

MARKETBEAT

U.S. Shopping Center

Q2 2018



U.S. SHOPPING CENTER

Economic Indicators

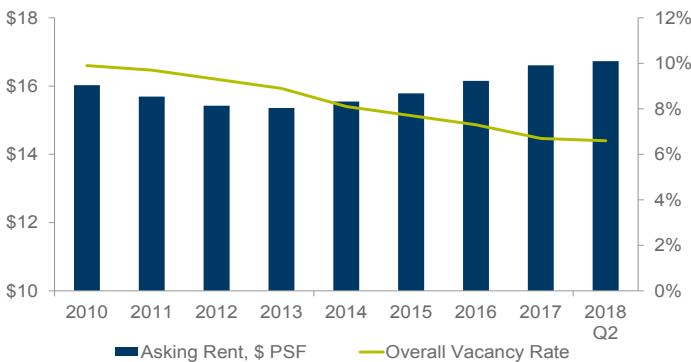
	Q2 17	Q2 18*	12-Month Forecast**
GDP Growth	2.2%	3.0%	▲
CPI Growth	1.9%	2.8%	▲
Consumer Spending Growth	2.7%	2.5%	▲
Retail Sales Growth	4.3%	5.3%	▲

*Q2 18 Estimates. Values represent year-over-year change. **Forecast by Cushman & Wakefield

Market Indicators

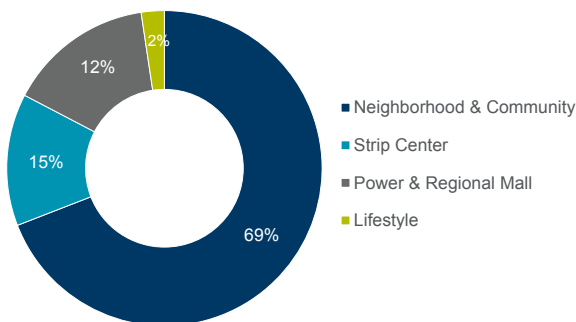
	Q2 17	Q2 18	12-Month Forecast
Vacancy Rates	7.0%	6.6%	■
Net Absorption	7.6M	4.3M	▼
Under Construction	19.8M	16.9M	▼
Average Asking Rent (NNN, Annual)	\$16.47	\$17.01	▼

Rent Rate vs. Overall Vacancy



Availability by Type

% OF TOTAL SPACE AVAILABLE IN THE U.S.



Source: CoStar, Cushman & Wakefield Research

Class A, And Everything Else

As of the close of the second quarter of 2018, shopping center vacancy in the U.S. stood at 6.6%. This reflects no change from the previous quarter but does obscure a number of trends that are playing out in the shopping center world. Over the course of the second quarter, the market recorded just under 4.3 million square feet (msf) of occupancy growth—about half of what has been typical in the post-recession era. Since 2010 the U.S. shopping center market has averaged approximately 8.8 msf of positive net absorption quarterly.

Q2 Growth Occurred in Neighborhood/Community Centers

Neighborhood/community centers accounted for the majority of growth in the second quarter of 2018; these projects posted approximately 3.7 msf of positive absorption as the vacancy rate for this product type declined from 7.3% in the previous quarter to 7.2%. Despite the well-publicized challenges currently facing retail, neighborhood/community centers have continued to boast the strongest performance of any shopping center type in the United States with declining or flat vacancy since the second quarter of 2011. It is important to point this out, considering that this segment of the market actually accounts for about one-third of all retail space, largely due to the type of tenants that typically occupy neighborhood/community centers. In addition to grocery or drug store anchors, inline tenants are typically restaurants or service concepts such as dry cleaners or fitness clubs—in other words, those that are eCommerce-resistant.

