Retail Real Estate Overview and Outlook

August 10, 2026

Marcus & Millichap

Hessam Nadji – President/CEO

Mike Puline – Sr. Managing Director Retail

Marcus & Millichap - COMPANY HIGHLIGHTS

Founded in 1971, MMI is the Largest Firm in North America Specializing in CRE Investment Brokerage, Financing, Research and Advisory Services

Servicing Private and Institutional Investors with 1,800 Professionals in 80 Offices; Consistently Ranks as Top Broker Firm by Transaction Count

Market Leader in the Private Client Segment, Typically in the $1M-$10M Tranche – The Segment Accounts for 80%-85% of All CRE Sales in the Market

MMI's Institutional Division, IPA, has Emerged as a Leading Broker of $20M+ Sale and Financing Transactions in the Last 10 Years

Long-Term History of Growth and Profitability; Strong Balance Sheet Supports Simultaneous Investments in Strategic Growth and Return of Capital

Growth Plan Driven By: Further Share Gains in the Private Client Market, Expansion in the Institutional Segment, Scaling Financing Business, Adding Adjacent Business Lines

2025 BROKERAGE BUSINESS HIGHLIGHTS

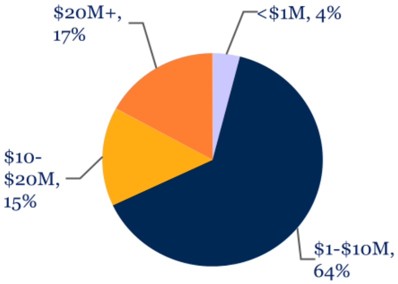
$633M
Brokerage Revenue

$34.8B
Total Sales Volume

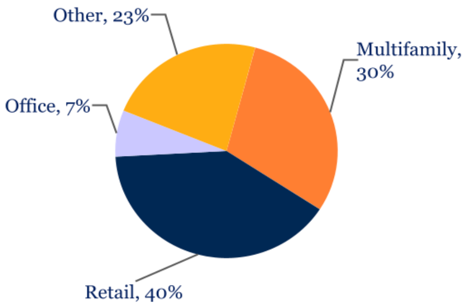
6,038
Sales Transactions Closed

1,708
Investment Sales Professionals

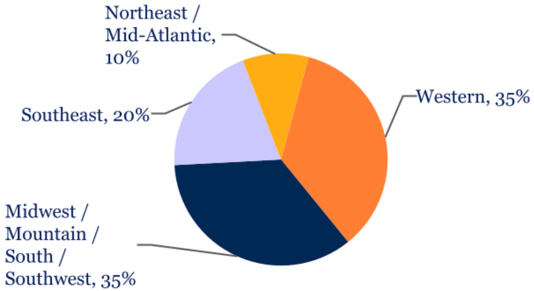
Revenue by Transaction Size



Transactions by Property Type



Transactions by Region



Source: Based on MMI company data as of 12/31/2025; Private Client Market segment consists of transactions valued at $1M to $10M

2025 FINANCING BUSINESS HIGHLIGHTS

$104M

Financing Fee Revenue

100

Financing Professionals

$11.9B

Loan Origination Volume

1,659

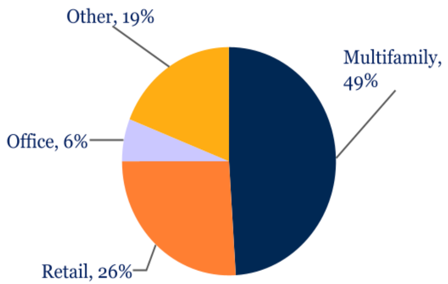
Financing Transactions

422

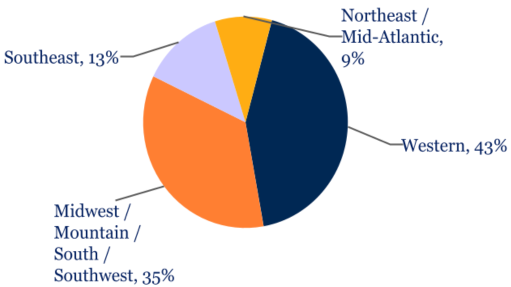
Separate Lenders

Capital markets expertise and growing lender network provide tailored financing solutions for clients as intermediary

Transactions by Property Type



Transactions by Region

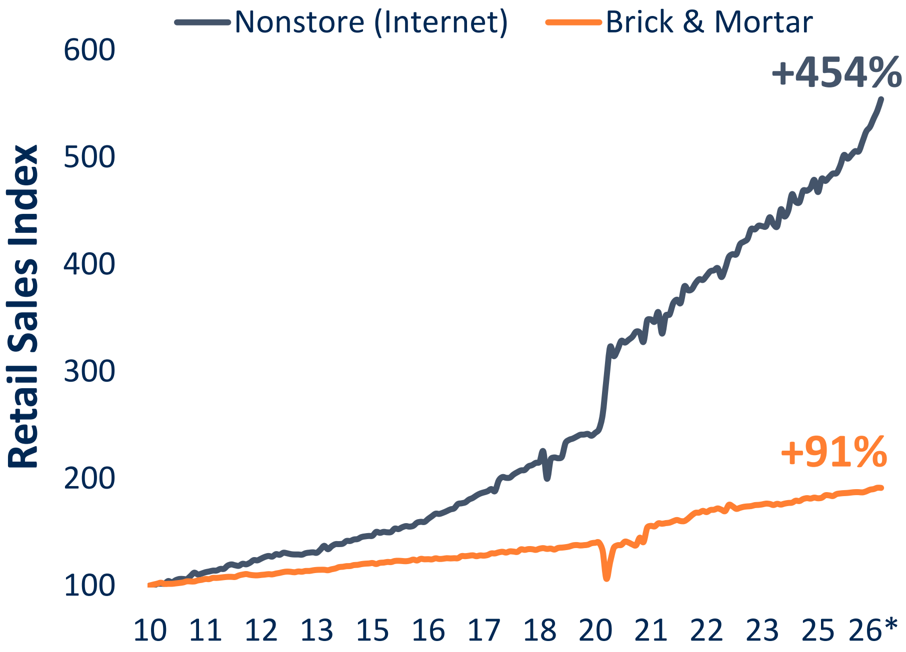


Source: Based on MMI company data as of 12/31/2025

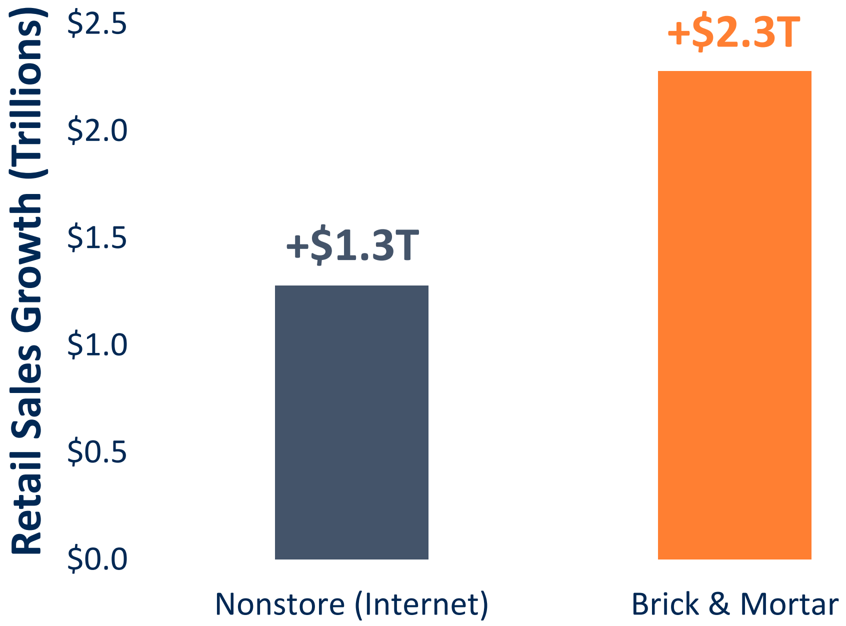
The Death of Retail Real Estate Turns into a Rebirth

E-commerce Growth Rate Outpaces Brick & Mortar
But Trails In Absolute Spending Gains

Retail Sales Index



Retail Sales Growth (2010 – 2026*)



* Through June; trailing 12-months through June for absolute sales growth
Index: January 2010 = 100
Sources: Marcus & Millichap Research Services, U.S. Census Bureau

