

# Retail Snapshot Q3 2015

Roanoke, Virginia



## ECONOMIC INDICATORS

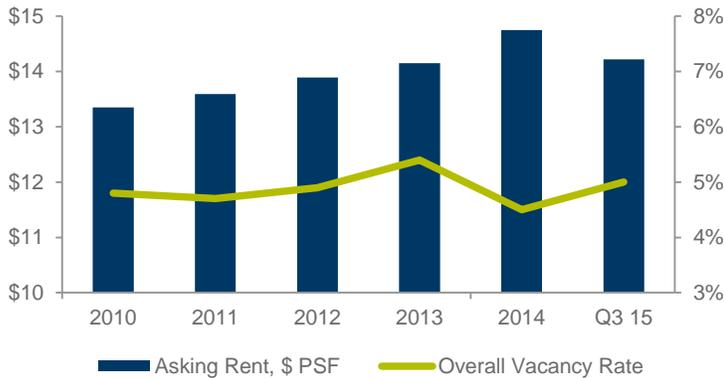
National			
	Q3 14	Q3 15	12-Month Forecast
GDP Growth	2.4%	2.5%	▼
CPI Growth	1.6%	0.2%	▲
Consumer Spending Growth	2.7%	3.3%	▲
Retail Sales Growth	3.8%	2.5%	▲

Regional			
	Q3 14	Q3 15	12-Month Forecast
Household Income	\$48,937	\$49,933	▼
Population Growth	0.3%	0.3%	▲
Unemployment	5.2%	4.6%	■

Source: Moody's Analytics

## Rental Rate vs. Overall Vacancy



## Economy

Roanoke is among the top growth economies in Virginia, second only to Richmond, according to the Roanoke Regional Partnership and Gross Metropolitan Product (GMP) numbers from the U.S. Bureau of Economic Analysis. From 2013-2014—the most recent numbers available—GMP grew by 3.3%. Additionally, Roanoke is growing faster than more than half of all U.S. metro areas.

## Market Overview

The majority of leasing activity that occurred in the Roanoke market during Q3 included soft goods, cosmetics and restaurant concepts. These transactions included Pita Pit, Jimmy Johns and Dunkin Donuts in the food sector, Wet Seal, Bath & Body Works, Pink, Altar'd State and H&M in the clothing and personal care sector. The largest submarket, Southwest Roanoke, reported a healthy 7.7% vacancy rate, while the next largest, Northeast Roanoke, recorded a very tight 2.9% overall vacancy rate. While overall average lease rates in Roanoke hover around \$14.50 per square foot (psf), shopping center rates continue to maintain an \$18.00 psf average.

## Outlook

The market has performed consistently during the past eight quarters, with lease rates and vacancy remaining relatively stagnant. However, an increase in leasing activity and absorption is forecasted for Q4 and these positive trends should continue into 2016.

## About Cushman & Wakefield

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