



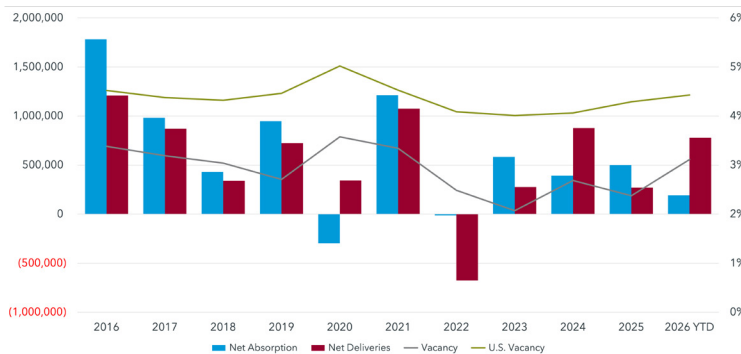
RETAIL MARKET OVERVIEW

ALYSSA STEPUSIN BYRD, *Broker*

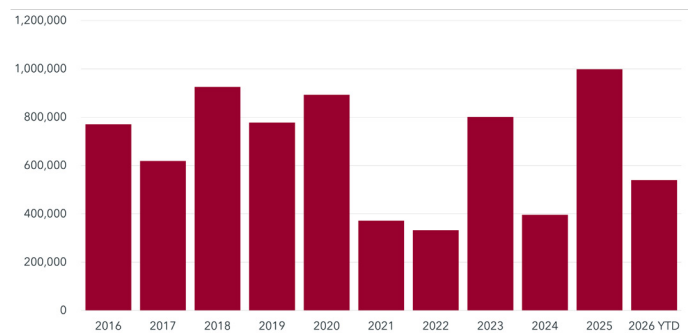
Raleigh retail space remains scarce, with vacancy at 2.6%, just below the 2.7% national rate Lee reported for general retail in Q2. Tenants absorbed 266,000 SF in Q3 alone, recovering from a slightly negative Q2 and lifting 12-month absorption to 591,000 SF, nearly double last quarter's total. Asking rents rose 3.8% over the year to \$29.34/SF. Investors are following population growth east of the city: Invesco bought Shoppes at Midway and Hinton Oaks in Knightdale for a combined \$56.7 million. With only 509,000 SF under construction, much of it preleased, conditions should continue to favor landlords into 2027.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▲ 12 Mo. Net Absorption SF	590,883	312,960	478,274	500,875	539,384
▼ Vacancy Rate	2.64%	2.84%	2.51%	2.38%	2.44%
▲ Avg NNN Asking Rate PSF	\$29.34	\$29.14	\$28.96	\$28.64	\$28.25
▲ Sale Price PSF	\$268.73	\$266.07	\$267.34	\$265.15	\$258.27
▼ Cap Rate	6.96%	6.99%	6.94%	6.93%	6.99%
▼ Under Construction SF	508,511	511,215	688,323	998,492	730,985
▲ Inventory SF	77,038,120	76,926,110	76,711,693	76,258,779	76,273,528

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	TENANCY TYPE
1002-1018 Shoppes at Midway Dr Knightdale, NC	139,437 SF	\$29,720,518 \$213.15 PSF	Invesco Ltd. Bailard M & J Wilkow	Multi-Tenant
6600 Glenwood Ave Raleigh, NC	130,974 SF	\$12,813,048 \$97.83 PSF	Armstrong Capital Development Zeisler Morgan Properties, Ltd.	Multi-Tenant
214-220 Hinton Oaks Blvd Knightdale, NC	121,383 SF	\$26,962,525 \$222.13 PSF	Invesco Ltd. Bailard M & J Wilkow	Multi-Tenant

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
4600-4700 Capital Blvd Raleigh, NC	26,377 SF	Rivercrest Realty Investors	Furniture World	Retail/Home Furnishing Store
4701 Atlantic Ave Raleigh, NC	23,000 SF	Rivercrest Realty Investors	Raleigh VA Dental Clinic	Healthcare/Medical
4500 Western Blvd Raleigh, NC	20,322 SF	CityPlat	Final Score	Sports & Recreation

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