



THE CONNECTION

Economic Development and Our Community

Industry & Office Market Trends DFW

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Overview

According to Cushman & Wakefield's *MarketBeat Q3 2025* report, the Dallas–Fort Worth region has an estimated 4.3 million people employed, keeping the unemployment rate at 3.8%, slightly below the national rate of 4.3%.

The industrial sector is expected to see steady growth over the next year. While overall industrial employment has softened, manufacturing posted a modest 0.9% year-over-year decline.

The Q3 office report notes that the service sector saw a small dip in revenue and employment in September, following mild gains in July and August. Still, recent improvements in revenue, employment, and capital investment indexes suggest favorable conditions for increased office demand in the coming months.

Industrial

With a total industrial inventory of about 1.03 billion square feet, the overall vacancy rate is 8.8% across the region, 9.2% in Dallas and 7.8% in Fort Worth.

Most of the vacancies are concentrated in warehouse and distribution buildings, which are at 10.1%, followed by flex/office service centers at 5.8%. The manufacturing sector has the tightest availability, with vacancies at only 1.1%.

OVERALL VACANCY & ASKING RENT

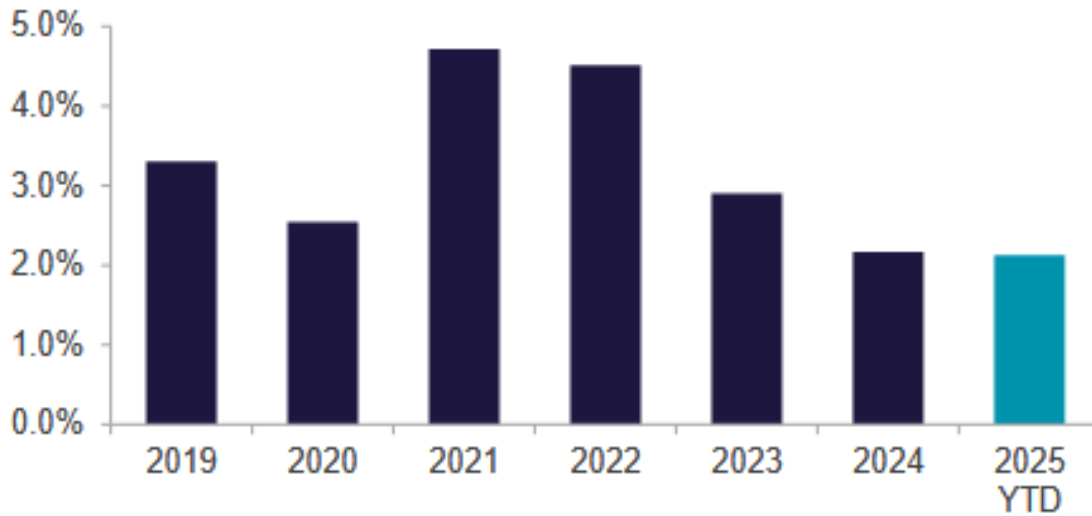


SPACE DEMAND / DELIVERIES

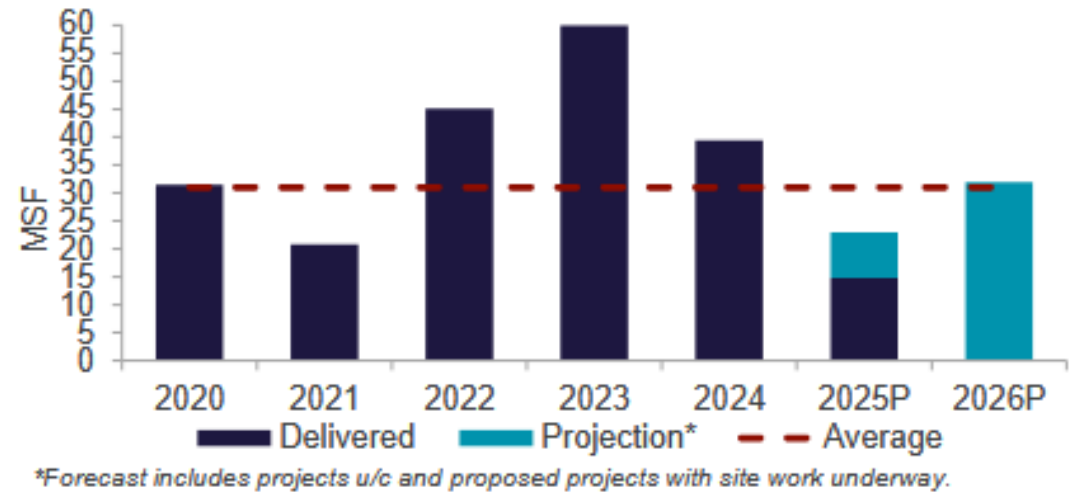


Sources: [MARKETBEAT DFW, INDUSTRIAL Q3 2025](#)

NET ABSORPTION AS % OF INVENTORY



ESTIMATED COMPLETIONS BY YEAR BUILT *



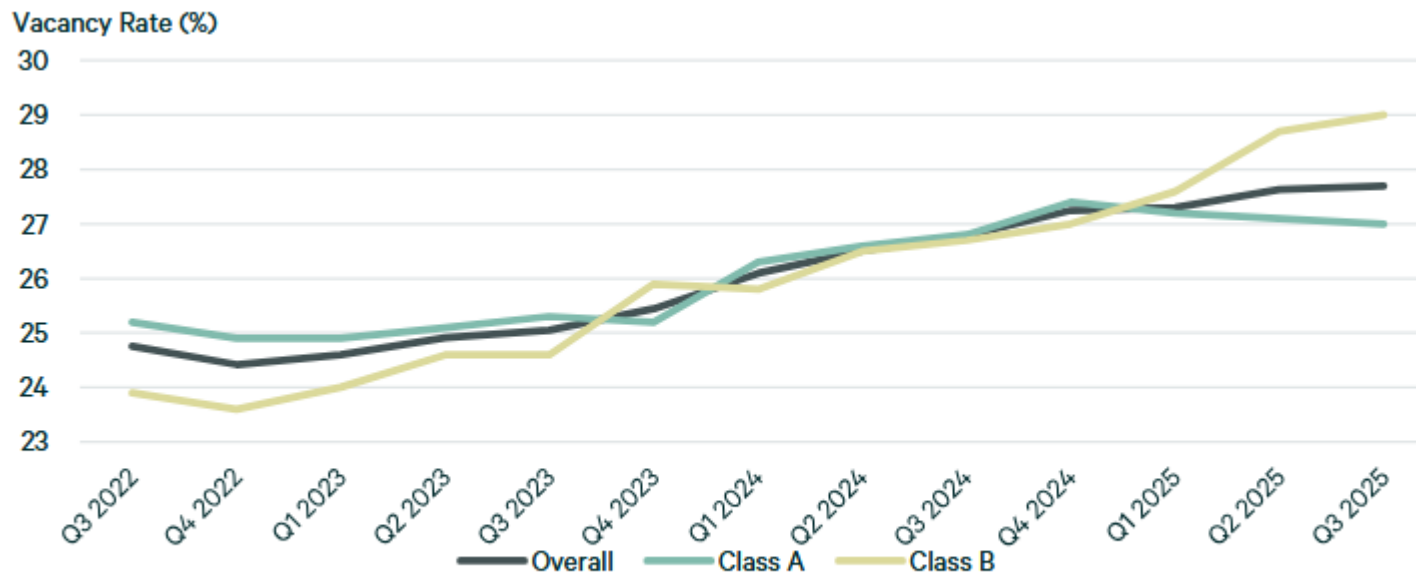
Among the largest lease transactions in Q3, Modine Manufacturing led the list with a new 683,646 SF lease in the Great Southwest submarket.

