

NCEDA

Legislative Breakfast

Real Estate, AI, Power and Labor

“Maintaining the Lead”

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May 2026



My Background

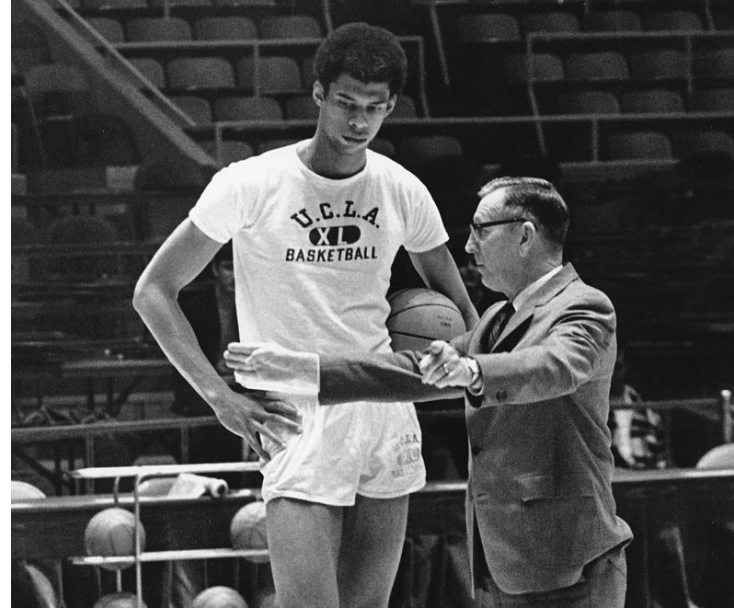


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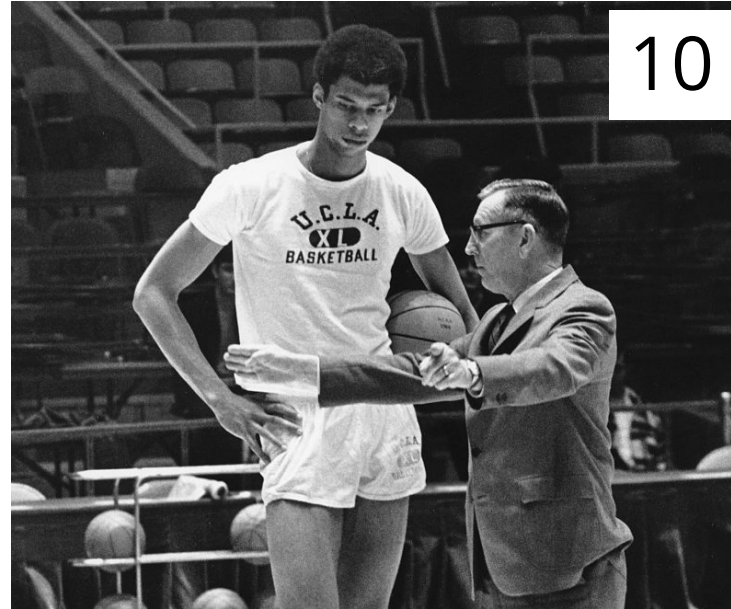
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What do these teams have in common?



What do these teams have in common?



North Carolina's Remarkable Run

11

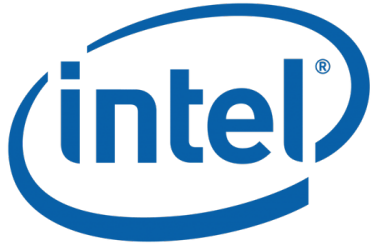
times ranked #1 in
the last 20 years

Top 4 every single year

Strong fundamentals:

- low unionization
- competitive power rates
- favorable tax structure
- community college system

What do these companies have in common?



What do these companies have in common?