This may change with Amazon increasingly showing signs of moving into the drug store space. The online behemoth has applied for, and received, pharmaceutical licenses in more than a dozen states. It is also partnering with Berkshire Hathaway and JPMorgan on a new healthcare venture that is likely to create the same kind of disruption in healthcare that Amazon brought to retail. Drug stores may be only one piece of that puzzle. That said, Walgreens is already in the midst of closing redundant locations after its purchase of 1,932 stores from Rite Aid (it will close 600 stores in total through the end of next year), and Albertsons is in the midst of seeking regulatory approval for the purchase of the remaining 2,553 Rite-Aid stores. Assuming this deal goes through, another round of closures is likely. The good news for landlords is that even with a cloudy outlook

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for the drug store sector, discount, ethnic and organic grocers continue to experience aggressive growth. Aldi, which typically occupies between 16,000 and 20,000 square feet (sf)—roughly the same size as most drug store chains—is planning 200 new stores this year. Lidl, Trader Joe’s and Sprouts Farmer’s Market are all in growth mode; Cushman & Wakefield anticipates that by next year Amazon’s Whole Foods acquisition will begin to translate into substantial occupancy growth. The roughly 470-unit chain is less than a quarter the size of rivals Walmart, Kroger and Albertsons/Safeway, and has actively been lowering prices in order to become more competitive. We think aggressive growth is likely around the corner and will spur continued overall strength of this shopping center type, particularly for Class A projects.

The reality is that consolidation will continue for a number of key retail categories; apparel, bookstores, consumer electronics, department stores. . . .

Still a Mixed Bag for Power Centers

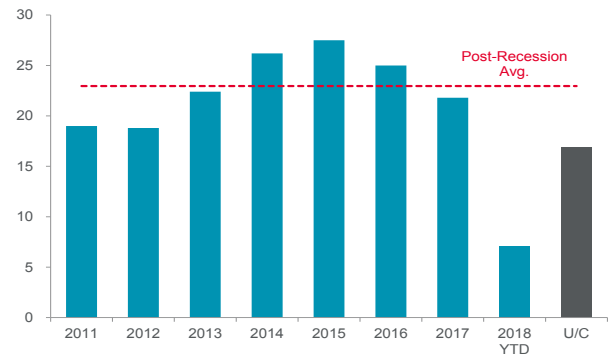
Our outlook is more mixed for power centers. Power center vacancy increased only slightly in the second quarter of 2018—from 4.8% in the first quarter to 4.9%. It is important, however, to note that this shopping center type’s vacancy levels will increase substantially by the third quarter of the year. While all U.S.-based Toys R Us stores had closed by the end of June 2018, most had not yet counted as vacant at the time of our survey. Power centers accounted for roughly 80% of the now-defunct chain’s real estate portfolio. With over 800 locations typically averaging 35,000 sf, the impact will be significant. If there is a silver lining to the Toys R Us story, it is that most locations were situated in Class A real estate; even with the current wave of consolidation impacting many retail sectors, there is still a decent tenant pool for this footprint. Options for landlords with vacancies above the 40,000-sf range are fairly limited. (The most active tenant currently is Hobby Lobby, which is planning on opening 60 stores this year—typically in the 60,000 sf range.). There does remain a reservoir of users below that mark that are active.

Up Next for Retail

Despite the strongest economic indicators since the Great Recession and consumer confidence near an 18-year high, the retail marketplace will continue to

face challenges in the near term. Department stores and mid-price apparel players are in contraction. One of the most notable failures of the year so far has been the bankruptcy and liquidation of the Bon-Ton department store chain which resulted in the closure of over 260 stores—most of which were mall anchor spaces. Meanwhile, there continue to be serious concerns regarding whether or not Sears/Kmart will survive—the chain has closed over 250 locations so

New Construction (msf)



Source: CoStar, Cushman & Wakefield Research

far this year and continues to hemorrhage cash. According to Internet Retailer, online retailers now command a 27% market share for apparel, but the challenges to mid-price clothing and department store chains are also coming from white-hot off-price concepts. Ross plans to open 100 new stores this year while competitors Burlington, Marshall’s, TJ Maxx and Nordstrom Rack are all planning between 35 and 50 locations. Ideally for power center landlords, footprints are fairly similar to those being vacated by Toys R Us.

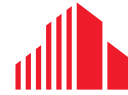
The reality is that consolidation will continue for a number of key retail categories; apparel, bookstores, consumer electronics, department stores, office supplies, and gifts and specialty stores. Even cellular stores won’t be spared. Best Buy is closing its roughly 250 mall-based Best Buy Mobile concept stores, and a pending Sprint/T-Mobile merger likely would result in additional redundant locations that would be vulnerable to closures.

