

Market Statistics

First Quarter - 2023

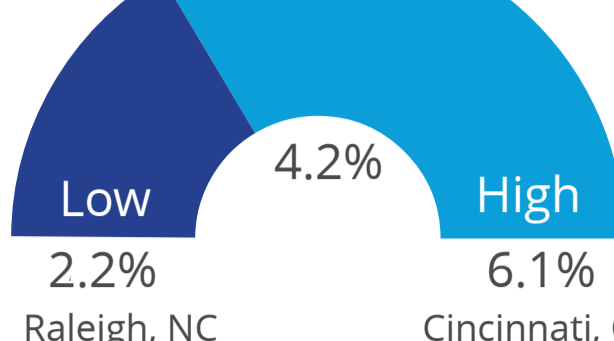
Vacancy Rate

The national retail vacancy rate remained unchanged during the first quarter and stood at 4.2%. Physical retail spaces continue to attract tenants and maintain occupancy rates.



National Average

4.2%

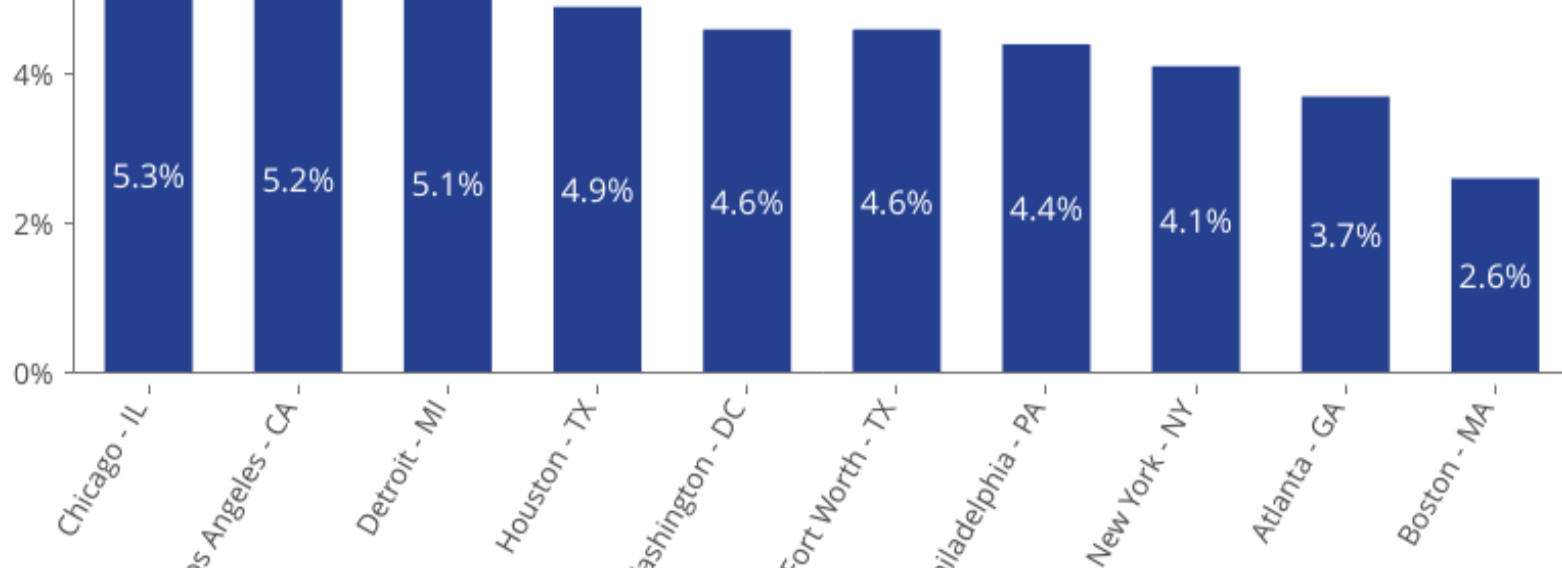


Low
2.2%
Raleigh, NC

High
6.1%
Cincinnati, OH

Top 10 U.S. Metro Retail Markets

