



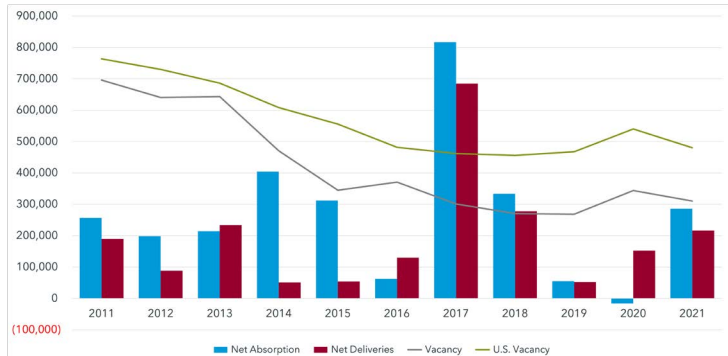
RETAIL MARKET OVERVIEW

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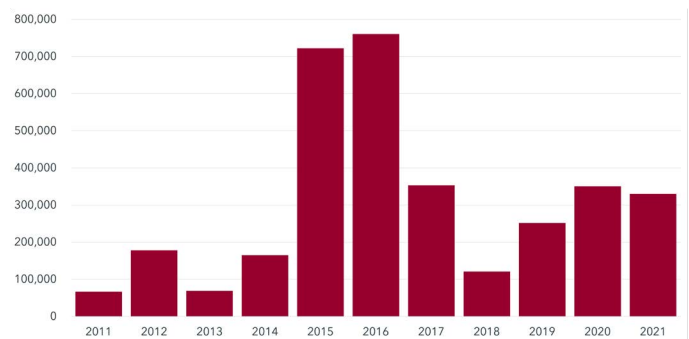
Raleigh-Durham's rapid population growth is pushing retail demand in almost every submarket. Second-generation restaurant spaces are highly sought after but limited inventory allows landlords to be aggressive with their rental rates. Big box spaces are finally seeing increased demand with life science users pushing forward with multiple projects. Mall leasing has lagged in the market as tenants look to move to lifestyle projects like Mosaic, Fenton, and North Hills; however, retail demand is particularly strong in power centers. Concerns about labor availability and wages coupled with rising construction costs are slowing expansion plans for some local tenants but national retailers are bullish with their growth projections.

MARKET INDICATORS	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
▼ 12 Mo. Net Absorption SF	285,961	342,909	123,443	115,408	(15,623)
▲ Vacancy Rate	3.3%	3.2%	4.0%	4.4%	3.6%
▲ Avg NNN Asking Rate PSF	\$20.65	\$20.39	\$20.23	\$20.05	\$19.96
▲ SF Under Construction	330,276	339,376	322,276	125,863	350,585
▲ Inventory SF	27,378,228	27,369,128	27,369,128	27,359,849	27,161,920

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
219 Chatham Square Siler City, NC	69,741 SF	\$1,519,000 \$21.78 PSF	Rockwood Development Jennamax Realty Trust	Multi-tenant
121 Sherron Road Durham, NC	48,874 SF	\$9,445,299 \$193.26 PSF	Undisclosed Undisclosed	Multi-tenant
1501 Horton Road Durham, NC	48,505 SF	Undisclosed	Undisclosed Undisclosed	Single-tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1800 E Franklin Street Chapel Hill, NC	24,884 SF	Kite Realty Group	Undisclosed	Undisclosed
3615 Witherspoon Boulevard Durham, NC	21,315 SF	Armada Hoffer Properties, Inc.	Undisclosed	Undisclosed
157 E Rosemary Street Chapel Hills, NC	11,600 SF	Paliouras Enterprises LLC	Undisclosed	Undisclosed

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