

# MARKETBEAT

## U.S. Shopping Center

### Q1 2019



#### U.S. SHOPPING CENTER

##### Economic Indicators

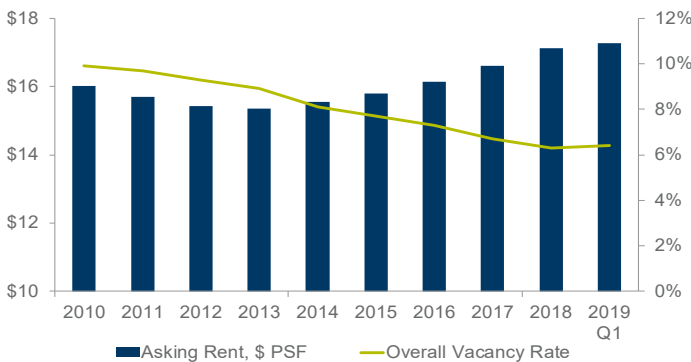
	Q1 18	Q1 19*	12-Month Forecast**
GDP Growth	2.6%	2.9%	▲
CPI Growth	2.2%	1.6%	▲
Consumer Spending Growth	2.4%	3.2%	▲
Retail Sales Growth	4.9%	4.6%	▲

\*Q1 19 Estimates. Values represent year-over-year change. Source: BEA, BLS, BOC. \*\*Forecast by Cushman & Wakefield

##### Market Indicators

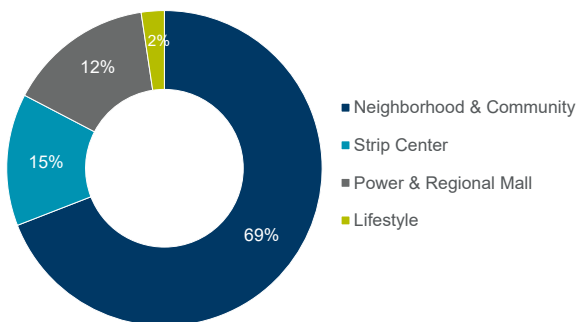
	Q1 18	Q1 19	12-Month Forecast
Vacancy Rates	6.5%	6.4%	▲
Net Absorption	6.1M	1.7M	▼
Under Construction	18.5M	17.1M	▼
Average Asking Rent (NNN, Annual)	\$16.74	\$17.26	▼

##### Rent Rate vs. Overall Vacancy



##### Availability by Type

% OF TOTAL SPACE AVAILABLE IN THE U.S.



Source: CoStar, Cushman & Wakefield Research

## Consumers Still Spending, Retailers Still Adjusting

Following the economic peaks seen in 2018, the U. S. economy weathered some bouts of uncertainty in late 2018 including stock market volatility, a partial federal government shutdown, global economic concerns and trade disputes. Indicators continued to experience some fluctuation in the early part of 2019. Consumer confidence declined in March to 124.1 after rebounding to 131.4 in February, but remained above the January index of 121.7. The economy continued to create a healthy number of jobs. The unemployment rate decreased to 3.8% in February and was unchanged in March 2019. Retail sales bounced back smartly in March, rising 1.6% after declining 0.2% in February. Stripping out auto and gasoline sales, core retail sales also rose 1.0% in March, indicating that the slight weakness seen in consumer spending early in the first quarter was only temporary. Overall, we expect that economic growth will continue throughout 2019, albeit at a slower pace.

While any recessionary predictions for 2019 are premature, retailers will be taking action to ready themselves for any inevitable ebb in the economic tide should it come in 2020, 2021 or beyond. Due to corporate tax breaks in 2018—which gave some struggling retailers a reprieve—and fear of litigation from landlords, strategic closures were not as much of a factor in 2018, and the total number of store closings declined from those in 2017. Most closures last year were bankruptcy-related; however, going forward we expect strategic closures to come back into play. Look for the total number of closure announcements to increase through this year and next. As of the end of the first quarter of 2019, the number of closure announcements has already exceeded 5,000 units.

