



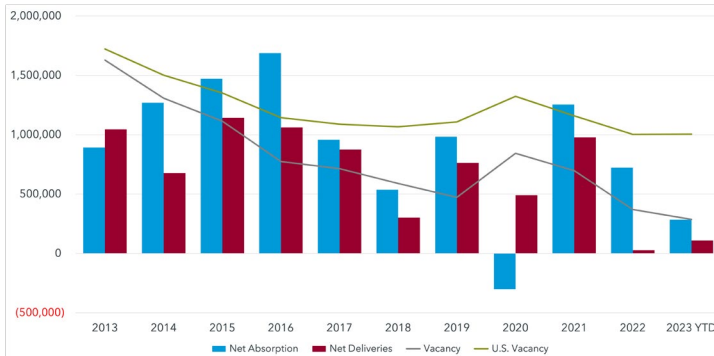
RETAIL MARKET OVERVIEW

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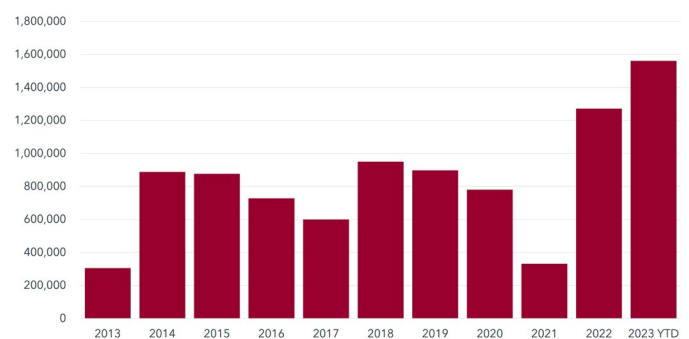
As the rest of the country frets about a possible recession, the Raleigh retail market has decided it will not be participating. Retail vacancies were at a record low of 2.0% in Q1 2023. Raleigh was ranked No. 5 U.S. job market, with many of the newer jobs focused on high-paying tech. This influx of talent and cash is attracting new retailers to the market and driving retail rents upward. Quoted rates for new projects scheduled for delivery later this year are in the mid to upper \$30s and TICAM over \$6.50/sf is becoming more commonplace. In the short term, vacancy rates are anticipated to remain low until more inventory is delivered to satisfy the strong demand.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▼ 12 Mo. Net Absorption SF	597,682	723,047	1,155,610	1,265,684	1,464,784
▼ Vacancy Rate	2.21%	2.44%	2.90%	2.81%	2.93%
▲ Avg NNN Asking Rate PSF	\$24.09	\$23.69	\$23.53	\$23.34	\$22.96
▲ SF Under Construction	1,560,164	1,271,365	1,255,371	1,213,731	491,844
▲ Inventory SF	76,022,663	75,911,098	76,036,399	75,995,040	75,968,499

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
3200 New Falls of the Neuse Road Raleigh, NC	75,927 SF	\$14,300,000 \$188.34 PSF	SVN Real Estate Associates ShopCore Properties	Multi-Tenant
1241 S Main Street Wake Forest, NC	29,060 SF	\$1,400,000 \$48.18 PSF	Villa AB 1 LLC Kay B. Cash	Multi-Tenant
2300 US 70 Highway E Garner, NC	28,540 SF	Undisclosed	GIC Real Estate STORE Capital Corporation	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5220 Capital Boulevard Raleigh, NC	35,008 SF	JDR Property Corporation	Undisclosed	Undisclosed
7330-7550 Creedmoor Road Raleigh, NC	34,097 SF	Kimco Realty Corporation	Painted Tree Boutiques	Retailer
1200 NW Maynard Road Cary, NC	11,400 SF	Rhyne Management Associates, Inc.	Golden Hex	Retailer

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