



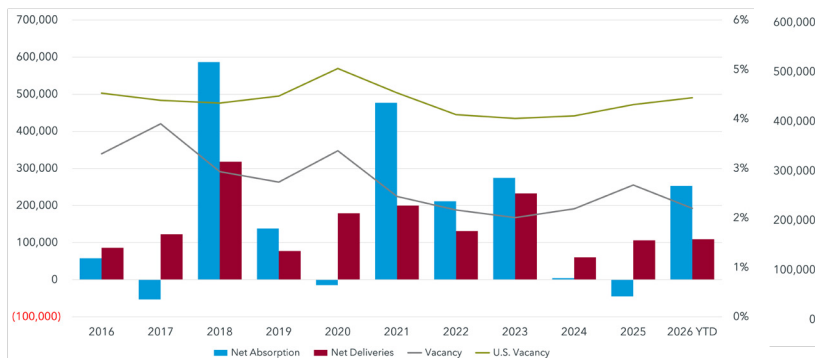
RETAIL MARKET OVERVIEW

ALYSSA STEPUSIN BYRD, *Broker*

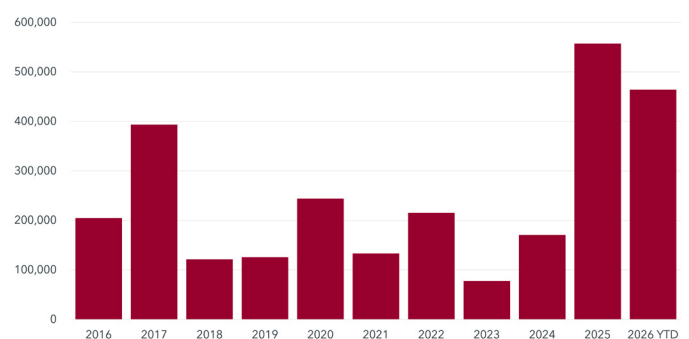
Durham retail space is about as tight as it gets. Vacancy fell to 2.0% in Q3 2026, near its lowest point in a decade and below both Raleigh's 2.6% and the 2.7% national rate Lee reported for general retail. Tenants absorbed 256,526 SF over 12 months, reversing a loss of 77,335 SF a year earlier, while asking rents rose a modest 1.5% to \$25.39/SF. Growth continues to push south into Chatham County, where the quarter's largest sale was Chatham Mills in Pittsboro, 84,625 SF for \$11.8 million. With only 464,000 SF under construction, landlords should keep the upper hand into 2027.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▲ 12 Mo. Net Absorption SF	256,526	134,390	235,202	(44,795)	(77,335)
▼ Vacancy Rate	2.04%	2.20%	2.80%	2.67%	2.56%
◀▶ Avg NNN Asking Rate PSF	\$25.39	\$25.43	\$25.33	\$25.20	\$25.01
▲ Sale Price PSF	\$230.92	\$230.56	\$233.32	\$232.38	\$231.50
◀▶ Cap Rate	8.54%	8.54%	8.45%	8.42%	8.40%
▼ Under Construction SF	463,986	478,986	489,455	557,083	564,811
▲ Inventory SF	31,010,854	30,991,454	30,974,350	30,901,722	30,868,950

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
480 Hillsboro St Pittsboro, NC	84,625 SF	\$11,798,000 \$139.42 PSF	Bold Commercial Real Estate Chatham Mills Development Corp	Multi-Tenant
2121 TW Alexander Rd Morrisville, NC	77,994 SF	\$18,225,000 \$233.67 PSF	ShopOne Centers First Southwest Properties	Multi-Tenant
116 W Barbee Chapel Rd Chapel Hill, NC	44,926 SF	\$9,571,079 \$213.04 PSF	Kevin Mills SITE Centers	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
5600 S Miami Blvd Morrisville, NC	19,987 SF	Undisclosed	Undisclosed	Undisclosed
812 Liberty St Durham, NC	9,497 SF	Southern Repair Service Inc	Undisclosed	Undisclosed
39 West St Pittsboro, NC	8,494 SF	Undisclosed	Undisclosed	Undisclosed

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