



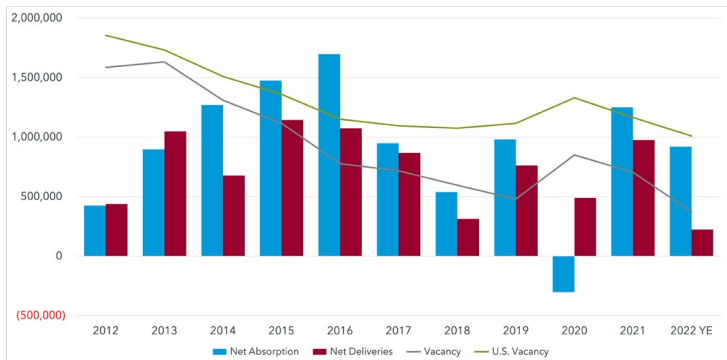
RETAIL MARKET OVERVIEW

COLE PENNELL, *Broker*

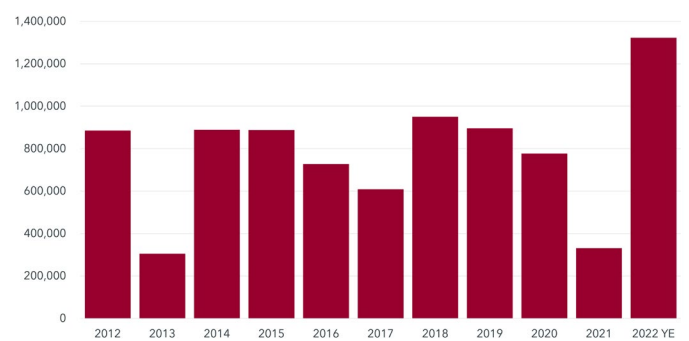
The Raleigh retail market has shown strong leasing activity, still being fueled by pent-up demand from COVID. Vacancy rates have declined over the last four quarters and ended Q4 at 2.45%. Despite this, it is expected that the market will become more cautious in the coming months as consumers pull back on spending. This could potentially lead to a slowdown in leasing activity, although it's not anticipated to be a significant decrease. Overall, the retail real estate market in Raleigh remains strong, with low vacancy rates and steady leasing activity. It will be important to closely monitor consumer spending patterns in the coming months to get a better sense of the market's trajectory.

MARKET INDICATORS	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021
▼ 12 Mo. Net Absorption SF	919,243	1,351,806	1,261,551	1,464,784	1,250,805
▼ Vacancy Rate	2.45%	2.65%	2.84%	2.95%	3.37%
▲ Avg NNN Asking Rate PSF	\$23.56	\$23.47	\$23.40	\$23.02	\$22.37
▲ SF Under Construction	1,322,686	1,293,034	1,245,159	522,544	331,528
▲ Inventory SF	76,003,988	75,930,000	75,891,006	75,865,193	75,780,008

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
2215-2245 New Hope Church Road Raleigh, NC	67,648 SF	\$12,250,000 \$176.48 PSF	Pacific Partners Commercial Ronald Dorrestein	Multi-Tenant
5563 Western Boulevard Raleigh, NC	62,556 SF	\$1,000,000 \$16.02 PSF	Richard Chang Linda J. Beck & R. David Beck	Multi-Tenant
1416-1436 N Main Street Fuquay Varina, NC	49,033 SF	\$10,620,000 \$216.51 PSF	CC Realty Advisors, Ltd. Site Centers Corp	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
0 Airport Boulevard Morrisville, NC	40,000 SF	Undisclosed	Urban Air Adventure	Entertainment
5240-5250 Capital Boulevard Raleigh, NC	23,660 SF	JDR Property Corporation	Undisclosed	Undisclosed
920-970 High House Road Cary, NC	9,600 SF	Undisclosed	Cary School of Ballet	Retailer

