MARKETBEAT
United States
Shopping Center 2Q 2016

CUSHMAN & WAKEFIELD

U.S. SHOPPING CENTER

Economic Indicators

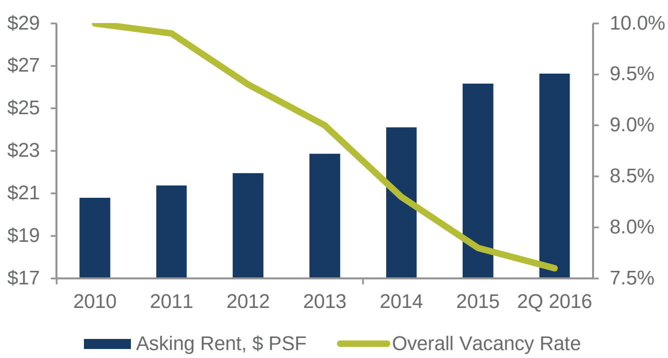
	2Q 15	2Q 16	12-Month Forecast
GDP Growth*	2.7%	1.8%	▲
CPI Growth	0.0%	1.1%	▲
Consumer Spending Growth*	3.3%	2.8%	▲
Retail Sales Growth	2.1%	2.6%	▲

*Based on Moody's baseline estimates

Market Indicators

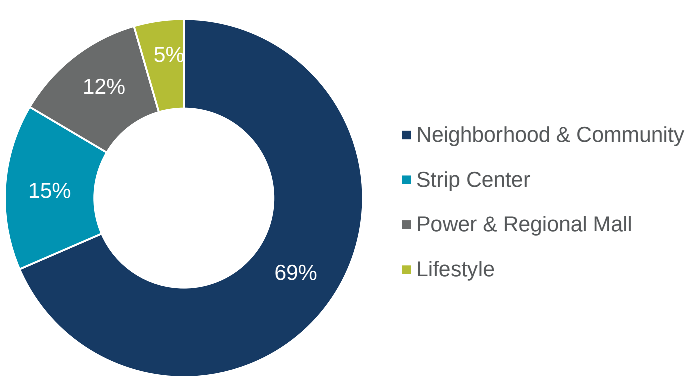
	2Q 15	2Q 16	12-Month Forecast
Vacancy Rates	8.1%	7.6%	▬
Net Absorption	9.7 M	12.1 M	▼
Under Construction	28.5 M	24.6 M	▼
Average Asking Rent (NNN, Annual)	$24.81	$26.64	▬

Rent Rate vs. Overall Vacancy



Availability by Type

% OF TOTAL SPACE AVAILABLE IN THE U.S.



Source: CoStar, Cushman & Wakefield Research

Shopping Center Vacancy Declines, but Market Near Peak

The retail market remains a bundle of contradictions. The number of store closures has been rising since the beginning of the year (Ralph Lauren and Uniqlo are the most recent to announce plans to shutter stores). Yet, overall shopping center vacancy is actually down when compared to mid-year 2015 and retail rents for premier shopping center space continue to rise. Indeed, despite recent news of retail bankruptcies and increased closures, the market actually posted fairly healthy occupancy growth in the second quarter of 2016.

Overall shopping center vacancy in the U.S. was 7.6% at the end of 2Q 2016, down from both the 7.8% in the first quarter of the year and an even more significant decline from the 8.1% vacancy rate one year ago. The downward trend was due primarily to the fact that consolidation remains concentrated in just two retail categories: apparel and department stores. Chains active in those categories continue the process of right-sizing to accommodate eCommerce. And while both are high profile sectors, the impact of this trend has almost exclusively been seen in the nation's malls—primarily its aging Class B and C enclosed regional malls which account for only a small portion of the nation's retail space.

The lion's share of the nearly 4.1 billion square feet (BSF) of shopping center space that Cushman & Wakefield tracks in the U.S. are community/neighborhood centers, which account for over 2.5 BSF of the total. These centers combined with power centers, another 800 million square feet (MSF), account for more than 80.0% of the nation's shopping center inventory. Community/neighborhood centers and power centers are the two retail shopping center types capturing the most leasing activity and occupancy growth.