We are, however, seeing aggressive growth among discounters, off-price apparel and dollar-store chains. Over 1,700 dollar stores opened in the United States in 2017. While we expect this year’s growth rate to be

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about half of what it was last year, it still would translate into a new dollar store opening once every 10 hours. Although traditional grocery store chains are experiencing flat or slightly negative growth, niche and small format grocers remain in growth mode, as do category killers like Walmart and Target. Still, Target is currently focusing on smaller format, urban stores, with about 35 new locations planned this year for smaller, 30,000 to 40,000 sf footprints.

Understanding how these trends are playing out in the marketplace is crucial. Those retail concepts that are in growth mode – save for a few opportunistic players – are almost exclusively looking to Class A projects for their expansion needs. While bankruptcies impact all classes of shopping centers, Class A centers are in the best position to quickly backfill them. The process is much more difficult for Class B projects and nearly impossible for Class C ones. The gulf in performance between Class A and everything else is widening—particularly for malls, but these market trends are affecting all shopping center types—including the relatively stable neighborhood/community centers. The challenges are likely to get worse before they get better.

Outlook

- **M&A activity will continue to be strong in 2018.**
- **Omni-channel strategy remains crucial for retailers to engage customers and build brand awareness.**
- **The gap will widen between mall classes. Class A will see opportunity in anchor closures to bring in new concepts at current market rents. Class B will look at non-traditional mall tenants and innovation to survive. Class C malls will not survive.**
- **Closures of weakest malls and centers will ramp up in the second half of 2018. The reinvention of these dying malls as mixed-use projects will gain momentum in 2019 and beyond.**

Net Absorption	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018p
United States	7,558,076	4,772,820	14,244,736	5,224,474	4,285,878
Albuquerque	37,741	-79,275	184,935	-35,332	-6,275
Atlanta	1,158,930	333,107	112,719	203,168	110,897
Austin	156,870	13,334	-14,769	76,786	-97,288
Bakersfield	-80,838	-86,371	122,966	24,996	129,145
Baltimore	112,776	8,209	122,815	-143,225	-171,952
Birmingham	357,193	134,903	-131,661	155,612	45,645
Boise	-38,011	21,234	-53,073	18,520	98,096
Boston	35,558	30,650	255,557	-131,720	-30,827
Buffalo	-56,694	-25,073	82,086	117,545	221,052
Charleston	-6,414	-71,208	111,952	103,669	-56,846
Charlotte	129,288	200,697	403,627	84,078	-37,577
Chicago	241,185	-32,376	870,233	625,139	-2,777
Cincinnati	247,922	-311,399	58,871	412,066	71,792
Cleveland	-107,024	1,619	370,824	109,345	348,403
Columbus	8,047	45,029	389,316	167,535	122,837
Dallas	-72,983	716,231	722,349	426,128	497,915
Denver	-212,782	219,778	517,193	102,111	81,340
Des Moines	-47,109	97,049	105,589	35,703	-27,161
Detroit	173,101	-3,786	243,910	-58,323	-48,834
Fort Lauderdale/Broward County	358,217	110,727	112,568	-43,779	-82,465
Hampton Roads	149,754	322,011	61,385	-138,253	-356,469
Hawaii	-59,602	-3,834	26,404	-97,848	-18,745
Houston	529,033	94,308	457,471	545,594	-92,406
Indianapolis	-348,596	147,024	-42,556	81,013	-256,986
Inland Empire	260,434	89,364	696,525	210,742	423,473
Jacksonville	104,649	138,882	122,326	148,161	184,007
Kansas City	417,245	-82,529	182,563	-186,531	-190,561
Knoxville	-23,658	183,941	54,845	-293,758	51,723
Las Vegas	333,706	67,258	580,154	158,329	100,081
Little Rock	-109,360	-142,719	-107,200	-85,661	78,117
Los Angeles	-41,066	518,205	635,507	-132,652	-260,644
Louisville	66,314	10,103	-26,516	-10,170	-69,957
Memphis	-45,853	-95,385	487,232	83,545	143,807
Miami	215,079	74,496	190,822	-69,175	257,109
Milwaukee	542,134	-142,240	88,772	118,291	-222,285
Minneapolis	446,937	-47,391	391,699	-82,081	39,358
Mobile	-39,592	-60,881	171,175	21,158	49,905
Nashville	9,437	32,992	102,599	1,156	8,896
New Orleans	17,520	58,045	3,079	105,158	38,563
New York City Metro (Greater Tri-State)	144,259	-188,555	472,879	1,155,269	134,237
Oakland/East Bay	146,522	-82,841	472,803	229,700	125,128
Oklahoma City	48,176	-174,835	-88,953	-145,604	-95,533
Omaha	-44,468	123,049	10,820	-15,059	44,749
Orange County	117,455	-87,379	335,357	178,821	115,795
Orlando	21,386	351,554	338,732	26,434	-24,608
Palm Beach	25,144	135,221	25,166	48,404	-49,661
Philadelphia	813,095	114,559	460,311	543,388	413,929

