



# U.S. COLD STORAGE

Shifting demand, constrained supply and evolving operational needs are reshaping the U.S. cold storage market.

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## Cold Storage is Evolving From Specialized Space to Strategic Infrastructure

Cold storage plays a specialized yet increasingly vital role in the U.S. industrial landscape by supporting the transportation of food, pharmaceuticals, and other temperature-sensitive products through complex national supply chains. By 2025, U.S. refrigerated warehouse capacity reached 3.99 billion cubic feet, highlighting the extensive infrastructure needed to keep these supply chains functioning efficiently. Unlike conventional warehousing, cold storage operations are closely linked to several factors such as location, power availability, refrigeration systems, building design, and proximity to transportation, labor, and customers. These factors can significantly impact throughput, product integrity, and operating costs.

This interconnection makes commercial real estate a crucial component of cold-chain strategy. Modern cold storage facilities are being designed with a focus on increased density, automation, and energy efficiency. However, high development costs and the need for specialized infrastructure create challenges for adding new capacity. Simultaneously, institutional investment has transitioned cold storage from a niche property type to a more established real estate asset class, introducing new capital and modernization into the sector.

For businesses, this means that the decision regarding real estate extends far beyond just rent. Choosing the right facility and location can enhance operational efficiency, resilience, and facilitate future growth, while selecting an unsuitable one can limit operations for years to come.

## Institutional Capital is Reshaping Cold Storage

Cold storage has transformed from a niche property type into a prominent institutional asset class. The involvement of private equity and infrastructure capital has spurred consolidation, modernization, and investment in automation and new facilities. For those who occupy these spaces, increased institutional ownership can lead to more advanced facilities and wider networks. However, it also brings a heightened focus on asset performance, capital investment, and long-term financial sustainability.

Sources:  
U.S. Department of Agriculture, National Agricultural Statistics Service, Capacity of Refrigerated Warehouse 2025 Summary, February 2026.  
Alexandra Walsh, "Private Equity & Cold Storage: Expert Q&A on Institutional Investment Trends," COLD FACTS, Global Cold Chain Alliance, May 5, 2026, <https://www.gcca.org/magazine-article/why-is-private-equity-so-hot-on-cold/>

For cold storage occupiers, the building is part of the operation.

## Five Cold Storage Trends to Watch

### 1. Cold-storage capacity is expanding, but requirements are changing.

U.S. refrigerated warehouse capacity reached 3.99 billion cubic feet in 2025, up roughly 8 percent from 2023, while the number of facilities increased only modestly from 900 to 931. This combination suggests capacity is being added partly through larger, expanded, or more productive facilities, not just more locations.

### 2. Automation is reshaping cold storage

Automation is increasingly central to cold-storage economics because it can increase storage density and throughput while reducing reliance on labor in difficult working environments. Several new fully automated warehouses are being developed for Tyson Foods, while Americold identifies automation as a long-term industry driver.

### 3. Energy is inseparable from real estate decisions

Cold storage is fundamentally an energy-intensive operating environment, making utility infrastructure, refrigeration efficiency, and power availability important site-selection considerations. Labor and energy have been identified as the industry's two largest expenditures.

### 4. Traceability & food-safety requirements are placing more reliance on technology

Cold-chain facilities increasingly sit within a digitally connected supply chain. FDA's Food Traceability Rule establishes additional recordkeeping requirements for certain foods across critical tracking events, including shipping, receiving, and transformation. FDA continued implementation work and industry engagement in 2026.

### 5. Network optimization is driving location decisions

Cold-chain networks must effectively balance various aspects, including food production ports, retail distribution, transportation, consumer demand, and speed to market. The Food and Agriculture Organization of the United Nations defines cold chains as interconnected systems that extend from production and processing to transportation, storage, and distribution, ultimately reaching the consumer. Major operators also organize their networks around key areas such as production, forward distribution, ports, and retail distribution.