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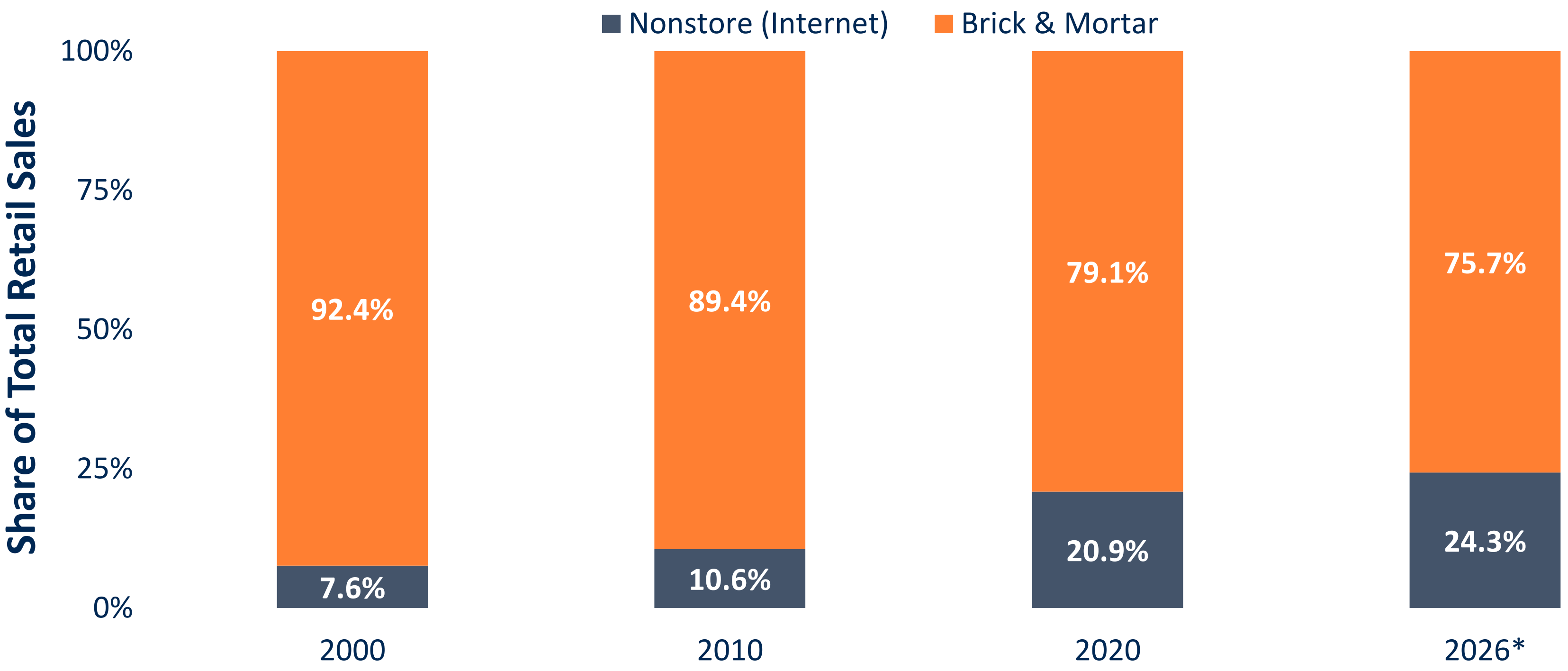
Share of Total Retail Sales



* Trailing 12-months through June
Sources: Marcus & Millichap Research Services, U.S. Census Bureau

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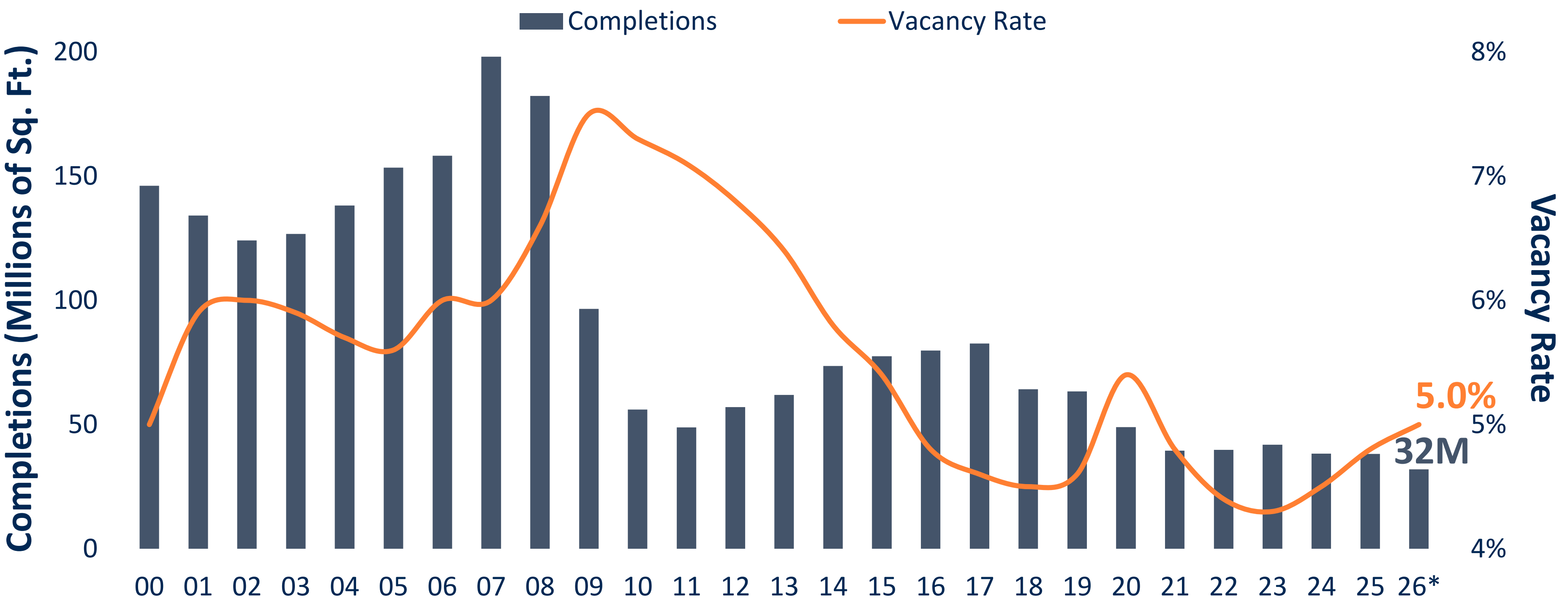
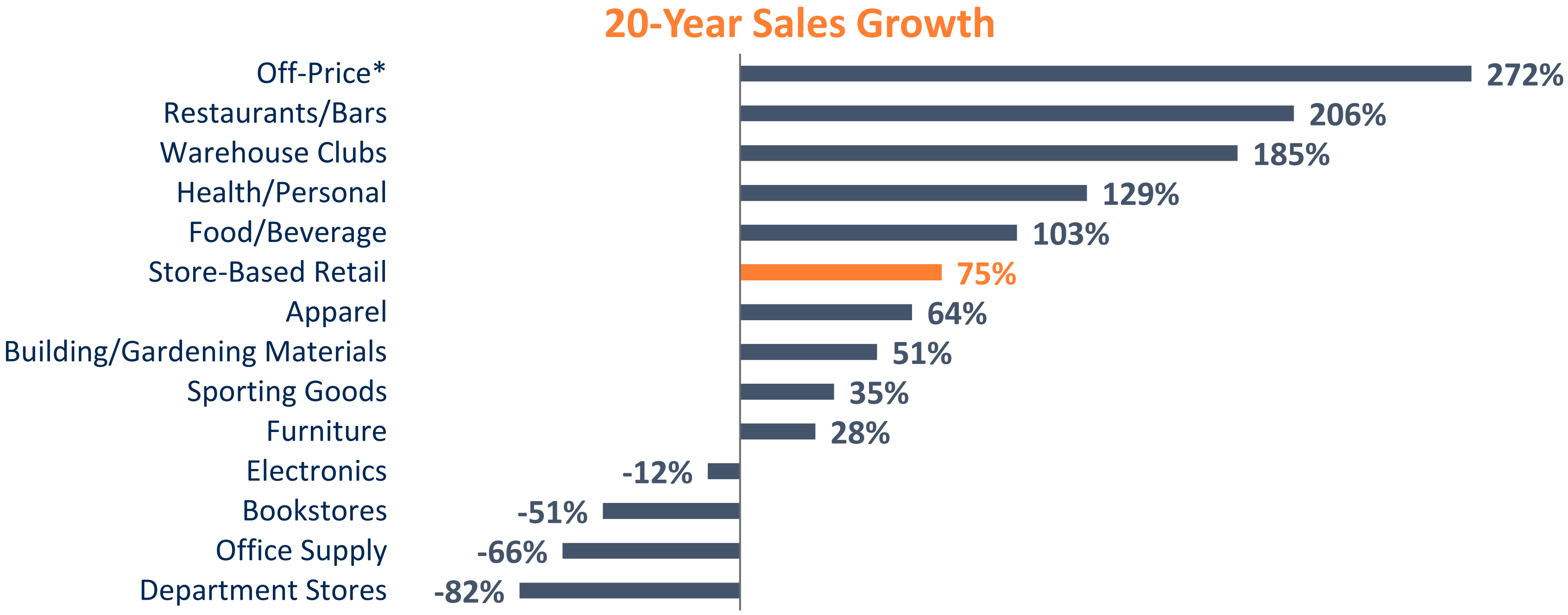
Significant Reduction of Retail Construction
In Response to Shifting Demand Foundation of Recovery



* Forecast
Sources: Marcus & Millichap Research Services, CoStar Group, Inc.

