

# MARKETBEAT

## U.S. Shopping Center

### Q3 2018



#### U.S. SHOPPING CENTER

##### Economic Indicators

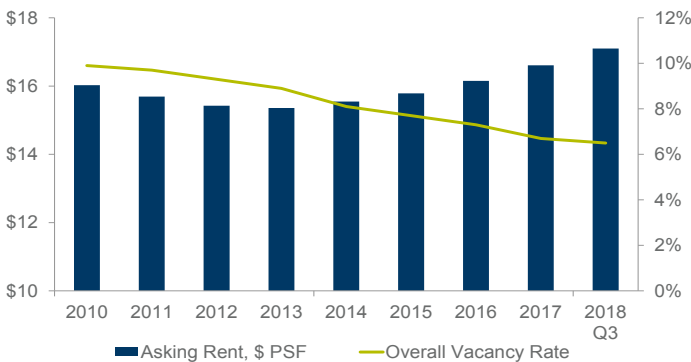
	Q3 17	Q3 18*	12-Month Forecast**
GDP Growth	2.3%	3.1%	▲
CPI Growth	2.0%	2.8%	▲
Consumer Spending Growth	2.4%	2.7%	▲
Retail Sales Growth	4.5%	6.1%	▲

\*Q3 18 Estimates. Values represent year-over-year change. \*\*Forecast by Cushman & Wakefield

##### Market Indicators

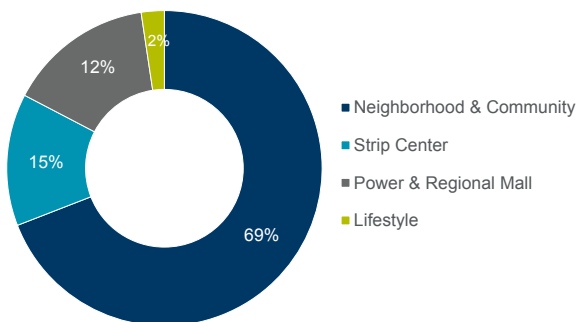
	Q3 17	Q3 18	12-Month Forecast
Vacancy Rates	7.0%	6.5%	▲
Net Absorption	4.8M	5.7M	▼
Under Construction	18.7M	16.9M	▼
Average Asking Rent (NNN, Annual)	\$16.45	\$17.10	▼

##### Rent Rate vs. Overall Vacancy



##### Availability by Type

% OF TOTAL SPACE AVAILABLE IN THE U.S.



Source: CoStar, Cushman & Wakefield Research

## Retail Lives

Economic fundamentals continue to strengthen in the U.S., a trend that is expected to endure through mid-2019. With continued wage growth acceleration and consumer confidence near an 18-year high, the retail marketplace has registered solid spending. Inflation-adjusted consumer expenditures show a steady 2.5-3% year-over-year (YOY) growth pattern since the beginning of 2016. eCommerce sales accounted for approximately 11.5% of retail sales (excluding auto sales) in 2017. While we expect that penetration rate to climb to 14.0% by 2019, physical stores remain vital to retailer survival in this evolving retail climate. Despite what the media would lead you to believe, the overall retail industry is still posting gains even while it faces secular challenges.

Retailer bankruptcy announcements have continued in 2018; as of early October, the year-to-date (YTD) total is 14, compared to 36 total filings in 2017. Although these bankruptcies have led to a significant number of store closures, a recent report by IHL Group indicates store openings are outnumbering closures in 2018, with an estimated positive net gain of 3,835 stores nationally. Although bankruptcies impact all classes of shopping centers, Class A centers are in the best position to quickly backfill the vacancies. While the delta in performance between Class A and other retail product is widening—particularly for malls, all shopping center types are affected – including the relatively stable neighborhood and community centers which typically comprise a necessity- and service-oriented tenant mix.

## Cooling Temperatures

Occupancy growth has continued for non-mall shopping centers overall, although the pace has notably cooled from the post-recession average. Net absorption reached nearly 5.7 million square feet (msf) in the third quarter of 2018, bringing the YTD total to 16.2 msf. This compares to 19.9 msf in the first three quarters of 2017 and 29.7 msf over the same period in 2016. The Pacific and Mountain regions account for 45% of the YTD demand with net absorption totaling 3.9 msf and 3.6 msf, respectively, for first three quarters. Houston and Phoenix have the strongest YTD occupancy growth of all individual markets with a combined total of nearly 2.9 msf.

