

MARKETBEAT

U.S. Shopping Center

Q4 2016



U.S. SHOPPING CENTER

Economic Indicators

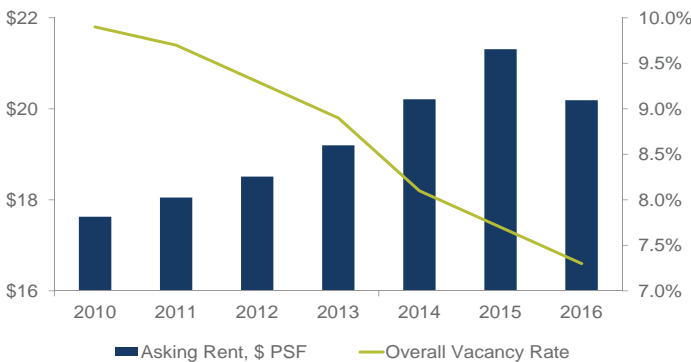
	Q4 15	Q4 16*	12-Month Forecast
GDP Growth	1.9%	1.8%	▲
CPI Growth	0.4%	1.6%	▲
Consumer Spending Growth	2.6%	2.8%	▼
Retail Sales Growth	2.0%	4.0%	▲

*Forecast by Cushman & Wakefield

Market Indicators

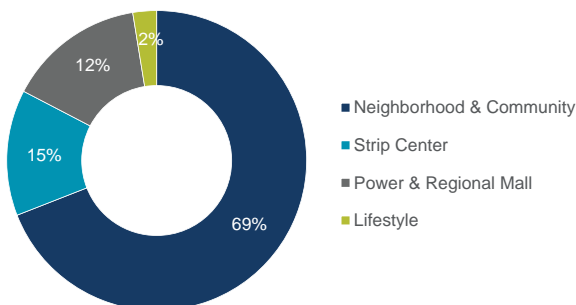
	Q4 15	Q4 16	12-Month Forecast
Vacancy Rates	7.7%	7.3%	▲
Net Absorption	10.8M	8.7M	▼
Under Construction	26.9M	22.2M	▼
Average Asking Rent (NNN, Annual)	\$21.31	\$20.19	▼

Rent Rate vs. Overall Vacancy



Availability by Type

% OF TOTAL SPACE AVAILABLE IN THE U.S.



Source: CoStar, Cushman & Wakefield Research

Closures Ramping Up, Omnichannel Right-Sizing to Accelerate in 2017

Retail closures and bankruptcies were up significantly in 2016. Over the course of the year Cushman & Wakefield tracked over 4,000 major chain closures, a figure that surpassed 2010's record 3,600 shuttered major chain storefronts. In addition, there were 26 major U.S. retailer bankruptcies during 2016 compared to 22 in both 2015 and 2014. (2009's record of 37 major U.S. retailer bankruptcies still stands.)

Despite this, and for a number of reasons, shopping center vacancy actually declined slightly between Q3 2016 and Q4 2016—from 7.4% to 7.3%. Our survey covers only neighborhood/community, lifestyle, power/regional and strip centers. Much of the most recent wave of closures has been from the apparel and department store categories and thus predominately impact mall and urban retail locations. Ongoing contraction from the office supplies category (roughly 400 stores in 2016) and a couple of high profile bankruptcies (including Sports Authority's 450-unit Chapter 7 liquidation earlier in the year) have had some impact on the shopping center types in our survey; on a national basis, the vacancy rate for power/regional centers has increased from 4.9% to 5.5% over the past 12 months. However, on the whole these shopping center types have posted steady occupancy growth from a number of retail categories that continue in expansion mode.

Food-related retail remains the hottest growth category. In most U.S. markets, between 60% and 70% of local deal activity is being driven by either restaurant or grocery concepts. Smaller format or niche grocery concepts—including organic, off-price, ethnic and upscale—continue to gain ground with many of these chains backfilling vacant junior box space. Meanwhile, restaurants remain extremely active despite the fact that restaurant closures are also on the rise. Most of the growth in restaurants is among fast casual chains, many of which are new concepts fueled by private equity money. At the other end of the spectrum, most of the closures are among casual dining outfits and weaker franchise-driven fast-food or sandwich shops. The restaurant landscape is facing increased challenges from rising wages and higher rents. But the greatest challenges are those related to market saturation. Those challenges are mounting, and the likely result is a shakeout of some of the industry's weaker players during 2017. Still, on the whole, we do not anticipate contraction. Rather, many landlords will see what seems like a revolving door of new restaurant concepts taking the place of old, failed ones. This churning will effectively cause both occupancy growth and rental rates to stagnate.

