MARKETBEAT
U.S. Shopping Center
Q2 2017

CUSHMAN & WAKEFIELD

CELEBRATING 100 YEARS

U.S. SHOPPING CENTER

Economic Indicators

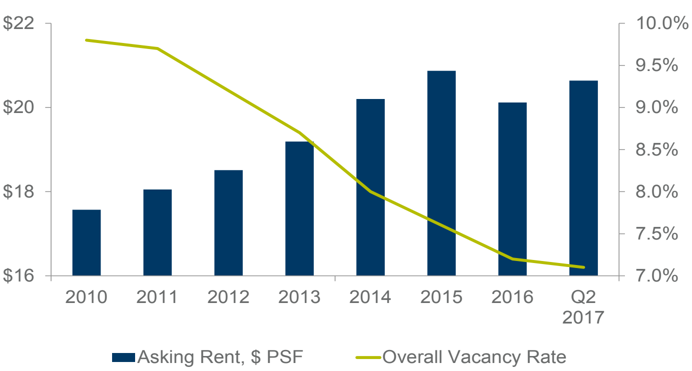
	Q2 16	Q2 17	12-Month Forecast*
GDP Growth	1.3%	2.3%	▲
CPI Growth	1.1%	1.9%	▲
Consumer Spending Growth	2.7%	2.7%	▬
Retail Sales Growth	2.2%	4.0%	▬

Forecast by Cushman & Wakefield; values represent year-over-year % change

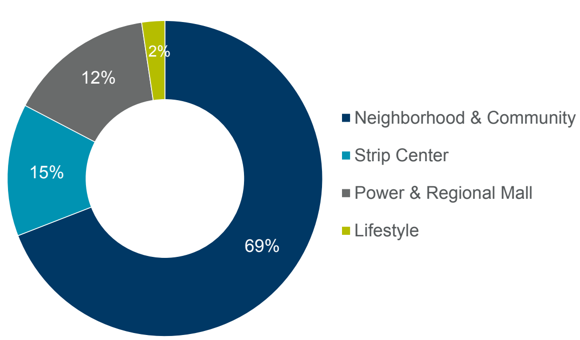
Market Indicators

	Q2 16	Q2 17	12-Month Forecast
Vacancy Rates	7.4%	7.1%	▲
Net Absorption	13.3M	6.6M	▼
Under Construction	31.7M	20.0M	▼
Average Asking Rent (NNN, Annual)	$21.44	$20.64	▼

Rent Rate vs. Overall Vacancy



Availability by Type
% OF TOTAL SPACE AVAILABLE IN THE U.S.



Source: CoStar, Cushman & Wakefield Research

Closure News Continues, Disruption Not Impacting All Retail Sectors the Same

Continuing the trend from 2016, the first half of this year has seen a number of retail bankruptcies and consolidations attributed to the continued acceleration of eCommerce and American consumers' focus on value-oriented retail. The number of store closures so far this year is on track to exceed that of last year, which has escalated concerns about the fate of bricks-and-mortar retail and even prompted use of the term "retail apocalypse" across media outlets. However, not all retail categories across all shopping center types are being impacted in the same way.

According to the U.S. Census Bureau, eCommerce sales accounted for 8.5% of total retail sales in the U.S. as of Q1 2017. But if we look at just the GAFO categories—General Merchandise, Apparel and Accessories, Furniture and Other Sales—that eCommerce percentage is closer to 30%. The majority of chain store closures in the last 18 months have been among department and apparel stores. Consequently, the largest impact from this wave of closures has been on malls and power centers.

Further consolidation in those GAFO categories is expected to continue for the next year or two, particularly among the mid-price level concepts which are not only facing an increase in competition from Amazon and the Internet, but also discount retailers. Current sales growth statistics suggest that Amazon will surpass Macy's as the largest apparel retailer in the U.S. within the year; TJ Maxx will rank second by 2021, if not before. Luxury retailers are not immune to the eCommerce disruption—sales growth is flat—although luxury brands are faring better than mid-price retailers. Consumer surveys indicate that brand loyalty tends to be highest for iconic luxury brands—not only for the label prestige but also because of the strong levels of customer service that are customary in high-end retail.

