

Retail Snapshot Q1 2018

Roanoke, VA



ECONOMIC INDICATORS

National

	Q1 17	Q1 18*	12-Month Forecast**
GDP Growth	2.0%	2.9%	▲
CPI Growth	2.6%	2.3%	▲
Consumer Spending Growth	2.9%	2.8%	▲
Retail Sales Growth	5.2%	4.8%	▲

* Q1 18 Estimates. Values represent your-over-year % change.
 ** Forecast by Cushman & Wakefield.

Regional

	Q1 17	Q1 18	12-Month Forecast
Household Income	\$51,345.18	\$52,757.14	▲
Population Growth	0%	0%	■
Unemployment	3.9%	3.8%	▼

Source: Moody's Analytics

Rental Rate vs. Overall Vacancy



Economy

Retail sales and consumer spending growth both succumbed to the effect from changes in technology and the on-going transformation across the retail industry. Roanoke saw a slight drop in each category although consumer confidence has persevered to date. With GDP increasing and the threat of a trade war receding, we should start to see a rebound in retail sales and consumer spending next quarter.

Market Overview

Roanoke welcomed several new storefronts to the area. Examples include Dollar Tree and Hobby Lobby which both opened their doors to the surrounding New River Valley community this first quarter of 2018. Collectively with a footprint of 65,000 square feet; they are the first tenants to backfill a former K-mart redevelopment project in the region. The market is continuing to see more of these projects emerge with right-sized retailers opening their doors as well as developers maximizing exterior vacant parking lots into small shop outparcels, both of which follow national trends.

Outlook

Retail revival seems to be the catch phrase for this year as we see more retailers unfold and develop across the region. Not only is Hobby Lobby a part of this retail revival for the New River Valley, but the German grocery chain, Aldi, is set to open its doors as well in the next coming months. Aldi has over 10,000 stores across 20 countries. And it does not seem to slow down there. Roanoke is also ready for the opening of the fast casual breakfast concept, First Watch, here in Roanoke with more small shop announcements coming soon.

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