



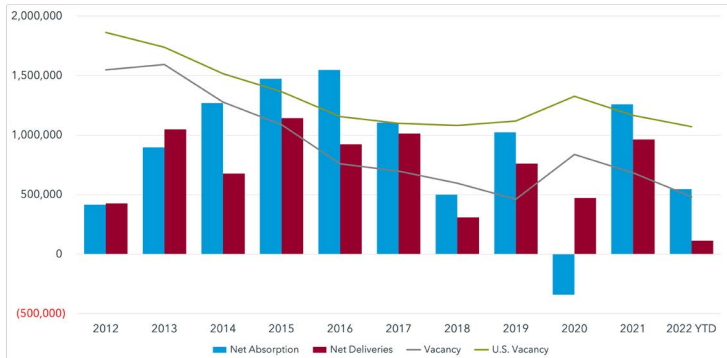
### RETAIL MARKET OVERVIEW

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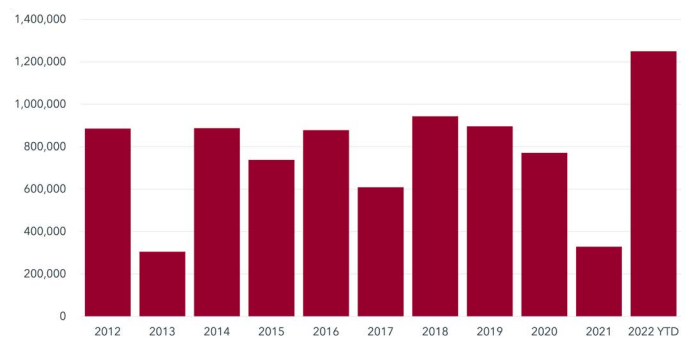
The Raleigh/Durham retail market has performed relatively well throughout the pandemic and is projected to improve through the end of the year. The area's strong demographics, job market, population growth, and household income should support the retail market in the long term. Older centers are poised 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	1,308,531	1,474,727	1,258,761	645,839	255,904
▼ Vacancy Rate	2.7%	2.9%	3.3%	3.5%	3.5%
▲ Avg NNN Asking Rate PSF	\$23.73	\$23.31	\$22.50	\$22.20	\$22.09
▲ SF Under Construction	1,255,197	563,680	328,723	769,476	780,461
▲ Inventory SF	77,215,891	77,188,608	77,107,511	76,589,208	76,433,169

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1203-1311 NW Maynard Road Cary, NC	110,863 SF	\$24,763,736 \$223.37 PSF	Blackstone Real Estate Income Trust Preferred Apartment Communities	Multi-Tenant
525 New Waverly Place Cary, NC	78,470 SF	\$20,030,739 \$255.27 PSF	Hines Global Income Trust, Inc. Northwood Investors LLC	Multi-Tenant
13200 New Falls of the Neuse Road Raleigh, NC	75,927 SF	\$18,553,347 \$244.36 PSF	Blackstone Real Estate Income Trust Preferred Apartment Communities	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4111 New Bern Avenue Raleigh, NC	32,341 SF	Riddle Commercial Properties, Inc.	Regency Furniture	Retailer
8201 Rowlock Way Raleigh, NC	16,000 SF	Gary J. Davies	Undisclosed	Undisclosed
1839 S Main Street Wake Forest, NC	15,655 SF	Richard Robbins	Undisclosed	Undisclosed

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