Non-mall Real Estate Trends

Non-mall shopping center vacancy in the U.S. declined slightly in Q2 2017, ending the quarter at 7.1%. This is comparable to a vacancy rate of 7.4% one year ago and 7.8% two years ago. Non-mall vacancy has been on a consistent downward trend since early 2010 when it peaked at 10.1%. However, the pace has slowed significantly—with no more than a 10 basis-point (BP) improvement quarter to quarter over the last 18 months—as some retail categories have gone into contraction mode.

Trends in power center vacancy reflect consolidations among the office supply and sporting goods categories;

vacancy rose to 5.5% in Q2 2017, up from 5.0% a year ago. While vacancy in the lifestyle sector dropped 30 BP in Q2 2017 to 5.5%, this figure is up from 5.3% a year ago. The opposite trend is evident in neighborhood/ community centers which are typically anchored by grocery and drug stores and capture a more eCommerce-resistant tenant mix. Vacancy in these properties declined to 7.8% in Q2 2017, down from 8.1% a year ago. Vacancy among strip centers, which typically house a mix of convenience and service-oriented concepts, has remained stable at 6.9% for three consecutive quarters, but that is down from 7.6% at mid-year 2016. Most service-oriented retailers (barber shops and health spas, for example) will remain resilient in the face of online disruption. This will help keep vacancy stable, particularly among the neighborhood, community and strip center sectors. Although the tenant pool will continue to shrink, non-mall Class A product will keep outperforming the rest of the marketplace.

As more bankruptcy filings and store closures have transpired, our original estimate of at least 5,000 closures in 2017 has been revised upward to at least 8,000. . .

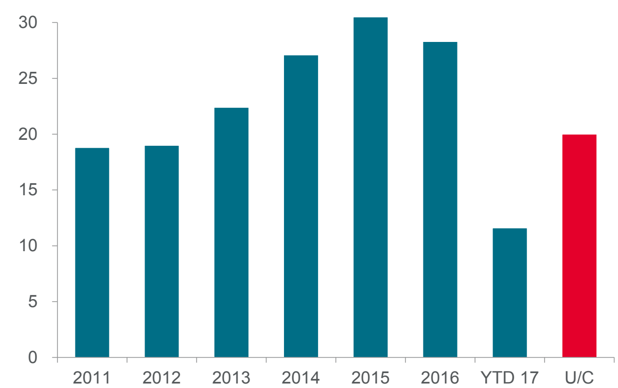
The average asking lease rate at the end of Q2 2017 was $20.64 PSF on an annual triple net basis, down from the $21.44 PSF one year ago. We anticipate that the rate will likely remain flat or edge downward slightly over the next 12 months. While there may be some limited room for rental rate growth for Class A product, there is likely to be greater challenges ahead for landlords of Class B and C space.

Net absorption for non-mall shopping centers remained positive in the first two quarters of 2017, totaling 12.7 million square feet (msf). But occupancy gains have dwindled significantly from the pace seen since 2014 when growth was the most robust. Comparatively, nearly 18.8 msf were absorbed in the first half of 2016.

New construction has been the primary driver of occupancy growth over the past several years, reflecting a preference among those tenants in growth mode for new, quality space over existing, economical alternatives. Newly delivered projects have been consistently averaging occupancy levels of 80% upon delivery, partly because speculative development is rarely occurring without extensive pre-leasing.

During the first two quarters of 2017 nearly 11.6 msf of new construction has been delivered, more than half of which has been neighborhood and community centers. The pace of construction is tapering with 20.0 msf under construction as of mid-year 2017, down from 31.7 msf a year ago when development activity was near its peak. As the retail environment continues to evolve, future development will likely focus on mixed-use properties that include entertainment, multifamily, boutique hotels, medical and office uses. We expect to see a rise in suburban projects with an urban feel that have outdoor main streets and promote walkability.

New Construction (msf)



Source: CoStar, Cushman & Wakefield Research

Evolution of the Retail Landscape

During 2016, Cushman & Wakefield tracked more than 4,000 major chain closures; that figure is up from the roughly 3,600 closures in 2015. As more bankruptcy filings and store closures have been announced, our original estimate of at least 5,000 closures in 2017 has been revised upward to at least 8,000. That number is expected to rise further in 2018.

