



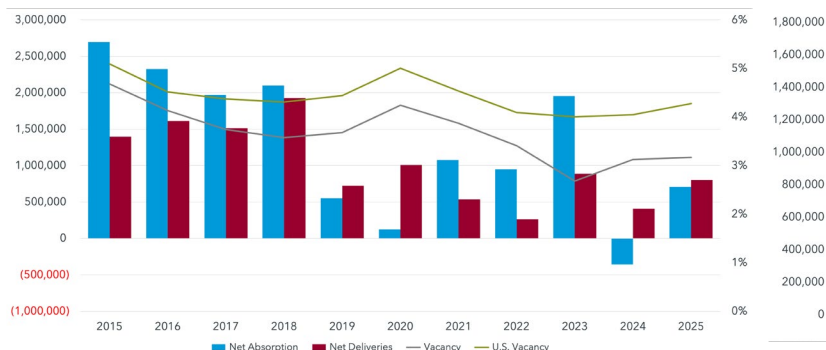
### RETAIL MARKET OVERVIEW

GREG PIERATT, *President*

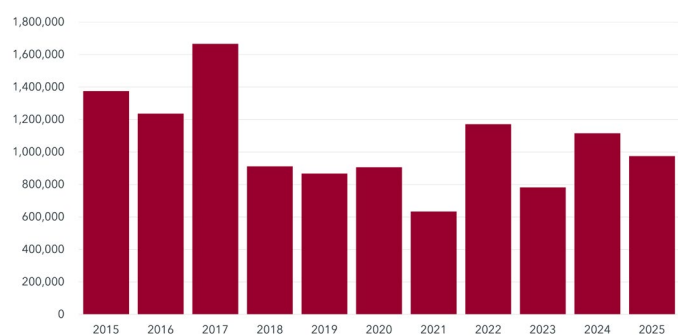
The Charlotte Q4 2025 retail market continues to demonstrate stability, supported by steady tenant demand and limited new supply. Twelve-month net absorption remained positive, while vacancy held relatively flat, reflecting balanced market conditions. Average NNN asking rates increased modestly quarter-over-quarter, driven by sustained demand for well-located retail centers. Construction activity remains subdued, helping preserve tight fundamentals across the sector. Sales volume softened slightly, and cap rates rose, indicating a more selective investment environment amid higher financing costs. Overall, the retail market remains healthy, underpinned by strong consumer traffic and restrained development.

| MARKET INDICATORS          | Q4 2025     | Q3 2025     | Q2 2025     | Q1 2025     | Q4 2024     |
|----------------------------|-------------|-------------|-------------|-------------|-------------|
| ▲ 12 Mo. Net Absorption SF | 707,815     | 95,805      | (354,453)   | (430,053)   | (357,968)   |
| ▼ Vacancy Rate             | 3.2%        | 3.3%        | 3.2%        | 3.3%        | 3.1%        |
| ▲ Avg NNN Asking Rate PSF  | \$26.91     | \$26.15     | \$25.50     | \$25.17     | \$24.91     |
| ▲ Sale Price PSF           | \$246.00    | \$239.00    | \$234.00    | \$232.00    | \$229.00    |
| ▼ Cap Rate                 | 6.9%        | 7.0%        | 7.0%        | 7.0%        | 7.1%        |
| ▲ Under Construction SF    | 974,877     | 898,107     | 1,026,500   | 894,546     | 1,115,390   |
| ▲ Inventory SF             | 152,521,197 | 152,388,965 | 152,046,534 | 151,990,760 | 151,718,181 |

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF                       | SIZE       | SALE PRICE                   | BUYER / SELLER  | TENANCY TYPE |
|---|------------|------------------------------|---|--------------|
| 3001 S, Cannon Boulevard*<br>Kannapolis, NC       | 219,000 SF | \$13,600,000<br>\$58.10 PSF  | Infinite Equity Capital<br>Benbrooke Realty Investments Co. | Multi-Tenant |
| 8054-8074 Concord Mills Boulevard*<br>Concord, NC | 143,643 SF | \$25,834,794<br>\$179.85 PSF | Undisclosed<br>Kite Realty Group Trust                      | Multi-Tenant |
| 1877-1923 E. Broad Street *<br>Statesville, NC    | 115,310 SF | \$15,779,468<br>\$136.84 PSF | The CF Company<br>Lubono Capital                            | Multi-Tenant |

\*Part of a Portfolio Sale

| TOP LEASE TRANSACTIONS BY SF                | SIZE      | LANDLORD   | TENANT                                 | TENANT INDUSTRY |
|---|-----------|--|--|-----------------|
| 37 N. Main Street<br>Kannapolis, NC         | 53,000 SF | Undisclosed                                      | Harris Teeter                          | Grocery Store   |
| 20700 Torrence Chapel Road<br>Cornelius, NC | 34,687 SF | Capital Automotive Real<br>Estate Services, Inc. | Lake Norman Chrysler<br>Dodge Jeep Ram | Retailer        |
| 5331-5411 South Boulevard<br>Charlotte, NC  | 20,186 SF | Kimco Realty<br>Corporation                      | Sketchers                              | Retailer        |

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2025 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com