MARKETBEAT

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Dollar stores, discounters and off-price apparel players all remain active in the marketplace. However, these categories are also dealing with market saturation issues, each to varying degrees. These are the same retail categories that have driven growth throughout the current economic recovery. While most of these categories remain in growth mode, many concepts are starting to slow expansion levels. These trends did not negatively impact vacancy levels in Q4 2016; however, traditionally the final quarter of the year is when we see the fewest retail space givebacks. For some retail categories holiday sales account for as much as a third of their annual sales, and so closures tend to be at their lowest level in the fourth quarter of the year and at their highest levels immediately after the holiday season in the first quarter.

Heightened merger and acquisition activity in 2017 will play a role in driving up the number of closures . . .

Final numbers for the 2016 holiday sales season were not yet available from the U.S. Department of Commerce as this report went to press, but initial estimates from a variety of third-party data analytics firms suggest that year-over-year sales grew around 3.8%. This reflects a significant improvement over the 3.0% increase in 2015. However, eCommerce continues to drive the greatest amount of this growth (Amazon is believed to have recorded more than a 20% increase over last year's sales figures) while the beleaguered apparel and department store categories generally underperformed. But even concepts that fared well like The Gap (whose holiday sales were buoyed by a strong performance from its Old Navy banner) are still in the process of omnichannel right-sizing—as is much of the entire marketplace. Publicly traded concepts remain under immense pressure to ramp up their eCommerce platforms while reducing physical/bricks-and-mortar footprints, both in terms of unit counts and actual store size for the most part. Consequently, despite improving consumer metrics and a fairly solid overall holiday sales performance, the heightened levels of closures recorded in 2016 is likely to be surpassed in 2017. We anticipate as many as 5,000 major chain closures in the coming year—a 25% increase over 2016. Just within the first few days of 2017 Sears/K-Mart, Macy's, CVS and JC Penney announced upcoming closures, and the roughly 250-unit chain The Limited closed all store locations. We also expect more announcements heading further into the first quarter, including some from iconic brands. In addition, heightened merger and acquisition activity

in 2017 will play a role in driving up the number of closures. The expected finalization of the Walgreen's/Rite Aid merger will likely result in some redundant locations being shuttered beyond the 865 units that the chain off-loaded to Fred's in order to clear Federal Trade Commission approval. We also expect larger traditional grocers like Albertson's/Safeway and Kroger to look for regional acquisitions this year, which could lead to more redundancies.

While neighborhood/community, lifestyle, power/regional and strip centers will generally fare better than mall properties (specifically Class B and C) in the coming year, the combination of heightened closures and slowing growth in other categories will finally take its toll on vacancy levels. Class B and C properties will bear the brunt of impact as the divide between Class A and other asset types widens. Some trophy assets will still manage to post meager-to-modest levels of rent growth in 2017, but they will be the exception. Overall asking rent averages already began to reflect the impact of these trends in 2016, and 2017 will likely be a year of flat-to-slightly-negative rent growth for a substantial number of U.S. markets. Across the markets that we track, the current average asking rent for shop space (10,000 SF or less) is now \$20.19 per square foot (PSF). This is a 5.3% decrease from one year ago.

Just the Stats...

