



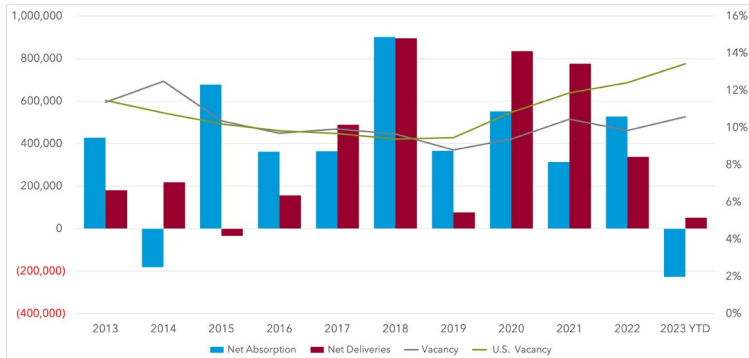
OFFICE MARKET OVERVIEW

STONE ALEXANDER, CPA, *Broker*

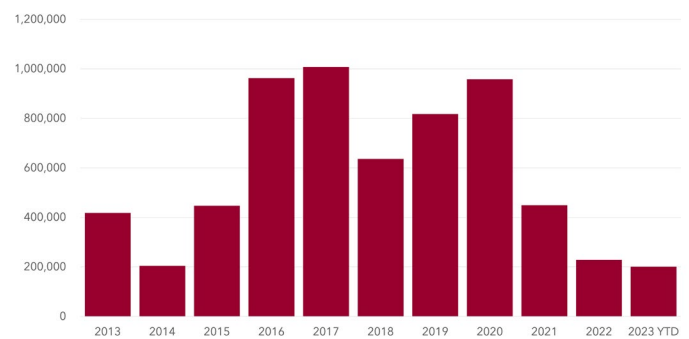
In Q3 2023, the Durham office market experienced a net absorption of -211,632 square feet, indicating a decrease in occupied space from the previous quarter, which saw a net absorption of 38,551 square feet. The vacancy rate in Q3 rose slightly to 10.44%, up from 10.28% in the previous quarter, pointing to a slightly greater availability of office properties. The average NNN asking rate per square foot per annum in Durham reached \$27.29, showing a minor increase from the previous quarter's rate of \$27.26. With 201,159 square feet of office space under construction, the Durham market is in a phase of ongoing development. The total office inventory remains consistent at 36,865,224 square feet.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	(211,632)	38,551	120,564	527,280	493,397
▲ Vacancy Rate	10.44%	10.28%	10.40%	9.85%	9.74%
▲ Avg NNN Asking Rate PSF	\$27.29	\$27.26	\$27.20	\$27.20	\$26.88
◀ ▶ SF Under Construction	201,159	201,159	252,440	228,440	78,181
◀ ▶ Inventory SF	36,865,224	36,865,224	36,813,943	36,813,943	36,813,943

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4020 N. Roxboro Street Durham, NC	42,080 SF	\$6,207,000 \$147.50 PSF	Beacon Development Company Moonbeam Leasing & Mgmt LLC	Class B
930 Martin Luther King Jr Boulevard Chapel Hill, NC	18,000 SF	\$2,840,000 \$157.78 PSF	Dapo Afolabi Lucy Carol Davis	Class B
2222 Sedwick Road Durham, NC	17,074 SF	\$2,500,000 \$146.42 PSF	Undisclosed Eli Global	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6 Moore Drive Durham, NC	61,873 SF	Alexandria Real Estate Equities, Inc	Undisclosed	Undisclosed
240 Leigh Farm Road Durham, NC	25,626 SF	Innovatus Capital Partners LLC	Undisclosed	Undisclosed
3414 N. Duke Street Durham, NC	25,017 SF	Beacon Development Company	Durham Tech	Professional, Scientific, and Technical Services

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