While community/neighborhood and power centers have not been immune to the impact of eCommerce right-sizing, the effects of that right-sizing have been more than offset by growth in multiple sectors. Sporting goods is the largest category in consolidation mode that is impacting these shopping center types (primarily power centers). But even in this category the impact has been minimal; most of the space that has been returned to market so far has garnered significant tenant interest.

Retailers expanded into nearly 12.1 MSF of shopping center space in the second quarter of this year and the market has registered roughly 17.9 MSF of net absorption through the first six months of 2016. Discounters, dollar stores, off-price apparel and food related concepts (both restaurants and grocery store chains) are the sectors currently driving growth and which, in fact, have accounted for most of the expansion over the past six years. Relying on that source of demand will increasingly prove a challenge to the marketplace as many of these categories are starting to reach saturation point. The dollar store sector alone has added an average of one new store in the U.S. every 4.5 hours for the past five years in a row. Year to date, the most active chain in this field is adding a new store every 10.0 hours.

Restaurants have also played a crucial role in retail growth, accounting for roughly half of all of retail unit growth since the end of the recession in 2010. Prior to 2010, restaurants typically accounted for only one-third of total retail unit growth. Years of aggressive expansion from hundreds of concepts has led to a saturated dining landscape. While American consumers are eating out more than ever, restaurant closures are on the rise and closures will continue to be an issue heading into 2017 and beyond.

Also worth noting is the fact that a significant portion of the second quarter's occupancy growth was in new construction. The market added 5.0 MSF of space in the second quarter, more than 90.0% of which was occupied upon delivery. The market has added roughly 9.6 MSF of new space so far in 2016, most of which had leasing commitments in place prior to completion. There is currently 24.6 MSF of additional shopping center space in the construction pipeline, more than 80.0% pre-leased. Roughly half of new construction is from the expansion of existing shopping centers. Meanwhile, ground-up development still is not occurring without anchor tenant commitments in place. Even in markets with low vacancy rates, most projects are still not moving forward without leases or letters of intent in place for significant portions of the inline space.

Though many of the headlines of late have focused on store closures, it is important to reiterate that the most recent wave has overwhelmingly impacted mall properties . . .

The market posted 39.7 MSF of net absorption in 2015, an average of just over 9.9 MSF of space per quarter. While absorption in first six months of 2016 has nearly matched those 2015 levels, the trend is not expected to continue. As saturation and redundancies increasingly become issues leasing velocity is beginning to slow for many of the chains that have been in growth mode.

Occupancy growth will slow through the remainder of 2016, even as a consumer spending is expected to pick up during the second half of the year. Today's slowing deal activity will begin to translate into weaker net absorption. Those numbers will remain in the black—bolstered by the delivery of roughly 13.0 MSF of new shopping center space through the last six months of the year.

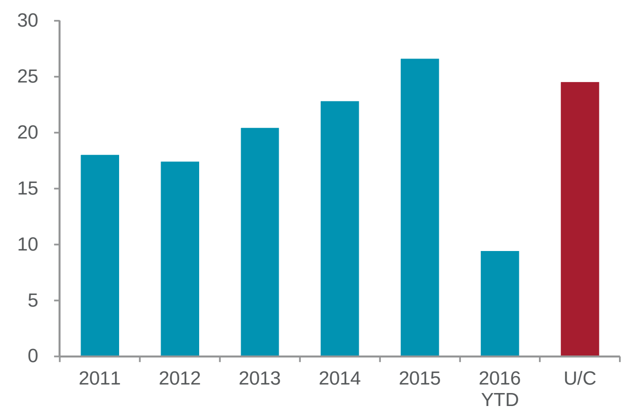
Though many of the headlines of late have focused on store closures, it is important to reiterate that the most recent wave has overwhelmingly impacted mall properties (particularly aging, Class B and C projects). While overall shopping center vacancy fell in 2Q 2016, most of the retail sectors supporting this growth will slow going forward. We anticipate that this trend of slowing growth will be with us at least heading into the next downturn. For now the forecast is for measured, but slowing growth. However, in terms of vacancy and rent , the market is likely at, or near, peak now.