Vacancy Rates



Malls vs Shopping Centers



8.80%

Malls

Up 4 bps from Q4 2022

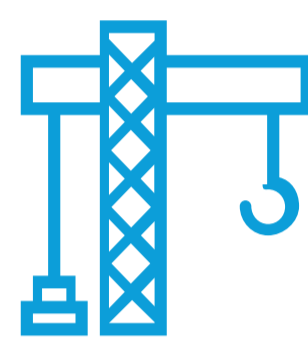
5.12%

Shopping Centers

Up .04 bps from Q4 2022

Under Construction

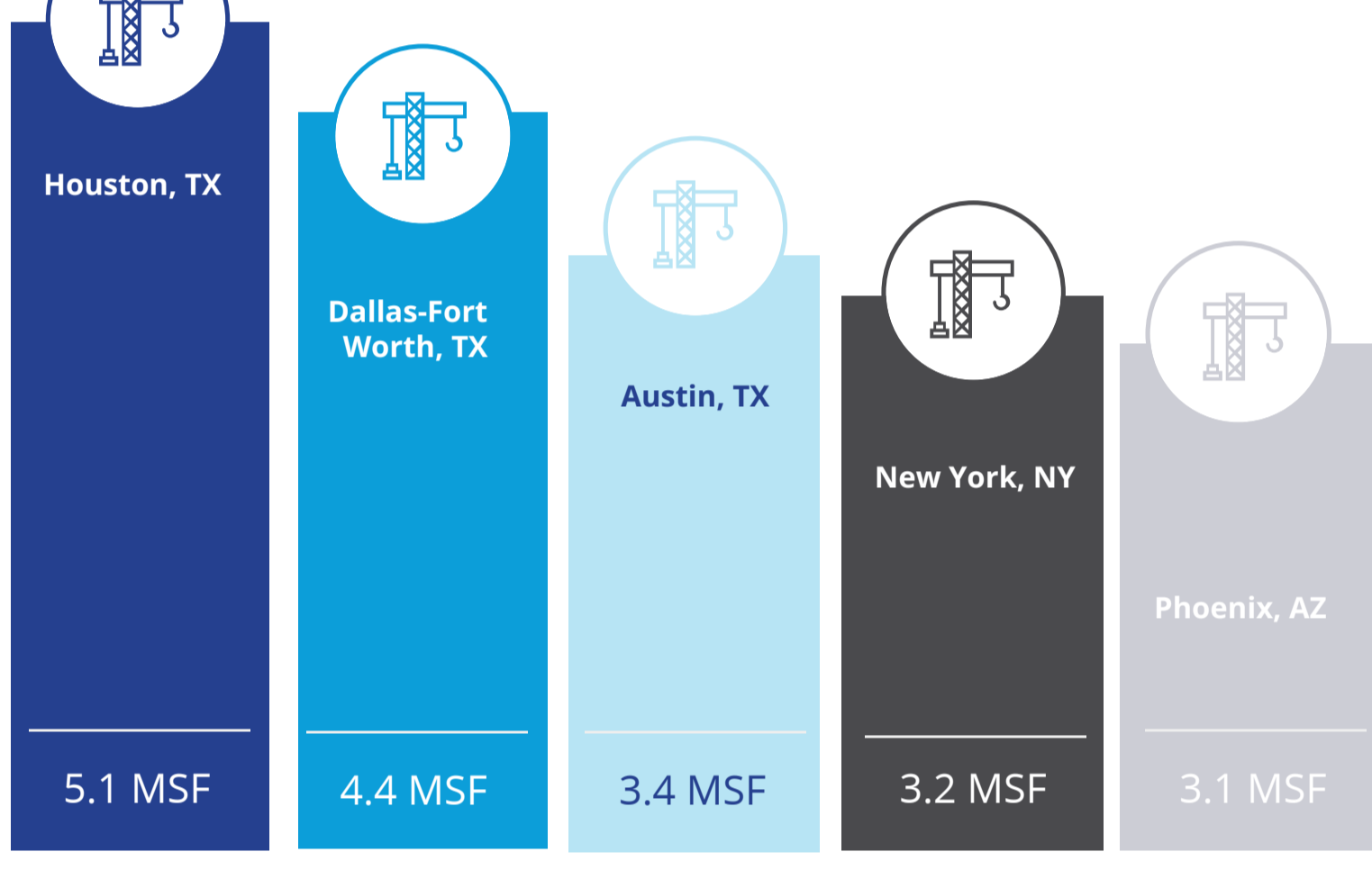
66.4 Million Square Feet



Retail space under construction stands at 66.4 million square feet, with 9.2 million square feet of new retail space delivered in the first quarter of 2023.

