uncertainty encourages many tenants to favor shorter lease terms. At the same time, higher financing and construction costs are expected to limit speculative office development, keeping most activity focused on existing inventory.

While Lincoln's office fundamentals remain healthier than many larger metropolitan markets, fewer transactions are expected to reach completion until both tenants and landlords gain greater confidence in the economic outlook.

Notable Office Sales

Address	Size (SF)	Price	Price/SF	Submarket
4433 S. 70th St., Units 3, 4, 5	20,444	$3,997,500	$196	SE
4800 NW. 1st St.	116,058	$11,000,000	$95	NW
600 N. Cotner Blvd.	42,000	$3,450,000	$82	NE
3883 Normal Blvd.	9,869	$900,000	$91	SE
127 S. 37th St.	5,270	$900,000	$171	SE

Historical New Office Construction (Square Feet)

Office

	# of Buildings	Total Rentable (SF)	Total Available (SF)	Total Vacancy	Net Absorption	Average Asking Rate ($/SF/YR)
CBD						
Class A	22	1,464,447	111,621	7.6%	30,139	$21.95
Class B	108	2,163,016	416,851	19.3%	(25,021)	$19.57
Class C	18	171,737	5,761	3.4%	-	$18.24
CBD Subtotal	148	3,799,200	534,233	14.1%	5,118	$20.06
Northeast						
Class A	7	217,001	9,413	4.3%	(2,304)	$21.30
Class B	111	1,277,780	98,069	7.7%	17,596	$18.82
Class C	43	353,416	22,102	6.3%	(13,684)	$17.78
Northeast Subtotal	161	1,848,197	129,584	7.0%	1,608	$18.82
Northwest						
Class A	14	1,063,966	91,389	8.6%	1,347	$22.57
Class B	52	815,312	52,135	6.4%	18,072	$22.88
Class C	14	126,322	-	0.0%	-	N/A
Northwest Subtotal	80	2,005,600	143,524	7.2%	19,419	$22.65
Southeast						
Class A	24	950,666	45,858	4.8%	(19,803)	$28.35
Class B	503	4,982,096	226,904	4.6%	32,896	$22.49
Class C	21	121,277	2,100	1.7%	(1,000)	$18.93
Southeast Subtotal	548	6,054,039	274,862	4.5%	12,093	$23.43
Southwest						
Class A	7	359,318	-	0.0%	-	N/A
Class B	145	1,514,085	44,836	3.0%	3,982	$20.28
Class C	23	135,600	5,923	4.4%	(5,203)	$18.03
Southwest Subtotal	175	2,009,003	50,759	2.5%	(1,221)	$20.02
Market Total	**1,112**	**15,716,039**	**1,132,962**	**7.2%**	**37,017**	**$21.17**

Retail Market Insights

Lincoln, NE

First Half 2026

1801 O Street

NAI FMA Realty

Retail

Highlights

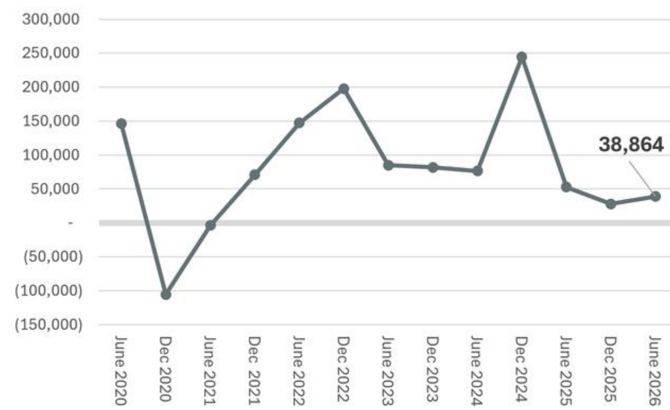
Vacancy ↓	Absorption ↑	Average Asking Rate (NNN) ↑	New Construction SF
4.1%	38,864	$14.64/SF	51,317

Retail Market Overview

Lincoln's retail market remained relatively stable during the first half of 2026, with vacancy declining modestly from 4.3% to 4.1% and moderate positive absorption. New retail construction has remained consistent over the past year, indicating that developers continue to invest in well-located projects despite a more cautious economic environment.

Recent development has primarily consisted of restaurants, automotive users, and neighborhood-serving retail, along with a limited number of multi-tenant buildings. This continued focus on service-oriented retail reflects where developers and landlords continue to see the strongest long-term demand.