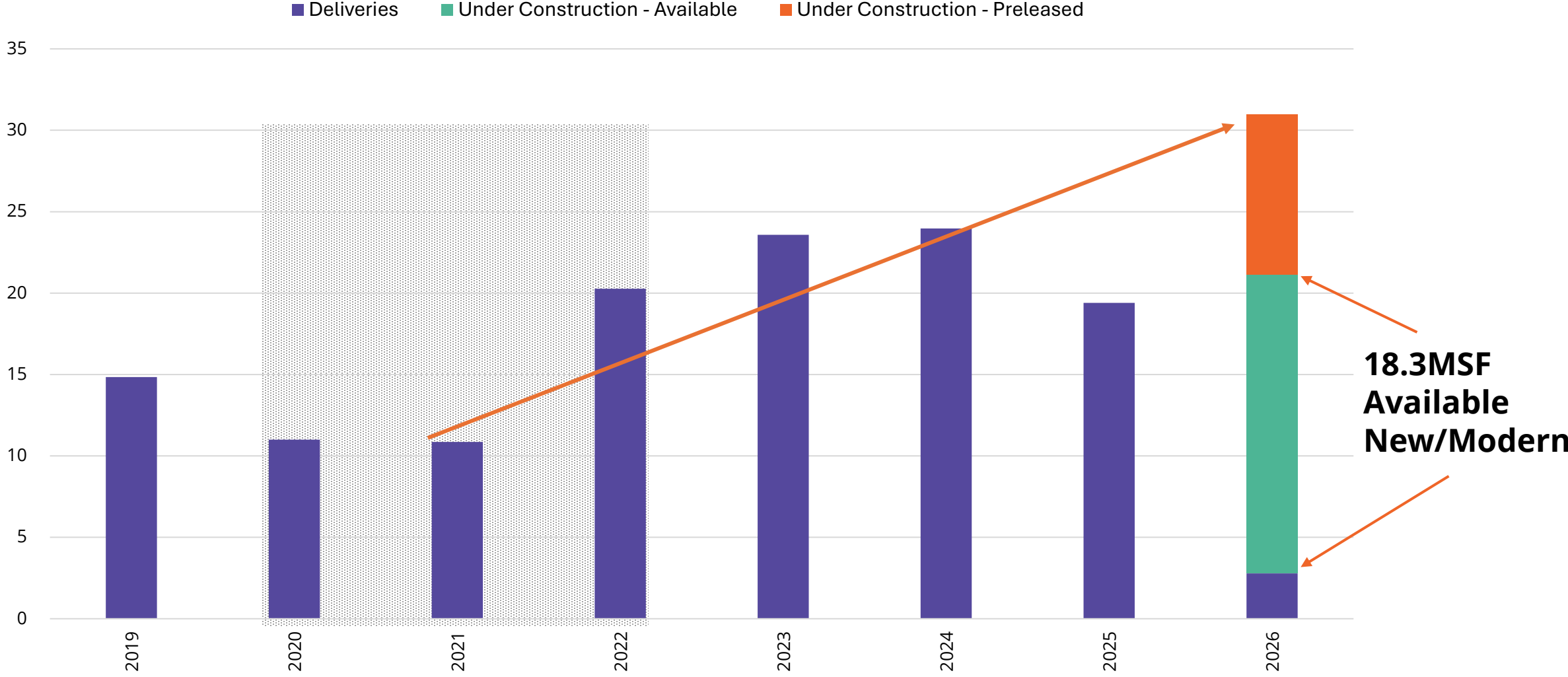
They didn't maintain their lead

They were complacent

State of the North Carolina Industrial Market