Net Absorption	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018p
Phoenix	-26,015	654,823	931,896	370,224	649,050
Pittsburgh	117,516	-22,540	37,679	212,481	-73,630
Portland	154,085	-156,713	364,815	126,311	113,483
Providence	32,095	187,637	-27,802	56,432	4,668
Raleigh/Durham	38,534	33,738	52,273	140,868	58,205
Reno	110,211	148,853	104,479	72,241	89,206
Richmond	406,145	304,787	81,319	-5,811	129,137
Sacramento	74,151	520,067	620,349	140,565	45,892
Salt Lake City	65,613	14,755	213,014	-295,451	527,336
San Antonio	206,382	168,412	114,005	133,648	-26,530
San Diego	-23,477	219,005	200,639	-30,596	84,119
San Francisco Metro	38,850	25,542	121,398	-72,955	156,649
San Jose	64,669	-26,984	220,834	90,171	-87,183
Seattle	233,706	-77,238	166,989	149,716	201,488
St. Louis	29,509	289,486	44,297	-371,259	273,486
Tampa	128,489	-297,987	240,796	144,401	13,997
Tucson	9,604	205,621	62,626	127,241	71,654
Tulsa	-9,698	-317,958	154,501	-151,275	-187,723
Washington, DC	-183,350	224,012	-150,779	-260,871	506,432

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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.

Overall Vacancy Rate	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018p
United States	7.0%	7.0%	6.7%	6.6%	6.6%
Albuquerque	7.2%	7.7%	7.2%	7.7%	8.0%
Atlanta	7.9%	7.7%	7.7%	7.7%	7.6%
Austin	4.9%	5.1%	5.1%	5.0%	5.1%
Bakersfield	8.9%	9.7%	8.7%	8.6%	7.7%
Baltimore	5.5%	5.4%	5.4%	5.6%	6.0%
Birmingham	9.4%	9.0%	9.4%	7.1%	7.0%
Boise	8.1%	7.9%	8.2%	7.8%	7.2%
Boston	3.5%	3.4%	3.3%	3.6%	3.6%
Buffalo	6.9%	7.0%	6.6%	5.9%	4.8%
Charleston	5.2%	5.7%	5.1%	4.2%	4.5%
Charlotte	6.2%	6.1%	5.8%	5.8%	6.0%
Chicago	10.2%	10.3%	9.9%	9.3%	9.3%
Cincinnati	8.6%	9.1%	9.0%	8.5%	8.4%
Cleveland	8.6%	8.7%	8.3%	7.3%	7.0%
Columbus	6.1%	6.1%	5.2%	5.2%	5.0%
Dallas	7.5%	7.4%	7.2%	7.4%	7.2%
Denver	7.4%	7.3%	6.8%	6.9%	6.8%
Des Moines	5.8%	5.1%	4.2%	3.8%	4.0%
Detroit	9.0%	9.1%	8.9%	9.0%	9.1%
Fort Lauderdale/Broward County	4.6%	4.5%	4.4%	4.7%	4.9%
Hampton Roads	7.1%	6.6%	6.5%	6.8%	7.6%
Hawaii	5.1%	5.1%	5.0%	6.2%	6.4%
Houston	6.8%	7.0%	6.9%	6.5%	6.7%
Indianapolis	7.8%	7.5%	7.6%	6.9%	7.5%
Inland Empire	8.9%	9.0%	8.5%	9.0%	8.7%
Jacksonville	7.8%	7.5%	7.2%	7.0%	6.6%
Kansas City	7.7%	8.0%	7.7%	8.2%	8.5%
Knoxville	5.9%	5.0%	4.7%	7.7%	7.4%
Las Vegas	9.4%	9.3%	8.5%	8.4%	8.3%
Little Rock	5.5%	6.4%	7.1%	8.0%	7.4%
Los Angeles	5.1%	4.8%	4.6%	4.8%	4.9%
Louisville	4.8%	4.8%	4.9%	4.8%	5.1%
Memphis	8.5%	8.7%	7.4%	7.3%	6.9%
Miami	3.9%	3.9%	3.7%	3.8%	3.5%
Milwaukee	9.4%	9.8%	9.5%	8.6%	9.2%
Minneapolis	5.7%	5.9%	5.3%	5.2%	5.1%
Mobile	12.3%	13.3%	10.5%	10.7%	9.9%
Nashville	4.6%	4.6%	4.3%	4.3%	4.2%
New Orleans	5.6%	5.3%	5.3%	5.1%	5.0%
New York City Metro (Greater Tri-State)	6.2%	6.3%	6.2%	6.0%	6.0%
Oakland/East Bay	5.5%	5.7%	5.0%	5.1%	4.9%
Oklahoma City	7.8%	8.6%	8.9%	9.5%	9.9%
Omaha	8.2%	7.6%	7.6%	8.2%	8.1%
Orange County	5.1%	5.2%	5.0%	4.8%	4.6%
Orlando	7.0%	6.5%	6.2%	6.3%	6.3%
Palm Beach	6.0%	5.7%	5.7%	5.7%	5.8%
Philadelphia	7.1%	7.1%	6.9%	6.7%	6.4%