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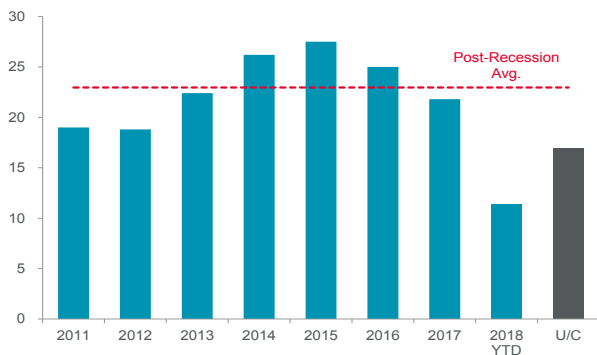
### Q3 2018



The vacancy rate for non-mall shopping centers ended the third quarter of 2018 at 6.5%, unchanged from the previous quarter, but down from 6.7% at year-end 2017. The Pacific and Northeast regions both have vacancy rates under 6.0%, led by Boston and San Jose which boast the lowest shopping center vacancy rates in the nation at just 3.4% and 3.8%, respectively. Raleigh/Durham, Miami and Charleston follow closely, all with vacancy rates of 3.9%.

Construction activity in the retail marketplace is adjusting to the weaker demand. At the close of the third quarter of 2018, only 11.4 msf of new inventory had been delivered YTD across the U.S. This year's

#### New Construction (msf)



Source: CoStar, Cushman & Wakefield Research

quarterly average of 3.8 msf of new supply falls well behind the 5.5 msf quarterly average the market has maintained since 2010. In addition, 16.9 msf remains under construction at the end of the quarter, a 10% decline from the development activity one year ago and a 36% decline from the third quarter of 2016. New shopping center inventory delivered in 2018 is led by Houston (1.1 msf), Dallas (nearly 1.0 msf) and the New York Metro/Greater Tri-State area (approximately 913,000 square feet (sf)), all of which are among the top three MSAs for residential growth, according to the U.S. Census Bureau and Moody's Analytics. Going forward, much of the retail development activity will be focused on mixed-use projects with substantial housing, office, medical and/or hospitality where retail plays a crucial role as a necessary amenity.

The majority of the occupancy growth year-to-date has taken place among neighborhood/community centers. Net absorption for this sector totaled 11.8 msf for the first three quarters of 2018. The vacancy rate

for neighborhood/community centers declined to 7.1% in the third quarter of this year, down ten basis points (bps) from the previous quarter and down from 7.4% at year-end 2017. Occupancy among power centers reflects the estimated closures of 800 Toys R Us stores, with negative absorption of almost -1.1 msf since June 2018. This brought the vacancy rate back up to 5.0% in the third quarter of 2018, identical to the year-end 2017 figure. However, year-to-date net absorption in the power center sector remains positive for 2018—at 586,589 sf—and there are a handful of mid-to-big-box tenants in expansion mode, particularly among fitness/health, and entertainment and off-price categories.

#### Secular Challenges

The top contraction categories continue to be department and apparel stores, which are typically concentrated in malls. Drug stores also fell into the consolidation column this year, largely due to the expected closings of 600 redundant store locations resulting from Walgreens' purchase of 1,932 Rite Aid stores in 2017. Grocery stores, however—particularly

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those of the discount, organic or ethnic variety—continue to expand and have an ideal size requirement to fill these drug store vacancies, as do superstores that are expanding with a smaller-focused footprint.

Restaurants remain in expansion mode, but plans are tapering off after eight years of robust growth across the sector. According to IHL Group's findings, more retail locations are opening in 2018 than restaurants, a flip from 2017 when restaurant openings outpaced retail openings three to one.

Dollar stores, discounters and off-price apparel concepts also continue aggressive growth. Value is a top deciding factor for purchases, especially when most shoppers have a price comparison tool at their fingertips. What started as a necessity during the recession years, remains a priority for most consumers today, and the treasure hunt aspect of off-price shopping creates an experience that draws customers to physical stores.