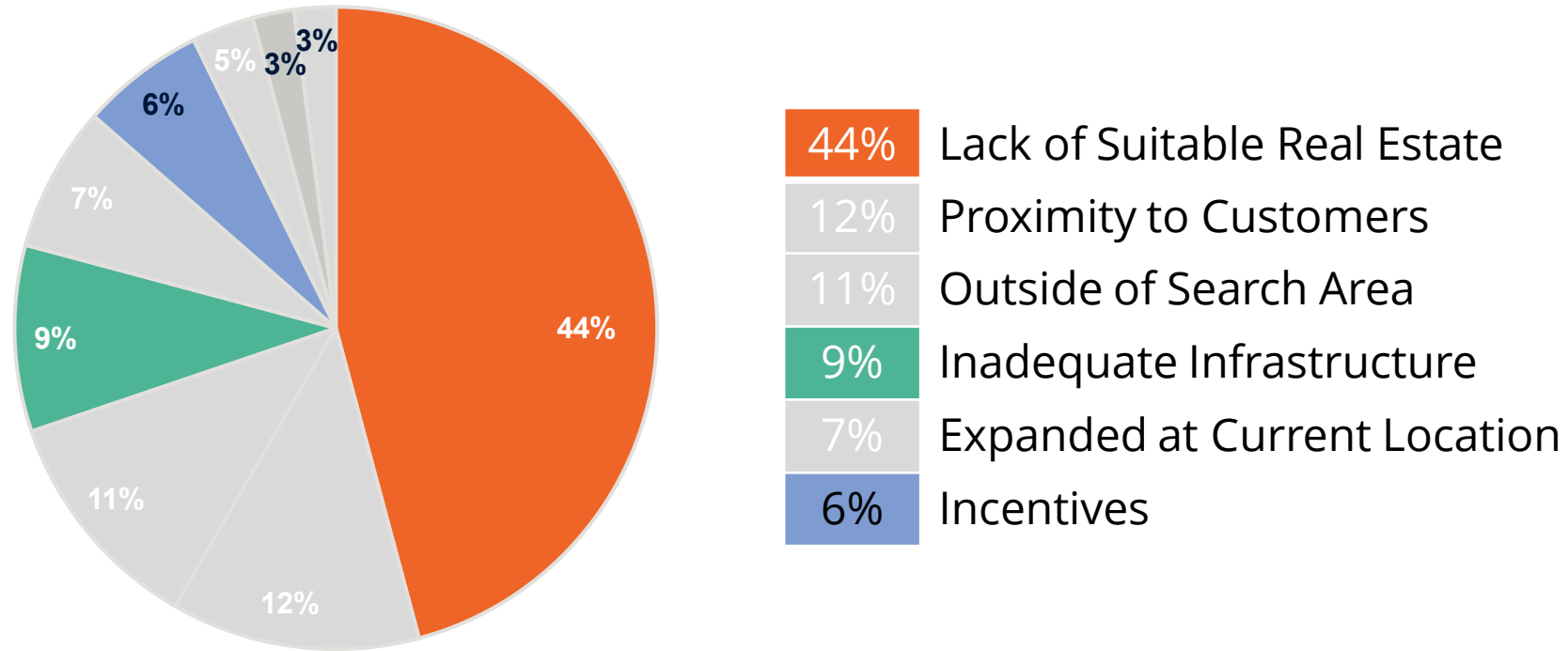


Private Industrial Development in North Carolina



Buildings over 50,000sf