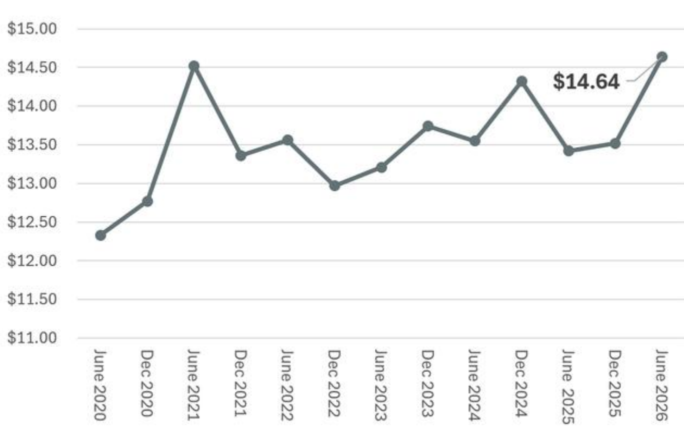
Historical Net Absorption



Asking Rate By Class (NNN)

	Low	High	Average
Class A	$14.50	$26.00	$21.20
Class B	$7.00	$34.57	$13.76
Class C	$7.00	$14.50	$9.88

Historical Asking Rental Rates



Retail

Tim Dornbos
Commercial Advisor

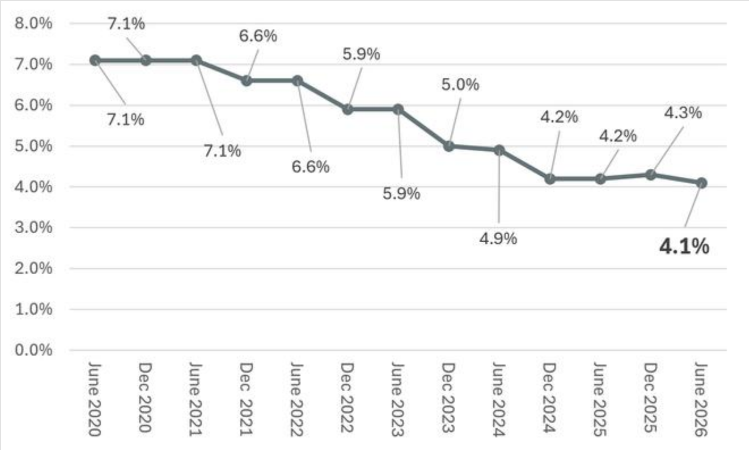
> "Net absorption was moderately positive, continuing a 5-year stretch of positive net absorption in the retail sector. With stable new construction figures, vacancy remaining at historic lows, and average rent ticking up slightly, developers and owner-users are carefully preparing to keep supply up with anticipated demand. The ongoing interest rate environment has instilled a cautious approach to retail investment, with a focus on stabilized assets with reputable tenants."

Key Trends & Market Drivers

Retail asking rates continue to vary significantly depending on property type and location. The broad Class B asking rate range illustrates how averages can be influenced by unique listings. At the lower end, a borderline Class C property in northwest Lincoln is being marketed at $7.00 per square foot, while the highest asking rate of $34.57 per square foot is for an automotive dealership with a large land component that is also being offered for sale. These properties represent exceptions rather than typical Class B retail space and demonstrate the importance of evaluating individual listings rather than relying solely on market averages.

Retail construction completed during the reporting period consisted primarily of restaurants, automotive users, and multi-tenant neighborhood retail buildings. The continued delivery of these property types reflects where developers and lenders continue to see the strongest long-term demand.

Historical Vacancy



Notable Activity

Retail activity during the first half of 2026 reflected both new investment and continued turnover within the market. New openings included a 19,000-square-foot Goodwill at 2920 Folkways Boulevard and a new Dollar Tree at 1600 South Street, adding to Lincoln's inventory of value-oriented and necessity-based retailers.

The reporting period also saw several notable closures. Painted Tree permanently closed its SouthPointe Pavilions location as part of the company's nationwide shutdown, and Joseph's College of Beauty announced it will close all of its locations, including its Lincoln campus. These closures are expected to return additional retail space to the market and may contribute to a modest increase in vacancy during the second half of 2026.

Retail

Market Outlook

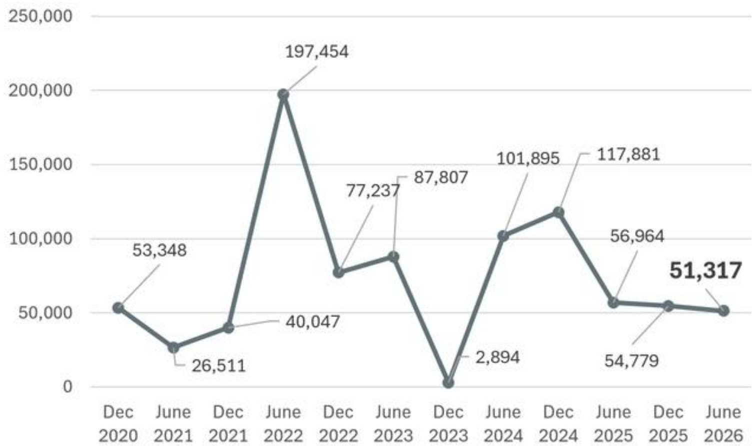
The retail market is expected to remain fundamentally stable, although vacancy may increase modestly over the coming months. Several retailer closures announced after the reporting period are expected to return space to the market, creating additional leasing opportunities while slightly increasing overall vacancy.

