

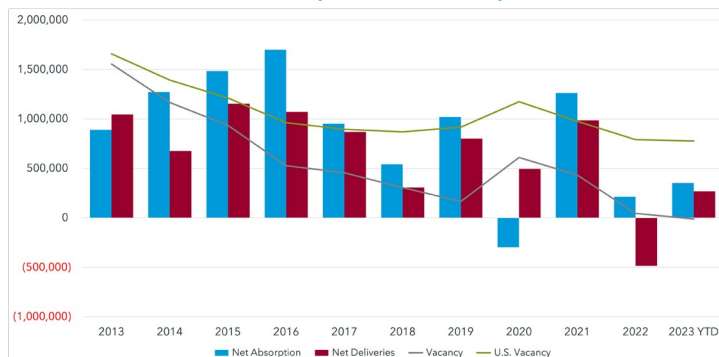
RETAIL MARKET OVERVIEW

JAKE PLOTKIN, CCIM, Vice President

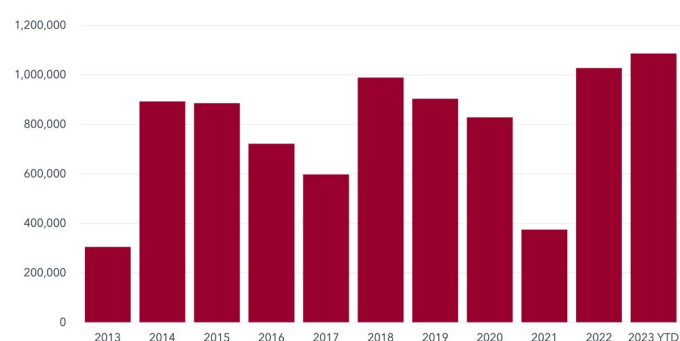
The Raleigh retail market demonstrated robust growth and encouraging signs during Q3 2023. Notably, net absorption surged to 576,500 square feet, exceeding the previous quarter's 461,654 square feet. Moreover, the vacancy rate saw a slight dip from 2.41% in Q2 to 2.32% in Q3, indicating heightened demand for retail properties. Additionally, the average NNN asking rate increased to \$25.39, up from \$24.86 in Q2. Despite a slight reduction in square footage under construction, with Q3 at 1,086,163 square feet compared to Q2's 1,094,392 square feet, Raleigh's retail market remains resilient. The overall inventory expanded to 75,852,836 square feet in Q3, as opposed to 75,811,283 square feet in Q2, underscoring the market's stability and growth.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▲ 12 Mo. Net Absorption SF	576,500	461,654	119,079	214,467	643,945
▼ Vacancy Rate	2.32%	2.41%	2.20%	2.44%	2.91%
▲ Avg NNN Asking Rate PSF	\$25.39	\$24.86	\$24.34	\$23.92	\$23.65
▼ SF Under Construction	1,086,163	1,094,392	1,179,963	1,027,512	1,019,029
▲ Inventory SF	75,852,836	75,811,283	75,701,449	75,584,184	75,701,474

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1905-1915 Poole Road Raleigh, NC	24,090 SF	\$3,200,000 \$132.84 PSF	Heba Issa Artesia Real Estate	Multi-Tenant
960 W. Market Street Smithfield, NC	23,203 SF	\$1,600,000 \$68.96 PSF	Whitley Townes LLC J&J Flowers Finch, Inc.	Single-Tenant
5560-5596 Highway 42 West Garner, NC	18,120 SF	\$1,850,000 \$102.10 PSF	Woodhaven Development Group GM & M Real Estate Services	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1 Junction Plaza Franklinton, NC	15,000 SF	Brassfield Commercial	Auto Zone	Automotive parts
404 E. Six Forks Road Raleigh, NC	12,455 SF	Tony Xie	Umami Sushi D/B/A Umiya	Accommodation and Food Services
4229 Louisburg Road Raleigh, NC	12,000 SF	SouthCoast Commercial LLC	David's Bridal	Women's Clothing Stores

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