Consumer Preferences Shifting

Retail Growth Favoring Value, Experiential Shopping, Health/Fitness



* Includes total sales for U.S. TJX, Ross, and Burlington
From 2005 to 2025
Does not include all categories and sub-categories
Sources: Marcus & Millichap Research Services, U.S. Census Bureau

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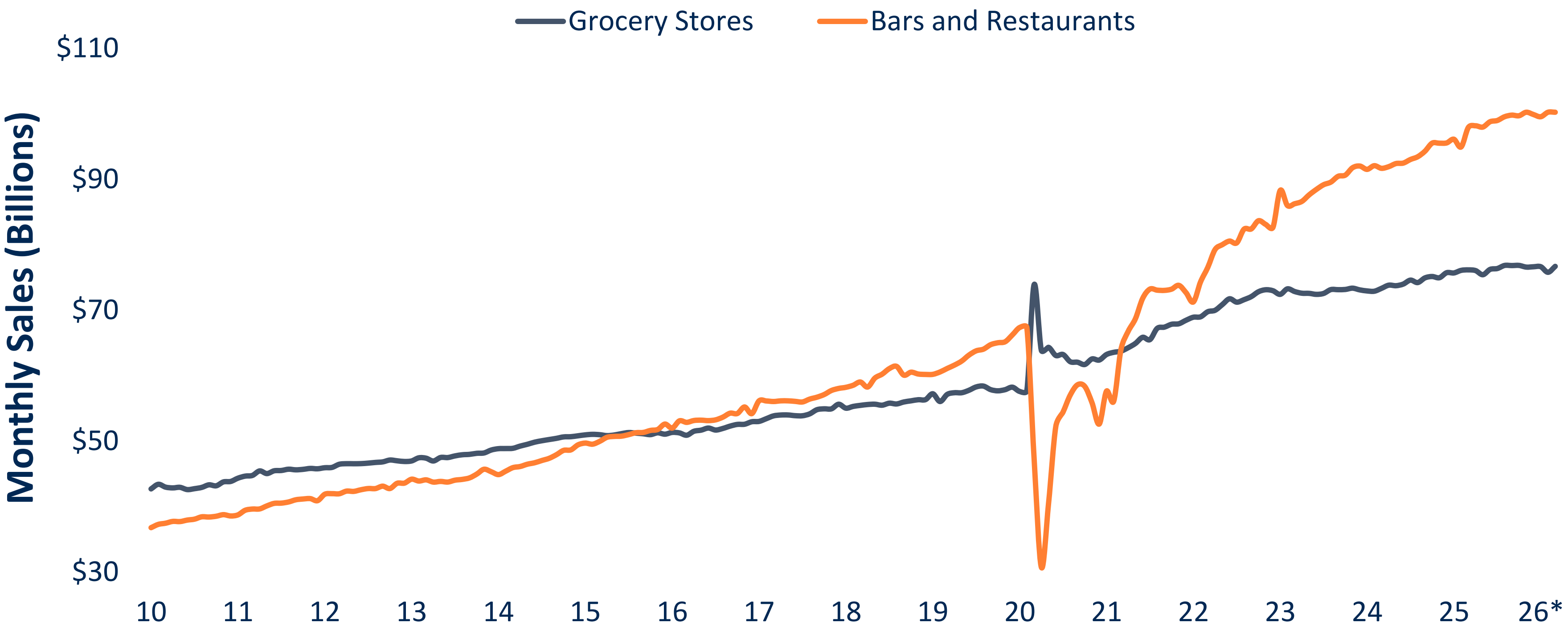
Spending At Bars And Restaurants First Exceeded Grocery Stores In 2015; Delta Has Swelled Since



* Through June

Sources: Marcus & Millichap Research Services, U.S. Census Bureau

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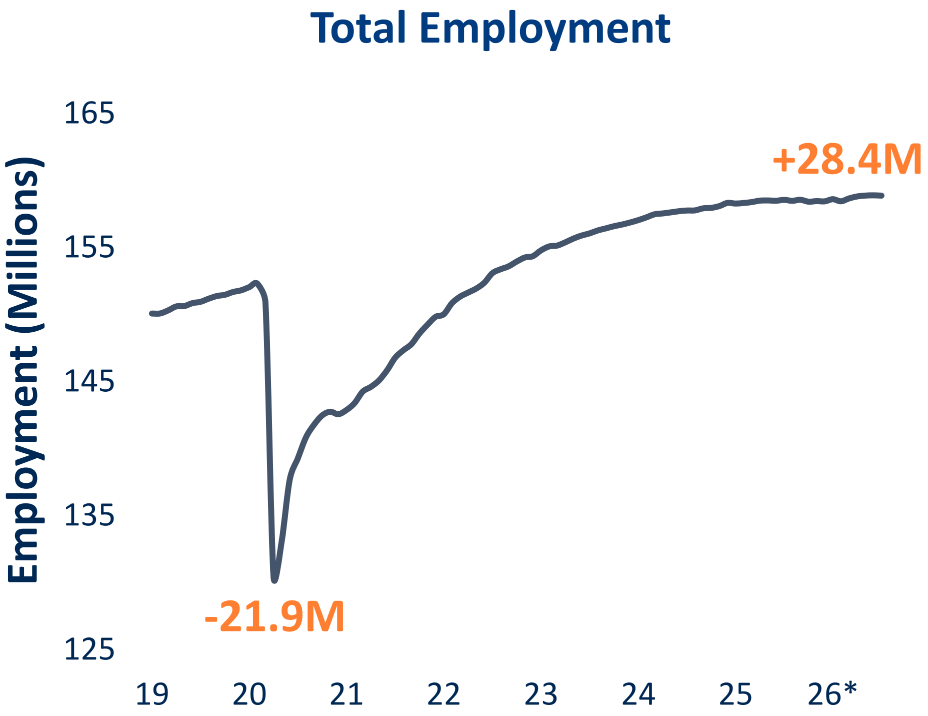
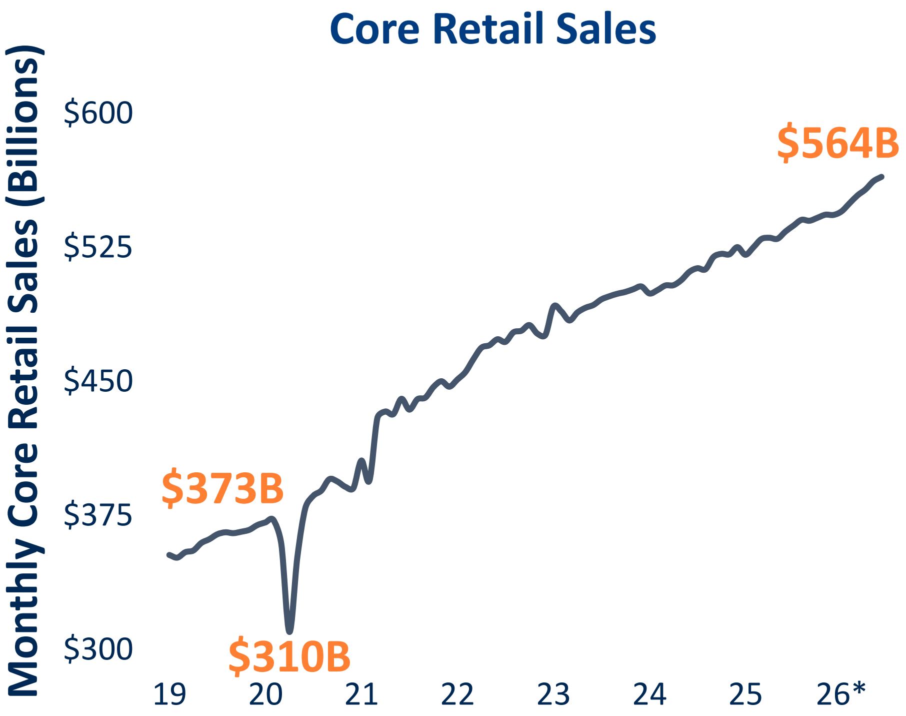
Post-Pandemic Retail Demand Stronger Than Ever





* Through July; core retail sales through June
Core retail sales excludes auto and gas
Sources: Marcus & Millichap Research Services, BLS, U.S. Census Bureau

