

Retail Snapshot Q3 2017

Roanoke, VA



ECONOMIC INDICATORS

National

	Q3 16	Q3 17	12-Month Forecast
GDP Growth	1.2%	2.2%	▲
CPI Growth	1.1%	2.0%	▲
Consumer Spending Growth	2.8%	2.7%	▼
Retail Sales Growth	2.3%	3.9%	▲

Regional

	Q3 16	Q3 17	12-Month Forecast
Household Income	\$52,577.28	\$54,329.19	▲
Population Growth	-0.18%	-0.13%	▲
Unemployment	4.1%	3.9%	▼

Source: Moody's Analytics

Rental Rate vs. Overall Vacancy



Economy

Retail sales growth remained strong in third quarter despite the continuation of national retail closures or temporary hurricane impacts from the south. As other retailers started the shift to smaller sizes, national consumer spending declined, yet the GDP reported an increase of 1.0% from Q3 2016 rising to 2.2%. With trending niche retailer expansions, coupled with the steady demand on prime locations, the retail platform continued to shift upwards.

Market Overview

Narrowing down to the region, the effects of positive growth were reported in all facets in the Roanoke and the New River Valley. Grand openings are scheduled throughout the remainder of the year for EarthFare, LIDL, Home Goods and Hobby Lobby. Orange Theory Fitness and Famous Toastery, along with other new small shop announcements are stirring in the works. EarthFare grocer, which was established in 1975, will open their first Virginia store in November and will be offering clean meal solutions as one of their healthy organic options to their enthusiastic followers. With the region recording an increase in both household and disposable income as well as overall population growth, Roanoke will continue to reap the benefit of more retail opportunities to shop within the localities.

Outlook

One of the biggest focus topics leading into the last quarter of 2017 will be paying close attention to which retailers open on Thanksgiving Day versus Black Friday. According to a CNBC report, eCommerce sales are expected to increase 18% to 21% during the 2017 holiday season, topping off at \$114 billion, while total sales for the season are expected to peak at \$1.04 trillion. Retailers are also increasing their hiring for temporary holiday workers, all positive signs moving forward!

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