There are still retailers in growth mode. Top categories for expansion are primarily those that are less disrupted by eCommerce: beauty/cosmetics, discount grocery, dollar stores, off-price apparel and fitness and health. We are also seeing growth among super stores, although often with smaller footprints. However, clicks-to-bricks also remains a strong trend as formerly pure play retailers recognize the benefits of having a physical store presence such as increased brand awareness, easier return logistics and better connections with consumers. Any retail concepts that can compete effectively with online retail are those that offer value, convenience and, most importantly, will offer the customers an experience that they can't get online.

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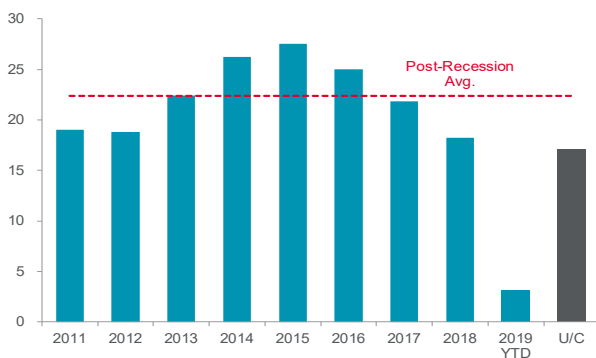


### Positive Growth, But Slower Demand

During the first quarter of 2019, non-mall shopping center indicators remained positive, yet reflected slowing growth. Net absorption totaled just under 1.7 million square feet (msf) in the quarter, a significant decline from previous quarters. In comparison, net absorption in the U.S. averaged 6.2 msf per quarter in 2018, and 8.5 msf per quarter in 2017. In fact, new supply outpaced demand for the first time since the first quarter of 2012 causing a 10-basis-point (bps) uptick in vacancy to 6.4% in the first quarter of 2019 from the previous quarter. The vacancy rate was 10 bps lower than 6.5% in the first quarter of 2018. As of mid-year 2018, all markets across the U.S. tracked by Cushman & Wakefield had single-digit vacancy rates for non-mall shopping centers; this continued to be the case as of the first quarter of 2019. Of the 66 markets tracked, 37 markets maintained a vacancy rate below the national rate of 6.4%. Four markets had a shopping center vacancy rate below 4.0%: Boston, Miami, Nashville and Raleigh.

New deliveries in the first quarter of 2019 totaled just over 3.1 msf, half of which was in the neighborhood and community center sector. Approximately 70% of the new inventory delivered in the quarter was occupied by

### New Construction (msf)



Source: CoStar, Cushman & Wakefield Research

quarter-end. Projects under construction totaled 17.1 msf, only slightly lower than the amount of development one year later. Going forward, however, we expect ground-up retail development activity to decline while redevelopment levels reach record highs. Neighborhood and community center construction will continue, particularly in up-and-coming residential areas. As was the case with new deliveries in the quarter, nearly half

(8.2 msf) of the current construction activity is in either neighborhood or community centers, while another 1.9 msf is in unanchored strip centers. However, the need for stand-alone shopping centers or malls has changed, and mixed-use projects will be the way the market deals with current challenges going forward.

Retail is becoming the ultimate amenity for mixed-use projects. Some of the largest projects under construction fall into this category. Two such examples are City Center West Orange in Orlando, FL—which will include Class A office and medical space plus at least 1,700 residential units and a 122-room Hilton Garden Inn to which 500,000 square feet (sf) of ground floor retail

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**As building an experience for consumers becomes paramount for bricks-and-mortar retail, shopping centers and malls will incorporate more entertainment . . .**

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shops and restaurants, grocery and drug store anchors and a cinema will serve as amenities—and Brands at the Ranch in Fort Collins, CO that will be a 600,000-sf lifestyle center serving as an amenity among 1,200 multi-family residences plus 1,000 hotel rooms and a 10,000-sf arena.