Overall shopping center vacancy in the United States ended Q4 2016 at 7.3%, down slightly from the 7.4% rate at the end of the Q3 2016. The fourth quarter was the third consecutive one in which vacancy has edged down slightly. At the end of 2015 vacancy was 7.7%. Regionally, vacancy levels remained flat over the course of Q4 2016 in the Great Lakes, Great Plains and Northeast. Meanwhile, modest decreases were recorded in the Mountain, Pacific, South, Southeast and Texas South Central regions. Boston currently has the nation's lowest shopping center vacancy rate of just 3.8%. Following is Miami (3.9%), Raleigh/Durham (4.2%), Little Rock (4.3%), Hawaii and San Francisco (both at 4.5%). The highest vacancy levels in our survey are in Mobile (11.9%), Reno (11.7%), Phoenix (11.2%), Chicago (10.7%) and Milwaukee (10.4%). On an annual basis, the U.S. market that experienced greatest decline in vacancy was New Orleans—its vacancy levels declined from 9.2% to 7.0% over the past 12 months. Milwaukee boasts the largest increase, with its vacancy rate rising from 9.1% to 10.4% over 2016.

The U.S. shopping center marketplace posted a total of 38.3 million square feet (MSF) of occupancy growth in 2016. This compares to 41.7 MSF of positive net absorption in 2015. In Q4 2016, the market posted just

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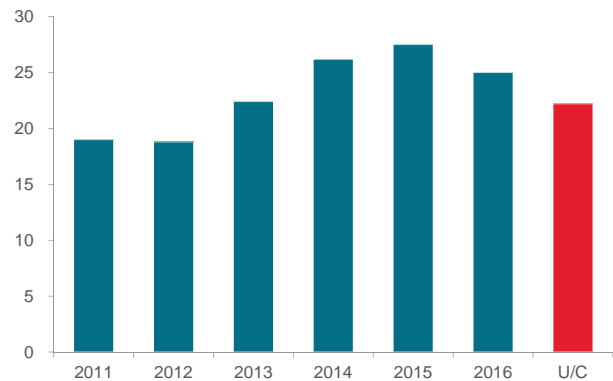


under 8.7 MSF of occupancy growth in the fourth quarter—well below the 11.1 MSF of quarterly occupancy growth that the market has averaged since 2014. In part, this is due to heightened levels of store closures but also is a reflection of slowing development levels. The Southeast led all other regions in terms of occupancy growth with 2.0 MSF of positive net absorption. It was followed by the Pacific (1.9 MSF), Northeast and Texas South Central regions (both at 1.6 MSF). The South trailed all other regions with just 185,000 SF of occupancy growth, followed by the Great Plains at just 215,000 SF. The New York City Metro (Greater Tri-State) market led all others in Q4 2016 with 906,000 SF of occupancy growth. New York was followed by Dallas (584,000 SF), Houston (468,000 SF), Inland Empire (454,000 SF) and Portland (406,000 SF). The Salt Lake City market led all others in terms of negative growth; it lost 316,000 SF of occupancy in Q4. It was followed by Orange County and Kansas City (both at -186,000 SF), Milwaukee (-170,000 SF) and Memphis (-138,000 SF).

New construction has been the primary driver of occupancy growth over the past five years, largely because users have consistently preferred new, quality space over existing economical alternatives in the marketplace. Consequently new projects have tended to account for the lion's share of occupancy growth in most markets. Because demand levels have remained fairly tepid, this has not been enough to spur speculative development. In fact, speculative shopping center development has been a rarity since the Great Recession with virtually no major new projects moving forward without at least anchor tenant commitments in place. Since 2010 Cushman & Wakefield has tracked 159.3 MSF of new shopping center deliveries in the U.S. (an average of 5.7 MSF per quarter); roughly 80% of that space was occupied upon delivery (typical lease-up times for new projects have ranged between six and 18 months).

This trend played out again in Q4 2016: there was 6.6 MSF of new shopping center space delivered, 5.5 MSF of which was occupied upon completion. The Northeast (1.6 MSF), Southeast (1.2 MSF) and Texas South Central (1.1 MSF) regions led the way. Over the past 12 months, a total of 25.0 MSF of new space was delivered, compared to 27.5 MSF in 2015. The development pipeline is shrinking. We are currently tracking 22.1 MSF of new shopping center space under construction—down from the nearly 26.9 MSF of space that was in the development pipeline one year ago. We expect this number to continue to decline over the course of 2017.