However, some segments of retail are experiencing growth—even in the apparel arena. While Amazon is a significant challenge for traditional department and apparel stores by offering convenience, off-price retailers are stepping into the value space. Macy's is ramping up its Macy's Backstage discount concept, and incorporating the outlet within some of its traditional department stores. Other department store off-price concepts including Nordstrom Rack and Saks Off 5th are also in growth mode. TJX remains the leader in the off-price category with more expansion planned across its TJ Maxx, Marshalls and HomeGoods stores. Other players in this category expanding are Ross and Burlington Coat Factory.

Dollar stores continue to have the most ambitious expansion plans. Dollar General intends to open 1,000 new locations in 2017, and Dollar Tree/Family Dollar is planning 650 new stores this year. Both companies are also expanding within the grocery arena by incorporating more freezer/refrigerator space in their stores. Due to the sheer number of store openings—over 7,000 new locations across the top five dollar chains in the last five years, or approximately four dollar stores opening per day in the U.S.—this category may start facing saturation issues. For now dollar stores remain in growth mode.

Growth in the grocery sector from German-based grocers Aldi and Lidl will introduce hard discounting as a real contender among traditional grocery players. Aldi, which currently has approximately 1,600 locations across the U.S., including a recent expansion into Southern California, plans to open another 900 stores by 2022. Based on actual store counts, that will place Aldi as the third largest grocer in the U.S. after Walmart and Kroger. Aldi store spaces are smaller than traditional grocer footprints, averaging 16,000 SF, compared to the 40,000-to-50,000-SF range. Lidl made its debut in the U.S. in June, with its initial opening of 20 stores in Virginia and the Carolinas, and plans to open another 80 stores on the East Coast within a year. Future growth plans suggest that Lidl could expand to as many as 1,000 stores by 2021.

To date, eCommerce disruption among the grocery category has been minimal. The online grocery market share in the U.S. was only 1.4% at year-end 2016, accounting for just under $8 billion of the total $989 billion of food and drug retail sales nationally. With Amazon's planned acquisition of Whole Foods, the question is whether the grocery sector will see a similar wave of closures among bricks-and-mortar players. It is likely that the eCommerce share of grocery sales will increase, but there is still some good news for landlords. Due to the costs in final-mile distribution, particularly for perishable goods, successful grocery operators need to deliver from sites close to consumers. Supply-chain infrastructures are already in place from existing stores to make that delivery faster, easier, cheaper, so most of these existing brick-and-mortar locations can serve as distribution centers, rather than larger, industrial space. Store layouts will likely change with the evolution of click-and-collect concepts in response to a need for larger freezer/refrigeration, back-store capacity for the holding of orders and new configurations for pickups and drive-ups.

The food & beverage sector remains a major growth driver in the retail landscape. 2016 was the first year during which dining out surpassed dining at home, and that trend is likely to continue. Consumers—especially those of the Millennial generation—are putting a higher value on dining experiences. Surveys conducted by the National Restaurant Association indicate that consumers find their time is better spent eating out with family and friends, as opposed to cooking and cleaning up. For the last three years, restaurant concepts have consistently accounted for 50% of all planned unit growth, with an estimated average of 12,000 chain restaurants having opened each of those years. However, there are challenges. Restaurant closures, particularly among the casual dining sector continue. Some fast-casual concepts are starting to face market saturation, rather than fading demand. The winners will be quality concepts with solid credit in the best locations.

Landlords are eyeing new concepts to fill vacancies that offer consumers "experiences." As incorporating eCommerce-resistant concepts into shopping centers becomes more important, the shift in the food and entertainment ratio in malls is expanding. Food halls have become popular in the U.S. and are being incorporated into malls. Entertainment is also a key category with growth in concepts like Punch Bowl Social, Dave & Busters, Escape Rooms, Top Golf and luxury cinemas. The rising popularity of craft beers has impacted both the retail and industrial categories, particularly as it relates to redevelopment. As interest continues to grow, and competition among distribution channels tightens, some breweries will be looking to expand by opening tap rooms off-site from main brewery locations.