### Trends to Watch For

As building an experience for consumers becomes paramount for bricks-and-mortar retail, shopping centers and malls will incorporate more entertainment options and even amusement attractions. Movie theaters have, of course, been in the mix for decades, but they have been reinvented to elevate the experience. We are also seeing growth of arcade/game-themed bars and athletic spaces in shopping centers as new concepts pop up across all markets.

Restaurants will continue to experience positive absorption, but expansion will slow for several restaurant types, albeit with exceptions: food halls, craft brewing and entertainment-related food and beverage (F&B) concepts will continue expanding. While consumer demand for F&B options remains high, after eight years of aggressive growth the market has reached a saturation point for most concepts, and restaurants are dealing with the challenges of increasing labor costs and high urban rents. Chains are slowing down growth and instead are focusing on rehabs and renovations to incorporate technology and delivery logistics.

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The eGrocery trend is expected to ramp up, reaching an anticipated 10% penetration rate by 2020. This growth will be driven by grocers incorporating their own eGrocery platforms and the use of third-party delivery services like Instacart. However, physical grocery locations will continue to act as the distribution centers for final mile delivery. Those that can execute the logistics for BOPIS—buy online, pick up in store—and home delivery will be winners.

Class A properties, regardless of shopping center type, will continue to outperform all other classes and be the preferred locations for the strongest retail and restaurant concepts. Many well-funded Class B properties will begin the process of reinvention while poorly funded Class B properties will continue to struggle. While the bifurcation of Class A over everything else will continue for all retail types, malls and lifestyle centers will bear the brunt of the trend while it plays out to a lesser degree in neighborhood and community centers. We will see similar strength in Class A and B power centers, but also anticipate increasing competition in the Class B tier over the next few years as malls begin to take on a discount flavor and attract big box tenants away from power centers.

## Outlook

- Retailers will continue to face underlying structural challenges. Smart retailers will not rely on cyclical trends and instead will make significant moves in 2019 to reinvent and right-size.
- Ground-up retail development levels will reach record lows with nearly all of it in high population growth markets, while redevelopment will reach record highs, particularly mixed-use projects where retail becomes the ultimate amenity.
- Value-oriented concepts and clicks-to-bricks will drive occupancy growth. Occupancy growth from restaurant concepts will remain positive, but soften as they face saturation issues along with rising wage and food costs.
- eGroceries will ramp up, but final mile delivery issues will continue to push delivery from bricks-and-mortar stores.
- Pop-ups will increase across the board, including permanent, rotating pop-up spaces in malls and urban settings.

## Regional Overview

### Q1 2019

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	157,380,666	5.8%	330,596	330,596	125,706	\$13.04
Great Lakes	562,876,913	7.8%	743,637	743,637	1,099,280	\$13.32
Great Plains	222,668,998	6.7%	-115,125	-115,125	304,338	\$13.43
Mountain	423,252,001	7.5%	402,415	402,415	1,087,130	\$16.17
Northeast	713,945,292	5.5%	64,171	64,171	3,017,256	\$18.80
Pacific	776,976,696	5.6%	-472,653	-472,653	3,172,543	\$23.19
Southeast	687,341,837	5.9%	594,931	594,931	5,558,045	\$15.02
Texas/South Central	561,106,706	6.7%	145,524	145,524	2,749,423	\$16.18
<b>U.S. Totals</b>	<b>4,105,549,109</b>	<b>6.4%</b>	<b>1,693,496</b>	<b>1,693,496</b>	<b>17,113,721</b>	<b>\$17.26</b>