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### Q3 2018



### Approaching the Seasonal Finale

Heading into the fourth quarter, bricks-and-mortar retail will see traffic pick up; according to ICSC, 84% of holiday shoppers plan to visit shopping centers to make purchases and for other activities. The National Retail Federation predicts another strong holiday season with sales growth in the range of 4.3%-to-4.8%. While this is lower than the increase in 2017, it will still outpace the 3.9% average of the last five years.

Pop-up store activity will fill some of the vacancies in the marketplace during the fourth quarter of 2018. We estimate that roughly 90% of temporary storefront activity is still driven by holiday season pop-up tenants, whether in the form of Halloween-themed party and costume stores or holiday-themed food and gift concepts. Although these shops may move the vacancy needle by a basis point or two nationally in the last half of the year, the effect will be minimal and temporary.

### Outlook

- Demand drivers are reaching saturation for some key concepts. Opportunities for strategic players will arise.
- Flow of tenants from power centers will shake up the economics of retail leasing and give new non-traditional or “discounter” flavor to Class B malls.
- Mixed-use development and redevelopment will be the story of retail real estate for the foreseeable future.

### Regional Overview

#### Q3 2018

Region	Inventory (SF)	Overall Vacancy Rate	Overall Net Absorption (SF)	Overall YTD Net Absorption (SF)	Under Construction (SF)	Overall Average Asking Rent (NNN)
Deep South	156,482,325	6.3%	-343,901	-55,208	55,672	\$12.60
Great Lakes	565,510,861	8.3%	417,721	1,924,657	1,400,254	\$13.44
Great Plains	225,119,183	6.6%	475,235	-37,870	384,769	\$13.53
Mountain	423,867,576	7.8%	1,251,628	3,469,401	1,478,298	\$15.92
Northeast	714,068,599	5.5%	26,050	2,632,005	3,243,279	\$20.07
Pacific	778,059,179	5.6%	2,131,486	3,911,453	3,192,264	\$22.71
Southeast	684,863,307	6.0%	826,229	1,785,967	4,455,041	\$16.84
Texas/South Central	553,013,095	6.6%	894,022	2,631,224	2,709,935	\$15.98
<b>U.S. Totals</b>	<b>4,100,984,125</b>	<b>6.5%</b>	<b>5,678,470</b>	<b>16,261,629</b>	<b>16,919,512</b>	<b>\$17.10</b>

# Net Absorption



Net Absorption	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018p
<b>United States</b>	<b>4,772,820</b>	<b>14,244,736</b>	<b>5,896,345</b>	<b>4,686,814</b>	<b>5,678,470</b>
Albuquerque	-79,275	184,935	-35,293	-6,275	113,626
Atlanta	333,107	112,719	286,788	59,380	231,909
Austin	13,334	-14,769	78,586	-95,828	306,914
Bakersfield	-86,371	122,966	24,996	129,145	17,326
Baltimore	8,209	122,815	-150,654	-143,152	62,051
Birmingham	134,903	-131,661	162,278	54,745	-94,414
Boise	21,234	-53,073	24,362	92,254	226,491
Boston	30,650	255,557	-111,080	-58,899	190,051
Buffalo	-25,073	82,086	114,148	293,972	-34,990
Charleston	-71,208	111,952	102,057	-60,894	152,605
Charlotte	200,697	403,627	127,275	-88,201	251,528
Chicago	-32,376	870,233	569,813	13,241	-68,170
Cincinnati	-311,399	58,871	390,666	52,347	238,690
Cleveland	1,619	370,824	109,445	354,492	252,202
Columbus	45,029	389,316	167,535	125,237	166,412
Dallas	716,231	722,349	498,376	530,446	-166,637
Denver	219,778	517,193	21,825	42,802	338,825
Des Moines	97,049	105,589	34,090	-26,222	10,999
Detroit	-3,786	243,910	-93,708	172,398	-313,404
Fort Lauderdale/Broward County	110,727	112,568	-254,948	-110,521	91,306
Hampton Roads	322,011	61,385	-37,073	-236,825	-156,676
Hawaii	-3,834	26,404	-85,591	-38,051	20,951
Houston	94,308	457,471	761,369	120,466	598,576
Indianapolis	147,024	-42,556	56,961	-311,097	-9,396
Inland Empire	89,364	696,525	197,624	316,716	291,331
Jacksonville	138,882	122,326	250,707	185,107	38,699
Kansas City	-82,529	182,563	-63,758	-207,328	315,143
Knoxville	183,941	54,845	-248,334	49,191	80,714
Las Vegas	67,258	580,154	240,043	102,965	177,382
Little Rock	-142,719	-107,200	-5,272	80,517	31,668
Los Angeles	518,205	635,507	-152,394	-281,514	151,833
Louisville	10,103	-26,516	-10,170	-69,957	-111,158
Memphis	-95,385	487,232	91,401	178,424	-79,914
Miami	74,496	190,822	-64,781	231,283	-84,209
Milwaukee	-142,240	88,772	118,291	-218,685	151,387
Minneapolis	-47,391	391,699	-73,623	25,772	-157,067
Mobile	-60,881	171,175	21,158	49,905	16,965
Nashville	32,992	102,599	1,156	8,896	-156,094
New Orleans	58,045	3,079	105,158	44,065	-145,444
New York City Metro (Greater Tri-State)	-188,555	472,879	911,841	144,121	-197,147
Oakland/East Bay	-82,841	472,803	238,762	129,100	340,296
Oklahoma City	-174,835	-88,953	-160,799	-72,859	4,067
Omaha	123,049	10,820	-12,209	49,378	7,477
Orange County	-87,379	335,357	110,813	114,795	516,231
Orlando	351,554	338,732	29,634	-35,262	196,997
Palm Beach	135,221	25,166	50,562	-99,699	174,118
Philadelphia	114,559	460,311	755,778	232,951	6,028

