



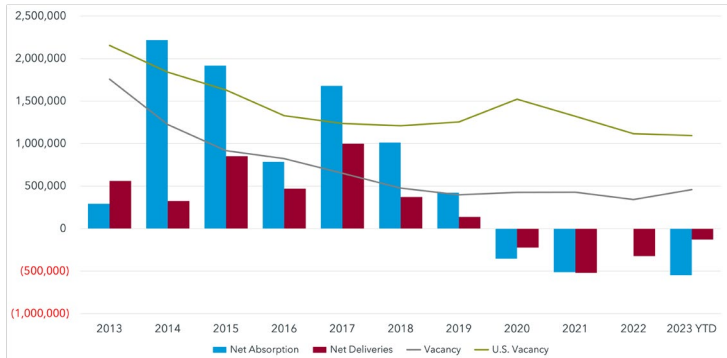
RETAIL MARKET OVERVIEW

KYLE PROSSER, *Principal*

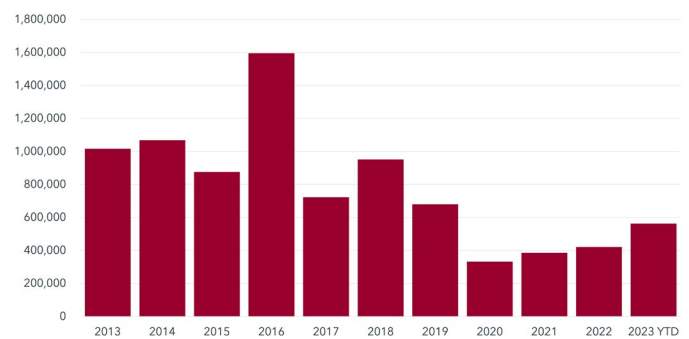
The current retail market presents a mixed landscape. Vacancy rates have experienced a gradual increase in the past year, although they have consistently declined over the last three years. Construction activity has been steadily growing for three consecutive years yet remain below the 2019 activity level. Local retailers, particularly restaurants, grapple with labor shortages and the higher wage expectations of younger employees. As a result, restaurant workers are increasingly flocking to professions offering better benefits. However, the market demonstrates resilience and significant potential, evident through solid sales growth numbers. This dynamic environment offers opportunities for innovation and improvement, providing a platform for creative entrepreneurs to thrive.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▲ 12 Mo. Net Absorption SF	(196,448)	(517,327)	(1,330)	(406,392)	(257,637)
▲ Vacancy Rate	3.0%	2.9%	2.7%	2.7%	2.8%
▲ Avg NNN Asking Rate PSF	\$28.90	\$28.75	\$28.44	\$28.07	\$27.91
▼ SF Under Construction	563,072	572,690	420,639	598,700	627,908
▼ Inventory SF	180,590,041	180,620,167	180,616,961	180,436,723	180,511,614

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1414 72nd Street E Tacoma, WA	106,420 SF	\$11,515,265 \$108.21 PSF	Rhino Investments PMF Investments LLC	Multi-Tenant
2105 Broadway Everett, WA	39,621 SF	\$4,200,000 \$106.00 PSF	Conlin's Furniture Behar's Furniture	Single-Tenant
8025 S. Hosmer Street Tacoma, WA	24,949 SF	\$5,110,000 \$204.82 PSF	GNC Properties LLC John Anthony Tognazzini Trust	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3903-4091 Factoria Boulevard SE Bellevue, WA	76,207 SF	Kimco Realty Corporation	T&T Supermarket	Retailer
4130 1st Avenue S Seattle, WA	28,839 SF	Scott Gibson, Foundry LLC	Landmark Event Company	Arts & Entertainment
17150-17200 Southcenter Parkway Tukwila, WA	25,000 SF	Wig Properties	Levi's	Retailer

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