Net Absorption	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019p
<b>United States</b>	<b>6,124,294</b>	<b>5,499,772</b>	<b>7,091,942</b>	<b>6,150,934</b>	<b>1,693,496</b>
Albuquerque	-34,393	-3,398	118,626	60,705	115,365
Atlanta	258,598	35,401	204,644	547,440	557,330
Austin	77,656	-82,488	266,284	-112,639	-132,492
Bakersfield	-7,404	129,145	15,566	-145,226	3,259
Baltimore	-150,654	-143,152	69,576	170,525	139,362
Birmingham	162,278	60,445	-32,614	-18,540	72,345
Boise	31,251	100,962	332,927	56,934	-60,399
Boston	-131,684	-30,713	254,408	-149,415	10,721
Buffalo	114,148	293,972	-59,990	-29,922	-60,501
Charleston	102,057	-60,894	157,605	1,936	-125,836
Charlotte	127,174	-31,883	316,387	389,253	-143,775
Chicago	602,395	51,081	-171,245	395,961	226,590
Cincinnati	392,494	51,747	241,417	246,954	-178,306
Cleveland	109,445	347,392	342,556	124,106	79,688
Columbus	167,535	125,237	166,412	-13,253	27,429
Dallas	479,530	580,055	108,580	970,538	-234,214
Denver	54,716	74,714	364,547	-895	-180,594
Des Moines	34,090	-19,626	2,185	-48,452	-35,198
Detroit	-195,037	212,764	-289,764	431,935	511,083
Fort Lauderdale/Broward County	-237,202	-55,803	87,988	191,496	100,002
Hampton Roads	-36,970	-230,695	-39,874	-51,818	-165,098
Hawaii	-85,591	-38,051	-38,051	20,951	36,448
Houston	733,244	104,874	662,720	280,752	152,112
Indianapolis	62,119	-314,271	-4,795	-221,665	308,224
Inland Empire	193,649	347,340	318,131	306,846	354,807
Jacksonville	395,207	184,607	101,099	425,422	-51,538
Kansas City	-122,105	-245,854	362,388	129,862	53,407
Knoxville	-137,357	49,191	80,714	-31,733	123,852
Las Vegas	184,871	97,473	137,139	224,936	272,173
Little Rock	-5,272	80,517	35,168	-59,002	-72,176
Los Angeles	-147,653	64,546	147,776	-245,183	-96,706
Louisville	12	-63,420	-87,099	-168,351	83,401
Memphis	96,567	178,424	-79,914	78,803	118,122
Miami	-70,337	248,321	-88,374	68,104	-19,769
Milwaukee	119,191	-219,385	211,287	135,179	-45,610
Minneapolis	-115,232	22,883	-87,230	-80,265	-274,612
Mobile	21,158	42,905	16,965	37,642	-32,445
Nashville	14,436	3,714	-84,854	-53,255	340,487
New Orleans	101,658	47,565	-41,127	-26,880	-126
New York City Metro (Greater Tri-State)	901,820	-4,799	-145,387	1,009,026	148,747
Oakland/East Bay	243,385	112,900	336,893	359,089	-269,905
Oklahoma City	-144,683	-74,109	17,192	-58,246	559,086
Omaha	-15,829	147,431	22,888	-25,221	7,390
Orange County	107,627	121,943	514,472	79,081	-124,424
Orlando	29,534	-46,554	194,699	-31,398	280,672
Palm Beach	55,679	-100,331	190,320	-47,563	202,869
Philadelphia	802,488	179,529	142,051	-652,240	196,718

Net Absorption	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019p
Phoenix	370,071	672,590	407,791	191,808	93,193
Pittsburgh	210,196	-73,393	63,068	-157,356	-362,824
Portland	103,083	242,734	228,194	137,466	95,455
Providence	56,432	4,668	25,518	40,416	-56,864
Raleigh/Durham	149,166	56,114	-115,113	136,784	-57,847
Reno	72,241	93,332	38,572	18,834	67,981
Richmond	81,948	158,148	158,947	194,053	65,414
Sacramento	111,365	65,251	115,840	681,558	84,385
Salt Lake City	-274,795	967,715	143,521	380,787	-502,517
San Antonio	143,250	-4,590	132,357	-220,401	56,475
San Diego	2,901	81,145	164,557	-21,199	107,068
San Francisco Metro	-71,964	172,855	-123,845	172,013	-153,970
San Jose	89,601	-84,682	40,107	69,255	-73,709
Seattle	148,127	198,447	245,019	164,177	-107,887
St. Louis	-391,543	163,390	314,809	-331,175	-51,792
Tampa	162,152	64,869	-60,595	-29,468	-1,601
Tucson	150,441	79,654	-42,636	97,242	-63,304
Tulsa	-91,843	-191,958	63,141	6,809	-43,179
Washington, DC	-35,144	501,831	1,398	147,017	-178,946