Source: Avison Young | Costar

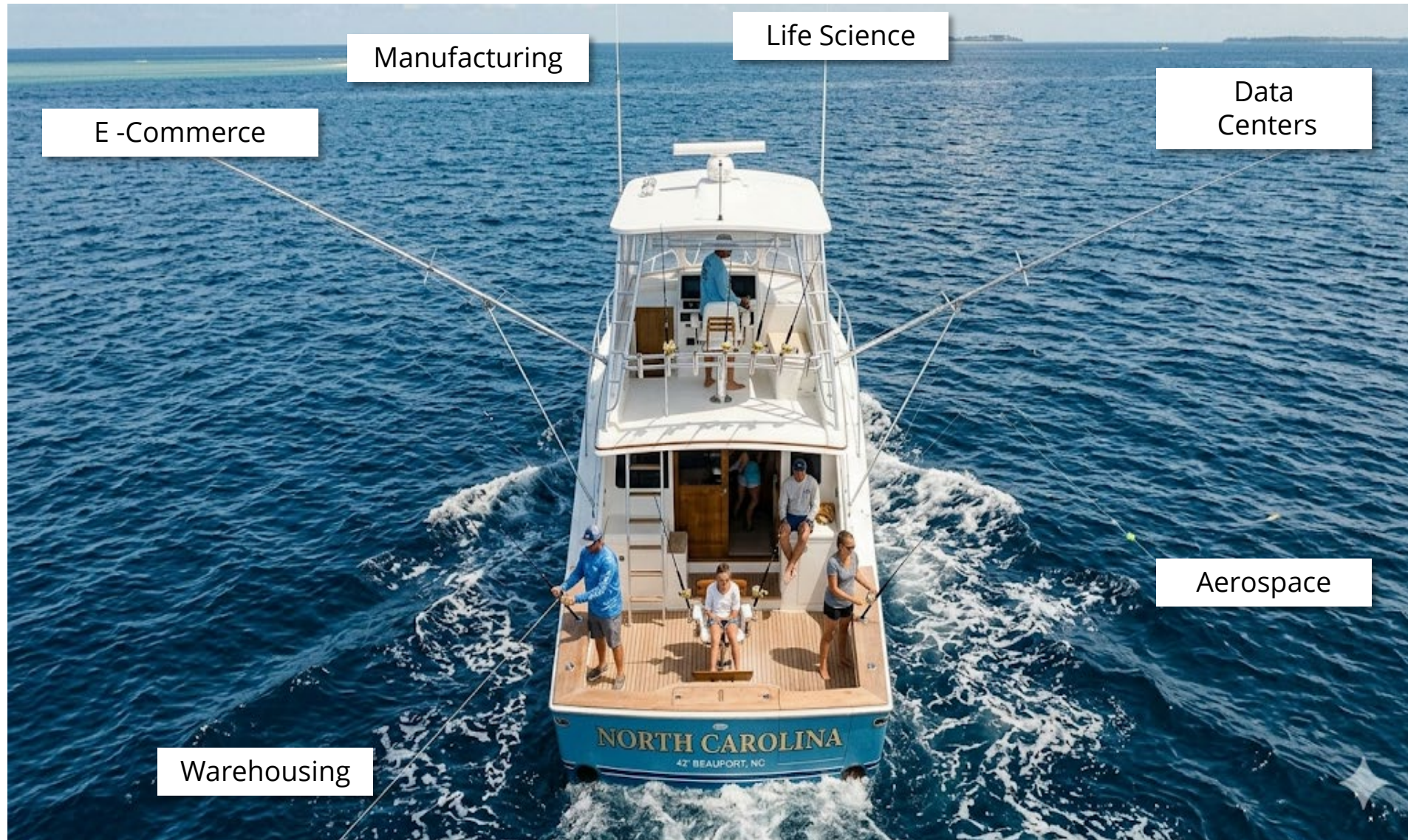
Why did North Carolina lose projects in 2025?



