



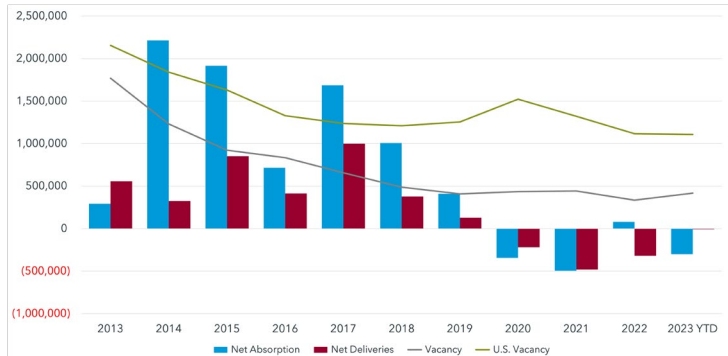
RETAIL MARKET OVERVIEW

AMANDA HAHNEMANN, CCIM, *Senior Vice President*

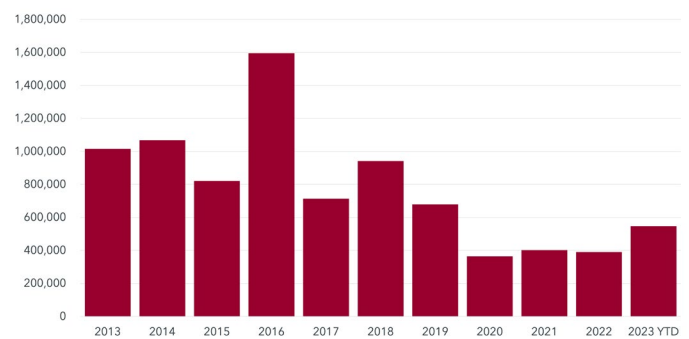
Inflation and higher interest rates continue to hamper retail leasing and sales activity. Economic concerns are causing hesitations for retailers' to commit to growth and expansion. Availability of space currently exists, with new inventory limited by construction slowdowns. Downtown retailers are still suffering from the lack of a robust office crowd. In contrast, well located, specifically experiential and service focused retail, remains strong in neighborhood markets. Moving forward, retail sales will require creativity where cash will be king and seller financing will help make deals pencil. Until desperation sales enter the market, transaction volume will be extremely low.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▼ 12 Mo. Net Absorption SF	(400,222)	79,360	(302,648)	(142,855)	31,405
▲ Vacancy Rate	2.82%	2.67%	2.68%	2.82%	2.61%
▲ Avg NNN Asking Rate PSF	\$28.75	\$28.49	\$28.12	\$27.96	\$27.76
▲ SF Under Construction	546,996	389,946	562,007	613,283	591,079
▼ Inventory SF	179,748,217	179,756,153	179,573,845	179,665,361	179,774,611

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
4423-4621 S Meridian Ave* Puyallup, WA	106,350 SF	\$23,187,410 \$218.03 PSF	Hyperion Realty Capital Guistina Resources	Multi-Tenant
32818 1st Avenue S Federal Way, WA	54,425 SF	\$4,650,000 \$85.44 PSF	Intracorp Homes Weidner Property Management LLC	Single-Tenant
2615 Broadway Everett, WA	47,056 SF	\$5,500,000 \$116.88 PSF	Undisclosed Lake & Company Real Estate	Single-Tenant

*Part of 4-property Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4786-4790 1st Avenue S Seattle, WA	31,687 SF	Terreno Realty	Undisclosed	Undisclosed
700 Bellevue Way NE Bellevue, WA	17,000 SF	Kemper Development Company	Din Tai Fung	Accommodation and Food Services
19500 Alderwood Mall Parkway Lynnwood, WA	14,354 SF	Vestar	Undisclosed	Undisclosed

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