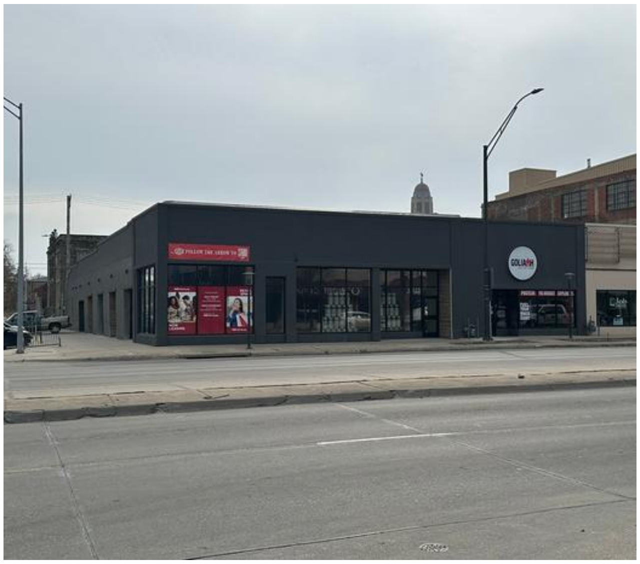
As economic uncertainty persists, tenants continue to seek greater flexibility during lease negotiations, with shorter renewal terms becoming more common. At the same time, property owners are increasingly offering creative lease structures to attract and retain quality retailers in a competitive leasing environment.

Notable Retail Sales

Address	Size (SF)	Price	Price/SF	Submarket
1777 N. 86th St.	8,028	$1,550,000	$193	NE
4615 Vine St.	62,307	$12,729,401	$204	NE
8450 Amber Hill Rd.	4,557	$950,000	$208	SE
5543 S. 16th St.	692	$755,000	$1,091	SW
702 W. O St.	2,400	$1,050,000	$438	NW

Historical New Retail Construction (Square Feet)





Retail

	# of Buildings	Total Rentable (SF)	Total Available (SF)	Total Vacancy	Net Absorption	Average Asking Rate ($/SF/YR)
CBD						
Class A	19	320,933	57,228	17.8%	5,749	$18.77
Class B	133	1,099,083	124,976	11.4%	(2,537)	$16.06
Class C	71	437,381	26,742	6.1%	3,250	$11.10
CBD Subtotal	223	1,857,397	208,946	11.2%	6,462	$16.16
Northeast						
Class A	6	66,387	12,247	18.4%	1,818	$17.71
Class B	446	6,607,693	339,857	5.1%	(9,881)	$13.29
Class C	129	681,372	7,557	1.1%	6,725	$12.46
Northeast Subtotal	581	7,355,452	359,661	4.9%	(1,338)	$13.42
Northwest						
Class A	8	320,277	3,971	1.2%	-	$17.00
Class B	194	1,873,783	41,438	2.2%	27,159	$11.78
Class C	80	447,277	6,600	1.5%	(6,600)	$7.50
Northwest Subtotal	282	2,641,337	52,009	2.0%	20,559	$11.18
Southeast						
Class A	20	899,576	68,362	7.6%	(48,458)	$24.44
Class B	396	5,645,824	147,086	2.6%	25,197	$13.46
Class C	65	314,779	-	0.0%	1,920	$13.25
Southeast Subtotal	481	6,860,179	215,448	3.1%	(21,341)	$16.83
Southwest						
Class A	13	400,465	4,240	1.1%	1,400	$15.83
Class B	185	1,920,933	33,022	1.7%	23,422	$13.01
Class C	99	684,599	22,421	3.3%	9,700	$7.71
Southwest Subtotal	297	3,005,997	59,683	2.0%	34,522	$11.22
Market Total	**1,864**	**21,720,362**	**895,747**	**4.1%**	**38,864**	**$14.64**