Net Absorption	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018p
Phoenix	654,823	931,896	373,078	718,943	298,163
Pittsburgh	-22,540	37,679	198,981	-73,393	25,169
Portland	-156,713	364,815	106,401	243,634	198,332
Providence	187,637	-27,802	56,432	4,668	67,960
Raleigh/Durham	33,738	52,273	149,166	56,114	-115,113
Reno	148,853	104,479	72,241	89,206	21,856
Richmond	304,787	81,319	-4,882	185,557	97,331
Sacramento	520,067	620,349	112,765	65,151	146,166
Salt Lake City	14,755	213,014	-286,398	569,125	124,921
San Antonio	168,412	114,005	142,750	-709	227,063
San Diego	219,005	200,639	1,339	80,350	150,691
San Francisco Metro	25,542	121,398	-73,303	170,413	-124,845
San Jose	-26,984	220,834	99,971	-85,145	180,235
Seattle	-77,238	166,989	149,716	204,274	242,939
St. Louis	289,486	44,297	-385,225	146,020	298,683
Tampa	-297,987	240,796	155,040	84,154	-52,266
Tucson	205,621	62,626	127,241	71,654	-49,636
Tulsa	-317,958	154,501	-97,175	-191,889	37,815
Washington, DC	224,012	-150,779	-95,604	525,845	-93,072

Our statistical coverage includes community/neighborhood, power/regional, lifestyle and strip centers only.

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p = preliminary

#### Methodology

Cushman & Wakefield's quarterly estimates are derived from a variety of data sources, including our own proprietary database as well as data gleaned from reliable third-party data sources. The market statistics are calculated from a base shopping center inventory made up of shopping center properties deemed to be competitive in their respective local markets. The inventory is subject to revisions due to resampling. Vacant space is defined as space that is available immediately or imminently after the end of the quarter. The figures provided for the current quarter are preliminary and all information contained in this report is subject to correction of errors and revisions based on the receipt of additional pertinent data.