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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	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019p
<b>United States</b>	<b>6.5%</b>	<b>6.5%</b>	<b>6.4%</b>	<b>6.3%</b>	<b>6.4%</b>
Albuquerque	7.7%	8.0%	7.4%	7.1%	6.5%
Atlanta	7.4%	7.4%	7.3%	6.9%	6.7%
Austin	5.0%	5.1%	4.6%	5.0%	5.2%
Bakersfield	9.4%	8.5%	8.4%	9.7%	9.6%
Baltimore	5.7%	6.0%	5.9%	5.5%	5.7%
Birmingham	6.9%	6.8%	7.0%	7.1%	7.7%
Boise	7.8%	7.3%	6.1%	5.8%	6.3%
Boston	3.6%	3.7%	3.3%	3.6%	3.6%
Buffalo	5.6%	4.1%	4.4%	4.5%	4.8%
Charleston	4.5%	4.9%	3.9%	3.9%	4.6%
Charlotte	5.8%	6.0%	5.8%	5.3%	5.6%
Chicago	9.2%	9.2%	9.5%	9.3%	9.2%
Cincinnati	8.6%	8.5%	8.2%	7.8%	8.1%
Cleveland	6.8%	6.5%	6.4%	6.3%	6.3%
Columbus	5.2%	4.9%	4.6%	4.6%	4.5%
Dallas	7.2%	7.0%	7.1%	6.7%	7.0%
Denver	6.6%	6.6%	6.3%	6.3%	6.3%
Des Moines	3.8%	3.9%	4.1%	4.5%	4.6%
Detroit	8.6%	8.7%	9.0%	8.6%	8.2%
Fort Lauderdale/Broward County	5.1%	5.3%	5.2%	5.2%	5.0%
Hampton Roads	6.3%	7.0%	7.2%	7.3%	7.9%
Hawaii	6.2%	6.4%	6.4%	6.4%	6.2%
Houston	6.4%	6.5%	6.4%	6.4%	6.7%
Indianapolis	6.5%	7.2%	7.3%	7.7%	7.0%
Inland Empire	8.9%	8.7%	8.6%	8.6%	8.3%
Jacksonville	7.0%	6.6%	6.6%	6.5%	7.2%
Kansas City	7.9%	8.4%	8.2%	8.0%	7.6%
Knoxville	6.7%	6.4%	6.0%	6.2%	5.2%
Las Vegas	8.2%	8.2%	8.1%	7.8%	7.6%
Little Rock	7.0%	6.4%	6.3%	6.7%	6.8%
Los Angeles	4.8%	4.9%	4.8%	5.0%	5.0%
Louisville	4.8%	5.0%	5.3%	5.9%	5.6%
Memphis	7.0%	6.6%	6.8%	6.6%	6.2%
Miami	3.9%	3.6%	3.8%	3.7%	3.8%
Milwaukee	8.7%	9.3%	8.9%	8.6%	8.3%
Minneapolis	5.1%	5.1%	5.3%	5.4%	5.6%
Mobile	10.5%	9.8%	9.6%	8.9%	9.5%
Nashville	4.0%	4.0%	4.4%	4.6%	3.8%
New Orleans	5.2%	5.0%	5.3%	5.5%	5.5%
New York City Metro (Greater Tri-State)	6.1%	6.1%	6.2%	6.0%	6.0%
Oakland/East Bay	5.1%	4.9%	4.5%	4.4%	4.9%
Oklahoma City	8.6%	8.9%	8.8%	9.1%	7.4%
Omaha	8.0%	7.3%	7.2%	7.4%	7.7%
Orange County	4.9%	4.7%	4.1%	4.0%	4.3%
Orlando	6.4%	6.5%	6.1%	6.3%	6.1%
Palm Beach	5.7%	5.9%	5.6%	5.7%	5.3%
Philadelphia	6.2%	6.1%	6.1%	6.7%	6.2%