What About BREXIT?

The U.S. economy continues to be one of the strongest in the world; economic growth has remained relatively stable in the U.S. while decelerating in most other major economies. A sharper than expected slowdown in China and financial market volatility due to Brexit remain the greatest risks to the U.S. economy.

Of course, the full impact of BREXIT remains to be seen; the U.K. economy will face a heightened level of uncertainty and risk over the next couple of years as it negotiates its withdrawal from the European Union. The risks of a U.K. recession in the near-term have increased considerably, although its inevitability is not certain. Yet, even if that were to happen, the risk of contagion to the U.S. economy is minimal. Overseas economic turbulence rarely spills over to the U.S. economy with enough velocity to create a recession. A larger threat, while very unlikely, is the possibility that other European countries follow Britain's lead and hold referendums in their own countries on exiting the EU.

New Construction (MSF)



Source: CoStar, Cushman & Wakefield Research

Tourism and luxury retail is where BREXIT is likely to have its greatest impact in the U.S.; the strength of the dollar was already expected to have a chilling effect on foreign tourism this year. Strong U.S. tourism markets like New York, San Francisco, Miami and others may feel the bite. However, any decline in foreign-based tourism may actually be offset by increasing levels of domestic tourism.

BREXIT will certainly impact American brands looking to expand in the U.K. (and potentially Europe), where they may find a more challenging economic environment. More widespread economic weakness in Europe would likely impact the U.S. luxury retail market. If that happened, European luxury

retailers would be likely to experience further slow growth in the U.S., although there may be a few European concepts that might seek to ramp up their U.S. expansion in order to offset weaknesses at home. Regardless, these scenarios are hypothetical based upon the (still) unlikely event that BREXIT plunges the entire European economy into recession—a development which most economists feel improbable. The reality is that BREXIT probably won't have much of a direct impact on U.S. retail, although it could result in a few additional headwinds to the marketplace and the U.S. economy in general.

The Consumer Outlook Ahead

Employment numbers for June 2016 have helped to quell worries about slowing U.S. job growth. The economy added a very impressive 287,000 nonfarm payroll jobs in June. That followed a dismal May jobs report that saw just 11,000 new positions created—the lowest number of new payrolls since September 2010. The job gains were headline-worthy, but the most meaningful metric in June employment report was that average hourly wages were up by 2.6% from a year ago. After a slow start to the year, rising wages and continued strong employment levels have boosted income levels and stimulated stronger consumer spending growth.

Meanwhile, gas prices have remained low. We estimate that gas savings in 2015 equated roughly to about $500 per American consumer. Those savings have carried over into 2016 though commodity prices have edged up slightly. This translated into only modest gains last year. On balance, lower-income consumers saw their savings offset by higher costs of housing, medical care and insurance among other things. Middle-income consumers reaped some benefit from lower gas prices, but most spent this dividend paying down debt. The gain to higher-income consumers was only marginal. Despite these different impacts from gas price savings, American consumers were in a better place compared to a year ago; they saved more, paid down more debt, ate out with much greater frequency and spent more money—particularly on necessity-based retail.

These same trends have continued in 2016, but in a stronger wage-growth environment. The combination of continued income growth, low unemployment and gas savings should, at the very least, translate into modest consumer spending gains during the second half of the year.

Bricks-and-mortar retailers have not necessarily benefited from much of this consumer spending growth. Sales growth for eCommerce continues to outpace that for bricks-and-mortar retail by a ratio of roughly five to one. The U.S. Commerce Department reports that eCommerce sales accounted for 9.5% of total U.S. retail sales (excluding automobiles and fuel) in 2014; the share was 10.5% in 2015. In the first quarter of 2016 total retail sales increased by 2.7% from a year ago, while eCommerce sales increasing by 15.1% during the same period. While no one believes that eCommerce will ever completely replace the bricks-and-mortar shopping experience, the growing share of eCommerce retail sales is easily the most disruptive trend to impact the retail sector since the rise of the suburban mall in the 1960s. No one knows how deep eCommerce penetration will ultimately be, and few of even the most tech-biased futurists or theorists envision a future where more than 25% or 30% of all retail transactions are done online. Even so, we can expect exponential growth for eCommerce in the years ahead and a sharp contraction for those retail categories that will be most impacted by that growth. While the outlook for U.S. consumer spending and that for most retail segments remains positive, eCommerce will remain an influential force for years to come.