#1 Reason: Lack of Real Estate

**Even though we have an abundance of buildings,
we still don't have the right ones. Why?**

You want multiple lines with different-sized hooks



What 'Site Ready' Actually Means



Site Risk is the #1 Development Risk for Build-to-Suits or Spec Development

Reducing that risk eliminates some deal “friction.”

The Impact of AI on the job market

"Most white-collar tasks "will be fully automated by an AI within the next 12 to 18 months."
Mustafa Suleyman, Microsoft AI CEO

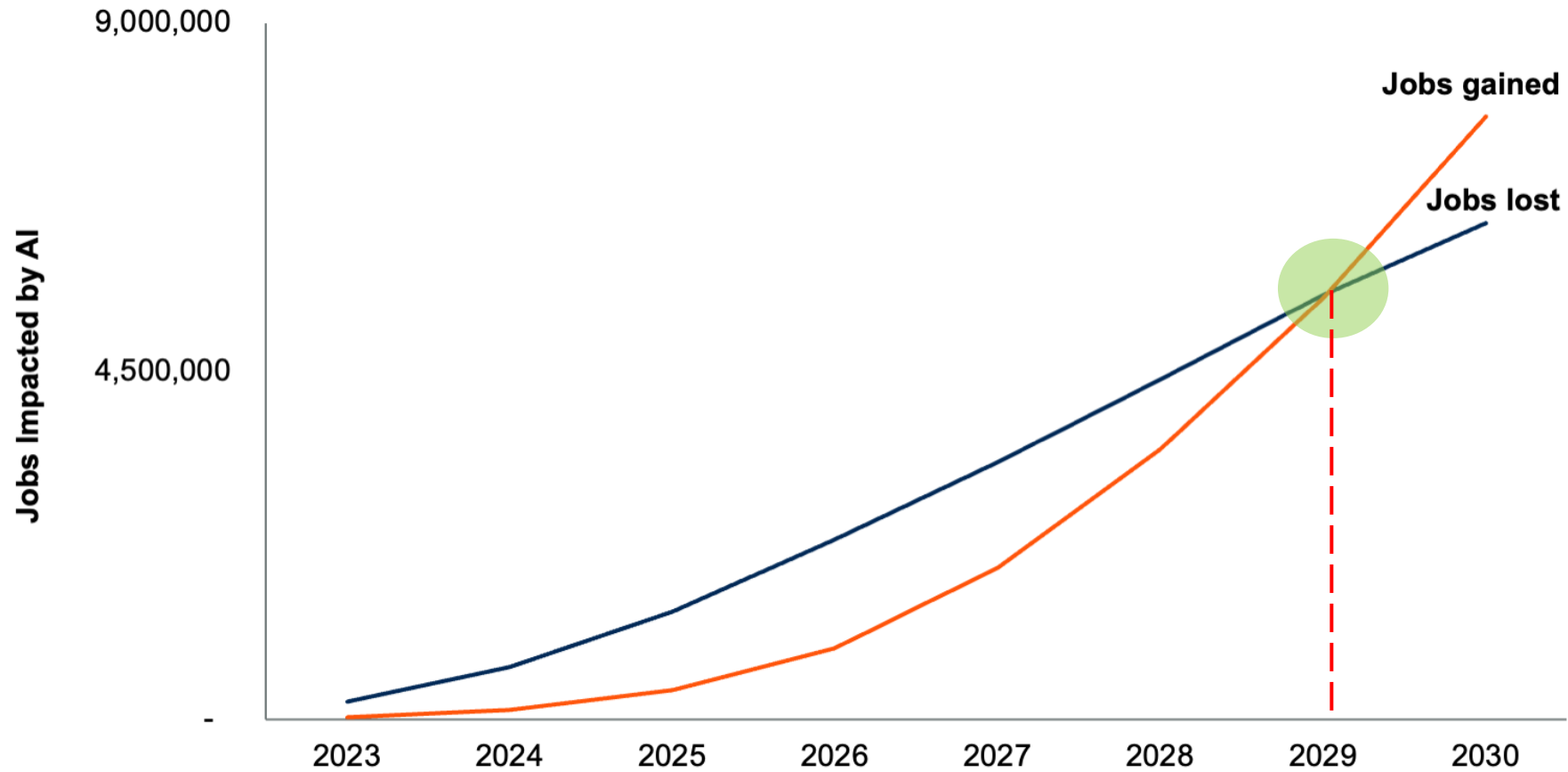
"The best protection against displacement is to transform yourself." Satya Nadella, Microsoft CEO

"AI could cause a "white-collar bloodbath," wiping out half of entry-level office jobs in one to five years." Dario Amodei, Anthropic CEO

AI "is going to change literally every job." Doug McMillon, then Walmart CEO,

"New companies with new jobs will come from AI and increase total employment." Mark Cuban