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Phoenix	9.3%	8.9%	8.7%	8.6%	8.6%
Pittsburgh	3.9%	4.0%	3.9%	4.2%	4.9%
Portland	5.5%	5.2%	4.9%	4.7%	4.5%
Providence	6.5%	6.4%	6.3%	6.0%	6.2%
Raleigh/Durham	3.7%	3.6%	3.9%	3.7%	3.8%
Reno	8.7%	8.2%	8.0%	7.9%	7.4%
Richmond	7.7%	7.5%	7.1%	6.9%	6.8%
Sacramento	9.0%	8.9%	8.7%	7.8%	8.1%
Salt Lake City	7.1%	6.9%	6.7%	6.1%	7.1%
San Antonio	5.6%	5.7%	5.6%	6.1%	6.7%
San Diego	4.7%	4.5%	4.4%	4.6%	4.6%
San Francisco Metro	4.1%	4.1%	4.4%	4.0%	4.3%
San Jose	3.7%	3.9%	3.9%	3.9%	4.1%
Seattle	5.6%	5.3%	5.0%	4.7%	5.6%
St. Louis	7.3%	7.0%	6.6%	7.1%	7.0%
Tampa	6.2%	6.1%	6.2%	6.2%	6.0%
Tucson	7.7%	7.7%	7.9%	7.7%	8.0%
Tulsa	7.5%	8.3%	8.0%	8.2%	8.4%
Washington, DC	4.9%	4.4%	4.5%	4.4%	4.6%