The other major transactions were renewals, including American Standard (626,100 SF), Lasko Products (486,726 SF), Spreetail (416,891 SF), and Dr Pepper Snapple Group (376,601 SF).

Sources: [MARKETBEAT DFW](#), [INDUSTRIAL Q3 2025](#)

Office

The region's overall vacancy rate has been rising steadily since Q4 2022. Class A and Class B type followed a similar vacancy trend through early 2025. Starting in Q1 2025, the pattern shifts as vacancies in Class A space begin to decline, while Class B vacancies rise sharply.

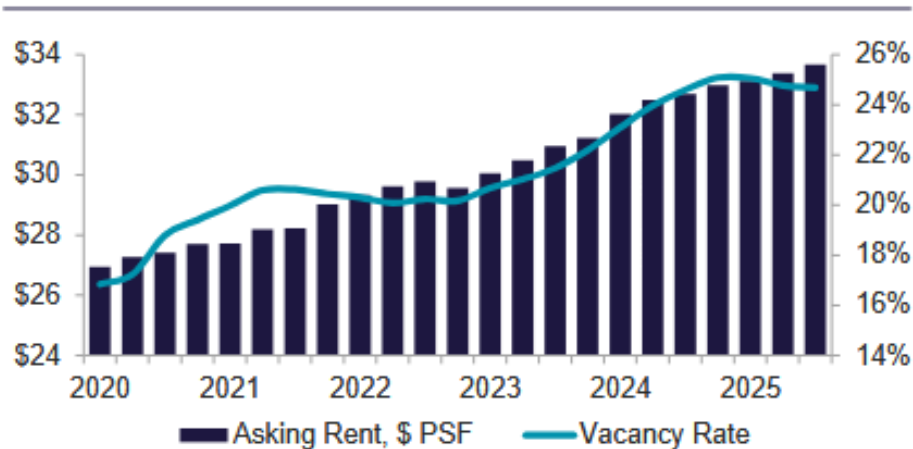


Source: CBRE Research, Q3 2025

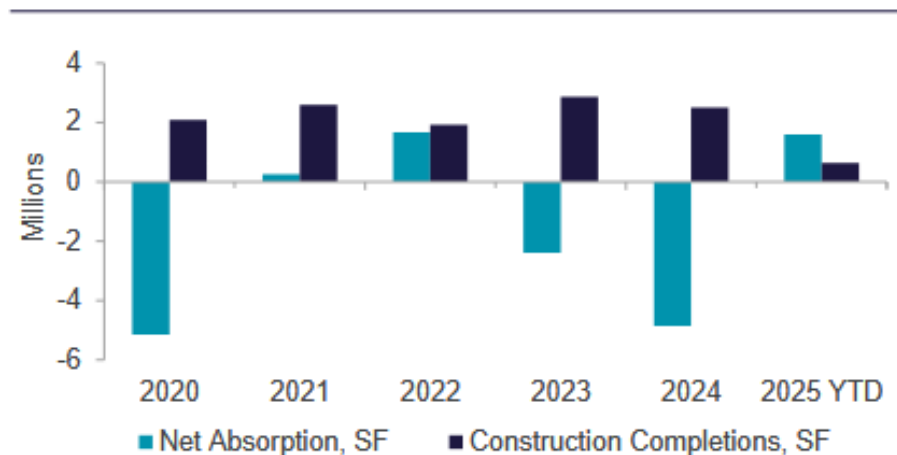
Cushman & Wakefield's Q3 report shows that the overall office vacancy rate in the DFW region is 24.7%, with Dallas at 25.8% and Fort Worth at 24.7%.

Class A has the highest vacancy rate at 26.6%, followed by Class B at 22.4% and Class C at 12.2%. Although Class A appears to be the weakest performer, it also represents the largest share of the market at over 151 million square feet, nearly twice the combined size of Class B and C inventory.