## Key Numbers

**Gross U.S. refrigerated capacity as of Oct 1, 2025**

**3.99 B**  
Cubic Feet

**Number of refrigerated warehouses identified by USDA (up from 900 in 2023)**

**931**

**Freezer Space Represents**

**79%**

Of the cubic feet of usable refrigerated capacity in the U.S.

Sources:  
U.S. Department of Agriculture, National Agricultural Statistics Service, Capacity of Refrigerated Warehouse 2025 Summary, February 2026.

U.S. Food and Drug Administration, "FDA Takes Several Actions Related to the Food Traceability Rule," February 19, 2026.

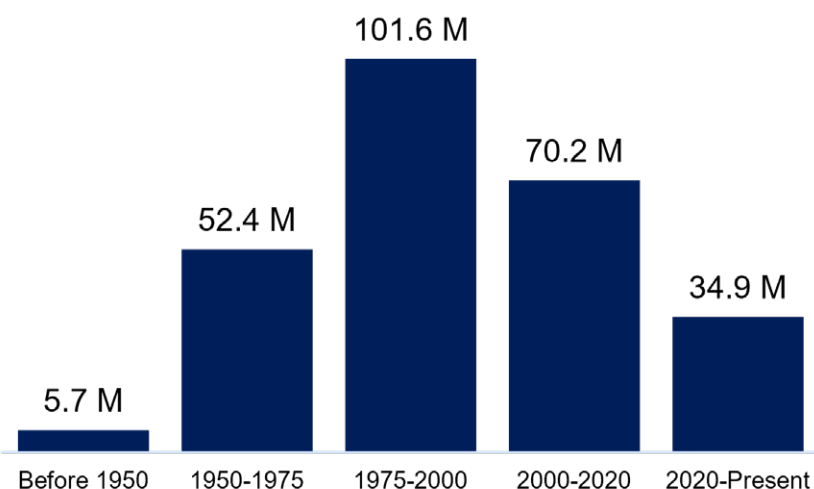
## Cold Storage Performance Snapshot

|                                        | Q2 2026 | Q2 2025 | Change     | Trend |
|----------------------------------------|---------|---------|------------|-------|
| Cold Storage Inventory SF              | 269.5 M | 265.6 M | +3.9 M     | ▲     |
| Cold Storage Rate Change (Y-o-Y)       | 1.32%   | 4.02%   | -270 bps   | ▼     |
| Overall Industrial Rate Change (Y-o-Y) | 2.27%   | 2.89%   | -062 bps   | ▼     |
| Leasing Activity (TTM)                 | 5.4 M   | 4.5 M   | +1.0 M     | ▲     |
| Vacancy Rate                           | 6.30%   | 5.30%   | +100 bps   | ▲     |
| Availability Rate                      | 6.70%   | 5.80%   | +090 bps   | ▲     |
| Net Absorption (TTM)                   | 1.1 M   | 2.4 M   | -1.3 M     | ▼     |
| Under Construction SF                  | 5.7 M   | 5.0 M   | +0.7 M     | ▲     |
| % of Inventory Under Construction SF   | 2.10%   | 1.90%   | +022 bps   | ▲     |
| Net Deliveries (TTM)                   | 5.7 M   | 8.4 M   | -2.8 M     | ▼     |
| Sales Volume (TTM)                     | \$2.1B  | \$2.1B  | (\$65.5 M) | ▼     |
| Sales Price Per SF                     | \$188   | \$183   | \$5.67     | ▲     |
| Market Cap Rate                        | 6.00%   | 6.10%   | -014 bps   | ▼     |

Cold storage fundamentals are normalizing as new supply creates greater choice for occupiers, but availability remains constrained relative to the broader warehouse market.