Industrial Market Insights

Lincoln, NE

First Half 2026

1900 Centerpark Rd.

NAI FMA Realty

Industrial

Highlights

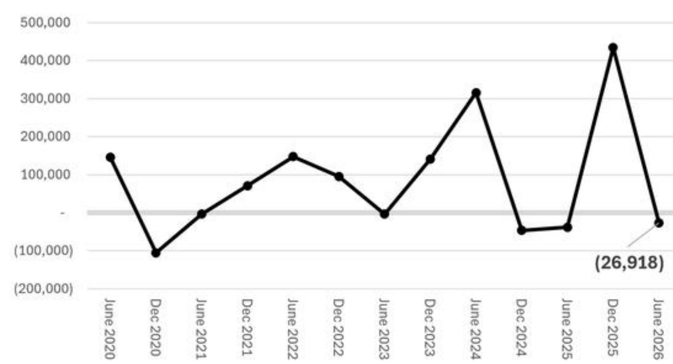
Vacancy	Absorption	Average Asking Rate (NNN)	New Construction SF
1.9%	(26,918)	$8.73/SF	100,000

Industrial Market Overview

Lincoln's industrial market remained one of the strongest commercial real estate sectors during the first half of 2026. Vacancy has remained exceptionally low with little fluctuation since 2024. While net absorption was slightly negative during the reporting period, the change was insignificant given the size of individual industrial transactions and does not indicate a shift in market fundamentals.

The rapid growth in asking rental rates experienced over the past several years has moderated across warehouse, manufacturing, and flex properties. Despite slower rent growth, limited available inventory continues to support demand for well-located industrial space.

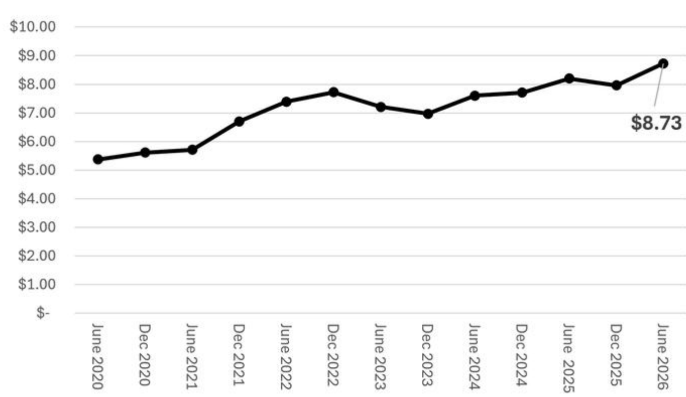
Historical Net Absorption



Asking Rate By Class (NNN)

	Low	High	Average
Warehouse	$5.50	$19.00	$8.88
Manufacturing	$4.00	$11.63	$7.42
Flex	$6.75	$14.00	$9.85

Historical Asking Rental Rates



Industrial

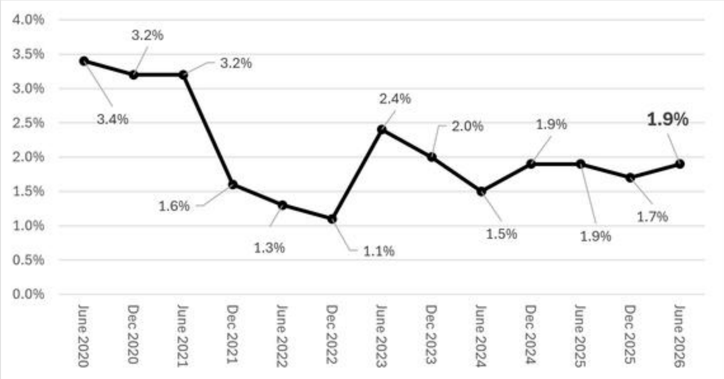
Marc Hausmann, SIOR, CCIM
Associate Broker

"While industrial vacancy has increased over the past year, it appears to be stabilizing at levels that remain exceptionally low by historical standards. Demand for small-bay industrial space continues to be strong, but larger users are taking a more cautious approach as they navigate today's economic environment. Rent growth has slowed as the market becomes more balanced, and with fewer industrial projects moving through the construction pipeline, future supply is expected to remain limited."

Key Trends and Market Drivers

Industrial asking rates continue to vary considerably based on building characteristics and site improvements. The highest warehouse asking rate, 1900 Centerpark Rd., reflects a 12,000-square-foot building situated on a seven-acre fenced site, where the additional land value contributes significantly to the overall asking rate. Similarly, the broad range of asking rates within the flex category reflects the variety of product types, which often combine warehouse space with office or retail components. The highest manufacturing asking rate represents a smaller facility that shares many characteristics with flex industrial space, illustrating how individual property features can influence market averages.

Historical Vacancy



Notable Activity

Industrial development continued within the Salt Bank development at 56th Street and Arbor Road, where a combination of owner-user and speculative buildings has attracted continued investment. With only a limited number of shovel-ready sites remaining, the development continues to demonstrate demand for modern industrial space and highlights the limited availability of development-ready land in Lincoln.

The Lincoln Airport has begun aggressively marketing its 650-acre industrial park after the success of the new 190,000 SF Timpte facility. The availability of a large, contiguous industrial site near Lincoln's air cargo and transportation infrastructure provides a significant long-term opportunity for future industrial expansion and could help accommodate larger users that have historically faced limited site selection options within the Lincoln market.