As retail continues through this stage of evolution, new concepts, technologies, and distribution strategies are radically changing the way Americans consume, and will continue to do so as new innovations emerge. To survive, the best and most agile brands will embrace these changes and adapt with new omni-channel strategies. The winners will be quality concepts and quality projects as the delta in performance between Class A retail real estate and other retail product widens.

Outlook

- **At leasest 8,000 store closures will take place this year, outpacing the number in 2016. Consolidations are expected to increase further in 2018.**
- **Although the tenant pool will continue to shrink, non-mall Class A product will continue outperforming the rest of the marketplace.**
- **Future construction and redevelopment will focus on mixed-use properties including entertainment, multifamily, boutique hotels, medical and office uses.**

Net Absorption

Net Absorption	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017p
United States	**13,301,863**	**12,542,225**	**10,128,703**	**6,128,241**	**6,589,315**
Albuquerque	103,242	101,470	-53,985	-24,168	98,934
Atlanta	471,003	227,825	273,936	514,377	978,175
Austin	121,937	-83,675	266,551	48,381	80,615
Bakersfield	36,508	-88,695	145,569	83,070	-80,938
Baltimore	223,716	-26,677	107,506	358,717	-1,228
Birmingham	104,867	-36,263	424,403	-200,168	426,715
Boise	-99,574	41,298	-11,719	15,885	48,548
Boston	365,764	127,523	-24,900	-49,011	54,334
Buffalo	-22,450	32,213	24,279	-44,904	-56,694
Charleston	-46,373	-1,198	56,202	-56,809	-999
Charlotte	72,943	357,046	183,151	218,683	213,511
Chicago	300,005	171,938	475,396	442,047	322,566
Cincinnati	385,829	285,727	262,429	-239,578	103,330
Cleveland	170,501	298,636	-69,954	55,390	-81,498
Columbus	349,517	230,843	79,638	-18,955	24,410
Dallas	1,314,254	860,987	591,627	638,501	-59,261
Denver	277,541	-190,033	347,061	36,088	-118,841
Des Moines	60,953	-9,296	58,030	68,724	-45,109
Detroit	348,579	369,164	207,298	605,131	173,549
Fort Lauderdale/Broward County	484,731	321,450	235,456	348,100	351,867
Hampton Roads	256,183	352,772	2,104	-228,669	123,966
Hawaii	95,829	639,339	63,589	-128,695	-82,860
Houston	1,319,156	1,066,305	1,012,886	117,229	510,563
Indianapolis	86,092	540,083	-98,686	-198,034	-209,911
Inland Empire	111,612	591,158	444,553	19,372	306,358
Jacksonville	254,187	311,250	127,508	-148,328	78,014
Kansas City	157,524	703,642	-132,465	200,078	465,816
Knoxville	101,934	85,312	-19,252	17,326	-23,858
Las Vegas	564,021	303,686	159,788	-56,739	253,460
Little Rock	14,026	72,898	108,036	-38,386	-121,342
Los Angeles	771,258	247,580	365,249	-239,317	-104,926
Louisville	33,834	-90,351	-52,005	-37,272	95,414
Memphis	50,452	158,258	-134,890	-151,658	-68,479
Miami	169,132	34,767	239,618	184,910	206,040
Milwaukee	-33,165	288,202	-127,938	160,785	621,523
Minneapolis	318,973	150,428	33,909	154,907	362,273
Mobile	20,140	35,397	-90,247	29,026	-96,468
Nashville	174,340	80,997	216,169	75,620	9,437
New Orleans	184,841	123,979	149,821	12,584	720
New York City Metro (Greater Tri-State)	142,819	863,366	1,094,986	227,971	23,727
Oakland/East Bay	-49,258	161,136	178,468	-12,237	83,617
Oklahoma City	210,036	186,945	107,989	116,342	-3,624
Omaha	142,143	109,407	41,085	-74,029	-28,786
Orange County	38,209	87,418	-150,027	37,226	3,012
Orlando	216,117	82,468	273,266	191,190	10,447
Palm Beach	170,930	342,381	284,594	92,285	-32,664
Philadelphia	164,488	310,153	159,828	1,254,552	768,166

