



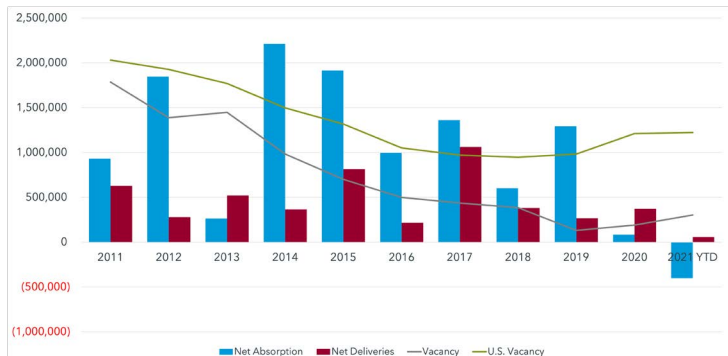
RETAIL MARKET OVERVIEW

KYLE PROSSER, *Vice President*

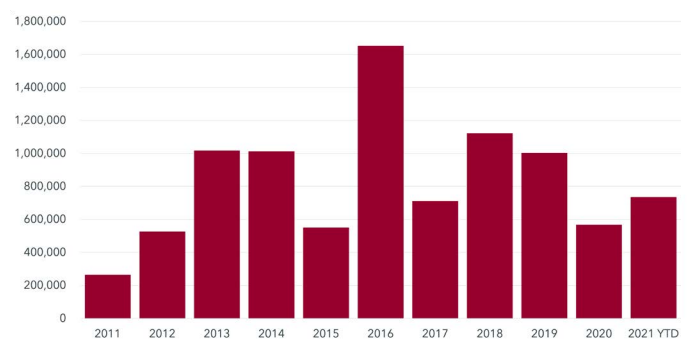
Almost all of Q1 in Washington state was spent in Phase 2 of the Healthy Washington recovery plan, which severely limits capacity at retail establishments. South Sound restaurants continued to fare better than neighboring King County, with less than 10 closures in 2020 compared to King County's ±250 closures. The struggle continued with little to no dining-in options, yet brightening weather attracted an increased number of outdoor dining patrons. Delivery business boomed, along with goods and businesses related to home remodels as the housing market continued on its skyrocketing trajectory. With clearer weather approaching, PNW residents will likely resume their frequent outdoor activities providing a boost to recreational retail.

MARKET INDICATORS	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
▼ Net Absorption SF	(630,886)	84,550	527,289	1,404,229	1,695,249
▲ Vacancy Rate	2.9%	2.7%	2.9%	2.6%	2.5%
▲ Avg NNN Asking Rate	\$26.40 PSF	\$26.14 PSF	\$26.04 PSF	\$25.99 PSF	\$25.95 PSF
▲ SF Under Construction	605,357	567,686	490,371	687,023	698,735
▲ Inventory SF	178,599,938	178,534,802	178,585,397	178,477,403	178,461,867

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
4602 Center Street Tacoma, WA	137,071 SF	\$38,902,776 \$283.81 PSF	Realty Income Corporation Inland Private Capital Corp	Single-Tenant
9315 State Avenue Marysville, WA	84,264 SF	\$6,350,000 \$75.36 PSF	Forbes Land Corp Jack Berg LLC	Single-Tenant
8815 271st Street NW Stanwood, WA	65,338 SF	\$5,426,639 \$83.05 PSF	Skagit Farmers Supply Gerald Christensen	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1317-1405 E Main Avenue Puyallup, WA	40,353 SF	CAH Investments	Catapult Adventure Park	Arts, Entertainment
8532 15th Avenue NW Seattle, WA	33,949 SF	Emerald Northwest Properties	Undisclosed	Undisclosed
4786-4790 1st Avenue S Seattle, WA	31,591 SF	Terreno Realty Corp	Undisclosed	Undisclosed

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