Industrial

Market Outlook

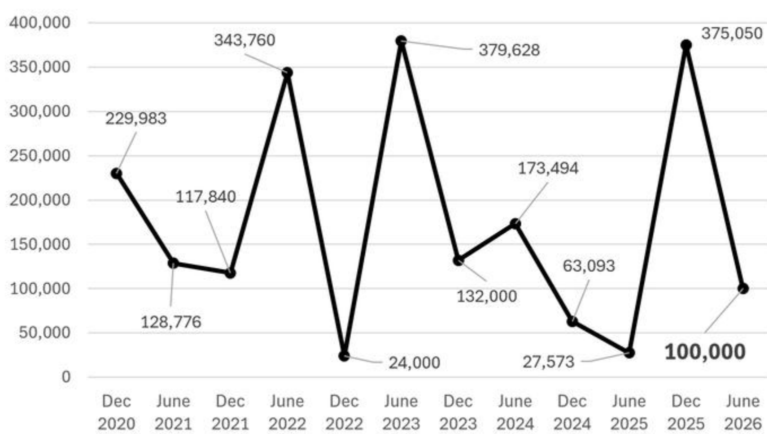
The industrial market is expected to remain one of Lincoln's strongest commercial property sectors over the near term. With vacancy remaining historically low and limited new inventory expected to be delivered, supply is not anticipated to outpace demand during the next six months. High-quality, functional buildings in established industrial locations are expected to remain the most sought-after properties.

Demand is expected to remain strongest for smaller industrial bays, which continue to lease more quickly than larger spaces. While larger users remain active in the market, the pool of prospective tenants is considerably smaller, often resulting in longer marketing periods for larger industrial buildings.

Notable Industrial Sales

Address	Size (SF)	Price	Price/SF	Submarket
1941 SW. 6th St.	32,968	$3,900,000	$118	SW
4016 Progressive Ave.	11,312	$1,700,000	$150	NE
5021 N. 57th St.	9,815	$975,000	$99	NE
235 S. Coddington Ave.	3,280	$450,000	$137	SW
201 NW. 14th St, Unit 2	1,080	$128,250	$119	NW

Historical New Industrial Construction (Square Feet)



Industrial

	# of Buildings	Total Rentable (SF)	Total Available (SF)	Total Vacancy	Net Absorption	Average Asking Rate ($/SF/YR)
CBD						
Warehouse	15	208,466	9,115	4.4%	-	$6.95
Manufacturing	6	222,826	-	0.0%	-	N/A
Flex	1	4,800	-	0.0%	-	N/A
CBD Subtotal	22	436,092	9,115	2.1%	-	$6.95
Northeast						
Warehouse	373	5,884,272	143,083	2.4%	82,853	$8.50
Manufacturing	52	3,871,604	78,000	2.0%	(27,800)	$6.88
Flex	56	884,328	25,179	2.8%	(12,721)	$8.44
Northeast Subtotal	481	10,640,204	246,262	2.3%	42,332	$7.94
Northwest						
Warehouse	279	6,827,682	89,000	1.3%	(154)	$6.51
Manufacturing	33	5,361,580	25,810	0.5%	-	$8.75
Flex	28	726,245	68,994	9.5%	(47,329)	$10.23
Northwest Subtotal	340	12,915,507	183,804	1.4%	(47,483)	$8.31
Southeast						
Warehouse	22	147,166	3,700	2.5%	(3,700)	$6.43
Manufacturing	1	8,829	-	0.0%	-	N/A
Flex	24	196,077	8,400	4.3%	(1,800)	$10.29
Southeast Subtotal	47	352,072	12,100	3.4%	(5,500)	$9.11
Southwest						
Warehouse	427	5,509,906	140,915	2.6%	(31,404)	$10.47
Manufacturing	23	1,654,268	24,633	1.5%	4,195	$7.74
Flex	75	760,216	2,100	0.3%	10,942	$8.95
Southwest Subtotal	525	7,924,390	167,648	2.1%	(16,267)	$10.11
Market Total	**1,415**	**32,268,265**	**618,929**	**1.9%**	**(26,918)**	**$8.73**

NAI FMA Realty

Data Drives Decisions
Experience Drives Results

ACCREDITED AMO MANAGEMENT ORGANIZATION INSTITUTE OF REAL ESTATE MANAGEMENT

SIOR

CCIM

IREM INSTITUTE OF REAL ESTATE MANAGEMENT

First Half 2026

NAI FMA Realty has been shaping the Lincoln commercial real estate landscape for over 60 years by providing solution-driven, innovative, and decisive services in the market. Incorporated in 1961, NAI FMA Realty has evolved into Lincoln's largest full-service commercial real estate firm offering brokerage, property management, facility maintenance, accounting and lease administration. Our breadth of services allows us to better understand and assist our clients in realizing their business and property objectives. As an NAI Global affiliate, we can leverage a global platform with our access to qualified local professionals and market data which empowers our clients in their decision-making.