Outlook

- **eCommerce right-sizing is a trend that will impact the marketplace for the next few years. However, most of the store closures will only affect a few retail categories.**
- **Occupancy growth for non-mall shopping centers is likely to slow over the next four quarters, but still remain in positive territory.**
- **Growth from grocery, restaurants, discounters, dollar stores, off-price apparel, and service retail will continue to drive overall growth in the U.S., but market saturation is becoming an issue.**
- **Look for premium rents to flatten in 2016.**

Net Absorption

Net Absorption	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p
United States	9,673,061	14,739,540	10,732,260	5,814,272	12,056,905
Albuquerque	24,878	147,486	31,028	151,297	105,199
Atlanta	418,068	470,946	764,654	307,206	291,791
Austin	187,695	485,711	374,750	78,107	98,205
Bakersfield	-32,077	6,015	-84,816	92,215	36,508
Baltimore	80,033	-50,470	123,222	-34,623	57,793
Birmingham	175,960	101,193	104,133	9,094	125,025
Boise	60,705	94,312	117,009	102,602	-101,591
Boston	371,165	308,120	203,821	-92,426	340,136
Buffalo	-58,573	110,527	9,308	330	57,408
Charleston	81,253	348,203	85,795	129,728	-61,590
Charlotte	-39,519	125,704	452,466	-45,179	45,844
Chicago	792,249	767,215	802,666	165,324	471,701
Cincinnati	32,588	359,616	555,968	3,259	326,157
Cleveland	373,585	123,391	-108,120	27,454	104,594
Columbia	160,258	288,266	-34,325	-28,907	222,430
Dallas	876,097	861,146	1,125,427	1,078,385	1,193,648
Denver	-61,688	103,096	376,000	259,717	397,878
Des Moines	-2,104	-23,351	-39,723	41,334	57,553
Detroit	423,330	417,745	245,157	232,866	309,975
Fort Lauderdale/Broward County	215,392	230,579	388,812	50,977	219,632
Hampton Roads	-225,243	225,039	142,824	87,529	247,289
Hawaii	50,718	115,346	52,178	27,880	96,329
Houston	663,328	974,008	660,487	26,570	1,139,392
Indianapolis	179,109	12,726	-7,304	62,804	103,478
Inland Empire	534,950	233,922	-19,945	68,598	119,135
Jacksonville	196,284	64,023	107,126	133,520	257,303
Kansas City	487,742	5,871	51,114	-132,336	161,008
Knoxville	-18,947	39,689	225,766	90,447	107,084
Las Vegas	-5,484	548,007	-175,414	113,950	488,360
Little Rock	36,927	53,459	44,646	-36,132	16,696
Los Angeles	227,830	864,218	-73,081	562,354	493,235
Louisville	-46,526	99,906	29,910	51,491	25,009
Memphis	-78,168	242,308	34,593	101,791	25,311
Miami	192,339	74,005	195,015	70,022	143,649
Milwaukee	248,645	288,540	-118,203	15,748	-177,364
Minneapolis	97,617	377,698	381,442	-57,575	322,373
Mobile	149,067	297,567	-37,767	-38,732	19,340
Nashville	91,021	206,315	241,093	171,886	174,817
New Orleans	38,974	32,407	-104,874	57,488	60,678
New York City Metro (Greater Tri-State)	271,503	286,713	703,999	-487,768	216,044
Oakland/East Bay	24,348	238,883	97,485	-193,673	-47,080
Oklahoma City	-29,447	157,042	44,299	46,650	172,111
Omaha	-31,153	84,861	-35,208	-947	98,711
Orange County	38,395	225,604	104,854	150,164	40,366
Orlando	127,843	6,586	283,136	110,494	244,772
Palm Beach	147,777	98,328	226,584	254,370	226,228
Philadelphia	322,724	209,061	252,115	251,191	456,371