The Impact of AI on the job market

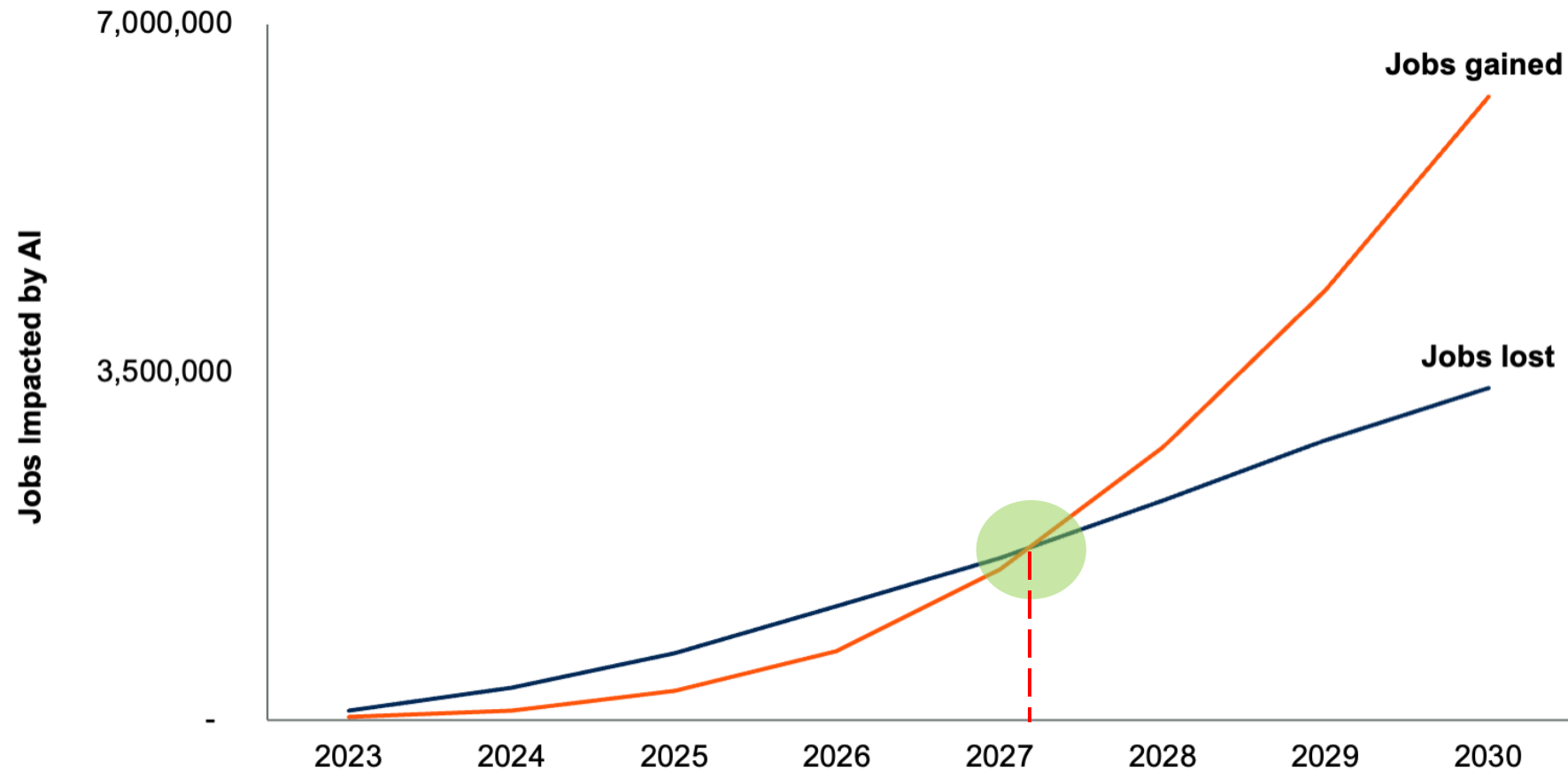


Source: Gartner

^a Global jobs, excluding China and India

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The Impact of AI on asset intensive companies



Source: Gartner

^a Global jobs, excluding China and India
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AI Labor Shift – Hyperbole or understated?

NORTH CAROLINA'S FUNDAMENTALS

Low unionization

Competitive power rates

Favorable tax structure

Community college system

THE WORKFORCE WAVE COMING

Half

of entry-level white-collar jobs at risk in 1-5 years (Anthropic)

