



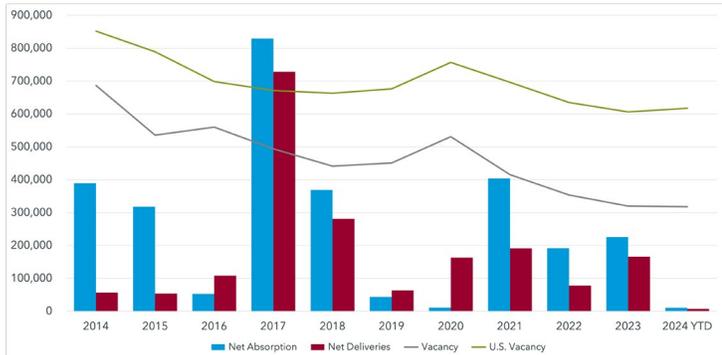
RETAIL MARKET OVERVIEW

JENN OLEVITCH-ROBERSON, *Vice President*

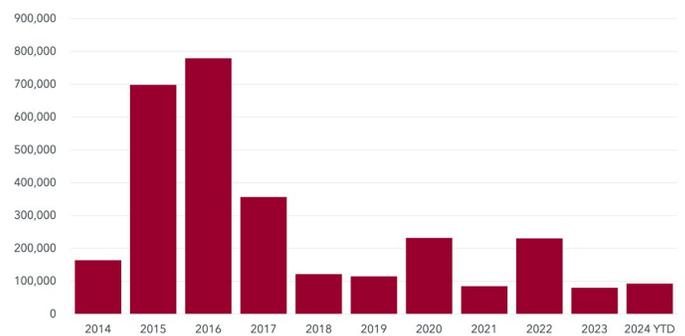
Durham's population growth and economic growth rates exceed national averages. Demand stronger than supply, record low availability rate, 2% vacancy, and new deliveries below historical average, led Durham's market rent growth above its historical increase and above current national rent growth. Less than 10% of new retail product under construction is available. Optimism spreads for Downtown American Tobacco Campus expansion, new developments at The Streets at Southpoint, and TopGolf opening soon in South Durham.

MARKET INDICATORS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
▼ 12 Mo. Net Absorption SF	220,511	225,516	179,327	146,123	151,275
▼ Vacancy Rate	2.0%	2.1%	2.3%	2.4%	2.4%
▲ Avg NNN Asking Rate PSF	\$23.81	\$23.65	\$23.39	\$23.06	\$22.79
▲ SF Under Construction	92,634	79,843	79,843	152,234	165,734
▲ Inventory SF	28,278,420	28,271,411	28,271,411	28,181,805	28,168,305

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
Harris Teeter 112 W. Barbee Chapel Hill, NC	45,517 SF	\$6,100,000 \$134.00 PSF	SITE Centers Corporation Bella Vista Development	Multi-Tenant
Bicycle Chain 210 W. Franklin Street Chapel Hill, NC	5,929 SF	\$3,000,000 \$505.99 PSF	Trinity Partners Private Individuals	Single-Tenant
Bojangles 3466 S. Church Street Burlington, NC	3,000 SF	\$2,975,000 \$991.67 PSF	North Carolina Housing Company The Crown Companies	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
West Village 605 W. Main Street Durham, NC	3,220 SF	Blackstone	Posh The Salon	Beauty Shops
2812 Erwin Road Durham, NC	3,217 SF	Erwin Terrace One LLC	Erwin Diner	Restaurant
400 S. Elliott Road Chapel Hill, NC	2,440 SF	Galleria Mgmt Gold Properties	Tonya's Cookies + Exp	Bakery



RETAIL MARKET OVERVIEW

CHARLES LANIER, MBA, CLS, CSM, CRX, PMP, *Vice President*

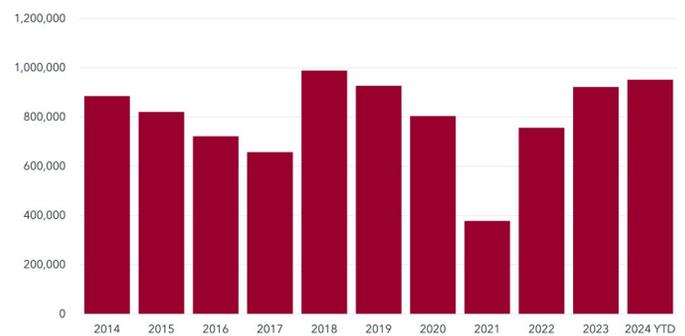
Raleigh's retail market, strengthened by high population growth and rising retail sales, ranks top in the nation. Rents increased 10.6%, second only to Phoenix, and above the 3.1% national average, per CoStar data. All time low space availability, low net deliveries and move-outs, make it hard to find space. Rents for new construction are in the mid \$30's on average. Cary, West Raleigh, and Southwest Wake County submarkets are robust with positive absorption with vacancy rates hovering around 2%.

MARKET INDICATORS	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
▲ 12 Mo. Net Absorption SF	569,335	660,865	634,374	518,532	44,289
▼ Vacancy Rate	1.8%	2.1%	2.3%	2.4%	2.2%
▲ Avg NNN Asking Rate PSF	\$27.27	\$26.38	\$25.70	\$25.09	\$24.49
▲ SF Under Construction	951,519	922,239	895,117	828,879	927,938
▲ Inventory SF	75,828,324	75,800,322	75,738,944	75,677,985	75,532,641

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1203-1311 NW Maynard Cary, NC	122,901 SF	\$26,500,000 \$215.62 PSF	Mack R.E. JV / Soundwater Prop. ShopCore Properties	Multi-Tenant
Garner Plaza 505-537 Plaza Circle Garner, NC	57,000 SF	\$6,650,000 \$116.67 PSF	Canvas Investment Partners Prudent Growth Partners	Multi-Tenant
Bank of America 801 SE Maynard Rd Cary, NC	2,720 SF	\$4,130,500 \$1,518.57 PSF	The Zucker Organization Orion Real Estate Group	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
The Exchange Raleigh Park Raleigh, NC	80,000 SF	Dewitt Carolinas	Life Time Living	Healthy Way of Life (HWOL)
Triangle Town Pl 3604 Sumner Blvd. Raleigh, NC	32,000 SF	The Necessity Retail REIT	Nordstrom Rack	Retailer Department Stores
Tarrymore Square 3901 Capital Blvd. Raleigh, NC	12,000 SF	Raleigh Tarrymore Square LLC	Citi Trends	Retailer Clothing & Accessories