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#### 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	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019p
<b>United States</b>	<b>\$16.74</b>	<b>\$17.01</b>	<b>\$17.07</b>	<b>\$17.12</b>	<b>\$17.26</b>
Albuquerque	\$14.03	\$13.89	\$14.11	\$13.71	\$14.09
Atlanta	\$13.90	\$14.02	\$13.81	\$13.66	\$13.82
Austin	\$21.38	\$21.56	\$21.53	\$20.88	\$21.56
Bakersfield	\$13.92	\$16.71	\$16.94	\$17.05	\$16.91
Baltimore	\$18.60	\$20.36	\$20.79	\$21.49	\$19.94
Birmingham	\$10.76	\$11.21	\$10.84	\$10.86	\$9.62
Boise	\$11.99	\$11.79	\$11.62	\$11.61	\$12.30
Boston	\$18.97	\$19.13	\$18.89	\$19.25	\$19.72
Buffalo	\$10.59	\$10.08	\$10.19	\$13.26	\$13.30
Charleston	\$18.13	\$19.31	\$18.89	\$18.86	\$19.04
Charlotte	\$14.49	\$14.69	\$14.45	\$14.26	\$14.58
Chicago	\$15.39	\$15.65	\$15.60	\$15.40	\$15.21
Cincinnati	\$11.26	\$11.50	\$11.24	\$11.28	\$11.32
Cleveland	\$10.85	\$10.94	\$11.07	\$11.05	\$11.07
Columbus	\$11.11	\$11.49	\$11.68	\$11.78	\$12.38
Dallas	\$15.28	\$15.83	\$16.05	\$16.37	\$16.13
Denver	\$16.93	\$16.94	\$17.10	\$17.61	\$17.36
Des Moines	\$12.11	\$12.48	\$13.61	\$13.71	\$18.57
Detroit	\$12.92	\$12.87	\$12.97	\$13.04	\$13.45
Fort Lauderdale/Broward County	\$21.49	\$20.65	\$20.21	\$20.26	\$20.38
Hampton Roads	\$14.27	\$14.31	\$14.47	\$14.47	\$14.47
Hawaii	\$36.20	\$35.14	\$35.14	\$35.11	\$35.32
Houston	\$16.46	\$16.60	\$16.71	\$17.00	\$17.18
Indianapolis	\$13.25	\$13.22	\$13.17	\$12.78	\$13.07
Inland Empire	\$17.71	\$19.26	\$19.28	\$19.21	\$19.51
Jacksonville	\$14.01	\$14.14	\$14.48	\$13.65	\$13.33
Kansas City	\$13.70	\$13.81	\$14.21	\$13.29	\$13.27
Knoxville	\$12.95	\$13.50	\$14.43	\$13.97	\$14.67
Las Vegas	\$16.67	\$16.96	\$16.76	\$17.34	\$18.23
Little Rock	\$11.14	\$11.08	\$10.33	\$13.72	\$13.65
Los Angeles	\$26.12	\$26.17	\$26.24	\$26.27	\$27.73
Louisville	\$11.17	\$11.76	\$11.87	\$11.86	\$11.68
Memphis	\$10.76	\$10.79	\$11.92	\$11.91	\$12.60
Miami	\$29.98	\$29.64	\$29.52	\$28.86	\$31.26
Milwaukee	\$12.33	\$12.54	\$12.44	\$12.80	\$12.64
Minneapolis	\$15.04	\$15.06	\$14.17	\$14.16	\$13.14
Mobile	\$9.65	\$10.21	\$10.26	\$10.27	\$10.38
Nashville	\$15.75	\$15.93	\$16.05	\$17.65	\$17.32
New Orleans	\$13.76	\$14.15	\$14.03	\$14.21	\$16.42
New York City Metro (Greater Tri-State)	\$21.21	\$21.39	\$21.64	\$21.52	\$21.42
Oakland/East Bay	\$24.02	\$22.48	\$23.21	\$23.09	\$22.88
Oklahoma City	\$13.36	\$13.08	\$13.10	\$13.17	\$13.44
Omaha	\$12.88	\$13.02	\$12.72	\$12.42	\$12.66
Orange County	\$25.17	\$25.23	\$25.55	\$25.94	\$26.70
Orlando	\$16.99	\$17.52	\$17.49	\$18.34	\$18.57
Palm Beach	\$20.41	\$21.44	\$22.02	\$22.20	\$22.04
Philadelphia	\$16.94	\$17.32	\$16.62	\$16.56	\$16.51



Average Asking Rent	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019p
Phoenix	\$14.75	\$15.17	\$15.24	\$15.01	\$15.22
Pittsburgh	\$15.36	\$15.50	\$14.63	\$13.76	\$13.96
Portland	\$19.13	\$18.88	\$18.86	\$19.38	\$18.55
Providence	\$13.36	\$13.53	\$14.01	\$14.05	\$14.11
Raleigh/Durham	\$17.62	\$17.91	\$17.90	\$18.44	\$17.80
Reno	\$14.58	\$16.19	\$15.76	\$16.39	\$15.97
Richmond	\$15.21	\$16.20	\$17.48	\$16.38	\$16.82
Sacramento	\$16.37	\$16.80	\$17.05	\$16.97	\$16.81
Salt Lake City	\$14.83	\$14.53	\$16.54	\$17.07	\$16.02
San Antonio	\$15.02	\$15.48	\$15.97	\$16.10	\$15.73
San Diego	\$22.93	\$22.97	\$23.00	\$22.92	\$22.68
San Francisco Metro	\$24.30	\$24.89	\$24.59	\$25.00	\$27.19
San Jose	\$32.45	\$33.16	\$33.30	\$33.41	\$33.41
Seattle	\$19.65	\$19.56	\$19.98	\$20.63	\$20.47
St. Louis	\$12.54	\$12.71	\$12.62	\$12.89	\$13.30
Tampa	\$14.43	\$14.77	\$15.19	\$15.25	\$15.26
Tucson	\$15.37	\$15.05	\$14.98	\$15.02	\$14.94
Tulsa	\$11.19	\$11.14	\$11.09	\$10.71	\$10.59
Washington, DC	\$27.18	\$27.69	\$27.16	\$27.56	\$27.43

\*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. Rents are weighted. 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.

