



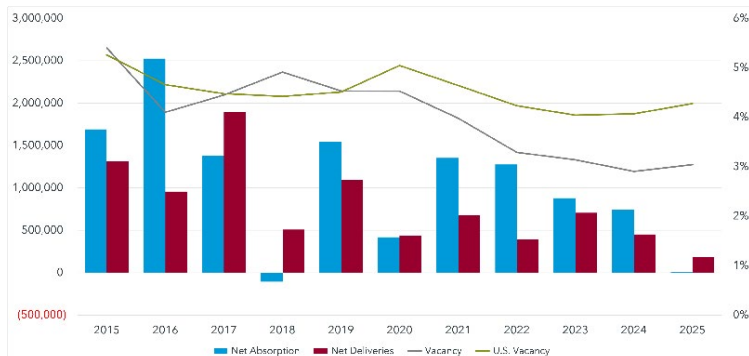
RETAIL MARKET OVERVIEW

SCOT COURTNEY, *President*

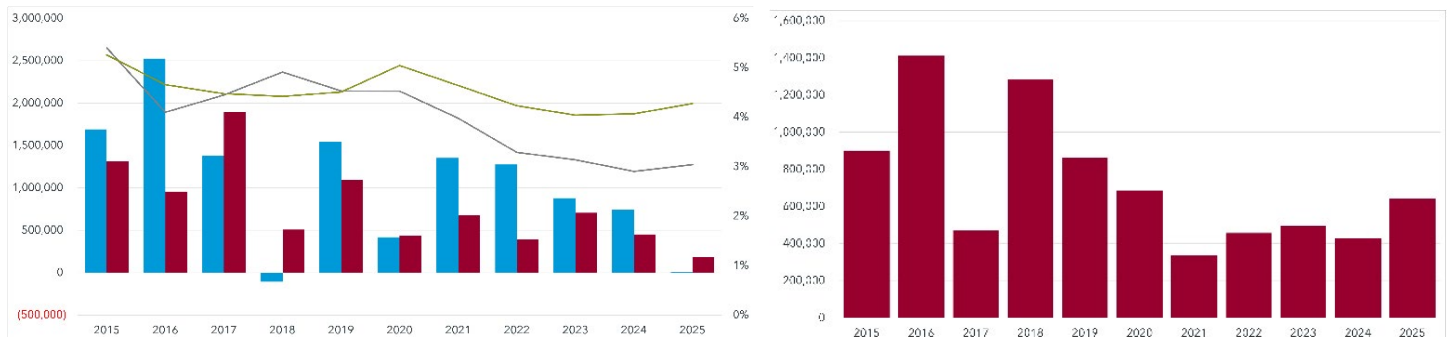
A recovery in the CBD and other in-city submarkets was underway in Q4, as tenants turned their attention to these areas, seeking more availability and better deal terms as compared to most suburban submarkets. Five years in the making, a noticeable increase in deal activity bodes well for these neglected areas as we enter 2026. Driven by opportunity as much as anything else, this should mark the turning point for recovery in these submarkets. Meanwhile, suburban activity remained constrained as submarket shifts, high construction costs, and lack of suitable sites made new development a challenge. Entering 2026, a handful of larger projects should start construction, opening up new supply options in selected high-growth suburban markets.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▼ 12 Mo. Net Absorption SF	14,811	305,094	138,590	586,424	748,915
▼ Vacancy Rate	3.03%	3.07%	3.42%	2.98%	2.90%
▼ Avg NNN Asking Rate PSF	\$19.31	\$19.38	\$19.24	\$19.11	\$19.06
▲ Sale Price PSF	\$166.76	\$164.31	\$163.63	\$161.43	\$159.32
◀ ▶ Cap Rate	-	-	-	-	-
▼ Under Construction SF	661,482	666,378	549,929	475,318	427,265
▲ Inventory SF	132,186,939	132,136,912	132,153,627	132,092,220	132,001,047

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
14395 Clay Terrace Boulevard Carmel, IN	508,541 SF	\$203,000,000 \$399.18 PSF	Hines Global Income Trust, Inc. Washington Prime Group Inc.	Multi-Tenant
1010-1080 N. Morton Street Franklin, IN	85,980 SF	\$10,900,000 \$126.77 PSF	SV Fincas Franklin LLC Franklin Commons Associates LLC	Multi-Tenant
9905 E. US Highway 36 Avon, IN	63,407 SF	\$10,800,000 \$170.33 PSF	The RMR Group Core Acquisitions	Single-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2521-2549 E. State Road 44 Shelbyville, IN	27,700 SF	Veritas Realty	Ali's Bargain Goods	Retail Discount/ Variety Goods
6213-6243 Allisonville Road Indianapolis, IN	25,210 SF	Paragon Realty	Undisclosed	Undisclosed
3502 E. 86th Street Indianapolis, IN	25,000 SF	Simon Property Group	Reis-Nichols Jewelers	Jewelry Stores

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