



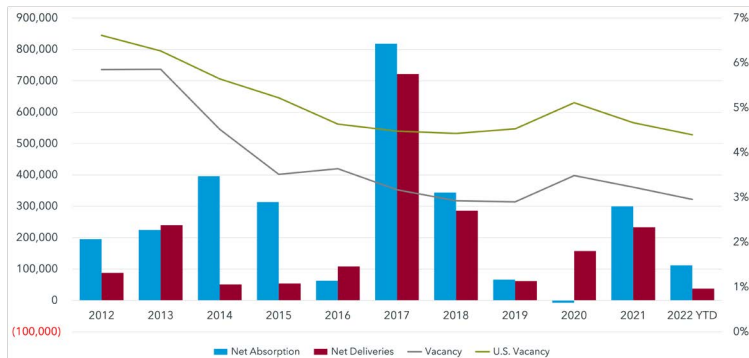
RETAIL MARKET OVERVIEW

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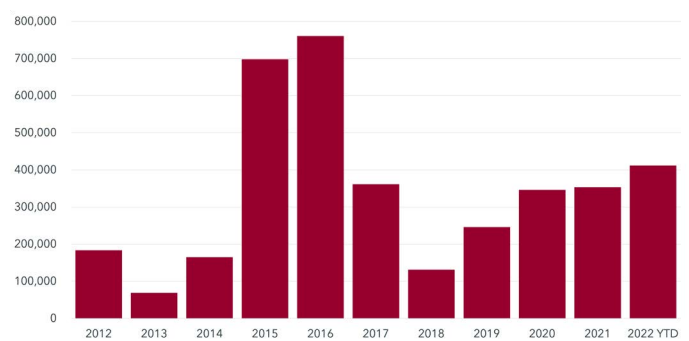
The Raleigh/Durham retail market has performed relatively well throughout the pandemic and is projected to improve through the end of the year. The area's strong demographics, job market, population growth, and household income should support the retail market in the long term. Older centers are poised for redevelopment as surrounding neighborhoods see a resurgence of young families who want better shopping options. Enclosed malls have declined while lifestyle centers have increased. This coupled with shifting purchasing opportunities like Amazon have caused the retail market to become more complex. Service business and distinctive restaurant offerings are thriving while soft goods retailers struggle to compete with online retailers.

MARKET INDICATORS	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021
▼ 12 Mo. Net Absorption SF	323,952	419,827	299,976	353,250	129,349
◀▶ Vacancy Rate	3.0%	3.0%	3.2%	3.2%	3.9%
▲ Avg NNN Asking Rate PSF	\$21.45	\$21.11	\$20.74	\$20.46	\$20.28
▼ SF Under Construction	411,920	428,672	353,637	370,145	317,946
▲ Inventory SF	27,660,500	27,633,748	27,622,681	27,596,338	27,596,338

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
3415-3457 Hillsborough Road Durham, NC	99,141 SF	\$20,662,045 \$208.41 PSF	Heitman Epic Real Estate Partners	Multi-Tenant
4900 NC-55 Highway Durham, NC	85,602 SF	\$13,250,000 \$154.79 PSF	Aston Properties, Inc. East Coast Acquisitions LLC	Multi-Tenant
401 E Lakewood Avenue Durham, NC	69,979 SF	\$38,625,137 \$551.95 PSF	Sterling Bay CMK LLC	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
120 Mosaic Boulevard Durham, NC	5,000 SF	Eco Group, LLC	Hops & Berry Brewery	Accommodation & Food Services
3823 Guess Road Durham, NC	4,800 SF	DeSoto Owners LLC	Undisclosed	Undisclosed
2218 NC Highway 54 Durham, NC	4,500 SF	Insight Properties LLC	Wake Med	Health Care and Social Assistance

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