New Construction (MSF)



Source: CoStar, Cushman & Wakefield Research

Outlook

The pendulum is slowly shifting to favor tenants. Still, there remain wide variations in terms of shopping center demand at the local level based on class, type and size. Neighborhood/community centers, with their core tenancy rooted in grocery or drug store anchors and mostly food or service related inline users, are going to be far less impacted by 2017's wave of closures than will any other shopping center type. Unanchored strip centers may not feel much of that pain either, although this product type (in the absence of an anchor "draw" tenant) can be volatile, especially if it is not in a premier location. Power/regional and lifestyle centers will likely feel some impact, but the bulk of this year's anticipated closures are likely to hit mall properties. Bear in mind that regardless of shopping center type, retailers that are reducing their store counts are generally closing Class B and C locations. The landlords of Class A or trophy properties will not experience even close to the same impact from these consolidations. Regardless, just as a rising tide lifts all boats, the opposite is true as well. A diminished pool of tenants is bound to impact even the strongest projects, but these will still be the projects that garner the most market demand in 2017 and beyond.

Net Absorption	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016p
United States	10,830,093	5,947,144	12,443,892	11,267,562	8,684,634
Albuquerque	25,528	143,497	103,242	110,379	-94,485
Atlanta	816,363	317,569	459,158	261,970	243,038
Austin	376,880	-87,765	119,176	-90,627	231,227
Bakersfield	-84,816	92,215	36,508	-91,545	148,419
Baltimore	123,222	-44,373	225,425	-28,696	90,506
Birmingham	99,448	13,353	133,532	-44,163	270,998
Boise	117,209	101,702	-100,391	7,368	-11,719
Boston	210,900	-2,046	356,796	65,776	-41,057
Buffalo	18,608	28,191	-38,898	32,213	25,899
Charleston	90,795	130,756	-67,945	-5,377	51,376
Charlotte	557,106	-39,293	77,907	309,409	190,169
Chicago	850,549	119,070	396,474	169,694	325,951
Cincinnati	593,741	68,770	426,849	187,067	220,682
Cleveland	-104,520	15,264	93,201	173,536	-38,094
Columbus	-29,812	-24,692	318,359	230,543	175,601
Dallas	1,081,803	1,093,178	1,339,111	828,618	584,083
Denver	412,692	233,673	398,461	-98,476	310,509
Des Moines	-39,523	83,397	60,953	-14,096	49,350
Detroit	238,358	259,234	311,779	397,725	197,890
Fort Lauderdale/Broward County	389,012	44,972	303,572	312,794	199,750
Hampton Roads	122,513	106,489	256,763	68,493	-21,296
Hawaii	62,155	27,880	95,829	521,925	21,132
Houston	698,051	53,409	1,068,628	1,025,052	467,954
Indianapolis	-21,419	60,198	106,143	514,266	-24,243
Inland Empire	-18,520	76,254	13,318	662,841	453,992
Jacksonville	107,926	137,474	259,537	341,055	121,332
Kansas City	116,114	-112,940	147,360	685,720	-185,708
Knoxville	225,766	102,447	107,084	74,112	-31,952
Las Vegas	-180,149	145,253	557,626	250,550	111,235
Little Rock	44,646	-36,132	14,026	100,946	108,036
Los Angeles	-14,405	524,132	438,344	240,112	327,599
Louisville	29,910	46,781	33,834	-102,611	-77,748
Memphis	32,167	94,170	6,439	143,875	-138,122
Miami	188,461	79,882	162,987	77,550	260,335
Milwaukee	-118,203	-232,534	-26,234	266,102	-170,289
Minneapolis	425,232	-45,501	326,206	139,280	115,353
Mobile	-37,767	-28,482	17,740	52,880	-44,781
Nashville	231,421	229,546	144,589	80,997	206,782
New Orleans	-104,874	57,488	59,017	111,475	144,049
New York City Metro (Greater Tri-State)	431,902	-474,711	152,108	527,515	905,664
Oakland/East Bay	87,002	-126,503	-49,923	196,812	116,598
Oklahoma City	60,999	52,750	229,612	133,787	93,489
Omaha	-33,309	53	87,162	66,110	-7,896
Orange County	107,555	394,369	81,174	98,108	-186,186
Orlando	269,338	64,877	215,892	47,500	326,836
Palm Beach	216,955	252,034	209,717	333,872	260,023
Philadelphia	283,917	274,692	202,335	346,795	265,566

