



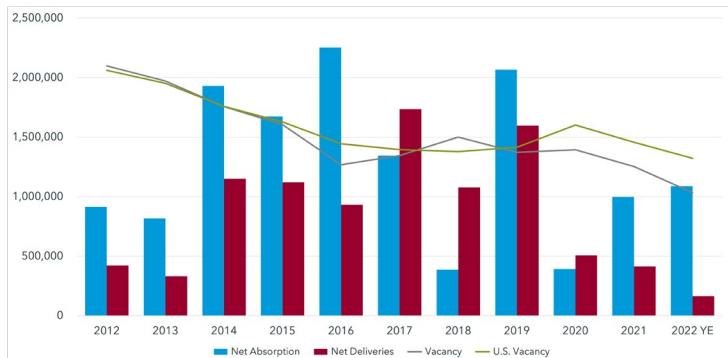
RETAIL MARKET OVERVIEW

SCOT COURTNEY, *President*

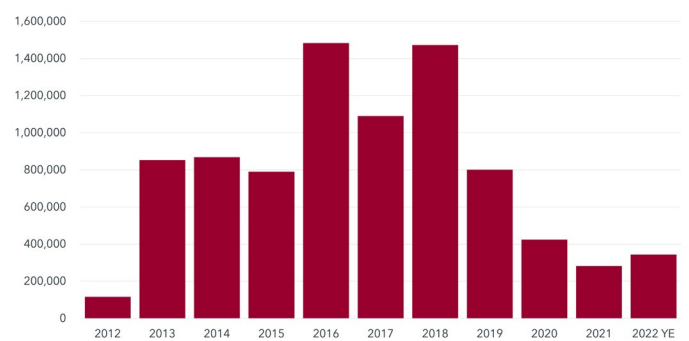
The retail market in greater Indianapolis showed tremendous strength throughout 2022, though the pace of leasing slowed in the fourth quarter. This was mainly due to a lack of available space in suburban markets. Tenant demand far outpaces the supply of quality space in most suburban areas, and it appears that little will change in 2023. Rising interest rates and construction costs have held back supply and pushed suburban rents to all-time highs. Meanwhile, downtown submarkets remain soft. With office workers still not back to pre-pandemic patterns, many downtown spaces became available for sublease or direct lease during 2022. While leasing activity increased in the fourth quarter, the lease-up of space has remained persistently slow.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	1,088,225	1,564,035	1,169,287	1,327,226	997,262
▼ Vacancy Rate	3.31%	3.33%	3.56%	3.70%	4.01%
▼ Avg NNN Asking Rate PSF	\$18.02	\$18.04	\$18.07	\$18.09	\$18.12
▼ SF Under Construction	343,816	376,820	454,833	438,050	282,469
▲ Inventory SF	132,574,759	132,552,096	132,410,544	132,454,765	132,409,704

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
4401-4445 E 10th Street Indianapolis, IN	277,190 SF	\$13,001,010 \$46.78 PSF	Essential Growth Properties Kimco Realty Corporation	Multi-Tenant
4200 S East St - Southern Plaza Indianapolis, IN	220,708 SF	\$17,116,216 \$77.55 PSF	First National Realty Partners Tri-Land Holdings	Multi-Tenant
2140 E. 116th Street Indianapolis, IN	81,319 SF	Undisclosed	Niemann Foods, Inc. NCD Partners	Single Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
Northbrook Indianapolis, IN	38,643 SF	Undisclosed	AIM Market International Grocery	Grocery
Cool Creek Commons Westfield, IN	34,801 SF	Kite Realty Group	Total Wine & More	Grocery
10409-10445 E. Washington Street Indianapolis, IN	23,538 SF	Sandor	Emporium 40E	Retailer