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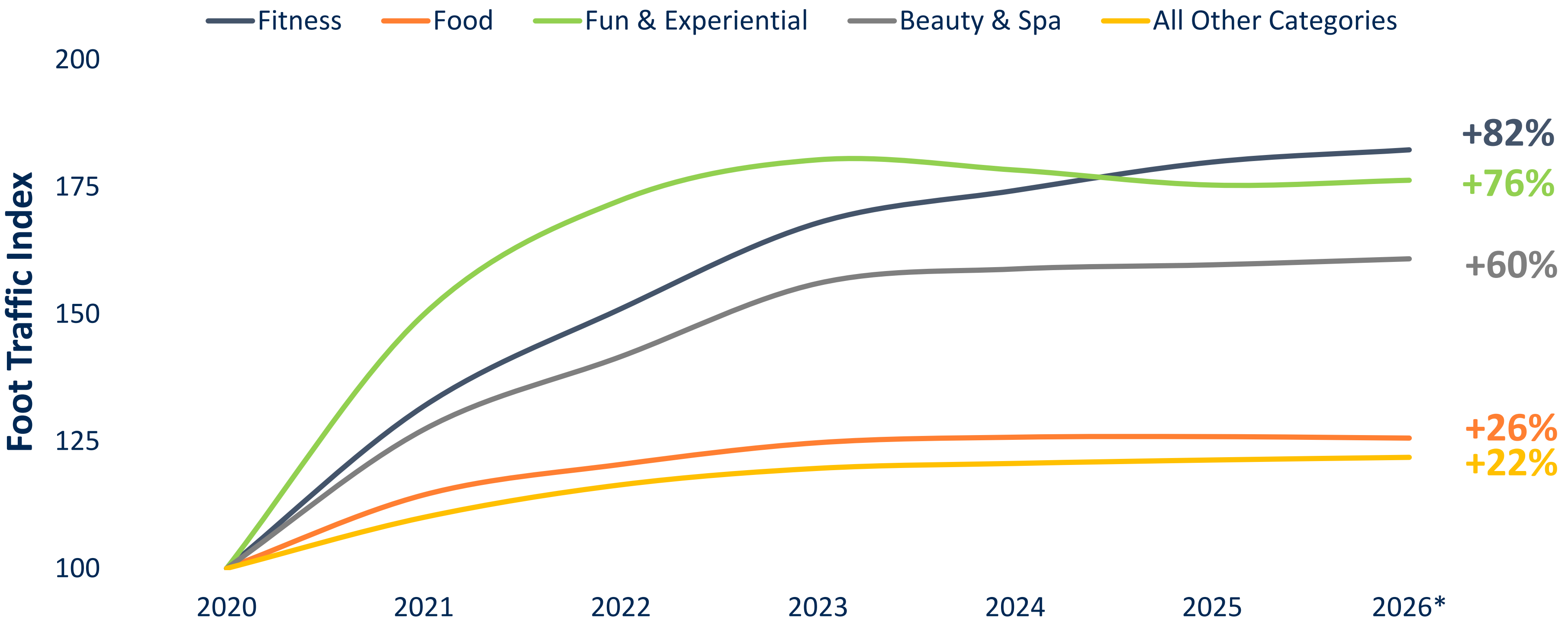
Post Pandemic Boost in Experiential Retail Clear

Trend Appears to be Sustainable with Aging of Population



* Trailing 12-months through June
Index: 2020=100
Sources: Marcus & Millichap Research Services, Placer.AI

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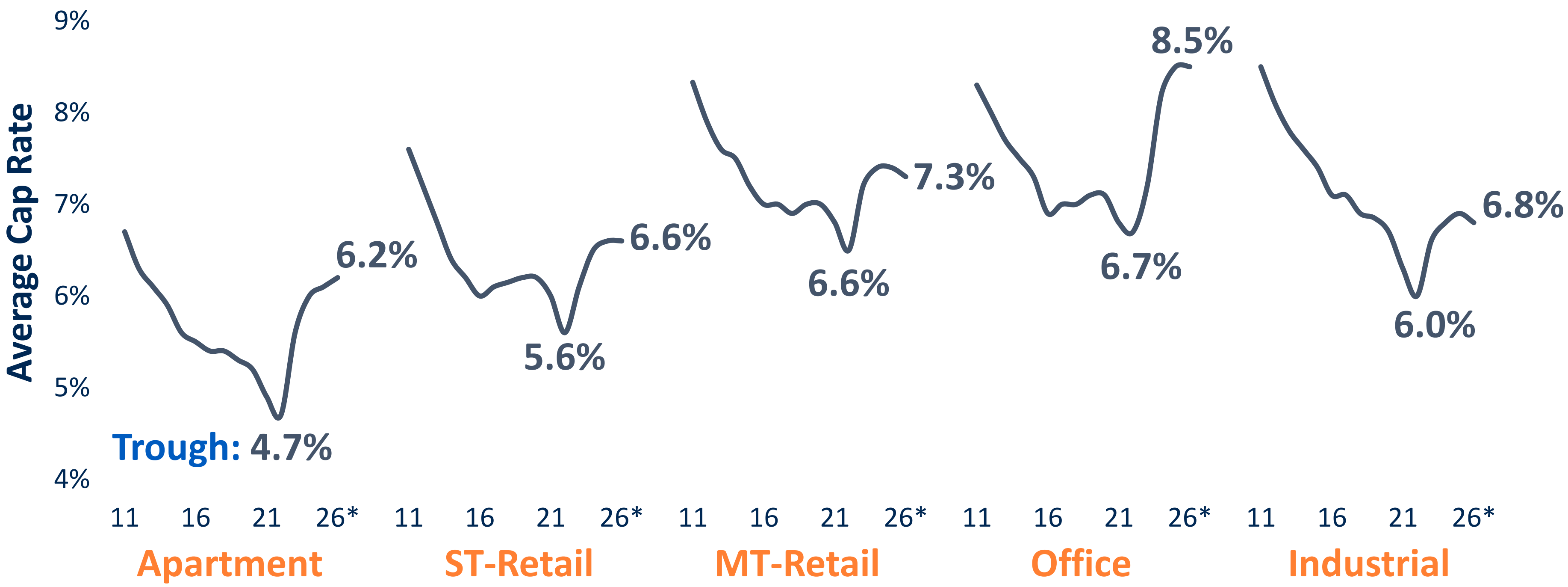
Retail's Transformation to a Favored Asset Class

Retail Has Become a Favored Asset Class

Average Cap Rate Trends by Property Type



* Through 2Q
Includes sales $1 million and greater; office cap rates estimated to account for change in sales composition
ST=single-tenant; MT=multi-tenant
Sources: Marcus & Millichap Research Services, CoStar Group, Inc., Real Capital Analytics

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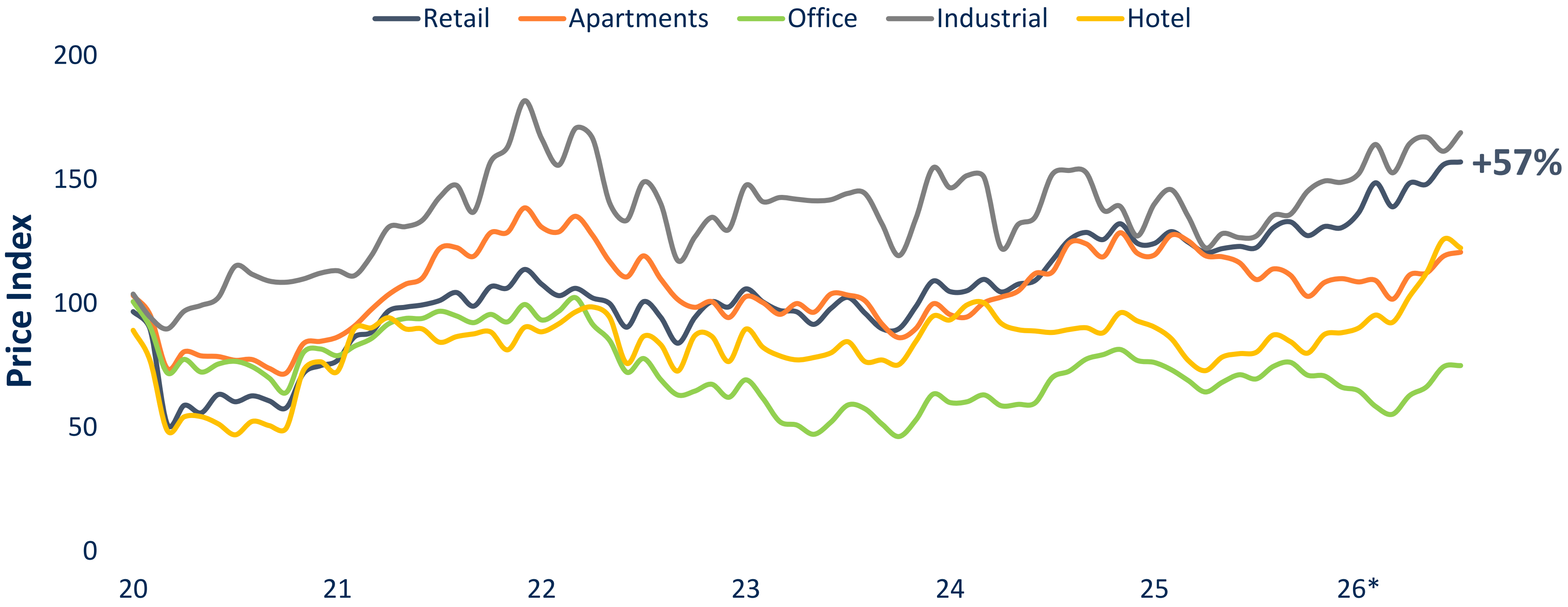
Retail REITs Among Price Performance Leaders