2027

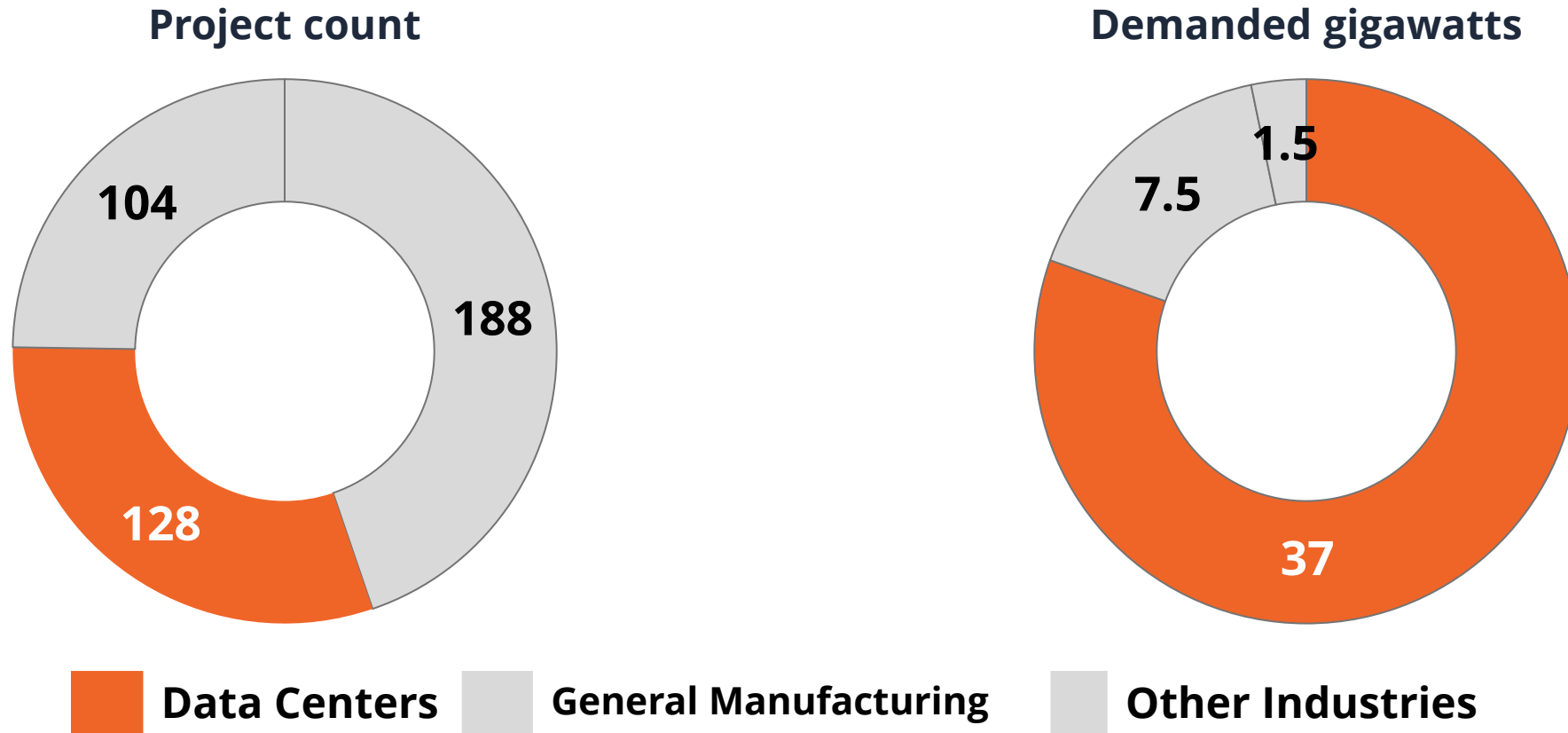
asset-intensive jobs gained crosses jobs lost (Gartner)