At NAI FMA Realty, we are driven to deliver superior service and results. It is our people and their experience that makes the difference. We also understand that each assignment is different, but the keys to success are always the same. We produce positive outcomes by focusing on the following key areas:

LOCAL MARKET EXPERTISE

Superior knowledge of our market and the players assures that our clients work with the best-in-class providers in Lincoln

DATA DRIVEN DECISION MAKING

Our market intelligence goes beyond research. By combining market data with local expertise, we help clients evaluate opportunities, manage risk, and make confident real estate decisions.

FLEXIBILITY & CREATIVITY

As a locally owned and operated company, we pride ourselves in going beyond the traditional brokerage model to do whatever it takes to deliver results.

PASSION & ACCOUNTABILITY

Our passion and dedication for the business is evident in everything we do. We focus on the client first and develop a thoughtful and deliberate approach to solving our clients' needs.

THE SALES & LEASING TEAM

Where Experience Meets Analytics

At NAI FMA Realty, our Sales & Leasing department blends proven brokerage experience with modern business analytics to give clients a smarter edge. Our team brings decades of hands-on market expertise across all major asset classes, paired with data-driven insights that turn market information into actionable strategy—helping clients identify opportunities, manage risk, and position assets for long-term success.

Market Intelligence

Data-backed analysis using real-time market trends, absorption, pricing, and vacancy metrics.

National Reach, Local Focus

Local expertise backed by the global NAI network and shared market intelligence. Decades of boots-on-the-ground experience across Lincoln's office, retail, industrial, and investment sectors.

Strategic Execution

Hands-on guidance through negotiations, positioning, and timing—focused on outcomes, not just transactions.

Client Advocacy

Relentless representation with a client-first mindset, aligning every recommendation with long-term business and investment goals.

THE SALES & LEASING TEAM

Meet the Team

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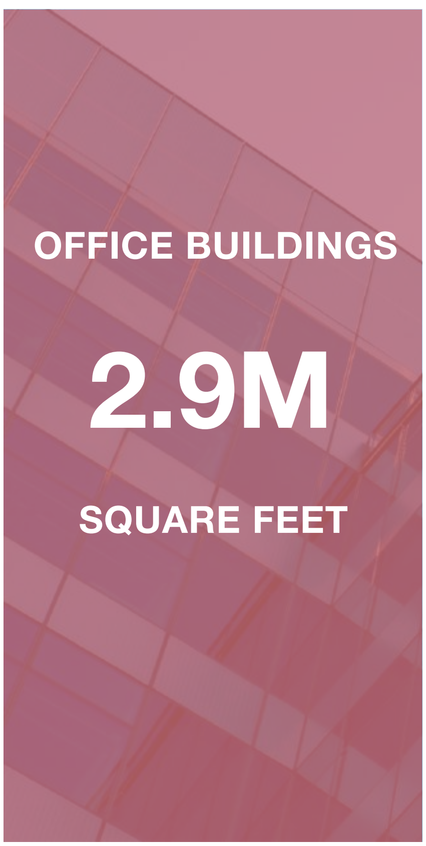
PROPERTY MANAGEMENT



THE PROPERTY MANAGEMENT TEAM

Property Management

- Lease Compliance and Administration
- Tenant Retention
- Contract and Vendor Management
- 24/7 Emergency Response

Accounting & Finance

- Budgeting
- Monthly rent statements and collections
- Invoice approval and payment
- Monthly Financial Report

Facilities Maintenance

- Proprietary maintenance dispatch system
- Development of proactive plans for roof maintenance, HVAC, landscaping, code compliance, mechanical and electrical systems and parking maintenance.
- Compliance with all building codes, municipal and state regulations

Project Coordination

- The planning and construction of a project from inception to completion with the purpose of controlling time, cost and quality.

Meet the Team

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THE PREMIER MANAGED

COMMERCIAL REAL ESTATE NETWORK

NAI Global is a leading global commercial real estate brokerage firm. NAI Global offices are leaders in their local markets and work in unison to provide clients with exceptional solutions to their commercial real estate needs. NAI Global has offices strategically located throughout North America, Latin America and the Caribbean, Europe, Africa and Asia Pacific, with local market professionals.

NAI Global professionals achieve extraordinary results for clients locally and globally through creativity, collaboration and the consistent delivery of exceptional knowledge and service that only market-leading firms can provide.

