CoStar Group

New U.S. Industrial Leases Return to Prior Peak, Renewals Drop

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 <location value="LU:us.va.arlton" idarc="xmltag.org">ARLINGTON, Va.</location>--(BUSINESS WIRE)--Oct. 23, 2026-- The <location value="LC:us" idarc="xmltag.org">U.S</location> industrial new lease count index has returned to its historical peak, while the renewal index has fallen, according to data from CoStar, the leading global provider of online real estate marketplaces, information and analytics in the property markets. This press release features multimedia. View the full release here: https://www.businesswire.com/news/home/20261023738510/en <img src="https://mms.businesswire.com/media/20261023738510/en/2943928/4/PR_20261023_US_industrial_leasing_image1.jpg" alt=""> Large tenants have led new-lease recovery, as the index for leases of 200,000 square feet or more has climbed to 92% of its peak, while the 50,000 – 199,999 square-foot segment has recovered to about 90%.   Smaller tenants remain closer to prior leasing highs, with all categories below 50,000 square feet standing at roughly 91-98% of the peak, although momentum has begun to level off in several size ranges.   "While new leasing activity has recovered, it does not translate one-for-one into net absorption," said <person>Juan Arias</person>, national director of industrial analytics at <org value="NASDAQ:NMS:CSGP" idarc="xmltag.org">CoStar Group</org>. "Relocations and weaker renewals can leave space behind, meaning recovery will also be influenced on how quickly landlords can backfill existing buildings. Nationally, demand is extending beyond the newest warehouses into older buildings larger than 500,000 square feet, while mistsized buildings still face excess supply and elevated competition for tenants."   Among the major markets, <location value="LU:us.tx.ftworth" idarc="xmltag.org">Dallas-Fort Worth</location> and <location value="LU:us.tx.austin" idarc="xmltag.org">Austin</location> lead recovery at 97% and 95% of peak, respectively, on average across size bands. Those markets, along with <location value="LU:us.tx.houstn" idarc="xmltag.org">Houston</location>, have reached their historical peak for leases of 200,000 square feet or more.   Recovery remains uneven across markets, with <location value="LU:us.mo.stlouis" idarc="xmltag.org">St. Louis</location>, <location>East Bay</location> and <location value="LU:us.oh.cincin" idarc="xmltag.org">Cincinnati</location> averaging only 53-59% of peak across size bands, which is the softest performance of the top 50 markets.   For more information about the company and its products and services, please visit costargroup.com.   About CoStar Group   CoStar Group (NASDAQ: CSGP) is a global leader in commercial real estate information, analytics, online marketplaces, and 3D digital twin technology. Founded in 1986, CoStar Group is dedicated to digitizing the world's real estate, empowering all people to discover properties, insights, and connections that improve their businesses and lives.   CoStar Group's major brands include CoStar, a leading global provider of commercial real estate data, analytics, and news; LoopNet, the most trafficked commercial real estate marketplace; Apartments.com, the leading platform for apartment rentals; Homes.com, the fastest-growing residential real estate marketplace; and Domain, one of Australia's leading property marketplaces. CoStar Group's industry-leading brands also include Matterport, a leading spatial data company whose platform turns buildings into data to make every space more valuable and accessible; STR, a global leader in hospitality data and benchmarking; Zonda, a leading provider of data, analytics, software, and marketplace solutions for the residential construction industry; Ten-X, an online platform for commercial real estate auctions and negotiated bids; and OnTheMarket, a leading residential property portal in the United Kingdom.   CoStar Group's websites attracted over 118 million average monthly unique visitors in the second quarter of 2026, serving clients around the world. Headquartered in Arlington, Virginia, CoStar Group is committed to transforming the real estate industry through innovative technology and comprehensive market intelligence. From time to time, we plan to utilize our corporate website as a channel of distribution for material company information. For more information, visit CoStarGroup.com. <img alt="" src="https://cts.businesswire.com/ct/CT?id=bwnews&sty=20261023738510r1&sid=acq9&distro=nx&lang=en" style="width:0;height:0"> View source version on businesswire.com: https://www.businesswire.com/news/home/20261023738510/en/ News Media Contacts

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