



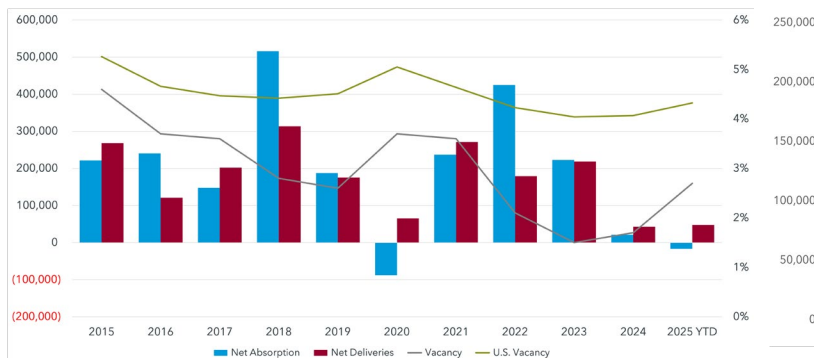
RETAIL MARKET OVERVIEW

SANDY THORPE, *Managing Director*

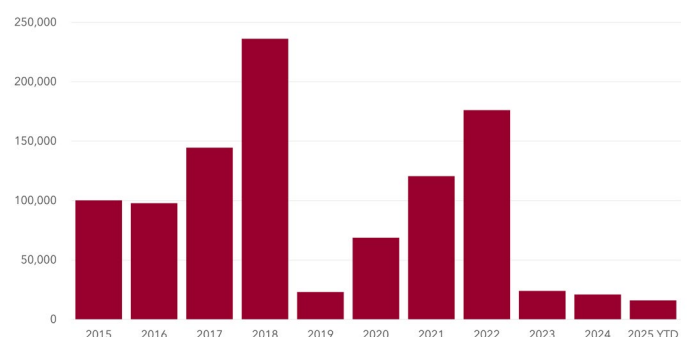
Wilmington's retail market softened in Q3 2025, posting -61,369 SF of net absorption compared to -16,999 SF in Q2. Vacancy edged up to 2.7% from 2.5%, while average asking rents fell to \$18.77 PSF, down from \$19.93. Sale prices increased to \$157 PSF, though cap rates rose to 7.54%, reflecting shifting investor sentiment. The construction pipeline expanded to 152,795 SF, signaling continued development interest, while total inventory held steady at 14.87 million SF. Overall, retail fundamentals weakened slightly as absorption turned more negative amid ongoing delivery activity.

MARKET INDICATORS	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
▼ 12 Mo. Net Absorption SF	(61,369)	(16,999)	(37,982)	(21,302)	(156,931)
▲ Vacancy Rate	2.67%	2.50%	2.60%	2.60%	2.20%
▼ Avg NNN Asking Rate PSF	\$18.77	\$19.93	\$17.51	\$16.75	\$16.58
▲ Sale Price PSF	\$157.00	\$154.00	\$150.00	\$148.00	\$145.00
▼ Cap Rate	7.54%	7.88%	7.22%	6.90%	6.90%
▲ Under Construction SF	152,795	131,795	22,794	25,000	25,000
◀ ▶ Inventory SF	14,865,984	14,865,984	14,843,230	14,818,230	14,818,230

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
3500 Oleander Drive Wilmington, NC	479,954 SF	\$44,915,789 \$93.58 PSF	4th Dimension Properties Brookfield Properties	Multi-Tenant
6737 Market Street Wilmington, NC	24,000 SF	\$3,350,000 \$139.58 PSF	Vets Pets Joseph A. Dinkins, Sr.	Single-Tenant
3400 Castle Hayne Road Castle Hayne, NC	21,930 SF	\$6,981,000 \$318.33 PSF	Randolph Barksdale The Long Corporation	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5-33 S. Kerr Avenue Wilmington, SC	15,700 SF	CLI Holdings LLC	Undisclosed	Undisclosed
3501 Oleander Drive Wilmington, NC	14,160 SF	Perform Properties	Undisclosed	Undisclosed
100 Lake Park Boulevard N Carolina Beach, NC	5,000 SF	Undisclosed	Riko's Pizza	Restaurant

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