Net Absorption

Net Absorption	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p
Phoenix	279,538	423,257	147,718	480,596	356,445
Pittsburgh	99,957	68,986	62,899	-11,266	132,307
Portland	12,039	293,266	160,900	76,023	-53,374
Providence	-4,553	39,439	90,295	-27,213	-41,355
Raleigh/Durham	188,229	456,310	155,353	94,428	140,093
Reno	-6,316	-17,139	81,870	70,280	56,097
Richmond	16,957	42,535	57,319	204,843	288,256
Sacramento	124,806	271,270	262,331	-66,529	-30,918
Salt Lake City	-28,339	-8,975	83,590	16,003	241,431
San Antonio	-41,110	337,492	202,732	121,252	590,537
San Diego	-15,981	171,809	-501,613	269,400	368,508
San Francisco Metro	20,952	70,689	162,915	33,040	33,042
San Jose	84,038	85,051	201,713	13,185	-159,731
Seattle	202,986	72,147	148,998	161,671	94,875
St. Louis	210,372	432,771	19,290	-112,430	38,195
Tampa	223,121	225,839	230,171	236,104	136,370
Tucson	-19,144	52,089	-61,371	4,293	38,829
Tulsa	86,792	118,337	94,829	197,289	166,910
Washington, DC	467,249	266,785	332,219	16,759	131,447

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

CUSHMAN & WAKEFIELD

Overall Vacancy Rate	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p
United States	**8.1%**	**7.9%**	**7.8%**	**7.8%**	**7.6%**
Albuquerque	8.0%	7.9%	7.9%	7.4%	7.6%
Atlanta	10.2%	9.9%	9.6%	9.5%	9.3%
Austin	7.2%	6.4%	6.1%	6.0%	5.9%
Bakersfield	8.4%	8.5%	9.3%	8.6%	8.2%
Baltimore	5.4%	5.5%	5.5%	5.6%	5.7%
Birmingham	10.7%	10.3%	10.0%	9.9%	9.5%
Boise	7.8%	7.3%	6.8%	6.5%	7.1%
Boston	4.1%	4.0%	3.9%	4.1%	3.8%
Buffalo	7.7%	7.2%	7.2%	7.2%	6.9%
Charleston	7.8%	6.2%	5.8%	5.4%	5.8%
Charlotte	7.6%	7.4%	7.3%	7.4%	7.3%
Chicago	11.2%	11.1%	10.7%	10.7%	10.6%
Cincinnati	10.7%	10.4%	10.3%	10.3%	9.9%
Cleveland	9.5%	9.4%	9.5%	9.6%	9.4%
Columbia	8.3%	8.0%	8.1%	8.2%	7.8%
Dallas	9.1%	8.9%	8.6%	8.3%	7.9%
Denver	7.5%	7.4%	7.5%	7.3%	7.1%
Des Moines	6.6%	6.8%	7.2%	6.8%	6.3%
Detroit	11.4%	11.1%	10.8%	10.7%	10.4%
Fort Lauderdale/Broward County	10.7%	10.3%	10.0%	9.9%	9.5%
Hampton Roads	7.9%	7.9%	7.8%	7.9%	7.5%
Hawaii	3.9%	3.7%	3.5%	3.5%	3.1%
Houston	7.1%	6.9%	6.8%	7.1%	6.9%
Indianapolis	8.8%	8.7%	8.8%	8.6%	8.4%
Inland Empire	9.9%	9.8%	9.9%	10.0%	9.9%
Jacksonville	9.4%	9.4%	9.2%	9.0%	8.8%
Kansas City	9.7%	9.7%	9.8%	10.0%	9.8%
Knoxville	9.4%	9.2%	7.9%	7.5%	6.9%
Las Vegas	11.9%	11.2%	11.5%	11.3%	10.6%
Little Rock	6.1%	5.7%	5.7%	5.9%	5.8%
Los Angeles	5.7%	5.6%	5.8%	5.5%	5.3%
Louisville	5.3%	5.0%	4.9%	4.7%	4.7%
Memphis	10.3%	10.2%	10.1%	9.9%	9.9%
Miami	4.1%	4.0%	3.8%	3.7%	3.6%
Milwaukee	9.7%	9.3%	9.7%	10.0%	10.5%
Minneapolis	7.6%	7.3%	7.0%	7.1%	6.7%
Mobile	12.4%	11.9%	12.6%	13.3%	13.0%
Nashville	7.0%	6.4%	6.0%	5.9%	5.5%
New Orleans	8.8%	8.6%	9.2%	8.9%	8.5%
New York City Metro (Greater Tri-State)	6.5%	6.4%	6.4%	6.6%	6.6%
Oakland/East Bay	5.3%	5.0%	5.0%	5.4%	5.6%
Oklahoma City	9.7%	9.5%	9.6%	9.4%	8.9%
Omaha	8.8%	8.5%	8.9%	9.0%	8.7%
Orange County	5.0%	4.8%	4.9%	5.3%	5.3%
Orlando	8.0%	8.3%	8.0%	7.8%	7.6%
Palm Beach	8.3%	8.1%	7.8%	7.2%	6.8%
Philadelphia	8.2%	8.1%	8.1%	8.0%	7.9%