Top 5 Metros

by Square Feet Under Construction

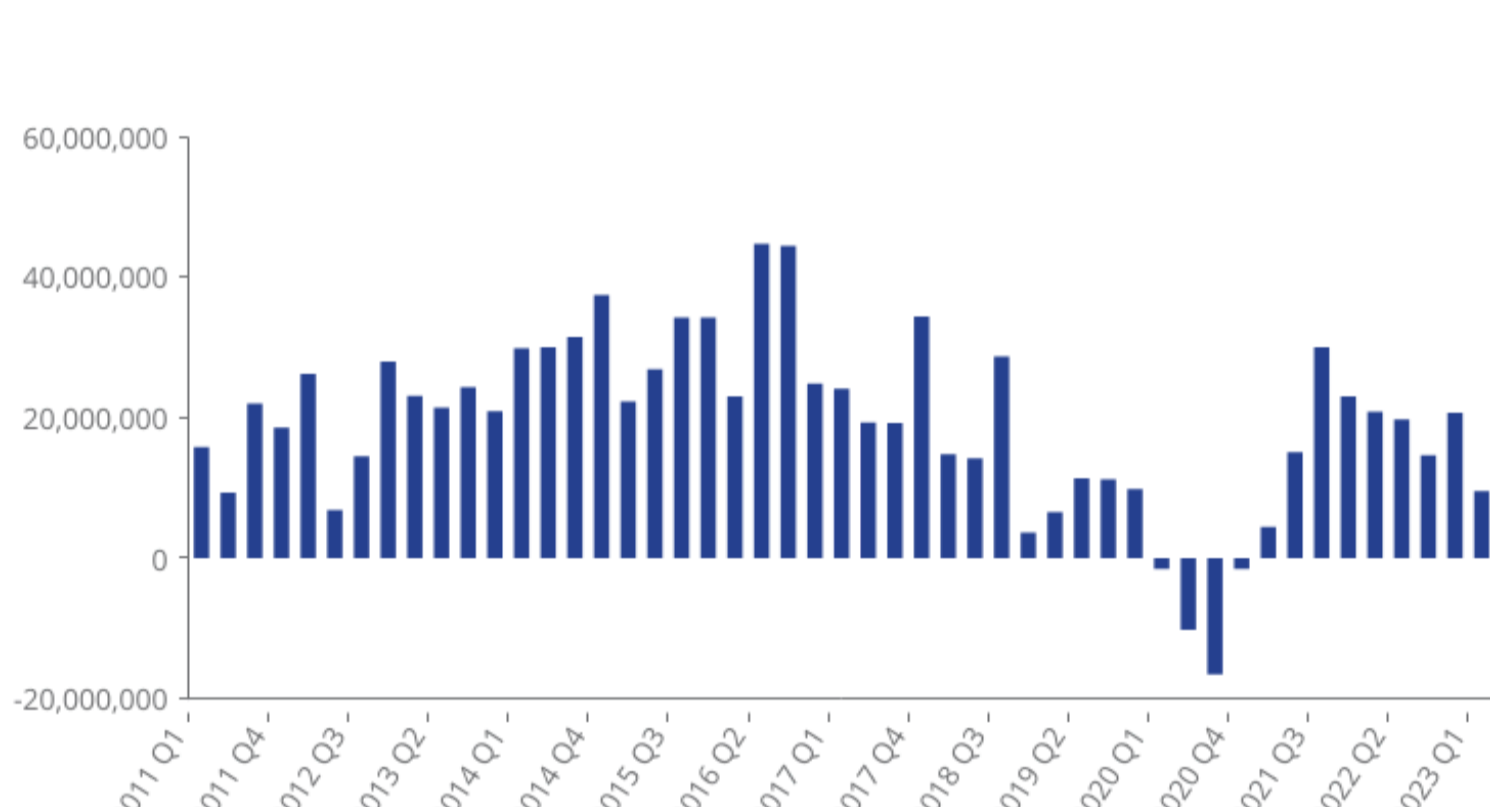


Net Absorption

9.5 Million

The retail market experienced 9.5 million square feet of absorption in the first quarter of 2023. Absorption exceeded the amount of new supply as retailers are betting more on brick-and-mortar as an alternative option to online shopping.

U.S. Retail Market Historical Net Absorption



U.S. Retail Market Net Absorption by Property Subtype

-0.15 MSF

Malls

2.1 MSF

Shopping Centers

9.5 MSF

All Retail

Asking Rents

Average retail asking rents rose to \$24.00 per square foot in the first quarter, an increase of 1.3% over the quarter. The upward rate trend indicates a strong demand for retail space and a growing desire for in-person shopping experiences.

Overall NNN Rates



\$24.00/SF

Malls

\$32.35/SF

Up 0.7% from Q4 2022

Shopping Centers

\$23.55/SF

Up 1.3% from Q4 2022

Average NNN Asking Rates

\$48.89

Honolulu, HI

\$46.34

New York, NY

\$43.24

Miami, FL

\$42.54

San Francisco, CA

\$40.78

San Jose, CA

\$36.37

Orange County, CA

\$35.45

Los Angeles, CA

\$33.91

San Diego, CA

\$33.55

Palm Beach, FL

Sources: Colliers Research, CoStar
Statistics include the comparison of 390 retail markets across the United States.

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