# Vacancy Rates

Overall Vacancy Rate	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018p
<b>United States</b>	<b>7.0%</b>	<b>6.7%</b>	<b>6.6%</b>	<b>6.5%</b>	<b>6.5%</b>
Albuquerque	7.7%	7.2%	7.7%	8.0%	7.4%
Atlanta	7.7%	7.7%	7.5%	7.4%	7.3%
Austin	5.1%	5.1%	5.0%	5.2%	4.6%
Bakersfield	9.7%	8.7%	8.8%	7.9%	7.8%
Baltimore	5.4%	5.4%	5.7%	6.0%	5.8%
Birmingham	9.0%	9.4%	7.0%	6.8%	7.3%
Boise	7.9%	8.2%	7.8%	7.3%	6.1%
Boston	3.4%	3.3%	3.5%	3.6%	3.4%
Buffalo	7.0%	6.6%	5.6%	4.1%	4.3%
Charleston	5.7%	5.1%	4.5%	4.9%	3.9%
Charlotte	6.1%	5.8%	5.8%	6.1%	5.8%
Chicago	10.3%	9.9%	9.4%	9.4%	9.6%
Cincinnati	9.1%	9.0%	8.6%	8.5%	8.2%
Cleveland	8.7%	8.3%	7.3%	7.0%	7.0%
Columbus	6.1%	5.2%	5.2%	4.9%	4.6%
Dallas	7.4%	7.2%	7.2%	7.0%	7.1%
Denver	7.3%	6.8%	6.9%	6.9%	6.6%
Des Moines	5.1%	4.2%	3.7%	3.9%	4.1%
Detroit	9.1%	8.9%	9.0%	9.1%	9.5%
Fort Lauderdale/Broward County	4.5%	4.4%	5.1%	5.4%	5.3%
Hampton Roads	6.6%	6.5%	6.6%	7.2%	7.5%
Hawaii	5.1%	5.0%	6.2%	6.4%	6.4%
Houston	7.0%	6.9%	6.4%	6.5%	6.4%
Indianapolis	7.5%	7.6%	6.7%	7.4%	7.4%
Inland Empire	9.0%	8.5%	8.9%	8.8%	8.7%
Jacksonville	7.5%	7.2%	6.7%	6.4%	6.4%
Kansas City	8.0%	7.7%	7.9%	8.3%	7.9%
Knoxville	5.0%	4.7%	7.3%	7.1%	6.7%
Las Vegas	9.3%	8.5%	8.3%	8.2%	8.0%
Little Rock	6.4%	7.1%	7.4%	6.8%	6.8%
Los Angeles	4.8%	4.6%	4.8%	5.0%	4.9%
Louisville	4.8%	4.9%	4.8%	5.1%	5.5%
Memphis	8.7%	7.4%	7.2%	6.8%	7.0%
Miami	3.9%	3.7%	3.9%	3.7%	3.9%
Milwaukee	9.8%	9.5%	8.6%	9.2%	8.8%
Minneapolis	5.9%	5.3%	5.0%	5.0%	5.3%
Mobile	13.3%	10.5%	10.7%	9.9%	9.6%
Nashville	4.6%	4.3%	4.1%	4.1%	4.6%
New Orleans	5.3%	5.3%	5.0%	4.8%	5.7%
New York City Metro (Greater Tri-State)	6.3%	6.2%	6.1%	6.1%	6.2%
Oakland/East Bay	5.7%	5.0%	5.1%	4.9%	4.5%
Oklahoma City	8.6%	8.9%	9.1%	9.3%	9.3%
Omaha	7.6%	7.6%	8.1%	8.0%	8.0%
Orange County	5.2%	5.0%	4.8%	4.7%	4.1%
Orlando	6.5%	6.2%	6.3%	6.4%	6.0%
Palm Beach	5.7%	5.7%	5.6%	5.9%	5.5%
Philadelphia	7.1%	6.9%	6.3%	6.1%	6.2%

Overall Vacancy Rate	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018p
Phoenix	10.5%	9.8%	9.5%	9.0%	8.9%
Pittsburgh	4.2%	4.3%	3.9%	4.0%	4.0%
Portland	6.6%	5.8%	5.4%	5.1%	4.8%
Providence	6.7%	6.9%	6.5%	6.5%	6.0%
Raleigh/Durham	4.3%	4.2%	3.7%	3.6%	3.9%
Reno	9.7%	9.0%	8.5%	8.1%	8.0%
Richmond	7.8%	7.7%	7.9%	7.6%	7.4%
Sacramento	9.3%	8.7%	9.0%	8.9%	8.7%
Salt Lake City	6.8%	6.5%	7.5%	7.4%	7.2%
San Antonio	6.5%	6.3%	5.7%	5.9%	5.5%
San Diego	4.9%	4.7%	4.7%	4.5%	4.4%
San Francisco Metro	4.2%	4.0%	4.1%	4.1%	4.4%
San Jose	4.6%	4.1%	3.7%	3.9%	3.8%
Seattle	6.3%	6.0%	5.6%	5.3%	5.0%
St. Louis	7.4%	7.4%	7.3%	7.1%	6.7%
Tampa	7.3%	7.0%	6.4%	6.2%	6.3%
Tucson	8.6%	8.3%	7.7%	7.7%	7.9%
Tulsa	7.3%	6.7%	7.3%	8.0%	7.9%
Washington, DC	5.1%	5.3%	5.1%	4.6%	4.7%