### Nearly 60% of U.S. Cold Storage Inventory Built Before 2000

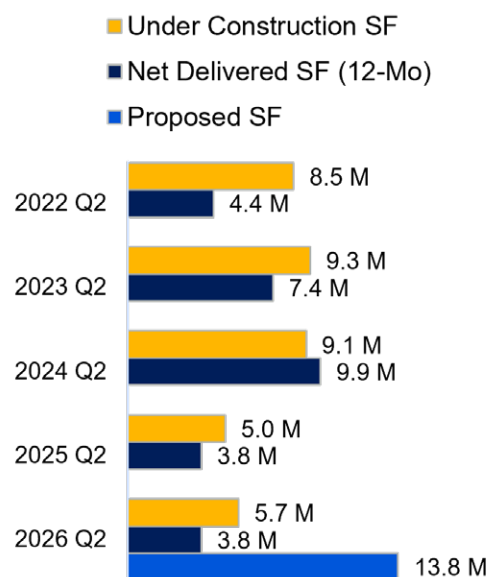
Cold storage's aging footprint is widening the divide between legacy and modern facilities. Energy efficiency, automation, and higher clear heights are increasing the need to renovate, expand, or replace out-of-date facilities. While renovation can offer a lower-cost path, extensive upgrades to refrigeration, power, clear heights, and building systems can erode those savings, making a purpose-built facility the more economical long-term solution in some cases.



Source: CoStar, Cresa

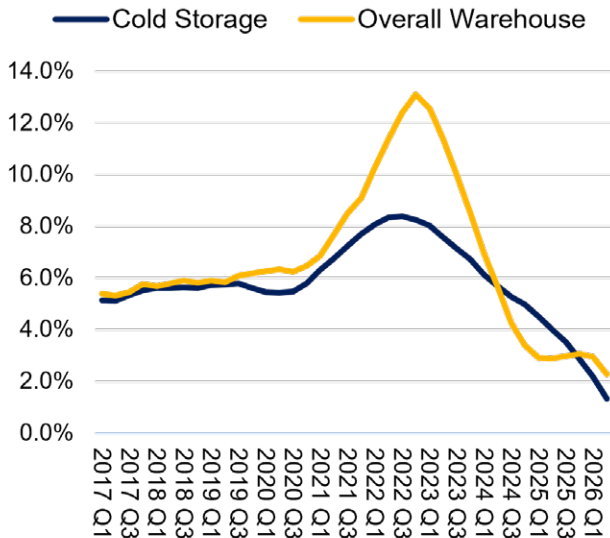
### Development Pipeline Slows

Cold storage development has cooled from its post-pandemic peak, while the prevalence of build-to-suit projects limits the amount of new supply actually available to occupiers.



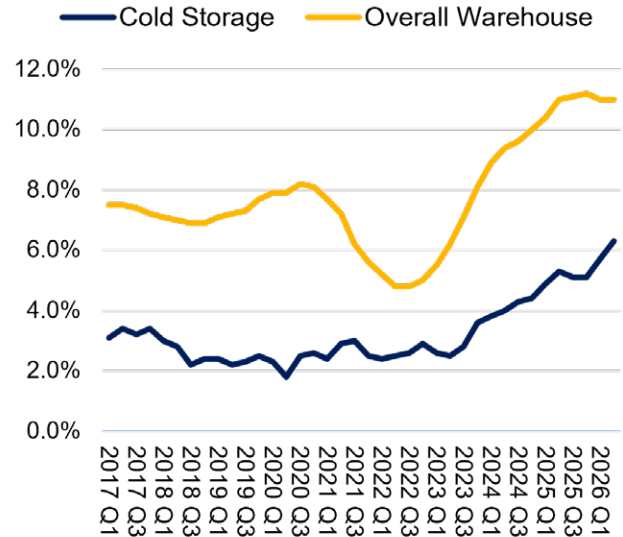
## Y-o-Y Rent Change

Cold storage rent growth has decelerated sharply and has generally trailed the broader warehouse market since 2023.