* Through July 14, 2026
Index: (December 2019=100)
Sources: Marcus & Millichap Research Services, NAREIT, Federal Reserve Board

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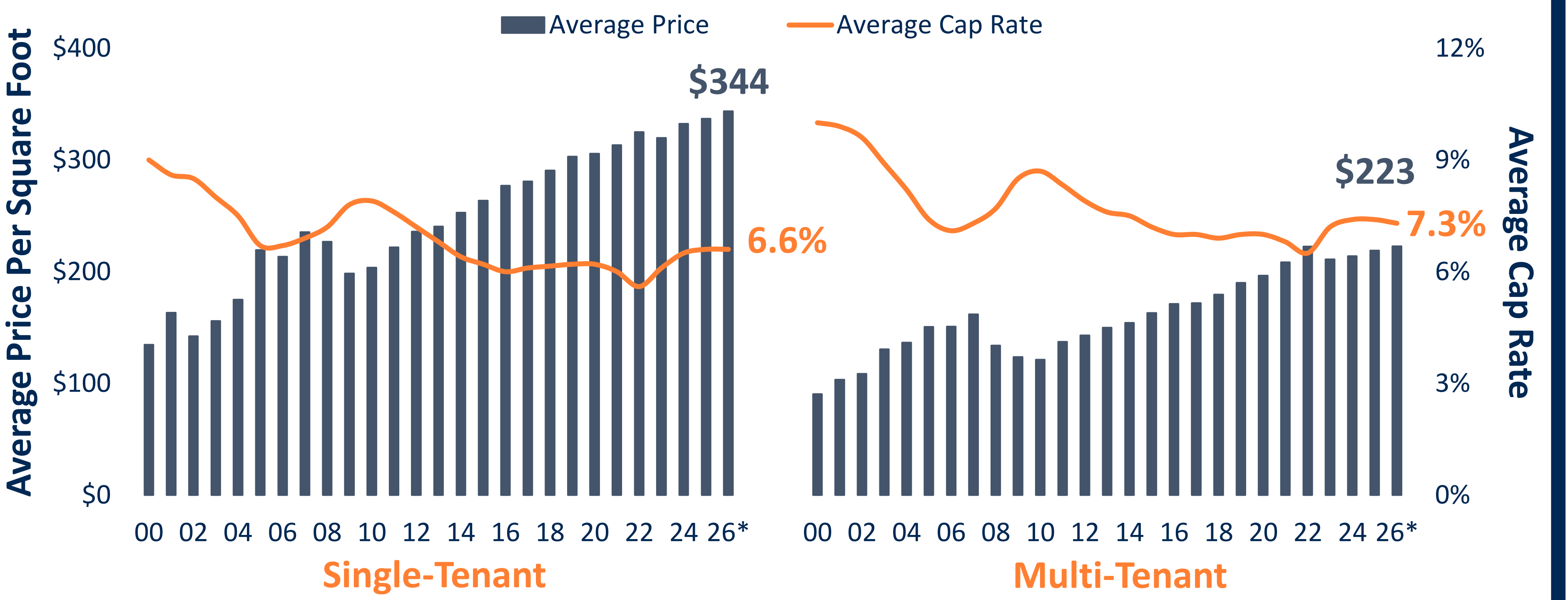
National Retail Price And Cap Rate Trends



* Through 2Q
Includes sales $1 million and greater
Sources: Marcus & Millichap Research Services, CoStar Group, Inc., Real Capital Analytics

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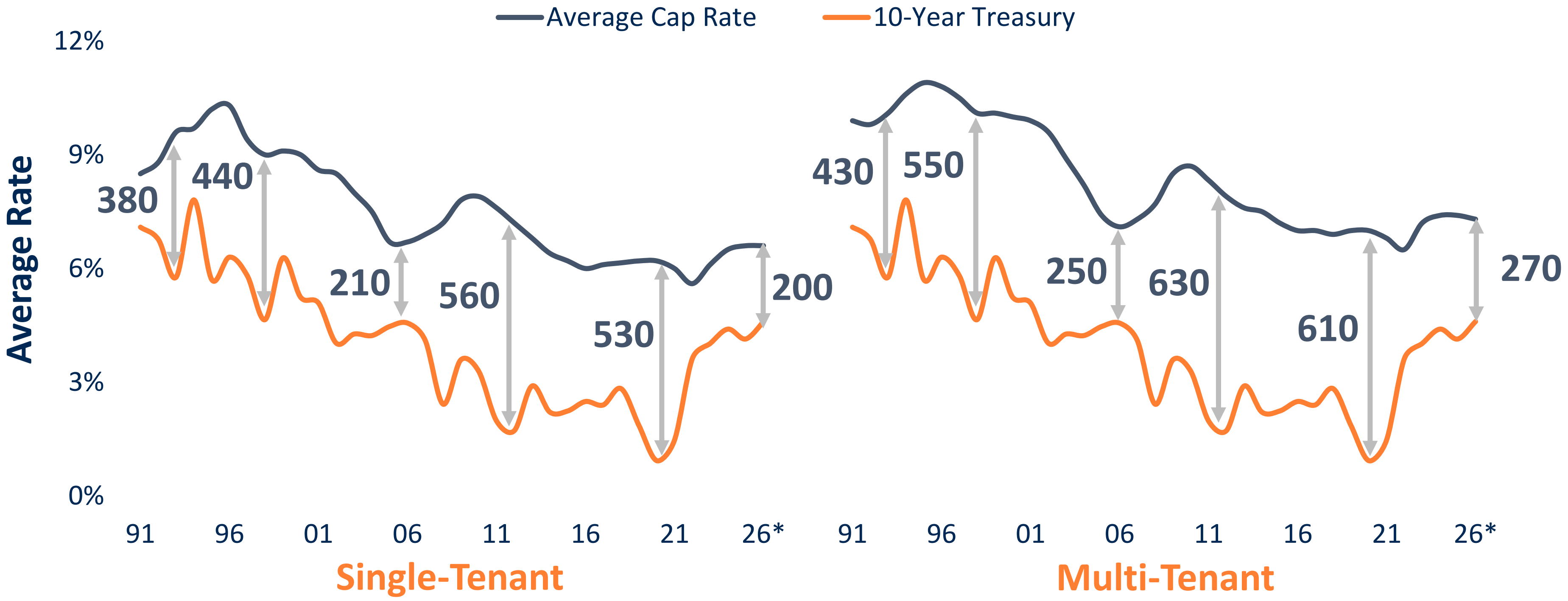
National Average Retail Cap Rate And 10-Year Treasury Trends



* Through July 28
Includes sales $1 million and greater
Sources: Marcus & Millichap Research Services, CoStar Group, Inc., Real Capital Analytics, Federal Reserve