Net Absorption	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016p
Phoenix	155,518	457,970	377,235	246,612	359,007
Pittsburgh	62,899	-16,566	127,507	-28,226	45,149
Portland	160,006	76,323	-85,401	85,477	406,065
Providence	85,795	-24,713	-24,955	92,704	10,315
Raleigh/Durham	196,019	60,187	168,572	436,132	32,782
Reno	89,370	70,280	56,047	-7,734	50,707
Richmond	3,419	204,243	146,032	-84,007	28,648
Sacramento	268,748	-114,885	-26,918	259,485	47,297
Salt Lake City	87,911	58,503	289,786	-125,947	-315,658
San Antonio	203,671	140,069	532,594	124,715	-19,699
San Diego	-484,296	274,526	329,520	352,572	345,935
San Francisco Metro	162,915	100,709	77,175	-134,687	37,617
San Jose	250,237	12,647	-108,148	190,352	89,340
Seattle	129,348	171,110	97,465	-158,155	117,449
St. Louis	-7,246	-108,325	20,862	68,886	243,679
Tampa	158,174	144,773	246,755	-62,092	317,023
Tucson	-61,371	4,333	57,113	19,371	29,765
Tulsa	99,129	145,784	161,501	61,322	-12,929
Washington, DC	312,920	20,129	130,568	211,551	324,295

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.

Overall Vacancy Rate	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016p
United States	7.7%	7.7%	7.5%	7.4%	7.3%
Albuquerque	7.9%	7.4%	6.9%	6.4%	7.1%
Atlanta	9.3%	9.2%	9.0%	8.8%	8.8%
Austin	5.1%	5.3%	5.1%	5.4%	5.0%
Bakersfield	9.5%	8.7%	8.4%	9.3%	8.8%
Baltimore	5.4%	5.6%	5.6%	5.8%	5.6%
Birmingham	10.5%	10.4%	10.2%	10.3%	9.5%
Boise	6.8%	6.5%	7.1%	7.6%	7.7%
Boston	3.9%	3.9%	3.7%	3.7%	3.8%
Buffalo	7.2%	7.1%	7.2%	7.1%	7.0%
Charleston	5.6%	5.2%	5.6%	5.7%	5.3%
Charlotte	6.7%	6.8%	6.8%	6.6%	6.4%
Chicago	10.7%	10.7%	10.7%	10.8%	10.7%
Cincinnati	10.5%	10.4%	9.9%	9.6%	9.3%
Cleveland	9.3%	9.3%	9.2%	9.1%	9.1%
Columbus	7.8%	7.8%	7.2%	7.2%	6.9%
Dallas	8.6%	8.3%	7.8%	7.7%	7.5%
Denver	7.5%	7.3%	7.0%	7.3%	7.0%
Des Moines	7.0%	6.8%	6.3%	6.4%	6.0%
Detroit	11.0%	10.8%	10.5%	10.0%	10.0%
Fort Lauderdale/Broward County	7.2%	7.1%	6.7%	6.2%	6.0%
Hampton Roads	7.8%	7.9%	7.6%	7.6%	7.7%
Hawaii	3.5%	3.5%	3.1%	3.2%	4.5%
Houston	6.8%	7.1%	6.9%	6.7%	6.8%
Indianapolis	8.5%	8.4%	8.2%	7.2%	7.3%
Inland Empire	9.9%	9.9%	9.9%	9.4%	9.0%
Jacksonville	9.3%	9.0%	8.9%	8.2%	8.0%
Kansas City	9.6%	9.8%	9.6%	8.5%	8.9%
Knoxville	7.4%	6.8%	6.3%	5.9%	6.0%
Las Vegas	11.3%	11.1%	10.3%	10.1%	10.2%
Little Rock	5.6%	5.8%	5.7%	5.0%	4.3%
Los Angeles	5.7%	5.5%	5.3%	5.2%	5.1%
Louisville	4.9%	4.7%	4.6%	5.1%	5.4%
Memphis	9.9%	9.6%	9.7%	9.4%	9.8%
Miami	3.8%	3.7%	3.5%	3.4%	3.9%
Milwaukee	9.1%	10.1%	10.4%	9.8%	10.4%
Minneapolis	6.6%	6.7%	6.2%	6.3%	6.3%
Mobile	11.7%	12.3%	12.0%	11.1%	11.9%
Nashville	6.0%	5.7%	5.4%	5.2%	4.6%
New Orleans	9.2%	8.8%	8.5%	7.8%	7.0%
New York City Metro (Greater Tri-State)	6.5%	6.7%	6.6%	6.8%	6.8%
Oakland/East Bay	5.0%	5.4%	5.5%	5.4%	5.5%
Oklahoma City	9.3%	9.1%	8.8%	8.4%	8.3%
Omaha	9.2%	9.2%	9.0%	9.3%	9.4%
Orange County	4.9%	4.9%	4.9%	4.8%	5.0%
Orlando	8.0%	8.0%	7.8%	8.0%	7.5%
Palm Beach	7.8%	7.2%	6.8%	6.3%	5.7%
Philadelphia	8.0%	7.9%	7.9%	7.9%	8.0%

