



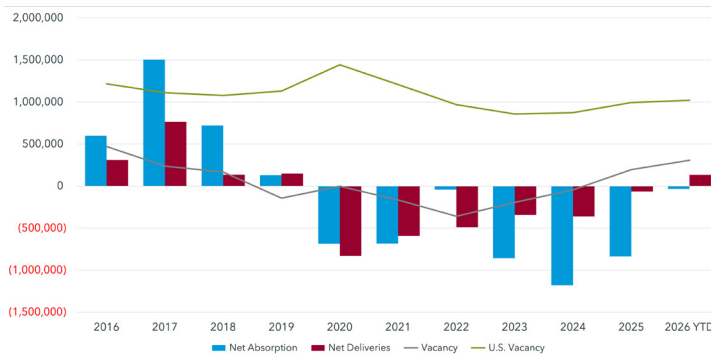
RETAIL MARKET OVERVIEW

KYLE PROSSER, *Principal*

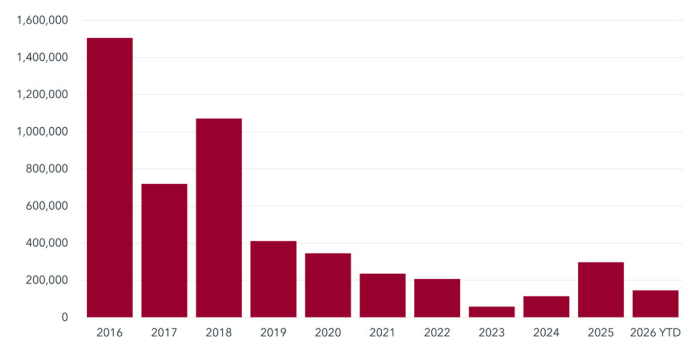
Retail vacancy continued to rise year over year for the 4th straight year and 5 straight quarter. Cap rates have risen as well for the 4th straight quarter. Interest rates continue to affect cap rates as they rise on a parallel path. There is also a significant drop retail under construction which has fallen more than 50%. Wages and costs of doing business continue to rise affecting small businesses in a negative manner. Its not all doom and gloom as 133,000 SF of retail was delivered in the first 3 quarters

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▲ 12 Mo. Net Absorption SF	(38,586)	(259,957)	(717,505)	(836,885)	(1,188,937)
▲ Vacancy Rate	4.16%	4.04%	4.11%	4.08%	3.99%
▼ Avg NNN Asking Rate PSF	\$30.16	\$30.25	\$30.06	\$29.97	\$29.93
▼ Sale Price PSF	\$408.91	\$467.07	\$296.78	\$240.25	\$402.09
▲ Cap Rate	6.99%	6.91%	6.77%	6.17%	6.72%
▼ Under Construction SF	146,067	345,040	351,279	297,023	428,121
▲ Inventory SF	173,674,210	173,495,100	173,560,770	173,540,382	173,421,680

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
400 SE Fairmount Dr Pullman WA	135,810 SF	\$5,500,000 \$40.50 PSF	Schweitzer Engineering Lab Garford LLC	Single Tenant
802 E 29th Street Spokane WA	126,867 SF	\$19,150,000 \$147.01 PSF	Post Falls Ck LLC TNC Property Investments	Multi-Tenant
1645 140th Ave NE Bellevue WA	106,816 SF	\$48,952,761 \$458.29 PSF	GRI Evergreen LLC Gateway Evergreen Inc	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
2300 26th Ave S Seattle, WA	63,278 SF	--	Side Out Pickleball	Sports
2500-2520 Rudkin Rd Union Gap, WA	46,957 SF	--	Dick's	Sporting Goods
14201-14215 SE Petrovitsky Rd Renton, WA	43,130 SF	--	Ace Pickleball	Sports

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