Our statistical coverage includes community/neighborhood, power/regional, lifestyle and strip centers only. It does not include malls, outlet centers, theme retail centers, airport retail or freestanding retail product. The market information in this report may not match what has been published by the local market due to differences in geographical boundaries or center types. p = preliminary

**Methodology**  
Cushman & Wakefield's quarterly estimates are derived from a variety of data sources, including our own proprietary database as well as data gleaned from reliable third-party data sources. The market statistics are calculated from a base shopping center inventory made up of shopping center properties deemed to be competitive in their respective local markets. The inventory is subject to revisions due to resampling. Vacant space is defined as space that is available immediately or imminently after the end of the quarter. The figures provided for the current quarter are preliminary and all information contained in this report is subject to correction of errors and revisions based on the receipt of additional pertinent data.

Average Asking Rent	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018p
<b>United States</b>	<b>\$16.45</b>	<b>\$16.61</b>	<b>\$16.77</b>	<b>\$17.03</b>	<b>\$17.10</b>
Albuquerque	\$13.39	\$14.08	\$14.03	\$13.89	\$15.45
Atlanta	\$13.46	\$13.60	\$13.81	\$13.93	\$13.72
Austin	\$20.71	\$20.94	\$21.30	\$21.51	\$21.51
Bakersfield	\$13.24	\$13.21	\$13.92	\$16.71	\$16.94
Baltimore	\$17.77	\$18.17	\$18.77	\$20.36	\$20.79
Birmingham	\$10.72	\$10.53	\$10.76	\$11.21	\$10.84
Boise	\$11.95	\$12.31	\$12.00	\$11.84	\$11.68
Boston	\$19.95	\$19.52	\$18.87	\$19.16	\$18.86
Buffalo	\$10.27	\$10.60	\$10.66	\$10.16	\$10.28
Charleston	\$19.73	\$18.75	\$18.13	\$19.31	\$18.89
Charlotte	\$15.10	\$15.06	\$14.57	\$14.76	\$14.46
Chicago	\$14.98	\$15.16	\$15.40	\$15.66	\$15.59
Cincinnati	\$11.03	\$12.23	\$11.22	\$11.46	\$11.21
Cleveland	\$10.61	\$10.80	\$10.85	\$10.94	\$11.07
Columbus	\$11.00	\$11.32	\$11.11	\$11.49	\$11.68
Dallas	\$15.25	\$15.76	\$15.28	\$15.84	\$16.05
Denver	\$16.62	\$16.77	\$16.97	\$16.99	\$17.14
Des Moines	\$10.73	\$12.77	\$12.11	\$12.47	\$13.59
Detroit	\$12.96	\$13.01	\$12.92	\$12.87	\$12.97
Fort Lauderdale/Broward County	\$19.42	\$19.87	\$22.67	\$20.67	\$20.31
Hampton Roads	\$13.98	\$14.01	\$14.25	\$14.29	\$14.45
Hawaii	\$39.11	\$36.74	\$36.20	\$35.14	\$35.11
Houston	\$16.10	\$16.51	\$16.65	\$16.80	\$16.94
Indianapolis	\$12.74	\$12.86	\$13.26	\$13.23	\$13.17
Inland Empire	\$17.75	\$17.87	\$17.72	\$19.30	\$19.28
Jacksonville	\$13.00	\$14.01	\$14.01	\$14.15	\$14.51
Kansas City	\$13.17	\$13.35	\$13.69	\$13.81	\$14.26
Knoxville	\$13.15	\$13.48	\$12.68	\$13.19	\$14.05
Las Vegas	\$17.03	\$16.74	\$16.72	\$17.00	\$16.91
Little Rock	\$12.12	\$12.17	\$12.85	\$12.92	\$12.53
Los Angeles	\$27.50	\$26.79	\$26.13	\$26.17	\$26.22
Louisville	\$12.08	\$11.84	\$11.17	\$11.76	\$11.87
Memphis	\$10.96	\$10.97	\$10.76	\$10.79	\$11.82
Miami	\$29.56	\$29.44	\$29.98	\$29.64	\$29.52
Milwaukee	\$12.20	\$12.18	\$12.33	\$12.53	\$12.43
Minneapolis	\$14.44	\$14.99	\$15.04	\$15.06	\$14.17
Mobile	\$9.07	\$9.12	\$10.03	\$10.60	\$10.65
Nashville	\$16.20	\$16.17	\$15.75	\$15.93	\$16.05
New Orleans	\$15.44	\$13.69	\$13.76	\$14.15	\$14.03
New York City Metro (Greater Tri-State)	\$20.40	\$20.77	\$21.23	\$21.40	\$21.64
Oakland/East Bay	\$24.39	\$23.74	\$24.02	\$22.47	\$23.13
Oklahoma City	\$11.90	\$12.93	\$13.36	\$13.08	\$13.10
Omaha	\$12.83	\$12.76	\$12.88	\$13.02	\$12.70
Orange County	\$25.57	\$25.42	\$25.17	\$25.23	\$25.55
Orlando	\$16.77	\$17.59	\$18.68	\$19.20	\$19.23
Palm Beach	\$19.96	\$20.31	\$20.44	\$21.76	\$22.38
Philadelphia	\$15.27	\$15.90	\$16.95	\$17.39	\$16.69