Overall Vacancy Rate	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016p
Phoenix	11.5%	11.3%	11.1%	11.2%	11.2%
Pittsburgh	5.0%	5.0%	4.9%	5.0%	5.0%
Portland	6.8%	6.7%	6.9%	6.8%	6.3%
Providence	9.1%	9.4%	9.8%	9.1%	9.1%
Raleigh/Durham	5.3%	5.2%	4.9%	4.2%	4.2%
Reno	13.0%	12.5%	12.0%	12.1%	11.7%
Richmond	8.4%	8.5%	8.6%	8.9%	8.8%
Sacramento	10.1%	10.4%	10.5%	10.2%	10.3%
Salt Lake City	5.3%	5.2%	4.8%	5.4%	6.3%
San Antonio	7.2%	7.0%	6.3%	6.5%	6.7%
San Diego	6.8%	6.4%	6.0%	5.7%	5.3%
San Francisco Metro	4.4%	4.3%	4.2%	4.6%	4.5%
San Jose	4.6%	4.8%	5.3%	5.2%	5.0%
Seattle	6.4%	6.1%	5.9%	6.2%	6.0%
St. Louis	9.3%	9.5%	9.5%	9.5%	9.1%
Tampa	8.0%	8.0%	7.7%	7.8%	7.4%
Tucson	9.3%	9.3%	9.2%	9.2%	9.4%
Tulsa	7.7%	7.4%	6.8%	6.7%	6.8%
Washington, DC	5.0%	5.0%	5.1%	5.1%	4.9%

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.

