



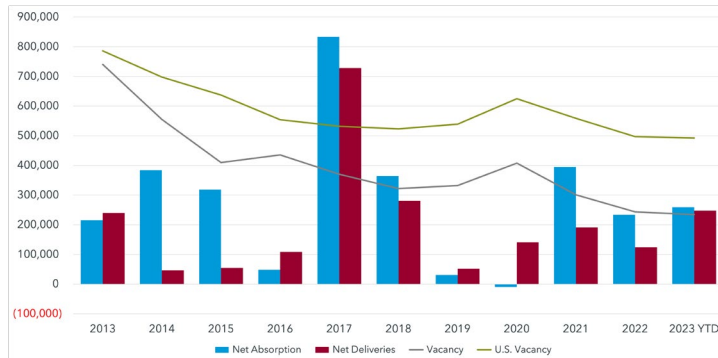
RETAIL MARKET OVERVIEW

JAKE PLOTKIN, CCIM, *Vice President*

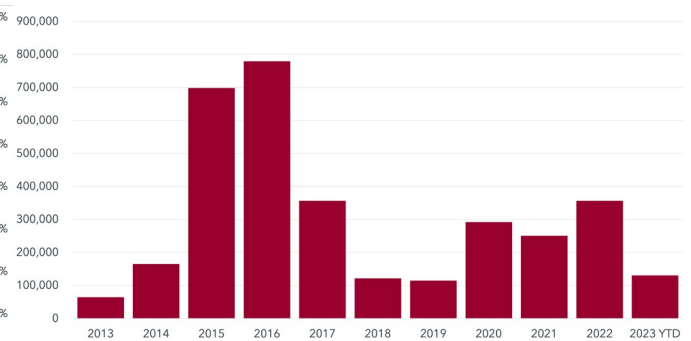
Durham's retail market saw robust growth in Q3 2023, boasting a net absorption of 295,998 square feet, outpacing Q2's 253,042 square feet. Additionally, the vacancy rate declined from 2.45% in Q2 to 2.31% in Q3, highlighting heightened demand for retail spaces. The average NNN asking rate per square foot per year also increased from \$23.06 to \$23.33. Notably, Q3 witnessed a reduction in square footage under construction, dropping to 130,534 square feet from Q2's 211,325 square feet. Despite this, the market remained stable, with the inventory at 28,161,334 square feet in Q3, consistent with Q2's 28,061,334 square feet. These figures collectively suggest a resilient and thriving retail market in Durham.

| MARKET INDICATORS | Q3 2023 | Q2 2023 | Q1 2023 | Q4 2022 | Q3 2022 |
|----------------------------|------------|------------|------------|------------|------------|
| ▲ 12 Mo. Net Absorption SF | 295,998 | 253,042 | 258,720 | 233,567 | 201,436 |
| ▼ Vacancy Rate | 2.31% | 2.45% | 2.47% | 2.40% | 2.32% |
| ▲ Avg NNN Asking Rate PSF | \$23.33 | \$23.06 | \$22.80 | \$22.52 | \$22.24 |
| ▼ SF Under Construction | 130,534 | 211,325 | 220,792 | 356,480 | 411,679 |
| ▲ Inventory SF | 28,161,334 | 28,061,334 | 28,047,834 | 27,913,946 | 27,863,472 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | TENANCY TYPE |
|--------------------------------------|------------|------------------------------|---|--------------|
| 3825 S. Roxboro Street Durham, NC | 114,972 SF | \$12,150,000 \$105.68 PSF | County of Durham BC Wood Properties | Undisclosed |
| 321 East Street Pittsboro, NC | 10,280 SF | \$4,154,000 \$404.09 PSF | DV Cat LLC Louise Garside | Undisclosed |
| 725 Iredell Street Durham, NC | 5,885 SF | \$1,850,000 \$314.36 PSF | Rea Morehead Juniper, Inc. 725 Iredell LLC | Undisclosed |

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|--|----------|-----------------------------|--------------------------|------------------------------------|
| 2223 E. NC Highway 54 Durham, NC | 4,448 SF | Elmer Douglas Lucas | Undisclosed | Undisclosed |
| 8030 Renaissance Parkway Durham, NC | 4,000 SF | Brookfield Corporation | CO | Dine-In Restaurants |
| 202 N. Corcoran Street Durham, NC | 3,951 SF | Austin Lawrence Partners | Cheeni Indian Restaurant | Accommodation and Food Services |

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