



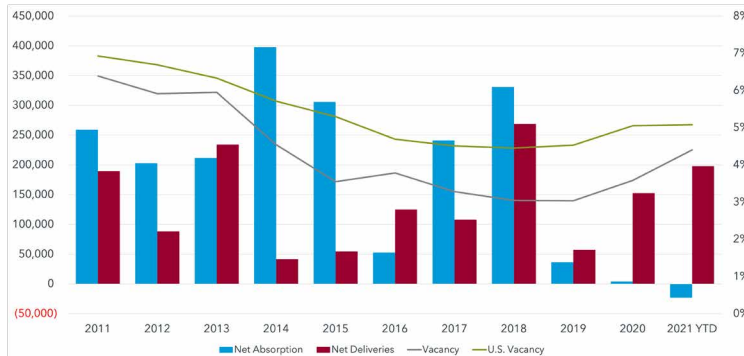
RETAIL MARKET OVERVIEW

CARLA TREPPER, *Senior Director*

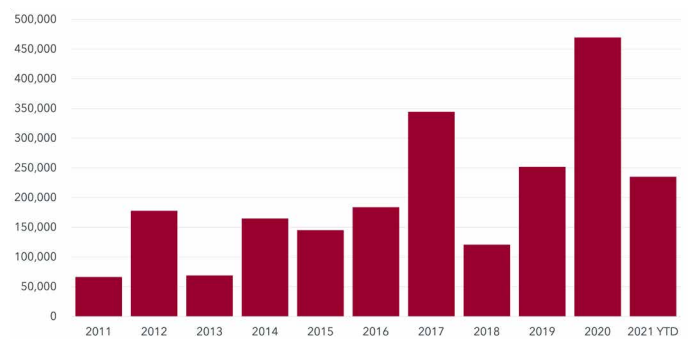
Triangle retail is ever evolving in Q1 2021. Chick-Fil-A announced a drive-thru only on Six Forks Road in Raleigh as several other fast-food restaurants follow suit. Wegman's announced they will not move forward at Cary's Fenton as their existing stores have seen success in online orders while Durham announced its first 45,000 SF Publix at Ellis Crossing. Vacancy in the market is slightly higher than Q4 2020 at 4.4% and a positive net absorption of 151,514 SF. Over 235,000 SF is under construction with overall trends continuing upward as West Coast and North East investors, developers and retailers make their way into the market aside local players.

MARKET INDICATORS	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
▲ Net Absorption SF	151,514	4,180	(55,089)	(147,053)	(251,790)
▲ Vacancy Rate	4.4%	3.6%	3.6%	3.4%	3.8%
▲ Avg NNN Asking Rate	\$19.82 PSF	\$19.80 PSF	\$19.73 PSF	\$19.71 PSF	\$19.59 PSF
▼ SF Under Construction	235,227	469,561	505,488	481,099	336,699
▲ Inventory SF	26,477,397	26,278,391	26,228,064	26,187,222	26,163,383

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
6960 Fayetteville Road Durham, NC	102,654 SF	Undisclosed	Undisclosed Undisclosed	Multi-Tenant
11312 US Hwy 15-501 N Chapel Hill, NC	96,155 SF	\$14,750,000 \$153.40 PSF	Stanton Partners Unison Realty Partners	Multi-Tenant
4516 Durham Chapel Hill Road Durham, NC	52,092 SF	Undisclosed	Mark Jacobson Toyota Alton Motors	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
116 W Barbee Chapel Road Chapel Hill, NC	43,676 SF	Madison Intl Realty	Harris Teeter	Grocery Store
370 E Main Street Carrboro, NC	27,539 SF	Atma Hotel Group	IZA Whiskey & Eats	Restaurant
3500 N Roxboro Street Durham, NC	12,436 SF	Insite Holdings	Octapharma Plasma	Healthcare



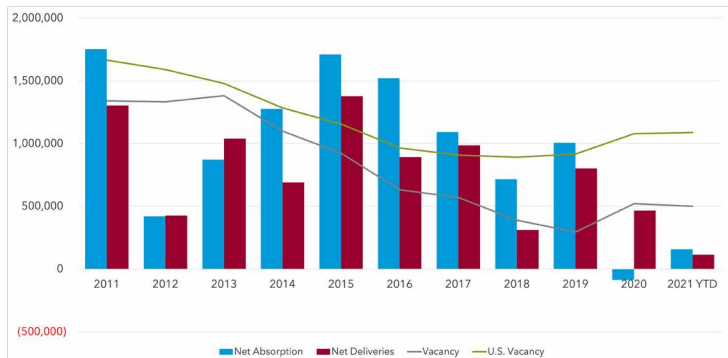
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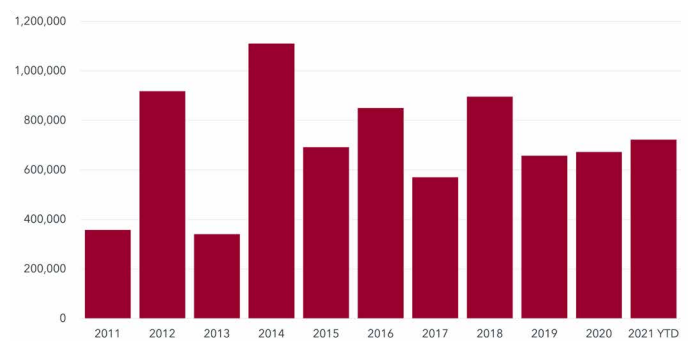
Triangle retail was still evolving in Q1 2021. Chick-Fil-A announced a drive-thru only on Six Forks Road in Raleigh, as several other fast-food restaurants follow suit. Wegman's announced they will not move forward at Cary's Fenton as their existing stores have seen success in online orders, while Durham announced its first 45,000 SF Publix at Ellis Crossing. Vacancy in the market is slightly higher than Q4 2020 at 4.4% and a positive net absorption of 151,514 SF. Over 235,000 SF is under construction with overall trends continuing upward as West Coast and North East investors, developers, and retailers make their way into the market along with local players.

MARKET INDICATORS	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
▲ Net Absorption SF	102,000	(85,914)	427,994	1,067,074	864,727
◀▶ Vacancy Rate	3.3%	3.3%	3.0%	2.6%	2.6%
▼ Avg NNN Asking Rate	\$21.08 PSF	\$21.09 PSF	\$20.68 PSF	\$20.24 PSF	\$20.23 PSF
▲ SF Under Construction	699,733	672,421	508,381	594,930	730,306
▲ Inventory SF	74,585,681	74,471,380	74,333,827	74,156,767	73,983,539

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
3509-3545 Maitland Drive Raleigh, NC	108,400 SF	\$4,016,414 \$37.05 PSF	Atlas Stark Holdings, LLC Lynn Ngo	Multi-tenant
3615-3677 New Bern Avenue Raleigh, NC	79,039 SF	Undisclosed	Atlas Stark Holdings, LLC DLC Management	Multi-tenant
3679-3685 New Bern Avenue Raleigh, NC	56,691 SF	Undisclosed	Atlas Stark Holdings, LLC DLC Management	Multi-tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1002-1018 Shoppes at Midway Drive Knightdale, NC	22,941 SF	M&J Wilkow	Overstock Furniture & Mattress	Retailer
8021-8231 Brier Creek Pky Raleigh, NC	12,000 SF	American Asset Corp	Party City	Retailer
8331-8339 Brier Creek Pky Raleigh, NC	10,834 SF	American Asset Corp	NewSouth Window Solutions	Retailer