Average Asking Rent	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016p
United States	\$21.31	\$21.37	\$21.48	\$20.06	\$20.19
Albuquerque	\$19.12	\$19.58	\$19.16	\$17.70	\$17.43
Atlanta	\$16.82	\$16.83	\$17.33	\$16.30	\$16.30
Austin	\$25.02	\$25.11	\$25.64	\$25.29	\$25.80
Bakersfield	\$20.67	\$21.26	\$21.47	\$20.21	\$19.38
Baltimore	\$25.62	\$25.33	\$25.66	\$23.66	\$22.99
Birmingham	\$12.72	\$12.76	\$12.64	\$11.58	\$11.61
Boise	\$17.13	\$17.37	\$17.81	\$16.69	\$16.69
Boston	\$24.18	\$24.11	\$24.80	\$23.00	\$23.10
Buffalo	\$13.74	\$13.53	\$13.68	\$12.64	\$12.16
Charleston	\$22.65	\$22.90	\$22.18	\$20.69	\$20.90
Charlotte	\$19.82	\$19.47	\$19.64	\$18.99	\$19.04
Chicago	\$20.39	\$20.26	\$20.05	\$18.53	\$18.48
Cincinnati	\$13.96	\$14.08	\$14.16	\$13.01	\$13.51
Cleveland	\$14.40	\$14.26	\$14.28	\$13.09	\$13.18
Columbus	\$14.42	\$14.36	\$14.65	\$13.48	\$14.05
Dallas	\$20.25	\$20.48	\$20.24	\$19.71	\$19.64
Denver	\$20.39	\$20.75	\$20.97	\$19.18	\$19.36
Des Moines	\$14.59	\$14.59	\$14.18	\$13.04	\$13.34
Detroit	\$16.93	\$16.93	\$17.08	\$15.79	\$15.98
Fort Lauderdale/Broward County	\$26.53	\$26.73	\$27.11	\$25.01	\$25.33
Hampton Roads	\$18.12	\$18.27	\$18.51	\$17.34	\$17.63
Hawaii	\$53.96	\$49.57	\$48.83	\$47.20	\$45.03
Houston	\$22.13	\$21.53	\$21.90	\$20.38	\$20.25
Indianapolis	\$18.44	\$17.94	\$17.82	\$16.13	\$15.93
Inland Empire	\$22.92	\$22.72	\$22.88	\$21.65	\$21.91
Jacksonville	\$17.58	\$17.35	\$17.62	\$15.93	\$15.88
Kansas City	\$17.33	\$17.35	\$17.19	\$16.14	\$16.24
Knoxville	\$14.97	\$15.61	\$16.62	\$15.89	\$15.84
Las Vegas	\$21.69	\$22.23	\$22.18	\$21.53	\$21.51
Little Rock	\$16.70	\$16.29	\$16.97	\$16.10	\$16.43
Los Angeles	\$33.97	\$34.44	\$35.33	\$33.06	\$33.46
Louisville	\$18.00	\$17.79	\$17.58	\$15.95	\$15.98
Memphis	\$14.08	\$13.61	\$13.84	\$13.06	\$12.99
Miami	\$42.73	\$39.20	\$39.41	\$38.43	\$39.16
Milwaukee	\$15.93	\$16.09	\$16.38	\$14.35	\$14.21
Minneapolis	\$18.98	\$19.26	\$19.39	\$17.19	\$17.21
Mobile	\$13.49	\$13.81	\$12.81	\$12.21	\$12.30
Nashville	\$20.24	\$22.11	\$21.91	\$20.45	\$20.56
New Orleans	\$20.79	\$20.87	\$20.53	\$19.03	\$19.80
New York City Metro (Greater Tri-State)	\$27.88	\$27.76	\$27.63	\$25.40	\$25.56
Oakland/East Bay	\$31.21	\$32.83	\$32.43	\$30.99	\$31.68
Oklahoma City	\$14.88	\$15.24	\$14.94	\$13.94	\$13.91
Omaha	\$17.19	\$17.16	\$17.13	\$15.59	\$15.58
Orange County	\$33.83	\$34.07	\$33.63	\$30.99	\$31.83
Orlando	\$19.66	\$19.98	\$20.10	\$18.29	\$18.05
Palm Beach	\$25.04	\$25.64	\$25.46	\$23.69	\$23.71
Philadelphia	\$20.41	\$20.71	\$20.37	\$18.83	\$18.70

Average Asking Rent	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016p
Phoenix	\$19.08	\$19.24	\$19.56	\$18.20	\$17.99
Pittsburgh	\$17.97	\$18.50	\$19.14	\$17.31	\$17.31
Portland	\$24.00	\$24.19	\$24.56	\$22.70	\$23.11
Providence	\$17.71	\$17.62	\$17.04	\$16.05	\$15.39
Raleigh/Durham	\$21.38	\$21.40	\$21.53	\$19.58	\$19.83
Reno	\$20.25	\$20.05	\$20.13	\$18.89	\$18.50
Richmond	\$19.55	\$19.52	\$18.99	\$17.19	\$17.91
Sacramento	\$22.14	\$22.11	\$22.19	\$20.51	\$21.71
Salt Lake City	\$17.98	\$18.70	\$19.43	\$18.99	\$19.78
San Antonio	\$19.53	\$19.68	\$19.60	\$18.80	\$18.64
San Diego	\$28.97	\$29.32	\$28.90	\$26.90	\$26.99
San Francisco Metro	\$29.04	\$29.35	\$29.09	\$27.13	\$27.11
San Jose	\$38.54	\$39.34	\$39.38	\$36.86	\$36.05
Seattle	\$24.29	\$24.50	\$24.81	\$23.30	\$23.71
St. Louis	\$15.98	\$16.16	\$16.11	\$14.90	\$15.04
Tampa	\$18.36	\$18.12	\$18.89	\$18.08	\$18.09
Tucson	\$20.44	\$20.21	\$20.47	\$18.75	\$18.70
Tulsa	\$14.59	\$14.85	\$14.70	\$13.73	\$14.16
Washington, DC	\$35.25	\$35.14	\$36.53	\$33.63	\$34.44