Overall Vacancy Rate	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018p
Phoenix	10.9%	10.5%	9.8%	9.4%	9.0%
Pittsburgh	4.0%	4.2%	4.3%	3.9%	4.1%
Portland	6.3%	6.6%	5.8%	5.4%	5.1%
Providence	8.0%	6.7%	6.9%	6.5%	6.5%
Raleigh/Durham	4.3%	4.3%	4.2%	3.7%	3.6%
Reno	10.2%	9.7%	9.0%	8.5%	8.1%
Richmond	8.6%	7.8%	7.7%	7.7%	7.4%
Sacramento	9.5%	9.3%	8.7%	9.0%	9.0%
Salt Lake City	6.5%	6.8%	6.5%	7.3%	7.1%
San Antonio	6.7%	6.5%	6.3%	5.7%	5.9%
San Diego	5.2%	4.9%	4.7%	4.7%	4.6%
San Francisco Metro	4.2%	4.2%	4.0%	4.1%	4.0%
San Jose	4.6%	4.6%	4.1%	3.7%	3.9%
Seattle	6.1%	6.3%	6.0%	5.5%	5.2%
St. Louis	7.5%	7.4%	7.4%	7.5%	7.1%
Tampa	6.8%	7.3%	7.0%	6.8%	6.8%
Tucson	9.4%	8.6%	8.3%	7.7%	7.8%
Tulsa	6.0%	7.3%	6.7%	7.5%	8.2%
Washington, DC	5.2%	5.1%	5.3%	5.3%	4.8%