Vacancy Rates

Overall Vacancy Rate	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p
Phoenix	11.8%	11.5%	11.5%	11.2%	11.0%
Pittsburgh	5.0%	5.0%	5.0%	5.0%	4.8%
Portland	7.1%	7.0%	6.8%	6.7%	6.9%
Providence	9.8%	9.6%	9.1%	9.4%	9.7%
Raleigh/Durham	6.1%	5.6%	5.5%	5.3%	5.0%
Reno	13.6%	13.8%	13.2%	12.7%	12.2%
Richmond	8.3%	8.3%	8.1%	8.1%	7.9%
Sacramento	10.9%	10.6%	10.3%	10.6%	10.7%
Salt Lake City	5.4%	5.5%	5.3%	5.3%	5.1%
San Antonio	7.9%	7.6%	7.3%	7.1%	6.4%
San Diego	6.1%	5.9%	6.8%	6.4%	5.9%
San Francisco Metro	4.7%	4.6%	4.3%	4.3%	4.3%
San Jose	5.0%	4.8%	4.7%	4.9%	5.5%
Seattle	6.5%	6.4%	6.5%	6.2%	6.1%
St. Louis	9.8%	9.4%	9.4%	9.6%	9.6%
Tampa	8.3%	8.0%	7.8%	7.6%	7.5%
Tucson	9.2%	9.1%	9.4%	9.4%	9.4%
Tulsa	8.8%	8.4%	8.0%	7.5%	6.9%
Washington, DC	5.1%	5.0%	4.9%	4.9%	5.0%