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 2019	Under Construction as of Q1 2019
<b>United States</b>	<b>4,105,549,109</b>	<b>3,148,491</b>	<b>17,113,721</b>
Albuquerque	20,292,331	10,000	9,500
Atlanta	139,695,978	131,601	410,358
Austin	49,189,574	20,157	458,295
Bakersfield	11,509,378	0	51,023
Baltimore	50,935,680	229,325	425,543
Birmingham	27,405,981	0	60,700
Boise	17,751,728	10,200	3,000
Boston	68,767,112	23,050	313,351
Buffalo	20,130,119	0	0
Charleston	15,747,839	0	141,346
Charlotte	68,163,516	63,293	100,660
Chicago	188,345,328	5,065	259,550
Cincinnati	67,892,411	0	309,550
Cleveland	86,931,389	5,000	151,343
Columbus	46,665,005	0	0
Dallas	196,563,485	284,708	576,443
Denver	85,269,555	21,800	330,266
Des Moines	12,000,718	0	27,000
Detroit	87,267,842	17,960	288,494
Fort Lauderdale/Broward County	57,113,551	66,277	555,739
Hampton Roads	54,320,021	55,451	309,071
Hawaii	23,440,277	0	184,500
Houston	168,242,400	527,375	717,689
Indianapolis	48,419,707	8,400	20,979
Inland Empire	102,242,744	112,176	531,228
Jacksonville	43,800,076	98,500	873,579
Kansas City	58,272,120	0	35,064
Knoxville	19,902,066	0	5,000
Las Vegas	68,859,316	143,334	203,462
Little Rock	15,575,847	16,650	36,734
Los Angeles	191,072,954	88,331	1,023,456
Louisville	27,439,866	0	0
Memphis	38,502,345	0	4,516
Miami	57,397,479	0	1,594,938
Milwaukee	37,355,231	0	69,364
Minneapolis	64,188,801	47,000	60,390
Mobile	6,105,909	0	0
Nashville	38,024,499	66,592	55,490
New Orleans	17,559,315	0	0
New York City Metro (Greater Tri-State)	274,372,939	82,167	1,838,599
Oakland/East Bay	52,415,589	0	168,626
Oklahoma City	31,842,430	18,953	87,802
Omaha	21,456,177	0	49,884
Orange County	83,880,821	111,285	23,867
Orlando	53,381,763	148,035	657,300
Palm Beach	43,642,781	10,320	249,000
Philadelphia	141,422,745	49,600	98,002

	Inventory	Deliveries YTD 2019	Under Construction as of Q1 2019
Phoenix	136,704,445	41,736	412,242
Pittsburgh	55,193,559	0	66,761
Portland	46,805,269	3,000	43,855
Providence	14,599,807	0	0
Raleigh/Durham	47,019,102	0	253,662
Reno	14,895,432	0	68,636
Richmond	38,250,017	17,736	130,723
Sacramento	61,132,188	94,498	171,077
Salt Lake City	54,281,706	54,652	60,024
San Antonio	57,008,241	297,500	862,460
San Diego	67,932,193	100,004	197,220
San Francisco Metro	41,295,981	0	56,338
San Jose	37,568,259	9,760	578,368
Seattle	57,681,043	52,000	142,985
St. Louis	66,751,182	0	132,000
Tampa	68,809,714	0	281,669
Tucson	25,197,488	5,000	0
Tulsa	25,125,414	0	10,000
Washington, DC	88,523,331	0	275,000

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### About Cushman & Wakefield

Cushman & Wakefield (NYSE: CWK) is a leading global real estate services firm that delivers exceptional value for real estate occupiers and owners. Cushman & Wakefield is among the largest real estate services firms with approximately 51,000 employees in 400 offices and 70 countries. In 2018, the firm had revenue of \$8.2 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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