Average Asking Rent	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018p
Phoenix	\$14.70	\$14.99	\$14.81	\$15.23	\$15.31
Pittsburgh	\$14.56	\$14.47	\$15.36	\$15.50	\$14.63
Portland	\$18.84	\$19.51	\$19.06	\$18.81	\$18.77
Providence	\$12.36	\$12.61	\$13.36	\$13.53	\$14.01
Raleigh/Durham	\$17.23	\$17.24	\$17.62	\$17.91	\$17.89
Reno	\$14.87	\$14.68	\$14.58	\$16.19	\$15.76
Richmond	\$15.07	\$14.59	\$15.20	\$16.16	\$17.44
Sacramento	\$16.39	\$16.27	\$16.37	\$16.80	\$17.05
Salt Lake City	\$15.41	\$15.30	\$14.83	\$14.50	\$16.51
San Antonio	\$14.94	\$14.94	\$15.01	\$15.46	\$15.97
San Diego	\$23.02	\$23.01	\$22.76	\$22.98	\$23.03
San Francisco Metro	\$23.41	\$23.37	\$24.27	\$24.86	\$24.59
San Jose	\$31.20	\$30.80	\$32.45	\$33.16	\$33.30
Seattle	\$19.42	\$19.64	\$19.77	\$19.68	\$20.10
St. Louis	\$12.46	\$12.47	\$12.54	\$12.71	\$12.61
Tampa	\$14.57	\$14.94	\$14.43	\$14.77	\$15.18
Tucson	\$15.46	\$15.15	\$15.37	\$15.05	\$14.98
Tulsa	\$11.01	\$11.04	\$11.26	\$11.28	\$11.22
Washington, DC	\$28.33	\$27.74	\$27.18	\$27.63	\$27.09

\*Due to a methodology change, rental rates quoted herein may not match previously reported trends.

Rental rates reflect triple net asking \$psf/annually for all tracked shopping center types. This metric reflects currently available space across all class and size ranges for each respective shopping center type. Our statistical coverage includes community, neighborhood, power and lifestyle centers only. Rental rates are weighted. It does not include malls, outlet centers, theme retail centers, airport retail or freestanding retail product. The market information in this report may not match what has been published by the local market due to differences in geographical boundaries or center types. p = preliminary

#### Methodology

Cushman & Wakefield's quarterly estimates are derived from a variety of data sources, including our own proprietary database as well as data gleaned from reliable third-party data sources. The market statistics are calculated from a base shopping center inventory made up of shopping center properties deemed to be competitive in their respective local markets. The inventory is subject to revisions due to resampling. Vacant space is defined as space that is available immediately or imminently after the end of the quarter. The figures provided for the current quarter are preliminary and all information contained in this report is subject to correction of errors and revisions based on the receipt of additional pertinent data.