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	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018p
United States	\$16.47	\$16.45	\$16.61	\$16.75	\$17.01
Albuquerque	\$13.24	\$13.39	\$14.08	\$14.05	\$13.90
Atlanta	\$13.17	\$13.46	\$13.60	\$13.81	\$13.94
Austin	\$20.71	\$20.71	\$20.94	\$21.30	\$21.53
Bakersfield	\$13.44	\$13.24	\$13.21	\$13.92	\$16.71
Baltimore	\$18.38	\$17.77	\$18.17	\$18.77	\$20.36
Birmingham	\$9.82	\$10.72	\$10.53	\$10.76	\$11.22
Boise	\$12.02	\$11.95	\$12.31	\$11.99	\$11.81
Boston	\$19.87	\$19.95	\$19.52	\$18.97	\$19.26
Buffalo	\$10.11	\$10.27	\$10.60	\$10.69	\$10.16
Charleston	\$19.79	\$19.73	\$18.75	\$18.25	\$19.58
Charlotte	\$15.30	\$15.10	\$15.06	\$14.56	\$14.73
Chicago	\$14.98	\$14.98	\$15.16	\$15.36	\$15.63
Cincinnati	\$10.76	\$11.03	\$12.23	\$11.36	\$11.60
Cleveland	\$10.69	\$10.61	\$10.80	\$10.61	\$10.68
Columbus	\$11.08	\$11.00	\$11.32	\$11.11	\$11.49
Dallas	\$15.44	\$15.25	\$15.76	\$15.34	\$15.90
Denver	\$16.39	\$16.62	\$16.77	\$16.96	\$17.48
Des Moines	\$10.39	\$10.73	\$12.77	\$12.56	\$12.93
Detroit	\$12.95	\$12.96	\$13.01	\$12.91	\$12.86
Fort Lauderdale/Broward County	\$20.61	\$19.42	\$19.87	\$22.76	\$20.79
Hampton Roads	\$14.27	\$13.98	\$14.01	\$14.20	\$14.39
Hawaii	\$37.00	\$39.11	\$36.74	\$36.20	\$35.22
Houston	\$16.02	\$16.10	\$16.51	\$16.64	\$16.80
Indianapolis	\$12.95	\$12.74	\$12.86	\$13.24	\$13.09
Inland Empire	\$17.68	\$17.75	\$17.87	\$17.74	\$19.22
Jacksonville	\$12.83	\$13.00	\$14.01	\$13.95	\$14.08
Kansas City	\$13.19	\$13.17	\$13.35	\$13.70	\$13.81
Knoxville	\$13.08	\$13.15	\$13.48	\$12.74	\$13.16
Las Vegas	\$18.03	\$17.03	\$16.74	\$16.73	\$17.00
Little Rock	\$12.50	\$12.12	\$12.17	\$12.85	\$12.92
Los Angeles	\$27.27	\$27.50	\$26.79	\$26.27	\$26.32
Louisville	\$11.96	\$12.08	\$11.84	\$11.17	\$11.76
Memphis	\$10.78	\$10.96	\$10.97	\$10.78	\$10.82
Miami	\$29.45	\$29.56	\$29.44	\$30.04	\$29.79
Milwaukee	\$12.26	\$12.20	\$12.18	\$12.31	\$12.51
Minneapolis	\$14.28	\$14.44	\$14.99	\$15.02	\$15.04
Mobile	\$9.30	\$9.07	\$9.12	\$10.03	\$10.60
Nashville	\$15.60	\$16.20	\$16.17	\$15.75	\$15.83
New Orleans	\$15.44	\$15.44	\$13.69	\$13.76	\$14.15
New York City Metro (Greater Tri-State)	\$20.41	\$20.40	\$20.77	\$21.23	\$21.41
Oakland/East Bay	\$24.92	\$24.39	\$23.74	\$24.06	\$22.52
Oklahoma City	\$11.95	\$11.90	\$12.93	\$13.29	\$13.00
Omaha	\$12.52	\$12.83	\$12.76	\$12.89	\$13.03
Orange County	\$25.65	\$25.57	\$25.42	\$25.25	\$25.25
Orlando	\$17.05	\$16.77	\$17.59	\$18.67	\$19.26
Palm Beach	\$19.91	\$19.96	\$20.31	\$20.44	\$21.76
Philadelphia	\$15.06	\$15.27	\$15.90	\$16.97	\$17.42

Average Asking Rent	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018p
Phoenix	\$15.00	\$14.70	\$14.99	\$14.79	\$15.21
Pittsburgh	\$14.25	\$14.56	\$14.47	\$15.36	\$15.50
Portland	\$19.26	\$18.84	\$19.51	\$19.06	\$18.89
Providence	\$12.39	\$12.36	\$12.61	\$13.36	\$13.53
Raleigh/Durham	\$16.87	\$17.23	\$17.24	\$17.61	\$17.82
Reno	\$15.02	\$14.87	\$14.68	\$14.59	\$16.20
Richmond	\$14.49	\$15.07	\$14.59	\$15.42	\$16.37
Sacramento	\$16.50	\$16.39	\$16.27	\$16.38	\$16.81
Salt Lake City	\$15.57	\$15.41	\$15.30	\$14.82	\$14.48
San Antonio	\$14.91	\$14.94	\$14.94	\$15.01	\$15.46
San Diego	\$22.71	\$23.02	\$23.01	\$22.80	\$23.03
San Francisco Metro	\$23.14	\$23.41	\$23.37	\$24.45	\$25.00
San Jose	\$29.92	\$31.20	\$30.80	\$32.39	\$33.21
Seattle	\$19.85	\$19.42	\$19.64	\$19.84	\$19.76
St. Louis	\$12.27	\$12.46	\$12.47	\$12.66	\$12.82
Tampa	\$14.42	\$14.57	\$14.94	\$14.45	\$14.85
Tucson	\$15.18	\$15.46	\$15.15	\$15.37	\$15.05
Tulsa	\$11.26	\$11.01	\$11.04	\$11.15	\$11.15
Washington, DC	\$28.29	\$28.33	\$27.74	\$27.22	\$27.63