58

community colleges in North Carolina

Duke - Carolinas Economic Development Pipeline

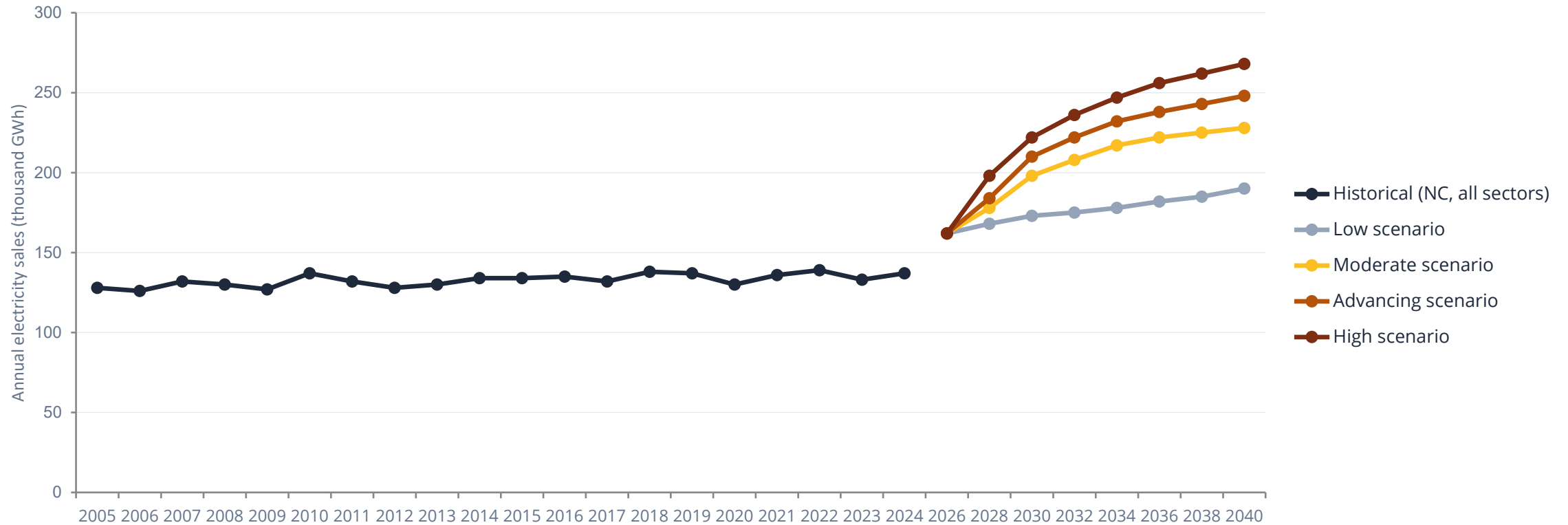
October 2025



Data centers: 30% of project count, 80% of demanded gigawatts

North Carolina Electricity Demand, 2005–2040

Duke Energy Carolinas system load projections under four development scenarios (2026-2040)

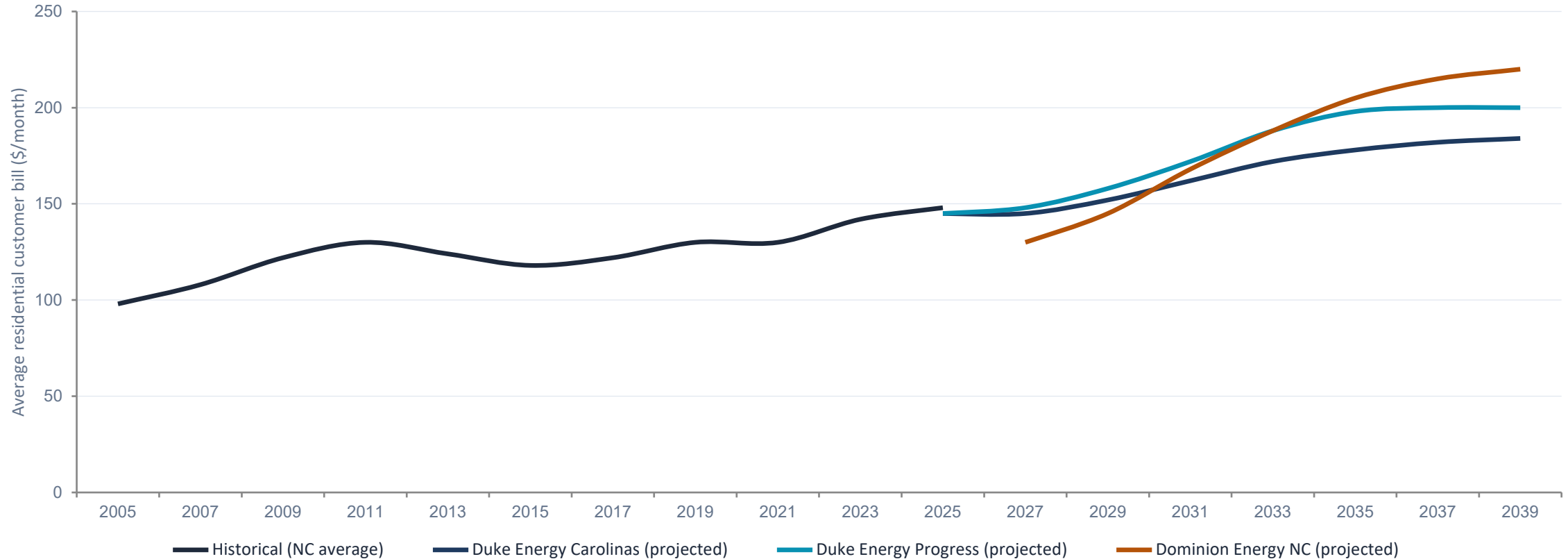


+7% growth in NC electricity sales, 2005–2024

+16% to +60% projected growth, next 15 years

Average Monthly Residential Electricity Bill, North Carolina

Historical (2005-2024) and projected (2025-2040) for the three investor-owned utilities serving North Carolina



+22% increase in average residential bill, 2020–2025

+40-70% projected bill increase over next 15 years (per IRPs)

Source: NC Energy Policy Task Force Interim Report - February 2026

Maintaining the Lead

- 1 Is our 92MSF the right product, in the right place, for the next wave of demand?
- 2 Are we developing for the forecasted demand?
- 3 What type of real estate is needed to meet the demand?
- 4 Will Power availability and its timely delivery match demand?
- 5 Are our 58 community colleges sized and funded for what AI is about to do to the labor market?