Net Absorption

Net Absorption	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017p
Phoenix	362,454	268,676	449,349	466,136	-47,934
Pittsburgh	127,607	-28,726	45,649	354,850	112,216
Portland	-91,000	111,888	369,621	-46,777	143,973
Providence	-24,863	85,237	10,315	148,378	32,095
Raleigh/Durham	171,383	435,212	57,696	-75,162	2,245
Reno	58,639	-3,746	59,601	29,051	109,411
Richmond	146,271	-61,868	142,436	-379,062	158,540
Sacramento	-29,165	279,617	14,772	504,193	45,365
Salt Lake City	298,686	-18,891	-369,515	274,689	-56,959
San Antonio	532,396	122,039	-11,644	-151,674	211,659
San Diego	340,120	353,721	362,153	101,742	-83,962
San Francisco Metro	82,416	-132,843	952	88,732	-49,940
San Jose	-107,585	207,087	104,985	215,744	87,513
Seattle	65,325	-245,148	113,601	-111,554	252,476
St. Louis	42,238	99,261	260,927	26,029	40,098
Tampa	247,015	-60,913	304,897	289,918	199,889
Tucson	57,113	22,558	29,775	196,357	9,604
Tulsa	176,847	53,487	-15,991	51,328	-12,900
Washington, DC	136,620	226,318	363,214	-232,217	-145,695

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.
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 thirdparty 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	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017p
United States	**7.4%**	**7.3%**	**7.2%**	**7.2%**	**7.1%**
Albuquerque	7.0%	6.6%	7.1%	7.2%	6.8%
Atlanta	8.9%	8.8%	8.7%	8.4%	8.1%
Austin	5.1%	5.3%	5.0%	5.0%	4.9%
Bakersfield	8.3%	9.2%	8.7%	8.1%	8.9%
Baltimore	5.7%	5.8%	5.6%	5.6%	5.8%
Birmingham	10.7%	10.9%	10.0%	10.9%	9.5%
Boise	7.1%	7.4%	7.5%	7.5%	7.3%
Boston	3.7%	3.6%	3.7%	3.8%	3.7%
Buffalo	7.1%	7.0%	6.9%	7.1%	7.3%
Charleston	5.3%	5.4%	5.0%	5.5%	5.5%
Charlotte	6.7%	6.4%	6.3%	6.0%	5.9%
Chicago	10.6%	10.7%	10.5%	10.3%	10.3%
Cincinnati	9.4%	9.0%	8.7%	9.0%	9.0%
Cleveland	8.9%	8.6%	8.7%	8.8%	8.9%
Columbus	6.8%	6.7%	6.7%	6.7%	6.7%
Dallas	7.8%	7.6%	7.4%	7.3%	7.5%
Denver	7.2%	7.5%	7.2%	7.2%	7.4%
Des Moines	6.5%	6.6%	6.1%	5.6%	5.9%
Detroit	9.8%	9.4%	9.3%	8.9%	8.8%
Fort Lauderdale/Broward County	6.7%	6.1%	5.8%	5.4%	4.7%
Hampton Roads	7.3%	7.3%	7.3%	7.8%	7.8%
Hawaii	3.1%	3.2%	4.5%	5.0%	5.4%
Houston	6.7%	6.5%	6.6%	6.9%	6.9%
Indianapolis	7.7%	6.7%	6.9%	7.5%	7.9%
Inland Empire	9.8%	9.3%	9.0%	9.0%	8.9%
Jacksonville	8.5%	7.9%	7.8%	8.2%	8.0%
Kansas City	9.5%	8.4%	8.7%	8.7%	8.0%
Knoxville	6.3%	5.9%	6.0%	5.9%	6.0%
Las Vegas	9.9%	9.6%	9.7%	9.9%	9.7%
Little Rock	5.6%	5.1%	4.4%	4.7%	5.5%
Los Angeles	5.2%	5.2%	5.0%	5.2%	5.3%
Louisville	4.4%	4.9%	5.1%	5.2%	4.8%
Memphis	8.9%	8.6%	8.9%	9.4%	9.8%
Miami	3.4%	3.5%	4.0%	4.3%	4.3%
Milwaukee	10.4%	9.8%	10.3%	9.9%	9.3%
Minneapolis	6.1%	6.4%	6.4%	6.2%	5.8%
Mobile	11.8%	11.3%	12.8%	12.3%	13.9%
Nashville	5.3%	5.1%	4.5%	4.3%	4.7%
New Orleans	7.3%	6.5%	5.6%	5.5%	5.5%
New York City Metro (Greater Tri-State)	6.4%	6.4%	6.4%	6.4%	6.4%
Oakland/East Bay	5.5%	5.5%	5.5%	5.5%	5.4%
Oklahoma City	8.9%	8.7%	8.5%	8.2%	8.2%
Omaha	7.4%	7.5%	7.4%	7.8%	7.9%
Orange County	4.8%	4.7%	4.9%	5.3%	5.3%
Orlando	7.9%	8.1%	7.6%	7.3%	7.3%
Palm Beach	6.8%	6.3%	5.7%	5.6%	5.7%
Philadelphia	8.0%	8.0%	8.1%	7.7%	7.3%