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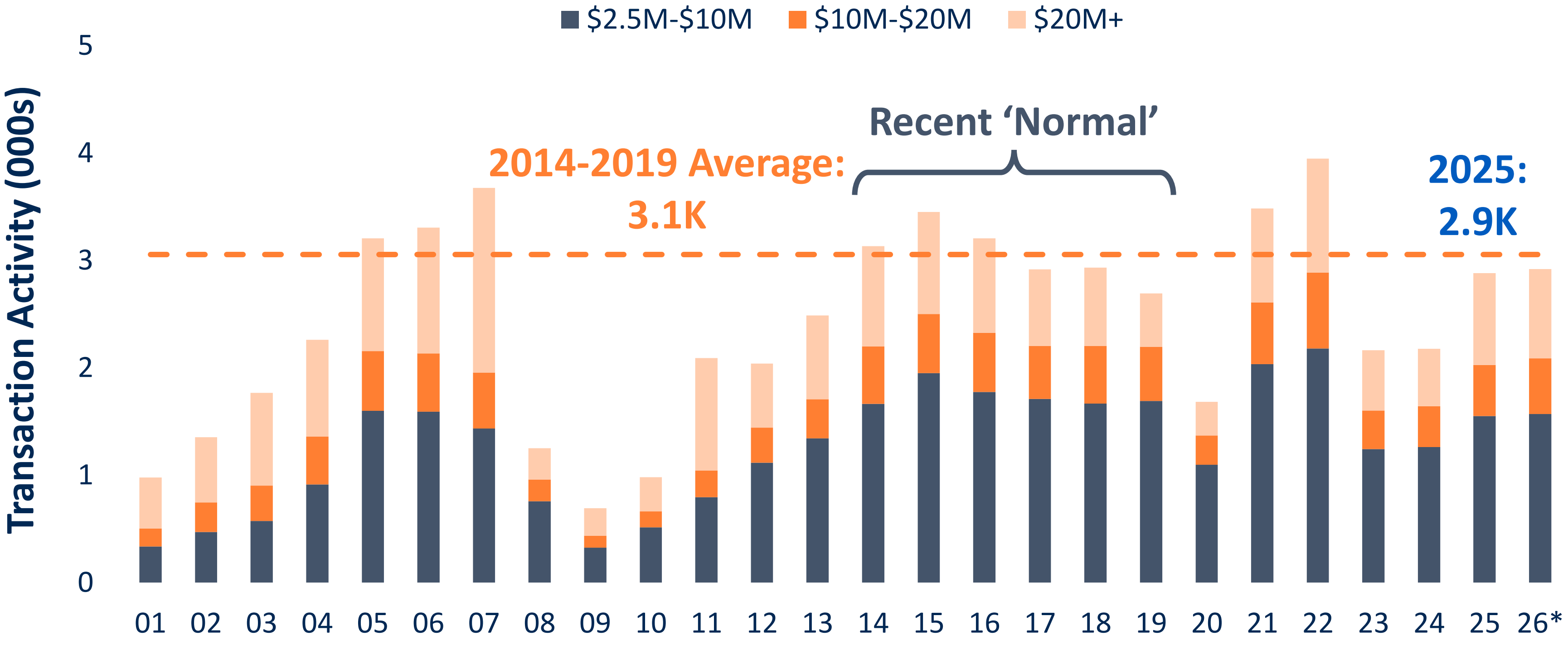
U.S. Multi-Tenant Retail Transaction Activity
Approaching Pre-Pandemic Norms



* Trailing 12-months through 2Q
Includes sales $2.5 million and greater
Sources: Marcus & Millichap Research Services, Real Capital Analytics

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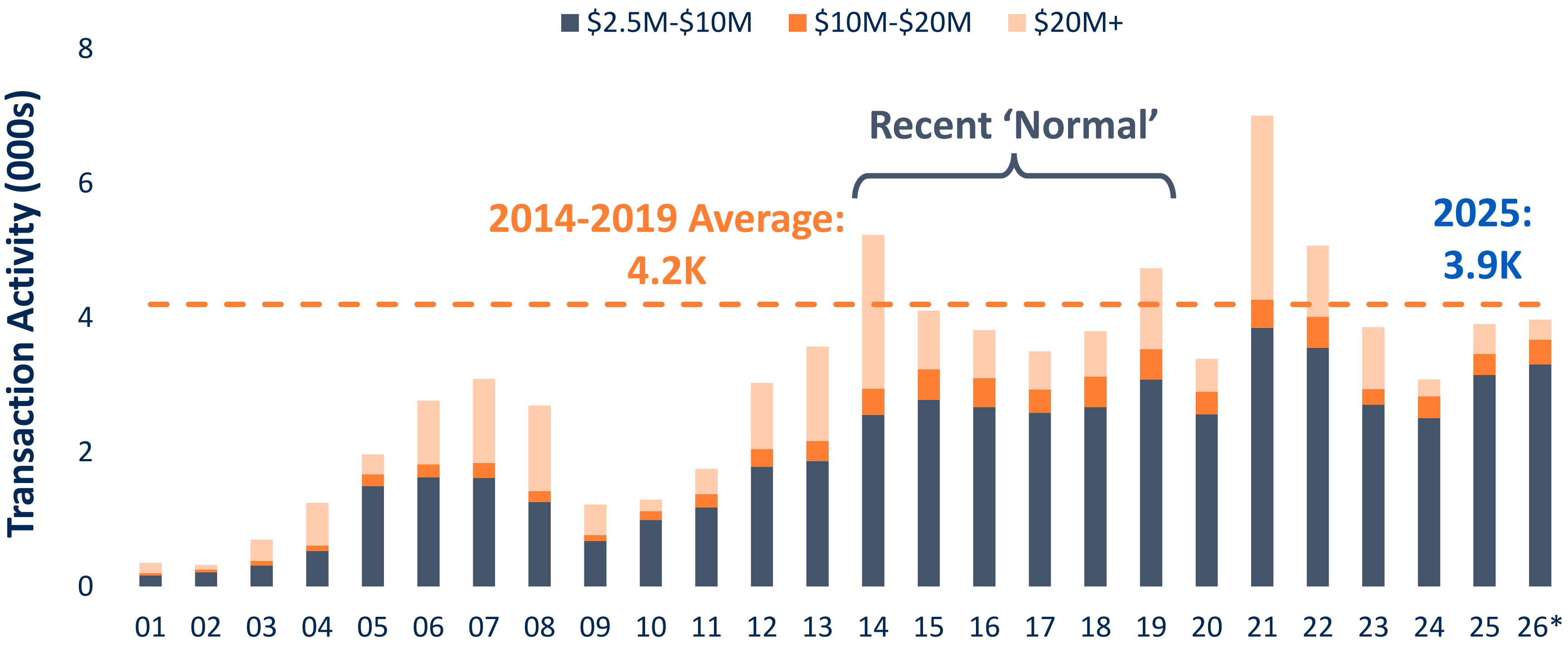
National Single-Tenant Retail Transaction Activity
Approaching Pre-Pandemic Norms



* Trailing 12-months through 2Q
Includes sales $2.5 million and greater
Sources: Marcus & Millichap Research Services, Real Capital Analytics

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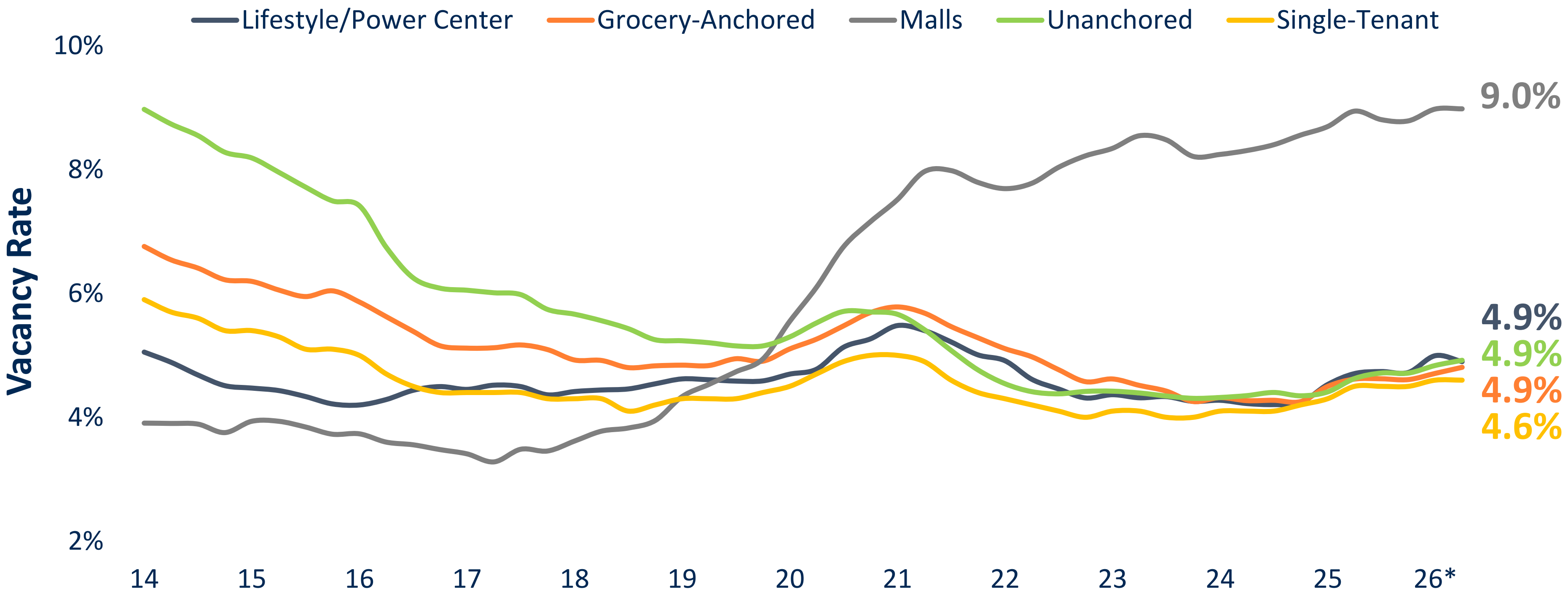
U.S. Retail Vacancy Rate by Property Sub-Type

Convergence Suggests Space Shortage



* Through 2Q
Sources: Marcus & Millichap Research Services, CoStar Group, Inc.