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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	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p
United States	**$24.81**	**$24.99**	**$26.17**	**$26.36**	**$26.64**
Albuquerque	$23.43	$23.75	$24.82	$25.11	$25.21
Atlanta	$23.66	$23.65	$24.78	$24.42	$24.62
Austin	$23.54	$23.94	$25.39	$25.68	$26.23
Bakersfield	$19.67	$19.93	$21.39	$21.60	$21.96
Baltimore	$32.06	$33.10	$33.18	$33.78	$31.27
Birmingham	$19.37	$20.01	$20.96	$20.90	$21.13
Boise	$19.76	$19.92	$20.77	$21.04	$21.45
Boston	$27.10	$27.65	$28.99	$28.98	$29.65
Buffalo	$18.98	$18.92	$20.04	$19.96	$20.28
Charleston	$23.53	$23.74	$24.88	$24.75	$25.11
Charlotte	$24.62	$24.88	$25.83	$25.69	$25.85
Chicago	$22.91	$22.48	$23.58	$23.77	$24.13
Cincinnati	$19.11	$19.11	$19.74	$19.82	$20.59
Cleveland	$18.46	$18.64	$20.08	$20.49	$20.86
Columbia	$19.53	$19.95	$20.85	$21.27	$21.56
Dallas	$23.39	$23.91	$24.89	$25.41	$25.83
Denver	$23.72	$23.65	$24.87	$25.04	$25.99
Des Moines	$21.05	$20.67	$21.45	$21.41	$21.56
Detroit	$21.29	$21.24	$22.11	$22.41	$22.51
Fort Lauderdale/Broward County	$29.34	$29.42	$30.55	$30.47	$30.12
Hampton Roads	$21.65	$21.88	$22.93	$23.28	$23.82
Hawaii	$46.94	$47.13	$48.74	$47.85	$48.21
Houston	$26.23	$26.54	$27.81	$27.38	$27.74
Indianapolis	$21.78	$22.03	$23.27	$23.42	$24.23
Inland Empire	$23.35	$23.93	$26.20	$26.01	$25.75
Jacksonville	$21.15	$21.22	$22.38	$22.64	$23.12
Kansas City	$18.75	$19.18	$20.23	$20.24	$20.44
Knoxville	$22.25	$22.52	$24.34	$24.55	$24.60
Las Vegas	$25.53	$25.78	$26.76	$26.90	$27.04
Little Rock	$20.11	$20.30	$21.14	$21.55	$22.24
Los Angeles	$33.54	$34.30	$36.12	$36.36	$36.32
Louisville	$20.09	$20.47	$21.32	$21.02	$21.24
Memphis	$19.91	$20.36	$21.32	$21.24	$21.74
Miami	$40.46	$40.49	$41.94	$42.19	$42.04
Milwaukee	$22.17	$22.38	$23.38	$23.46	$23.83
Minneapolis	$22.32	$22.82	$23.70	$24.00	$24.32
Mobile	$18.84	$19.63	$20.48	$20.79	$21.15
Nashville	$25.31	$26.52	$27.37	$27.60	$27.91
New Orleans	$27.16	$27.66	$29.02	$29.13	$29.27
New York City Metro (Greater Tri-State)	$29.98	$29.78	$31.39	$31.51	$31.86
Oakland/East Bay	$30.56	$30.71	$32.67	$34.06	$34.69
Oklahoma City	$18.76	$18.77	$19.79	$19.90	$20.26
Omaha	$21.04	$21.31	$22.25	$22.68	$23.09
Orange County	$35.16	$34.17	$36.01	$36.09	$36.59
Orlando	$23.99	$23.95	$25.02	$25.33	$26.14
Palm Beach	$28.02	$28.14	$29.81	$33.75	$30.75
Philadelphia	$24.55	$23.73	$24.53	$25.04	$25.33

Asking Rents

Average Asking Rent	2Q 2015	3Q 2015	4Q 2015	1Q 2016	2Q 2016p
Phoenix	$25.67	$25.78	$26.34	$26.04	$26.74
Pittsburgh	$21.86	$22.14	$23.05	$22.53	$22.71
Portland	$28.52	$28.65	$30.10	$29.93	$30.28
Providence	$23.70	$24.03	$26.14	$25.71	$25.56
Raleigh/Durham	$22.57	$22.75	$23.83	$24.23	$24.79
Reno	$23.19	$22.67	$24.08	$23.40	$23.69
Richmond	$17.22	$17.18	$17.02	$17.04	$17.63
Sacramento	$25.11	$25.23	$26.50	$26.65	$27.42
Salt Lake City	$23.13	$23.15	$24.38	$24.79	$25.52
San Antonio	$23.79	$23.57	$24.39	$24.78	$25.19
San Diego	$32.19	$31.96	$33.60	$33.62	$33.85
San Francisco Metro	$33.87	$33.80	$36.11	$37.02	$37.61
San Jose	$39.70	$38.98	$40.75	$40.94	$41.13
Seattle	$29.09	$29.25	$30.44	$30.88	$31.52
St. Louis	$16.84	$18.38	$19.30	$19.61	$20.01
Tampa	$25.20	$25.27	$26.01	$26.21	$27.14
Tucson	$24.69	$24.79	$25.65	$25.57	$25.90
Tulsa	$20.95	$20.43	$21.67	$22.14	$22.78
Washington, DC	$36.19	$37.10	$38.88	$38.93	$39.46