Vacancy Rates

Overall Vacancy Rate	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017p
Phoenix	11.0%	11.1%	11.0%	11.0%	11.1%
Pittsburgh	4.6%	4.8%	4.8%	4.3%	4.1%
Portland	7.0%	6.9%	6.5%	6.7%	6.4%
Providence	10.0%	9.4%	9.4%	8.3%	8.1%
Raleigh/Durham	4.8%	4.1%	4.0%	4.2%	4.2%
Reno	11.7%	11.7%	11.3%	11.1%	10.4%
Richmond	8.6%	8.9%	8.5%	9.6%	9.6%
Sacramento	10.5%	10.1%	10.3%	9.5%	9.4%
Salt Lake City	5.2%	5.6%	6.6%	6.5%	6.6%
San Antonio	6.3%	6.5%	6.8%	7.1%	6.8%
San Diego	5.9%	5.7%	5.3%	5.2%	5.3%
San Francisco Metro	4.3%	4.6%	4.7%	4.5%	5.3%
San Jose	5.1%	5.0%	4.8%	4.6%	4.6%
Seattle	6.1%	6.6%	6.4%	6.6%	6.2%
St. Louis	8.0%	8.0%	7.6%	7.6%	7.5%
Tampa	7.7%	7.8%	7.5%	7.1%	6.9%
Tucson	9.0%	9.0%	9.2%	9.1%	9.0%
Tulsa	6.5%	6.4%	6.5%	6.3%	6.4%
Washington, DC	4.8%	4.9%	4.8%	5.1%	5.3%

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.
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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 thirdparty 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.