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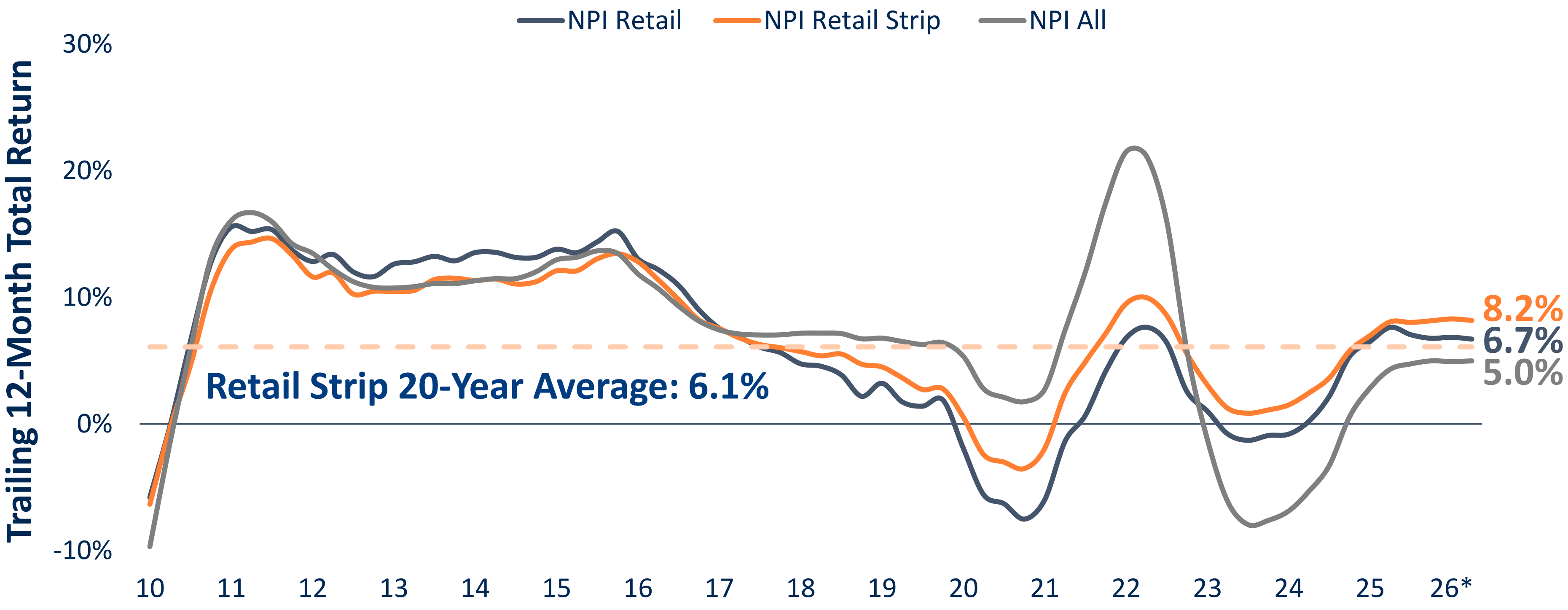
Strip Retail Returns Have Exceeded The Broader NPI



* Through 2Q

Sources: Marcus & Millichap Research Services, NCREIF

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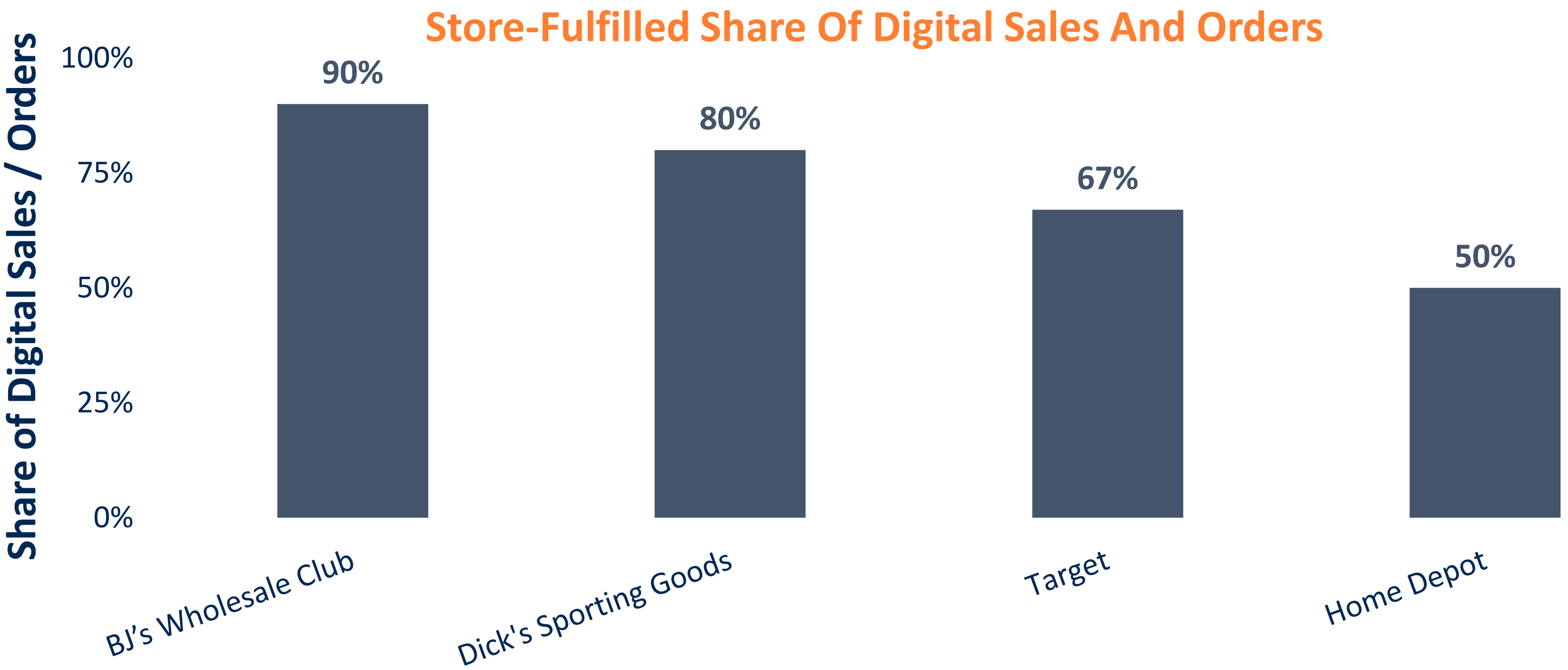
Will Retail CRE Remain in Demand by Private and Institutional Capital?

Leading Retailers Use Stores As Local Fulfillment Hubs



As of FY2025
Figures include both in-store pickup and delivery from stores; definitions vary by retailer.
Sources: Marcus & Millichap Research Services, Home Depot, Target, Dick's Sporting Goods, BJ's Wholesale Club

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Digital-Native Brands See Mixed Results Offline; Disciplined Expansion Proves Critical To Success

Scaling The Store Model

WARBY PARKER

UNTUCKit

vuori

MEJURI

Retrenching After Overexpansion

allbirds

Casper

wayfair

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Technology And Consumer Behavior Reshaping Retail

Examples of Megatrends Impacting Retail

- **Parking Lots Become Mixed-Use Neighborhoods:** Parking reforms, and eventually autonomous vehicles, could free excess retail land for housing, mixed use development.
- **Stores Become Fulfillment Hubs:** Retailers like Home Depot use stores to fulfill online orders, manage pickups and process returns—making physical locations more valuable to e-commerce.
- **Retail Rapidly Becoming Entertainment:** Concepts like Netflix House use immersive games, dining and merchandise to turn shopping centers into experience-driven destinations.
- **Daytime Demand Moves Closer to Home:** Hybrid work has sustained daytime activity at suburban cafés, restaurants and shopping centers above pre-pandemic levels.
- **Technology Redesigns the Store:** AI, computer vision and automated inventory systems are changing checkout areas, backrooms, merchandising and how employees use the space.

Sources: Marcus & Millichap Research Services

MMI Retail Division Overview

Leading Investment Broker of Retail Properties in the U.S.

The largest commercial real estate investment brokerage firm in North America, Marcus & Millichap is also the leading broker of single-tenant and shopping center assets in the U.S. Our platform combines specialized expertise, market intelligence, and an extensive network of qualified investors to help clients achieve superior results.