OVERALL VACANCY & ASKING RENT

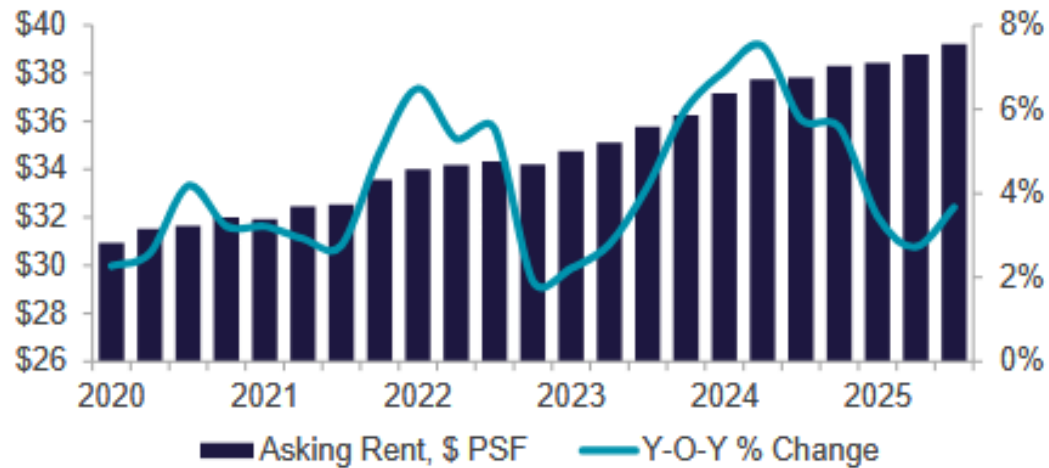


SPACE DEMAND / DELIVERIES

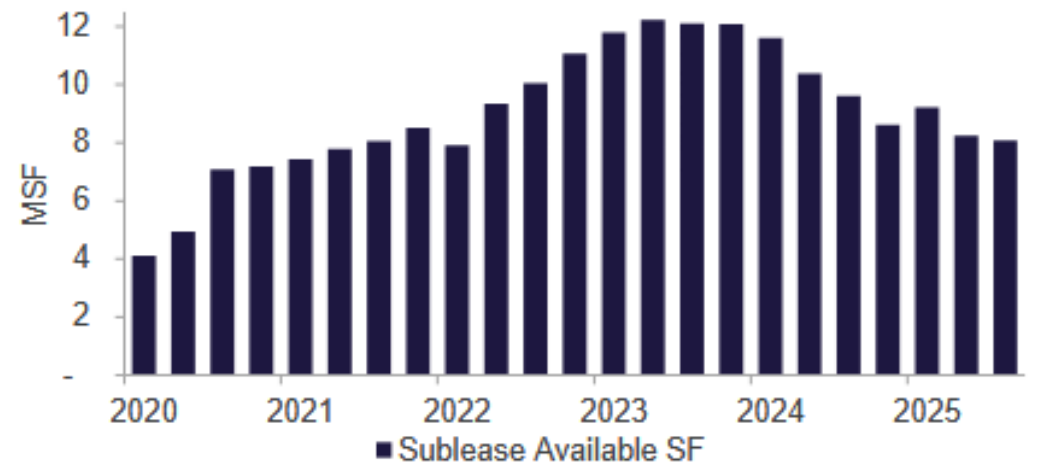


Sources: [MARKETBEAT DFW, OFFICE Q3 2025](#)

CLASS A OVERALL ASKING RENT



SUBLEASE OFFERINGS



One of the largest office lease transactions in Q3 was PennyMac’s new 300,000-SF lease in the Legacy/Frisco submarket. Other notable deals included EY (116,682 SF), Scotiabank (100,835 SF), and HILTI (99,110 SF).

Sources: [MARKETBEAT DFW, OFFICE Q3 2025](#)

An Economic Engine for the Region

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