



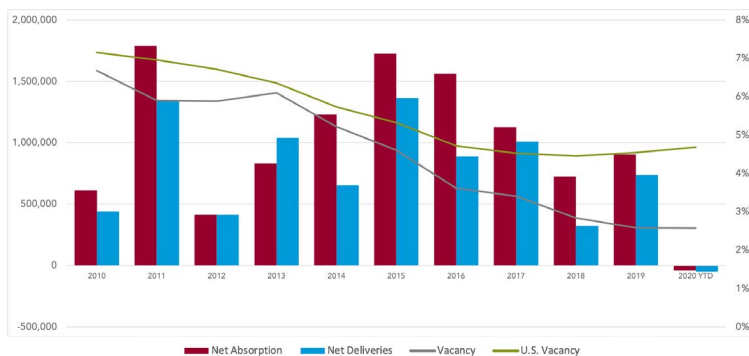
RETAIL MARKET OVERVIEW

HUNTER STEWART, MBA, *Broker*

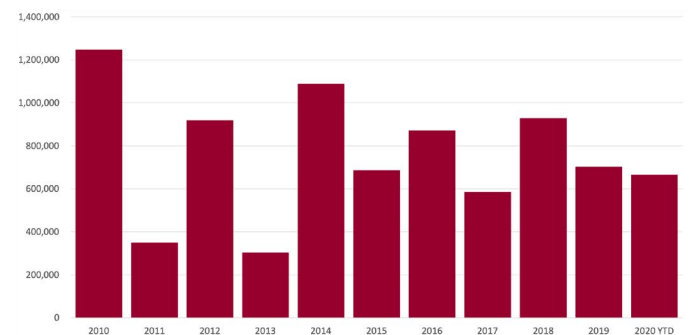
Q1 2020 started off strongly for the Raleigh-Durham retail market with many new developments planning to break ground during 2020. Many spaces were leased for record setting rates without ever being advertised as available due to strong tenant demand. Sales were solid until the COVID-19 began impacting markets. Q1 2020's numbers don't reflect the impact of COVID-19 as malls have shut down or have seen reduced service. Developments are being put on hold as retailers adapt and developers determine the unknown future. While the full impact of the outbreak is unknown, retail occupancies, rent growth, and transaction activity will likely feel the effects of the pandemic in the months ahead.

MARKET INDICATORS	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
▼ Net Absorption	755,128 SF	905,836 SF	617,002 SF	83,966 SF	384,826 SF
▲ Vacancy Rate	2.70%	2.60%	2.90%	3.40%	3.00%
▲ Avg NNN Asking Rate	\$20.55/SF	\$20.14/SF	\$19.96/SF	\$19.58/SF	\$19.34/SF
▼ Under Construction	664,779 SF	703,118 SF	746,717 SF	876,391 SF	970,214 SF
▼ Inventory	74,145,213 SF	74,195,128 SF	74,022,058 SF	73,849,787 SF	73,610,316 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1051 E Broad St Fuquay-Varina, NC	149,975 SF	\$13,618,500 \$90.81/SF	Agree Realty Corp Trico International Corp	Power Center
3540-3490 Kildaire Farm Rd Cary, NC	84,165 SF	\$17,450,000 \$207.33/SF	Alidade Capital, LLC The Simpson Organization	3-Star Strip Center
1600-1660 Piney Plains Rd Cary, NC	80,631 SF	\$13,000,000 \$161.23/SF	Wake County Public Schools Crossroads Holdings	2-Star Auto Dealership

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7930 Skyland Ridge Pkwy Raleigh, NC	30,000 SF	Undisclosed	Planet Fitness	Personal Services
6140-6240 Capital Blvd Raleigh, NC	30,000 SF	Z A Sneed	Ashley HomeStore	Retailers/Wholesalers
1002 N Harrison Ave Cary, NC	13,824 SF	Geo H Jordan III Dev Co	Undisclosed	-