



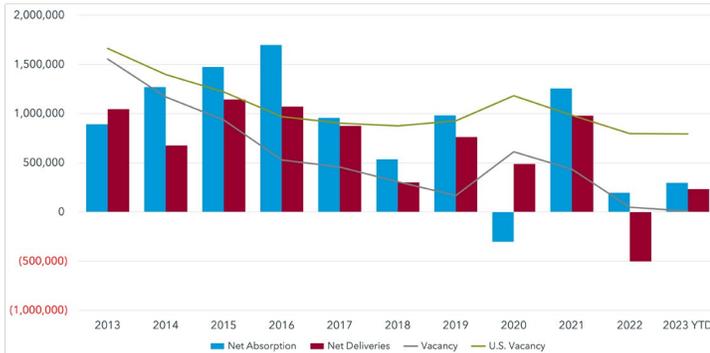
RETAIL MARKET OVERVIEW

CHRISTINA COFFEY, *Vice President*

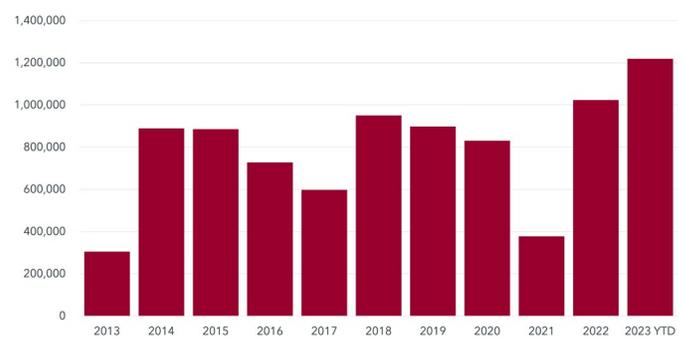
The Triangle retail market continues to remain incredibly strong. Outlook is extremely optimistic as vacancy remains at a record low 2% causing rents to steadily rise. The locations for existing retailer, Bed Bath & Beyond, were quickly taken by retailers Burlington, Michael's, Haverty, Macy's, and Barnes & Noble. Raleigh-Durham ranked #3 in the Best Places to Live in the U.S. by U.S. News & World Report. Notable Tenant openings include Tecovas, Madre Restaurant, East End Bistro, Faherty, Ava Rooftop Bar, Oaklyn Springs Taproom, Jeni's Ice Cream, Midwood Smokehouse, and The Westin Hotel including restaurant, Il Falo. Restoration Hardware closed the quarter opening their first RH Outlet in the Triangle at Parkside Commons close to the future Apple Campus.

MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	484,561	77,352	195,704	622,179	735,503
▲ Vacancy Rate	2.38%	2.23%	2.45%	2.91%	3.50%
▲ Avg NNN Asking Rate PSF	\$24.76	\$24.28	\$23.88	\$23.66	\$23.44
▼ SF Under Construction	1,218,810	1,304,381	1,023,282	1,011,376	968,319
▲ Inventory SF	75,641,760	75,525,468	75,408,203	75,529,416	76,018,498

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
920-970 High House Road Cary, NC	75,823 SF	\$10,000,000 \$131.87 PSF	Northpond Partners BentallGreenOak	Multi-Tenant
2524 Hillsborough Street Raleigh, NC	22,675 SF	\$4,004,000 \$178.17 PSF	Stockbridge Capital Group LLC Loden Properties	Single-Tenant
3601 Davis Drive Morrisville, NC	14,820 SF	\$6,023,000 \$406.41 PSF	The Morgan Companies Jubilee Management Company LLC	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1060 Parkside Main Street Cary, NC	33,379 SF	Kite Realty Group Trust	Restoration Hardware Outlet	Retailer
2413 Blue Ridge Road Raleigh, NC	31,554 SF	North State Bank	North State Bank	Finance and Insurance
4600-4700 Capital Boulevard Raleigh, NC	26,377 SF	Rivercrest Realty Investors	Best Remodeling Home	Retailer



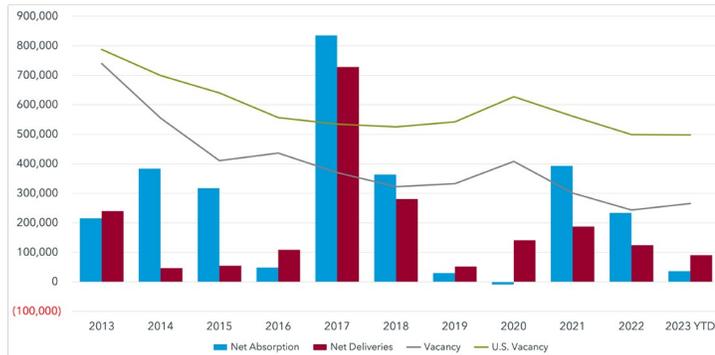
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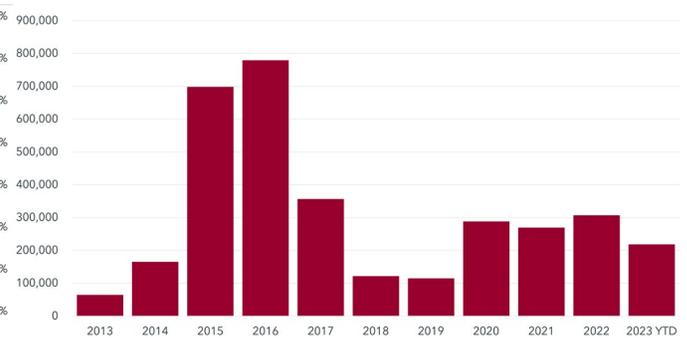
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MARKET INDICATORS	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
▼ 12 Mo. Net Absorption SF	196,411	202,089	233,567	199,436	424,243
▼ Vacancy Rate	2.46%	2.47%	2.40%	2.33%	2.56%
▲ Avg NNN Asking Rate PSF	\$22.75	\$22.53	\$22.27	\$22.01	\$21.72
▼ SF Under Construction	218,203	227,670	306,727	361,926	318,283
▲ Inventory SF	28,011,900	27,998,400	27,921,143	27,870,669	27,839,940

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
101-153 N. Scotswood Boulevard Hillsborough, NC	62,200 SF	\$8,300,000 \$129.28 PSF	Ted M Vick Avison Young	Multi-Tenant
2223 E. NC Highway 54 Durham, NC	24,813 SF	\$4,600,000 \$185.39 PSF	Regents LLC Park Terrace Investments LLC	Multi-Tenant
500 W. Morgan Street Durham, NC	23,206 SF	\$5,320,000 \$229.29 PSF	Austin Lawrence Partners East PNC Financial Services Group, Inc.	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
3415-3457 Hillsborough Road Durham, NC	10,287 SF	Heitman	Five Below	Misc General Merchandise Stores
5100-5124 N. Roxboro Road Durham, NC	8,000 SF	Epic Real Estate Partners	Pet Supplies Plus	Pet and Pet Supplies Retailers
1525 Glenn School Road Durham, NC	5,000 SF	WRS, Inc.	Anytime Fitness	Services

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