



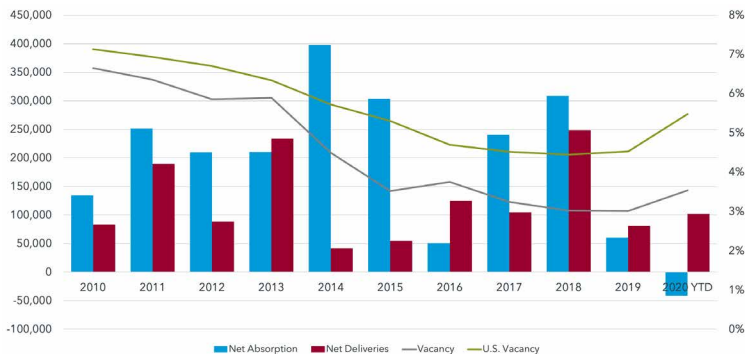
RETAIL MARKET OVERVIEW

COLE PENNELL, *Broker*

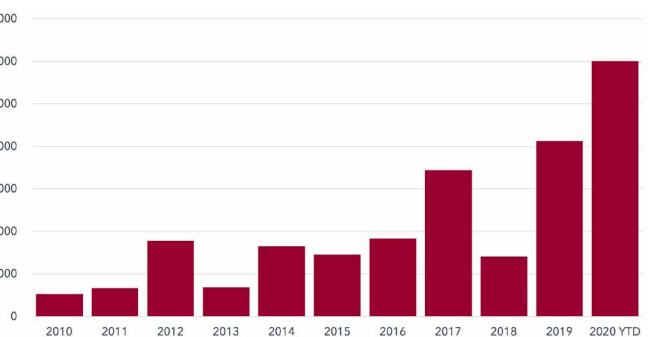
Finishing out the second consecutive quarter in a pandemic, the retail market has remained strong largely because of geography. The market is spread out among smaller central business districts where suburban retail is flourishing, vacancies are low and there are minimal closures. Convenience factors like drive-throughs and pickup windows that were important to retailers before the coronavirus are a necessity for new leases. The pre-COVID focus on improving retail growth in the urban markets in Raleigh and Durham has waned due to civil unrest.

MARKET INDICATORS	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
▲ Net Absorption	(68,075) SF	(137,881) SF	(227,890) SF	60,144 SF	38,615 SF
▲ Vacancy Rate	3.6%	3.4%	3.8%	3.0%	2.9%
▼ Avg NNN Asking Rate	\$19.58 PSF	\$19.69 PSF	\$19.58 PSF	\$19.51 PSF	\$19.50 PSF
▼ Under Construction	609,991 SF	617,136 SF	467,276 SF	412,854 SF	256,554 SF
▲ Inventory	26,386,686 SF	26,361,602 SF	26,331,833 SF	26,291,005 SF	26,269,617 SF

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1814 Fordham Blvd Chapel Hill, NC	99,000 SF	\$31,246,664.00 \$315.62 PSF	Agree Realty Corp Leon Capital Group	Single-Tenant
110 Banks Dr Chapel Hill, NC	13,000 SF	\$3,050,000.00 \$234.62 PSF	Swift Motors Jonathan D. Medwin	Multi-Tenant
1311 W NC Hwy 54 Durham, NC	11,783 SF	\$1,700,000.00 \$144.28 PSF	Morgan Capital LLC Rite Aid Corp	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2220-2230 Farmington Dr Chapel Hill, NC	44,234 SF	Diversified Healthcare Trust	Brookdale Senior Living	Health Care and Social Assistance
1010 Martin Luther King Pkwy Durham, NC	14,500 SF	Urban Commercial Properties	Undisclosed	Undisclosed
1311 W NC Hwy 54 Durham, NC	11,783	Rite Aid Corp	Undisclosed	Undisclosed

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