Asking Rents

Average Asking Rent	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017p
United States	**$21.44**	**$20.01**	**$20.12**	**$20.33**	**$20.64**
Albuquerque	$19.37	$17.91	$17.63	$17.15	$16.55
Atlanta	$17.35	$16.28	$16.28	$16.55	$16.46
Austin	$25.84	$25.43	$25.93	$25.43	$25.78
Bakersfield	$21.30	$20.08	$19.23	$18.09	$16.80
Baltimore	$25.45	$23.49	$22.90	$22.21	$23.06
Birmingham	$12.69	$11.60	$11.64	$11.79	$12.28
Boise	$17.52	$16.41	$16.39	$15.38	$15.13
Boston	$24.81	$23.15	$23.08	$23.14	$23.84
Buffalo	$13.84	$12.73	$12.29	$13.63	$12.64
Charleston	$22.38	$20.88	$21.03	$22.15	$24.51
Charlotte	$19.75	$18.80	$18.81	$19.05	$19.48
Chicago	$20.07	$18.50	$18.45	$18.36	$18.69
Cincinnati	$14.13	$12.98	$13.46	$13.21	$13.40
Cleveland	$14.26	$13.06	$13.15	$12.96	$13.35
Columbus	$14.65	$13.55	$14.14	$14.36	$13.89
Dallas	$20.16	$19.30	$19.16	$19.56	$19.98
Denver	$20.75	$19.03	$19.18	$19.60	$20.45
Des Moines	$14.16	$13.05	$13.36	$13.05	$12.99
Detroit	$16.97	$15.65	$15.80	$16.01	$16.23
Fort Lauderdale/Broward County	$27.15	$25.04	$25.28	$24.85	$25.51
Hampton Roads	$18.58	$17.46	$17.73	$17.98	$17.78
Hawaii	$47.93	$46.26	$44.28	$46.94	$46.25
Houston	$21.68	$20.18	$19.83	$20.33	$19.91
Indianapolis	$17.70	$16.00	$15.79	$16.15	$16.14
Inland Empire	$22.73	$21.54	$21.84	$21.89	$22.11
Jacksonville	$17.70	$15.98	$15.95	$16.06	$15.99
Kansas City	$16.97	$15.91	$16.03	$16.46	$16.51
Knoxville	$16.71	$15.94	$15.85	$15.90	$16.41
Las Vegas	$21.80	$21.10	$21.18	$22.53	$22.65
Little Rock	$17.05	$16.16	$16.48	$16.25	$15.49
Los Angeles	$35.25	$33.03	$33.34	$33.25	$34.10
Louisville	$17.52	$15.83	$15.86	$15.25	$14.95
Memphis	$13.82	$13.05	$12.96	$13.50	$13.49
Miami	$36.05	$35.34	$35.83	$35.76	$36.80
Milwaukee	$15.58	$13.98	$14.04	$13.85	$15.21
Minneapolis	$19.31	$17.21	$17.25	$18.14	$17.98
Mobile	$13.11	$12.48	$12.33	$12.68	$11.63
Nashville	$20.67	$19.33	$19.39	$19.48	$19.48
New Orleans	$20.47	$18.96	$19.75	$18.61	$19.30
New York City Metro (Greater Tri-State)	$27.53	$25.41	$25.65	$25.41	$25.60
Oakland/East Bay	$31.90	$30.26	$30.83	$30.55	$31.43
Oklahoma City	$15.00	$13.99	$13.96	$14.43	$14.93
Omaha	$17.17	$15.49	$15.53	$15.23	$15.30
Orange County	$33.63	$31.04	$31.88	$31.94	$32.43
Orlando	$20.37	$18.61	$18.36	$21.20	$21.25
Palm Beach	$25.33	$23.59	$23.69	$24.54	$24.95
Philadelphia	$20.40	$18.86	$18.74	$18.95	$18.83

Average Asking Rent	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017p
Phoenix	$19.56	$18.16	$17.96	$18.18	$18.71
Pittsburgh	$19.05	$17.25	$17.25	$17.19	$17.64
Portland	$24.52	$22.69	$23.15	$23.68	$24.08
Providence	$16.96	$15.96	$15.30	$15.04	$15.49
Raleigh/Durham	$21.49	$19.55	$19.79	$20.39	$21.06
Reno	$21.56	$20.45	$18.38	$18.81	$18.78
Richmond	$18.97	$17.18	$17.79	$17.58	$18.15
Sacramento	$22.19	$20.50	$21.69	$20.39	$20.64
Salt Lake City	$19.45	$19.03	$19.79	$19.49	$19.39
San Antonio	$19.62	$18.83	$18.65	$18.74	$18.83
San Diego	$28.88	$26.88	$26.95	$27.24	$28.39
San Francisco Metro	$28.85	$26.86	$27.10	$27.95	$28.94
San Jose	$39.18	$36.85	$36.01	$36.09	$37.38
Seattle	$24.69	$23.40	$23.68	$23.74	$24.45
St. Louis	$16.24	$15.00	$15.19	$15.44	$15.33
Tampa	$18.90	$18.13	$18.11	$18.44	$18.01
Tucson	$20.48	$18.75	$18.70	$18.81	$19.00
Tulsa	$14.61	$13.68	$14.29	$14.05	$14.16
Washington, DC	$36.79	$33.75	$35.05	$35.05	$35.90