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 2016	Under Construction as of Q4 2016
United States	4,060,438,733	24,990,242	22,181,587
Albuquerque	20,256,193	114,602	23,000
Atlanta	139,483,560	687,678	2,409,919
Austin	47,900,748	177,172	82,280
Bakersfield	11,432,965	118,315	114,025
Baltimore	51,264,356	331,700	504,757
Birmingham	28,278,633	115,040	113,750
Boise	17,503,339	156,020	13,491
Boston	70,083,698	310,952	87,800
Buffalo	20,606,827	0	0
Charleston	15,038,833	68,500	24,569
Charlotte	66,473,633	353,888	308,296
Chicago	189,742,695	1,150,104	242,181
Cincinnati	70,005,886	100,042	116,000
Cleveland	87,010,450	100,141	478,284
Columbus	46,380,314	289,869	0
Dallas	184,124,082	1,898,861	1,589,133
Denver	85,619,088	425,056	105,349
Des Moines	12,178,819	57,249	4,800
Detroit	87,448,970	322,227	407,935
Fort Lauderdale/Broward County	55,980,367	196,388	85,460
Hampton Roads	53,589,395	337,434	177,850
Hawaii	24,575,959	945,897	214,632
Houston	162,635,409	2,752,278	1,370,047
Indianapolis	47,185,328	115,646	52,600
Inland Empire	100,343,661	405,033	477,644
Jacksonville	42,371,584	368,310	9,600
Kansas City	58,516,530	96,109	487,115
Knoxville	18,479,402	7,505	0
Las Vegas	69,464,475	401,916	299,319
Little Rock	15,476,712	0	13,806
Los Angeles	190,044,572	294,625	423,934
Louisville	26,179,828	43,850	0
Memphis	37,827,802	76,873	103,293
Miami	56,067,969	647,498	1,338,835
Milwaukee	35,937,204	353,956	404,440
Minneapolis	64,043,101	378,064	242,364
Mobile	5,912,403	8,572	0
Nashville	36,905,812	180,610	980,000
New Orleans	16,691,529	0	0
New York City Metro (Greater Tri-State)	270,160,240	2,076,570	1,999,534
Oakland/East Bay	50,375,661	392,788	634,050
Oklahoma City	31,954,021	220,641	200,927
Omaha	23,546,896	206,878	22,348
Orange County	85,986,645	499,970	318,544
Orlando	51,906,565	395,235	44,135
Palm Beach	43,946,753	167,621	84,200
Philadelphia	135,538,838	1,119,575	1,143,393

	Inventory	Deliveries 2016	Under Construction as of Q4 2016
Phoenix	133,604,918	1,094,213	619,112
Pittsburgh	55,111,613	126,041	240,653
Portland	46,663,241	278,516	214,923
Providence	15,104,563	49,489	0
Raleigh/Durham	47,008,859	150,406	50,292
Reno	13,565,297	0	79,200
Richmond	37,655,768	492,471	102,000
Sacramento	59,764,312	191,690	379,712
Salt Lake City	51,607,015	442,440	484,800
San Antonio	57,214,361	485,908	62,100
San Diego	67,924,297	308,110	108,199
San Francisco Metro	40,444,707	120,190	332,233
San Jose	36,807,428	372,815	453,702
Seattle	57,645,533	39,831	22,755
St. Louis	69,468,634	134,765	333,570
Tampa	68,459,828	303,607	104,600
Tucson	24,270,346	142,583	143,958
Tulsa	25,401,829	127,460	5,020
Washington, DC	90,238,434	662,449	691,119

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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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