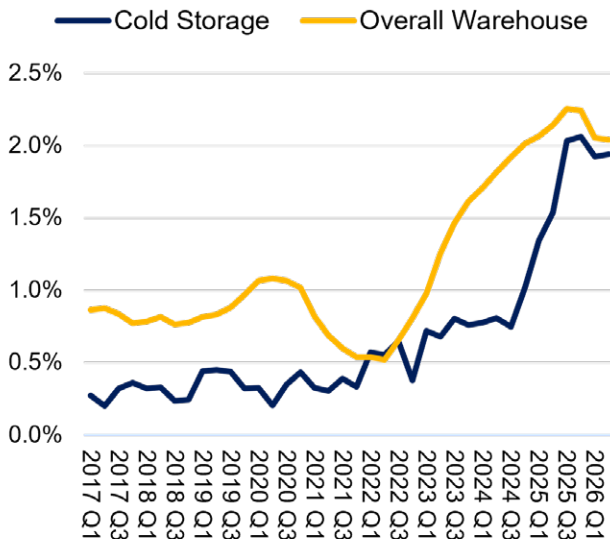
## Direct Vacancy

Cold storage has been consistently lower than overall warehouse space over the past decade.



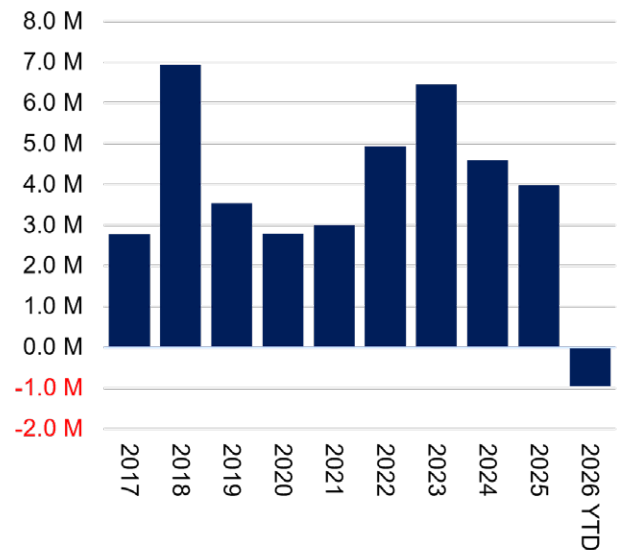
## Sublease SF as % of Inventory

Sublease availability has increased over the past two years, providing occupiers with additional options in what has historically been a tightly held market.



## Net Absorption SF

With low vacancy, net absorption for cold storage facilities has largely been driven by new deliveries. Net absorption slipped in the first half of 2026.



Source: CoStar, Cresa

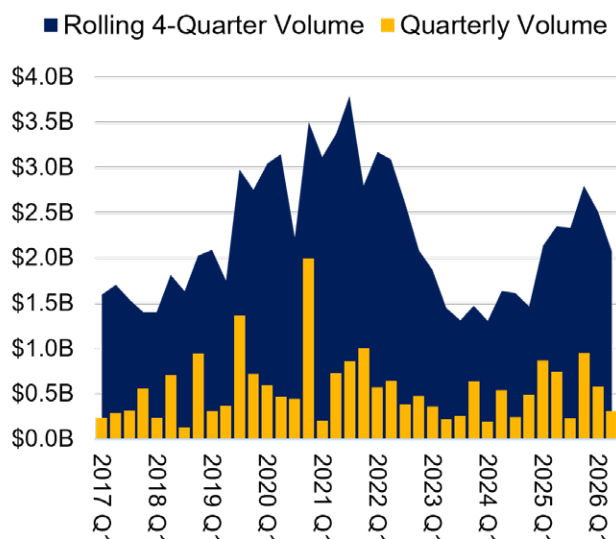
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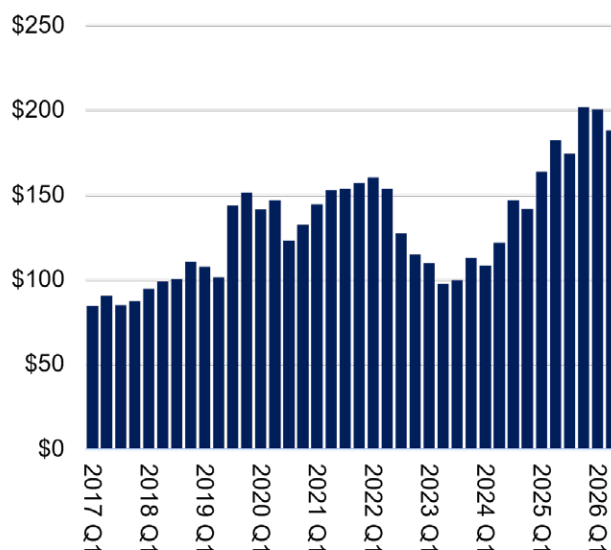
## Cold Storage Sales Volume

