

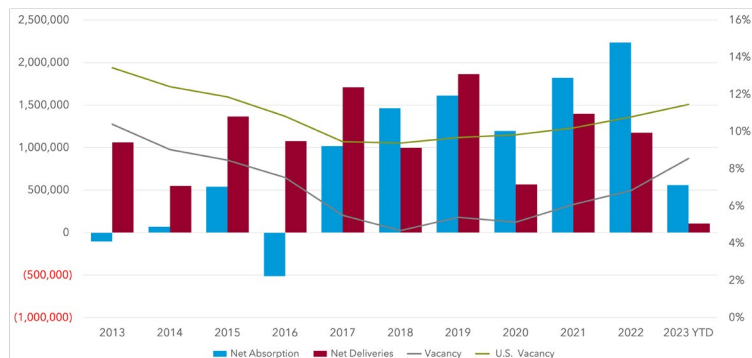
### OFFICE MARKET OVERVIEW

STONE ALEXANDER, CPA, Broker

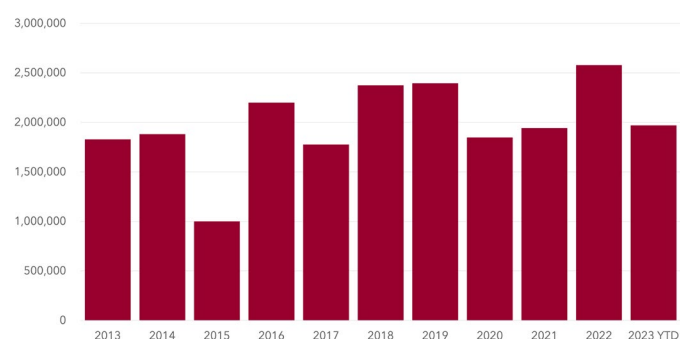
In Q3 2023, Raleigh's office market saw a slight increase in vacancy to 10.15%, indicating a small rise in available office properties. Net absorption amounted to approximately -138,840 square feet, reflecting a marginal reduction in occupied space. The average NNN lease asking rate held steady at \$29.41 per square foot. With almost 1,990,242 square feet of office space under construction, the market continues to grow. The total office inventory now stands at 78,469,282 square feet, emphasizing the significant availability of office spaces in the area.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	(138,840)	(619,749)	(582,253)	69,724	979,551
▲ Vacancy Rate	10.15%	9.71%	9.90%	9.03%	8.61%
▲ Avg NNN Asking Rate PSF	\$29.41	\$29.26	\$29.18	\$28.99	\$28.86
▼ SF Under Construction	1,990,242	2,784,786	2,729,156	2,578,440	2,190,247
▲ Inventory SF	78,469,382	77,562,290	77,502,920	77,427,000	77,298,368

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
500 Holly Springs Road Holly Springs, NC	14,734 SF	\$2,900,000 \$196.82 PSF	APA Ventures, Inc. Cape Fear Otolaryngology	Class B
3319 Heritage Trade Drive Wake Forest, NC	10,944 SF	\$2,830,000 \$258.59 PSF	Juan A. Ortiz Terry & Grace Register	Class B
10920 Cleveland Road Garner, NC	6,588 SF	\$1,600,000 \$242.87 PSF	Crescent Properties & Dev. LLC J. Wade Corbett	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
8529 Six Forks Road Raleigh, NC	31,845 SF	Highwoods Properties	Verona Pharma, Inc.	Professional, Scientific, and Technical Services
1501 Nowell Road Raleigh, NC	29,521 SF	Alidade Capital	Undisclosed	Undisclosed
223 S. West Street Raleigh, NC	26,817 SF	FCP	Undisclosed	Undisclosed

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