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.
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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 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

	Inventory	Deliveries YTD	Under Construction as of 2Q 2016
United States	**4,059,278,783**	**9,471,794**	**24,621,927**
Albuquerque	20,302,845	205,542	0
Atlanta	139,469,091	286,661	1,533,954
Austin	57,033,521	55,332	32,226
Bakersfield	11,310,635	6,000	240,255
Baltimore	50,721,773	148,418	672,082
Birmingham	28,023,125	2,800	0
Boise	17,308,717	55,695	14,991
Boston	69,600,285	204,409	100,000
Buffalo	21,134,374	0	0
Charleston	15,070,381	62,000	6,500
Charlotte	66,206,128	24,931	480,055
Chicago	189,711,422	492,389	383,483
Cincinnati	69,882,207	12,000	188,500
Cleveland	86,587,050	40,000	17,219
Columbus	46,660,907	39,219	213,550
Dallas	183,497,094	981,787	1,274,827
Denver	85,610,795	265,880	142,325
Des Moines	12,137,435	0	0
Detroit	86,997,588	155,561	528,206
Fort Lauderdale/Broward County	56,206,420	6,900	89,000
Hampton Roads	54,149,960	238,094	202,175
Hawaii	24,043,666	33,780	571,366
Houston	161,949,043	1,378,636	2,049,523
Indianapolis	47,109,410	14,900	415,000
Inland Empire	101,683,250	146,007	300,468
Jacksonville	42,058,266	243,344	104,946
Kansas City	58,282,782	23,500	163,663
Knoxville	18,452,819	7,505	0
Las Vegas	68,917,390	40,155	532,170
Little Rock	15,484,464	0	0
Los Angeles	190,255,408	158,058	342,719
Louisville	26,147,119	35,400	8,450
Memphis	37,525,394	45,947	204,606
Miami	55,436,016	59,601	1,057,157
Milwaukee	35,670,541	144,664	477,105
Minneapolis	64,030,246	39,546	212,119
Mobile	5,848,206	8,572	0
Nashville	36,851,597	170,000	845,228
New Orleans	16,690,888	0	0
New York City Metro (Greater Tri-State)	267,660,115	118,239	3,213,186
Oakland/East Bay	50,247,015	71,438	470,571
Oklahoma City	31,681,638	20,072	432,507
Omaha	23,447,422	44,984	143,000
Orange County	85,726,072	573,844	23,800
Orlando	51,824,834	179,228	230,277
Palm Beach	43,772,482	30,719	193,551
Philadelphia	134,874,412	389,322	1,203,743

Inventory

	Inventory	Deliveries YTD	Under Construction as of 2Q 2016
Phoenix	133,094,497	307,223	763,331
Pittsburgh	54,953,265	56,822	334,374
Portland	46,423,560	68,163	380,825
Providence	15,086,062	17,589	29,700
Raleigh/Durham	46,706,122	5,366	107,925
Reno	13,694,734	0	7,000
Richmond	37,531,608	441,113	53,358
Sacramento	59,715,527	124,602	976,691
Salt Lake City	51,368,091	126,200	169,490
San Antonio	56,477,821	175,622	331,507
San Diego	67,926,186	24,284	65,920
San Francisco Metro	40,436,356	72,490	282,161
San Jose	37,308,484	171,035	651,448
Seattle	57,457,932	0	4,400
St. Louis	69,468,181	49,778	126,200
Tampa	68,659,500	205,530	170,267
Tucson	24,236,273	53,460	0
Tulsa	25,367,924	74,949	27,635
Washington, DC	90,074,412	236,489	825,192

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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 43,000 employees in more than 60 countries help investors and occupiers 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 $5 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. To learn more, visit www.cushmanwakefield.com or follow @CushWake on Twitter.

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