1,800+
Investment Specialists

80+
Offices Across North America

3,491
Closed Retail Transactions

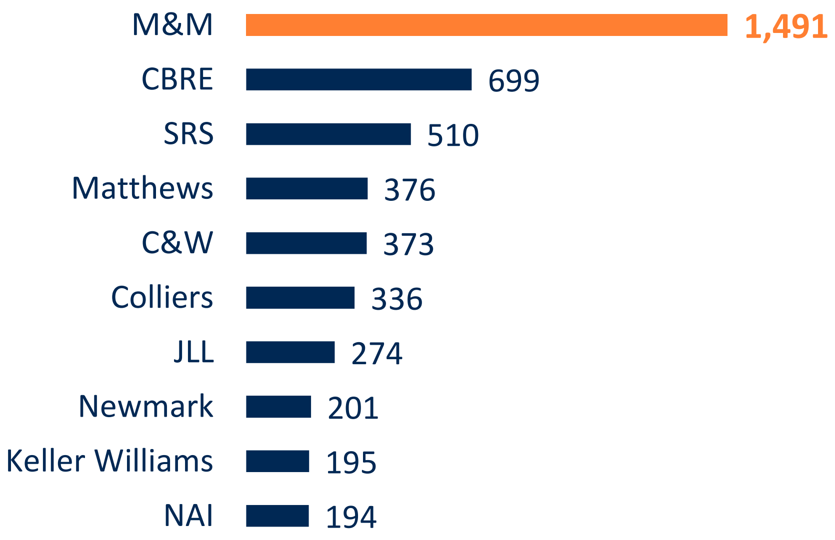
$11.8B
Volume of Retail Closed Transactions

474
Retail Investment Specialists

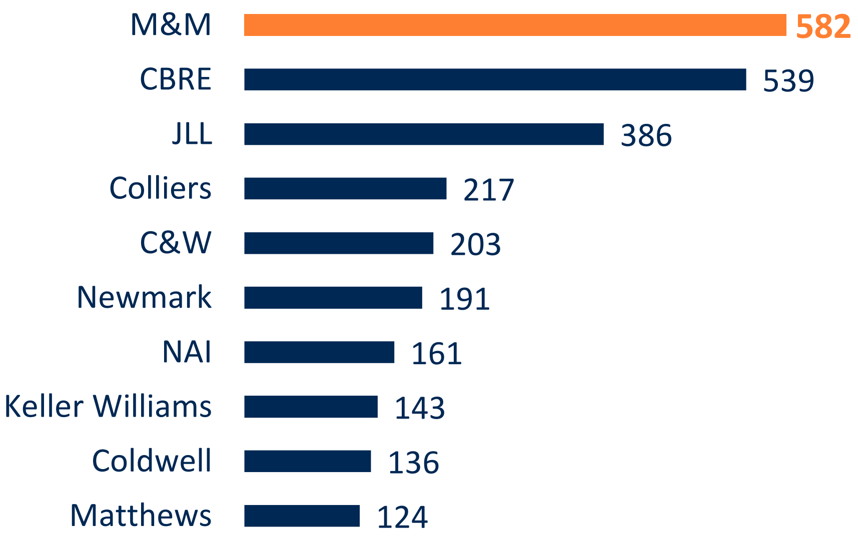
Data Date Range: CY 2025

U.S. Retail Investment Brokerage Ranking

Single-Tenant Retail



Multi-Tenant Retail



Trailing 12 months through Q1 2026
Includes sales $1 million and greater in which the brokerage firms represented either the buyer or seller
Deals that were double-ended by the same brokerage are counted as one deal. Deals brokered by different firms on the buy side and sell side count as one deal for each brokerage.
The information is based on internal and external information available to Marcus & Millichap. There may be other sources of information unavailable to Marcus & Millichap or other calculation methodologies which may change rankings and reported numbers. The information is provided for general marketing purposes only and should not be relied upon in any investment or related decision. Parties are advised to do their own investigation when choosing a broker or making an investment decision.
Sources: Marcus & Millichap Research Services, CoStar Group, Inc., Real Capital Analytics.

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Market Leadership in Retail's Fastest-Growing Investment Segments

- **Market leader** in unanchored strip center and convenience retail investment sales.
- Institutional capital is **increasingly targeting** the sector.
- **Strong rent growth** and **mark-to-market upside** continue to drive value creation.
- **Attractive fundamentals** include low CapEx requirements, limited duration risk, and inflation-resistant cash flows.
- Well-positioned to capitalize on growing institutional demand **over the next 3–5 years.**

MMI Retail Growth Opportunity

- Investment Brokerage Market Share Expansion (Private Client and IPA)
- Retail Leasing Expansion – Collaborative Opportunity to Increase Client Capture Rate While Growing Revenue/Earnings
- Service Expansion Enables Operating Leverage of Current Platform, Footprint, Brand

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Mike Puline – Sr. Managing Director Retail

REIT Cumulative Share Price Growth As Of June 2026

	Past 6 Months	Past 1 Year	Past 2 Year
Equity All REIT	13%	11%	17%
Health Care	19%	40%	80%
Data Center	28%	19%	30%
Retail	17%	20%	30%
Diversified	11%	8%	20%
Industrial	8%	25%	14%
Self Storage	26%	9%	10%
Hotels	14%	9%	8%
Apartments	6%	-2%	-2%
Residential	5%	-3%	-3%
Office	9%	-6%	-13%
Timber	0%	-5%	-14%
Tower	-9%	-26%	-17%

Sources: Marcus & Millichap Research Services, NAREIT

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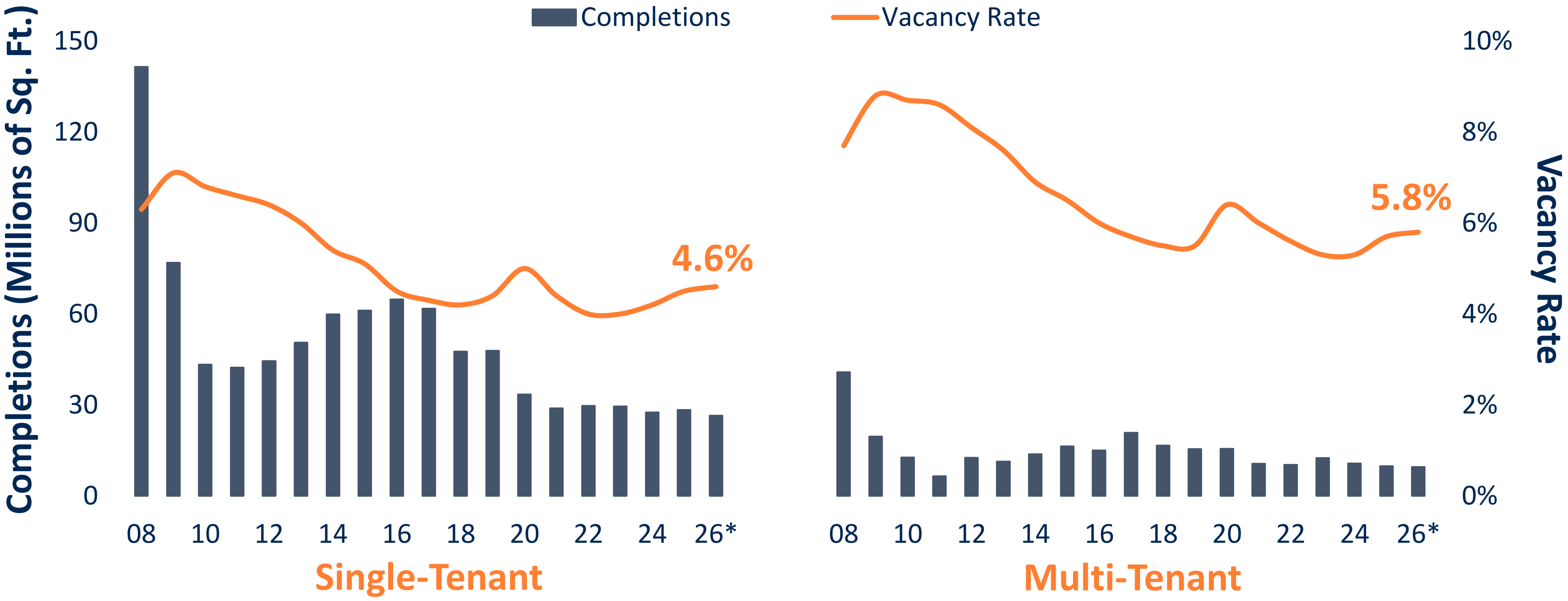
Subdued National Retail Construction Helps Keep Vacancy Low



* Trailing 12-months through 2Q

Sources: Marcus & Millichap Research Services, CoStar Group, Inc.

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