*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 Q2 2018
United States	4,112,564,477	7,138,921	16,859,063
Albuquerque	20,191,273	64,485	0
Atlanta	140,435,765	116,077	679,858
Austin	49,585,418	87,747	246,479
Bakersfield	11,457,626	30,934	44,669
Baltimore	51,117,295	24,620	330,420
Birmingham	27,795,910	25,534	42,550
Boise	18,192,349	2,024	116,000
Boston	69,581,023	36,881	45,260
Buffalo	20,882,496	0	0
Charleston	15,743,326	0	28,626
Charlotte	67,643,749	241,988	341,727
Chicago	190,938,258	16,480	708,591
Cincinnati	70,319,077	40,093	35,526
Cleveland	87,851,219	83,009	858,344
Columbus	46,108,491	4,900	5,000
Dallas	189,918,834	866,036	519,181
Denver	84,821,701	123,692	488,301
Des Moines	12,033,558	16,553	33,106
Detroit	88,147,605	78,938	341,718
Fort Lauderdale/Broward County	56,576,076	162,235	389,880
Hampton Roads	54,690,782	92,849	38,425
Hawaii	22,780,397	140,932	64,157
Houston	166,834,759	415,659	1,186,480
Indianapolis	47,932,726	19,200	41,450
Inland Empire	102,656,172	346,277	832,289
Jacksonville	43,418,482	27,800	112,376
Kansas City	58,846,716	71,400	206,375
Knoxville	19,681,981	59,082	8,685
Las Vegas	71,199,005	121,143	228,661
Little Rock	15,817,899	9,500	23,170
Los Angeles	192,472,644	291,156	617,505
Louisville	27,172,957	22,400	42,625
Memphis	38,551,410	6,024	0
Miami	57,370,758	120,942	763,102
Milwaukee	37,017,506	89,304	29,694
Minneapolis	64,787,546	0	80,035
Mobile	5,991,585	0	0
Nashville	38,082,443	0	32,390
New Orleans	16,313,878	81,870	0
New York City Metro (Greater Tri-State)	273,957,454	647,132	1,611,616
Oakland/East Bay	52,103,474	135,130	474,483
Oklahoma City	32,579,621	18,935	106,437
Omaha	21,457,331	45,800	27,984
Orange County	85,361,414	85,600	130,912
Orlando	53,648,004	97,852	413,446
Palm Beach	43,904,913	27,153	45,160
Philadelphia	140,942,956	345,602	840,514

	Inventory	Deliveries YTD 2018	Under Construction as of Q2 2018
Phoenix	137,016,229	121,236	268,136
Pittsburgh	56,372,744	44,000	11,000
Portland	46,868,602	31,006	268,932
Providence	14,606,598	0	0
Raleigh/Durham	46,063,355	9,600	216,536
Reno	14,993,636	35,422	6,900
Richmond	38,617,841	31,887	355,462
Sacramento	60,863,931	313,743	152,936
Salt Lake City	53,094,633	519,598	433,415
San Antonio	57,491,244	112,728	67,060
San Diego	67,946,757	36,984	330,656
San Francisco Metro	41,096,127	159,426	113,888
San Jose	37,320,140	25,236	569,281
Seattle	56,944,150	25,000	247,447
St. Louis	68,906,297	5,000	143,000
Tampa	68,744,565	101,760	22,680
Tucson	24,900,413	87,344	6,000
Tulsa	25,784,984	0	14,800
Washington, DC	90,016,369	137,983	417,727

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About Cushman & Wakefield

Cushman & Wakefield 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 or follow @CushWake on Twitter.

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