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 not weighted. It does not include malls, outlet centers, theme retail centers, airport retail or freestanding retail product.
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 thirdparty 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 2017	Under Construction as of Q2 2017
United States	**4,083,598,195**	**11,571,394**	**20,003,971**
Albuquerque	20,156,792	17,500	107,000
Atlanta	139,807,490	747,827	1,533,465
Austin	48,485,073	100,940	157,150
Bakersfield	11,455,168	29,045	84,480
Baltimore	51,227,520	491,000	94,277
Birmingham	28,680,750	117,650	20,000
Boise	17,495,373	13,491	14,160
Boston	70,048,116	10,000	242,500
Buffalo	20,837,983	0	0
Charleston	15,514,254	18,569	28,200
Charlotte	66,719,794	178,874	241,319
Chicago	190,430,828	383,450	505,163
Cincinnati	70,306,039	59,852	33,924
Cleveland	87,576,946	126,339	376,721
Columbus	46,453,474	26,898	0
Dallas	187,423,252	660,755	2,016,997
Denver	84,389,944	127,019	457,643
Des Moines	12,113,421	0	0
Detroit	87,632,349	319,964	119,534
Fort Lauderdale/Broward County	55,990,066	106,078	188,211
Hampton Roads	54,729,519	192,500	138,144
Hawaii	24,788,986	18,313	85,233
Houston	164,956,971	1,203,809	715,437
Indianapolis	47,436,507	65,200	14,500
Inland Empire	100,809,386	275,948	1,010,688
Jacksonville	42,362,361	19,734	51,942
Kansas City	58,827,835	270,529	237,140
Knoxville	18,731,623	0	5,000
Las Vegas	69,894,399	217,359	114,083
Little Rock	15,543,173	13,806	143,016
Los Angeles	190,220,884	139,941	532,133
Louisville	26,296,234	0	0
Memphis	38,095,949	105,933	0
Miami	56,562,331	565,603	601,809
Milwaukee	36,572,597	475,940	8,270
Minneapolis	64,835,922	126,200	179,399
Mobile	5,963,311	0	0
Nashville	37,107,967	160,000	880,000
New Orleans	16,519,772	0	49,000
New York City Metro (Greater Tri-State)	272,520,947	267,349	2,139,484
Oakland/East Bay	50,268,465	60,843	569,232
Oklahoma City	31,879,612	18,000	111,027
Omaha	23,968,440	36,636	0
Orange County	85,162,499	417,862	337,013
Orlando	52,030,836	62,440	521,644
Palm Beach	43,942,718	98,542	50,099
Philadelphia	138,209,066	897,395	966,345

	Inventory	Deliveries YTD 2017	Under Construction as of Q2 2017
Phoenix	135,128,784	558,567	225,723
Pittsburgh	55,541,122	69,489	160,815
Portland	46,695,261	85,813	128,652
Providence	14,652,178	0	0
Raleigh/Durham	46,939,897	31,867	30,784
Reno	14,738,868	1,200	78,000
Richmond	37,397,007	193,175	32,178
Sacramento	60,005,362	40,836	1,080,302
Salt Lake City	52,479,475	252,944	337,201
San Antonio	57,318,371	67,168	73,777
San Diego	67,972,946	11,957	133,737
San Francisco Metro	40,817,310	302,233	52,000
San Jose	37,482,470	254,018	640,643
Seattle	57,562,669	0	72,434
St. Louis	68,629,864	10,220	310,462
Tampa	68,351,717	106,238	196,560
Tucson	24,587,716	197,973	8,000
Tulsa	25,706,243	28,718	82,590
Washington, DC	90,607,993	113,845	678,731

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About Cushman & Wakefield

Cushman & Wakefield is a leading global real estate services firm that helps clients transform the way people work, shop, and live. Our 45,000 employees in more than 70 countries help occupiers and investors optimize the value of their real estate by combining our global perspective and deep local knowledge with an impressive platform of real estate solutions. Cushman & Wakefield is among the largest commercial real estate services firms with revenue of $6 billion across core services of agency leasing, asset services, capital markets, facility services (C&W Services), global occupier services, investment & asset management (DTZ Investors), project & development services, tenant representation, and valuation & advisory. 2017 marks the 100-year anniversary of the Cushman & Wakefield brand. 100 years of taking our clients' ideas and putting them into action. To learn more, visit www.cushwakecentennial.com, www.cushmanwakefield.com or follow @CushWake on Twitter.

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