Cold storage investment volume has normalized from the elevated levels recorded earlier this decade.



## Cold Storage Price Per SF

Realized prices on a per-square-foot basis have sharply increased over the past 10 years, with a 9 percent compounded annual growth rate since the start of 2017.



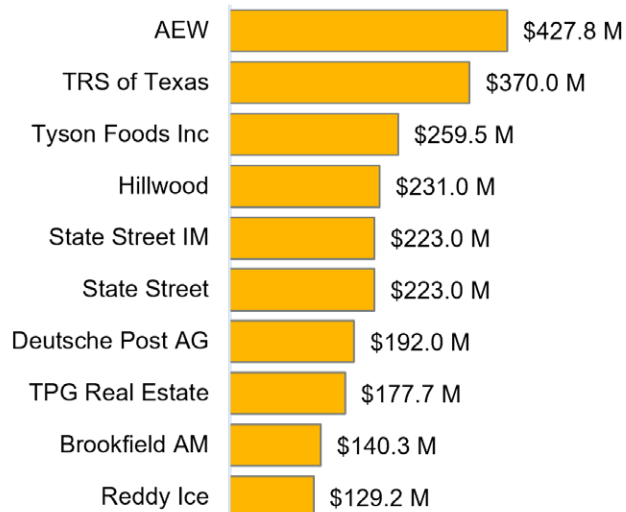
## Top Buyers of Cold Storage

(last 24 months)



## Top Sellers of Cold Storage

(last 24 months)



Source: Real Capital Analytics, Cresa



# 3 Real Estate Takeaways on Cold Storage

**More supply, but not necessarily more suitable supply**

**Older inventory, but expensive replacement economics**

**Slower fundamentals, but greater asset values**

## Looking Ahead

Cold storage is a specialized segment of the industrial market, and the facilities that support it are evolving quickly. New developments are becoming larger, taller, more automated, and purpose-built, while much of the existing inventory was designed for older cold-chain operations. Recent projects and development plans from major operators increasingly focus on automation, build-to-suit developments, and higher-efficiency facilities. This trend is widening the gap between legacy and modern spaces.

For occupiers, this divide highlights the growing importance of real estate strategy. Decisions regarding renewals, renovations, relocations, and new developments should consider not only current space requirements and rental rates but also the necessary infrastructure, capital investment, and operational flexibility needed throughout the facility's lifespan. In a capital-intensive sector where buildings can remain in use for decades, forward planning can enhance flexibility and help avoid costly real estate and operational constraints.

## What This Means for Occupiers

### Plan Ahead

Specialized requirements and a high concentration of build-to-suit developments can limit the availability of alternative options.

### Look Beyond Rent

Factors such as power, refrigeration, labor, transportation, and facility efficiency can significantly affect total operating costs, often more than occupancy costs alone.

### Assess Existing Facilities for the Future

Evaluate if existing buildings can support increased automation, density, power needs, and evolving operational requirements.

### Align Real Estate with the Network

Assess location and facility decisions within the larger supply chain, considering customer proximity, transportation, labor, infrastructure, and long-term growth.

## About the Author

### Craig Van Pelt

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Craig serves as the Head of Research for Cresa, the leading commercial real estate tenant advisory in the world. The research role provides insight, thought leadership, and trends impacting occupiers of real estate, and supports existing client relationships and business development.

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