NAI Global provides a full range of corporate real estate services, including brokerage and leasing, property and facilities management, real estate investment and capital market services, due diligence, global supply chain and logistics consulting and related advisory services.

325+
Offices Worldwide

65
Countries

5,800+
Professionals

1.1+
Billion Square Feet Managed

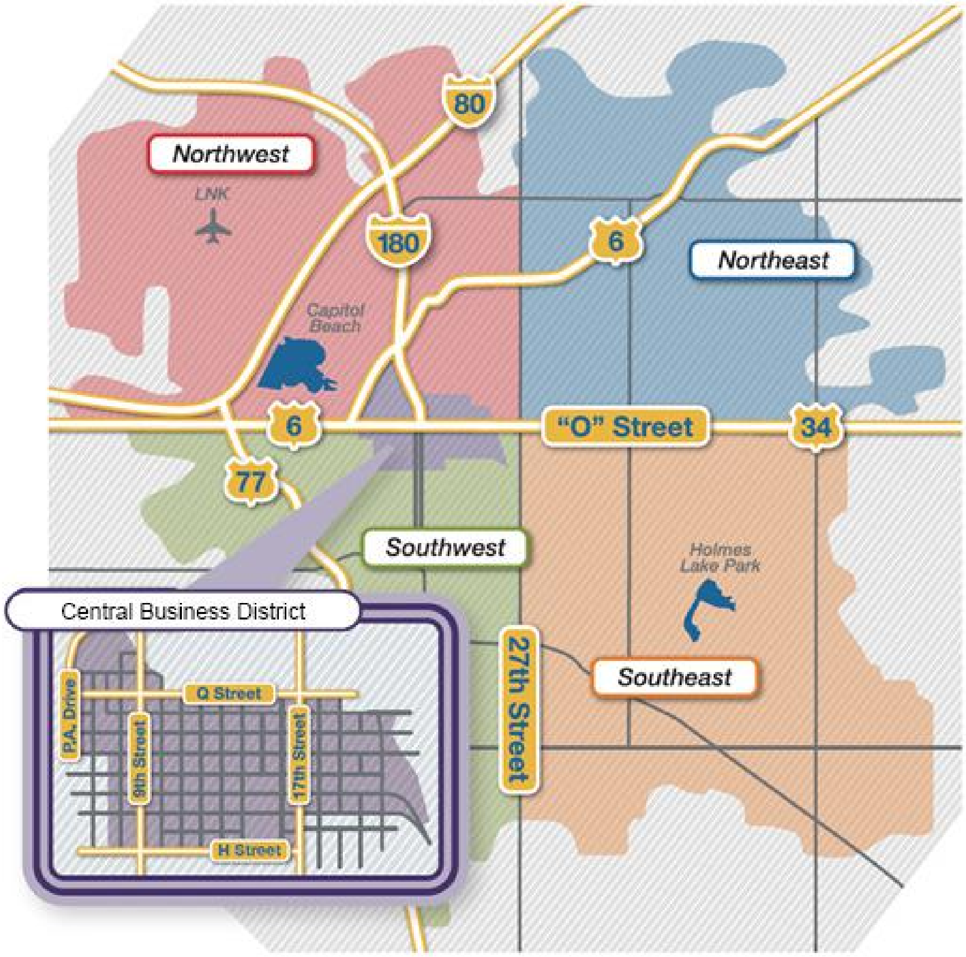
$20
Billion Transaction Volume

$1.5
Billion Total Gross Revenue

Methodology

NAIFMA Realty

SUBMARKETS



METHODOLOGY

Overview and Report Scope

This market report is produced on a semiannual basis with measurement cut-off dates of June 30 and December 31. Metrics and commentary describe prevailing market conditions during the applicable reporting period and are structured to support consistent trend comparison over time.

The analysis covers commercial real estate inventory in Lincoln, segmented by major property type (Office, Retail, and Industrial). Government-owned buildings are excluded from the market inventory and related calculations.

Market Segmentation

Buildings are categorized by primary use type based on dominant functional utilization:

- Office includes properties where the majority of rentable square footage is dedicated to office use. In the Central Business District (CBD), some buildings include ground-floor retail with office above; the retail portion of these buildings is classified as retail while the other floors are classified as office.
- Retail includes standard retail formats such as strip centers, freestanding retail, automotive retail/service uses, bank branches, and daycare facilities.
- Industrial inventory is classified into Warehouse, Manufacturing, and Flex. Warehouse and Manufacturing are categorized based on majority use (storage/distribution vs. production). Flex properties are defined as industrial buildings with a significant office and/or showroom component.

METHODOLOGY

Submarket Definitions
Submarket boundaries are defined using major arterial corridors to maintain geographic consistency in market comparisons. The market is segmented into five submarkets: CBD, Northeast, Northwest, Southeast, and Southwest. Submarket divisions use 27th Street as the east/west boundary and O Street as the north/south boundary. The CBD includes Downtown, the Haymarket, and the Telegraph District.