	Inventory	Deliveries YTD 2018	Under Construction as of Q3 2018
<b>United States</b>	<b>4,100,984,125</b>	<b>11,393,908</b>	<b>16,919,512</b>
Albuquerque	20,191,480	64,485	163,787
Atlanta	140,240,656	135,877	705,051
Austin	49,646,246	111,547	328,560
Bakersfield	11,445,802	38,434	37,169
Baltimore	50,608,405	24,620	569,245
Birmingham	27,298,880	65,534	2,550
Boise	18,098,795	10,966	116,000
Boston	68,588,898	69,381	11,000
Buffalo	20,539,613	0	0
Charleston	15,619,905	0	130,813
Charlotte	67,647,808	376,292	220,014
Chicago	190,239,648	313,218	390,343
Cincinnati	69,523,691	40,093	76,826
Cleveland	86,797,980	379,218	562,519
Columbus	46,159,173	9,900	0
Dallas	190,503,689	994,794	483,685
Denver	84,577,654	249,161	221,593
Des Moines	12,057,705	33,106	0
Detroit	87,562,152	297,330	233,443
Fort Lauderdale/Broward County	56,696,586	217,665	908,048
Hampton Roads	53,982,576	120,874	89,334
Hawaii	23,940,005	147,265	157,824
Houston	166,125,214	1,108,006	855,005
Indianapolis	48,092,124	42,192	111,029
Inland Empire	103,240,746	651,123	795,840
Jacksonville	42,990,048	87,712	366,074
Kansas City	58,666,202	151,700	209,025
Knoxville	19,618,656	21,975	0
Las Vegas	70,192,839	209,112	256,711
Little Rock	15,963,882	32,670	0
Los Angeles	191,504,912	315,772	413,023
Louisville	27,167,025	22,400	0
Memphis	38,478,677	6,024	0
Miami	57,073,183	156,014	768,002
Milwaukee	37,136,093	92,904	26,094
Minneapolis	65,231,985	61,079	27,760
Mobile	5,990,606	0	0
Nashville	37,928,481	12,240	53,122
New Orleans	16,201,592	81,870	0
New York City Metro (Greater Tri-State)	274,346,205	913,438	1,717,553
Oakland/East Bay	51,921,377	244,152	379,405
Oklahoma City	32,321,756	18,935	114,437
Omaha	21,553,774	45,800	27,984
Orange County	84,131,126	6,600	143,477
Orlando	53,068,040	108,507	654,771
Palm Beach	43,842,348	27,153	48,680
Philadelphia	140,792,062	483,903	461,480

	Inventory	Deliveries YTD 2018	Under Construction as of Q3 2018
Phoenix	137,091,762	312,206	298,346
Pittsburgh	55,316,417	52,200	39,474
Portland	46,879,242	205,186	95,737
Providence	14,626,380	0	0
Raleigh/Durham	46,230,477	36,400	225,232
Reno	14,962,714	42,322	0
Richmond	38,416,653	95,507	298,842
Sacramento	60,827,568	345,393	253,755
Salt Lake City	53,721,624	606,294	421,861
San Antonio	56,978,977	132,048	862,848
San Diego	67,984,268	115,694	252,133
San Francisco Metro	41,030,947	191,708	68,600
San Jose	37,437,995	198,936	408,306
Seattle	57,715,191	88,995	186,995
St. Louis	67,609,517	10,056	120,000
Tampa	69,055,027	108,160	40,180
Tucson	25,030,708	87,344	0
Tulsa	25,271,739	6,000	65,400
Washington, DC	89,250,619	158,418	444,527

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### About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value by putting ideas into action for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with 48,000 employees in approximately 400 offices and 70 countries. In 2017, the firm had revenue of \$6.9 billion across core services of property, facilities and project management, leasing, capital markets, valuation and other services. To learn more, visit [www.cushmanwakefield.com](http://www.cushmanwakefield.com) or follow @CushWake on Twitter.

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