Data Sources
Market fundamentals are developed using a combination of third-party sources, publicly available records, and internal research maintained by NAI FMA Realty.

- Vacancy and Asking Rental Rates: Derived from publicly marketed availability and pricing information gathered from online commercial real estate listing platforms (including Moody's, Crexi, and LoopNet) and supplemented by market intelligence from NAI FMA Realty's Commercial Advisors.
- Net Absorption: Calculated using NAI FMA Realty's internal property database for commercial inventory in Lincoln. Baseline inventory and building size information are sourced from the Lancaster County Assessor.
- Sales Metrics: Sales volume and pricing indicators are derived from publicly available transaction records maintained by the Lancaster County Assessor.
- Construction/Permit Activity: Permit counts and permit valuation by sector are derived from publicly available City of Lincoln permit reporting.

Measurement Standards and Definitions
<u>Vacancy</u>
Vacancy represents the share of total rentable building area that is unoccupied and actively available during the reporting period. Vacancy status is updated based on verifiable changes in occupancy. Specifically, changes are recorded when occupancy is confirmed, such as a visible move-in or move-out. If a lease has been executed but physical occupancy occurs after the semiannual cut-off date, the space is reported as vacant for that period to preserve timing consistency within the dataset.

<u>Net Absorption</u>
Net absorption measures the net change in occupied square footage during the reporting period and is calculated as:
Net Absorption = (Occupied SF at Period End) – (Occupied SF at Period Start)
Positive absorption indicates net occupancy growth from move-ins, new fully occupied buildings, and expansions, while negative absorption indicates net occupancy loss from move-outs and contractions. Net absorption is reported in square feet and reflects the six-month period ending at the semiannual cut-off date.

METHODOLOGY

Asking Rental Rates and Lease-Type Normalization

Asking rental rates represent the marketed asking price for available space and may not reflect effective rents after concessions, tenant improvement allowances, abated rent, or other negotiated terms. Rates are reported on a per-square-foot, per-year basis.
To improve comparability across listings, asking rates are converted to the standardized reporting basis used in this publication. Marketed asking rates are collected in the lease structure provided by the source (e.g., Full Service Gross, Modified Gross, or NNN) and normalized prior to averaging. Conversions are applied as follows:

Office (reported as Full Service Gross)
Office asking rates are reported as Full Service Gross (FSG). When rates are marketed under other lease structures, the following conversion factors are applied:

- If marketed as NNN:
- FSG Equivalent = NNN Rate + $7.50/SF/YR
- If marketed as Modified Gross:
- FSG Equivalent = Modified Gross Rate + $3.75/SF/YR

Retail (reported as NNN)
Retail asking rates are reported as NNN. When rates are marketed under other lease structures, the following conversion factors are applied:

- If marketed as Full Service:
- NNN Equivalent = Full Service Rate – $5.00/SF/YR
- If marketed as Modified Gross:
- NNN Equivalent = Modified Gross Rate – $2.50/SF/YR

Industrial (reported as NNN)
Industrial asking rates are reported as NNN. When rates are marketed under other lease structures, the following conversion factors are applied:

- If marketed as Full Service:
- NNN Equivalent = Full Service Rate – $4.00/SF/YR
- If marketed as Modified Gross:
- NNN Equivalent = Modified Gross Rate – $2.00/SF/YR

Converted figures are used solely for reporting consistency across the dataset and represent standardized estimates of operating expense pass-throughs by sector.

Data Limitations and Verification
This report incorporates information gathered from third-party sources and publicly available datasets. While NAI FMA Realty applies internal consistency checks and market validation procedures, some information used in the preparation of this report may not be independently verified. Metrics presented should be interpreted as market indicators reflective of the best available information as of the reporting cut-off date.

NAI FMA Realty

DATA-DRIVEN. RELATIONSHIP-FOCUSED. RESULTS-ORIENTED. WE PROVIDE FULL-SERVICE COMMERCIAL REAL ESTATE SOLUTIONS DESIGNED TO HELP INVESTORS, OWNERS, AND TENANTS SUCCEED IN A DYNAMIC MARKET.

SERVICES:
ACQUISITIONS & DISPOSITIONS | TENANT REPRESENTATION | ADVISORY SERVICES | PROPERTY MANAGEMENT | LEASE ADMINISTRATION | FINANCIAL REPORTING | PROJECT COORDINATION | RESEARCH & ANALYTICS | FACILITY MAINTENANCE

BACKED BY LOCAL EXPERTISE AND THE GLOBAL NAI PLATFORM, WE BRING CLARITY, STRATEGY, AND EXECUTION TO EVERY ASSIGNMENT.

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