

The CBRE logo is displayed in white, bold, uppercase letters in the top left corner of the slide. The background of the entire slide is a dark green, low-poly geometric pattern that resembles a stylized architectural structure or a modern interior design.

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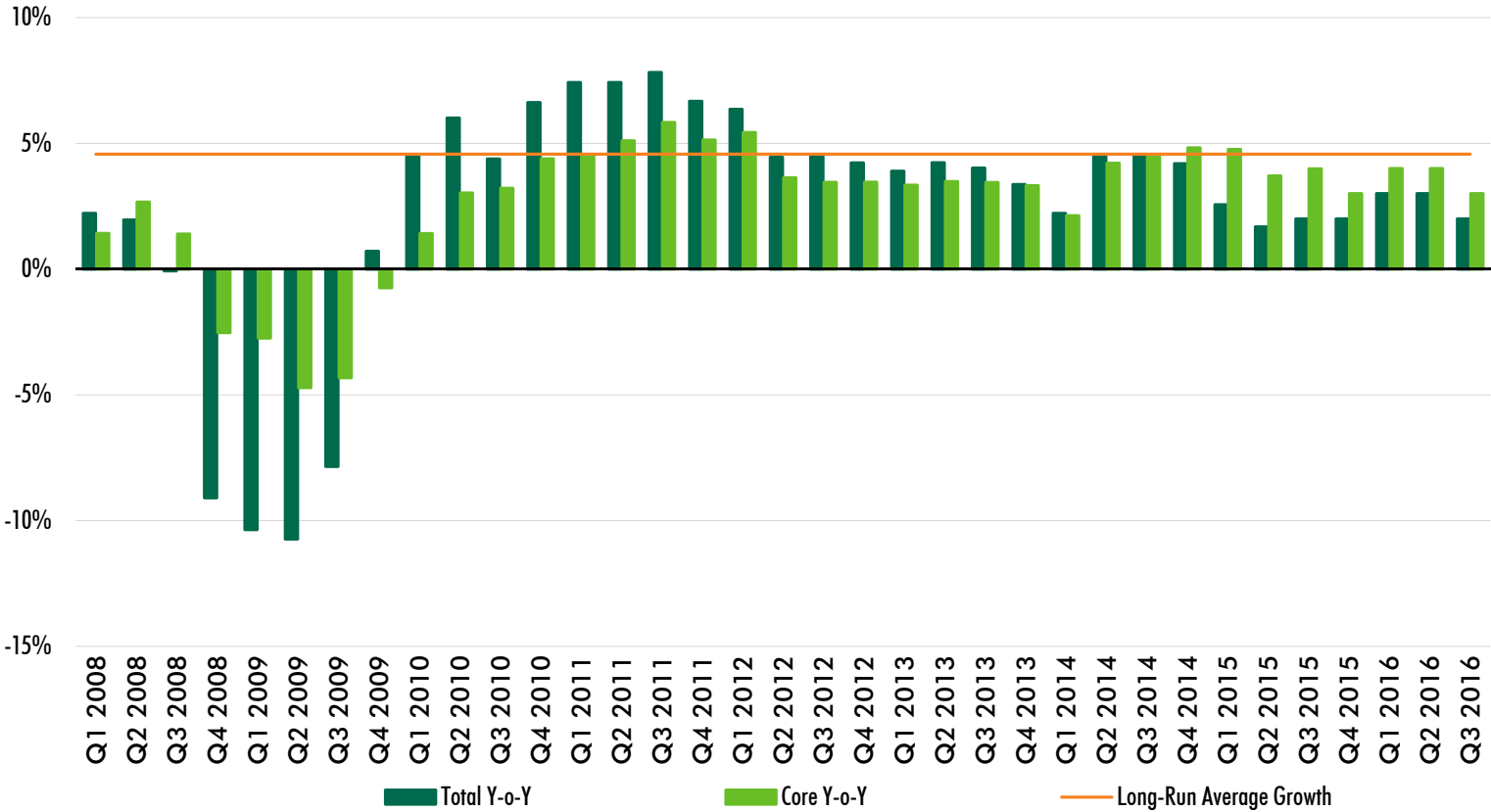
RETAIL MARKET

Q3 2016: Steady demand pushes retail market higher

11/07/2016

RETAIL SALES IN Q3

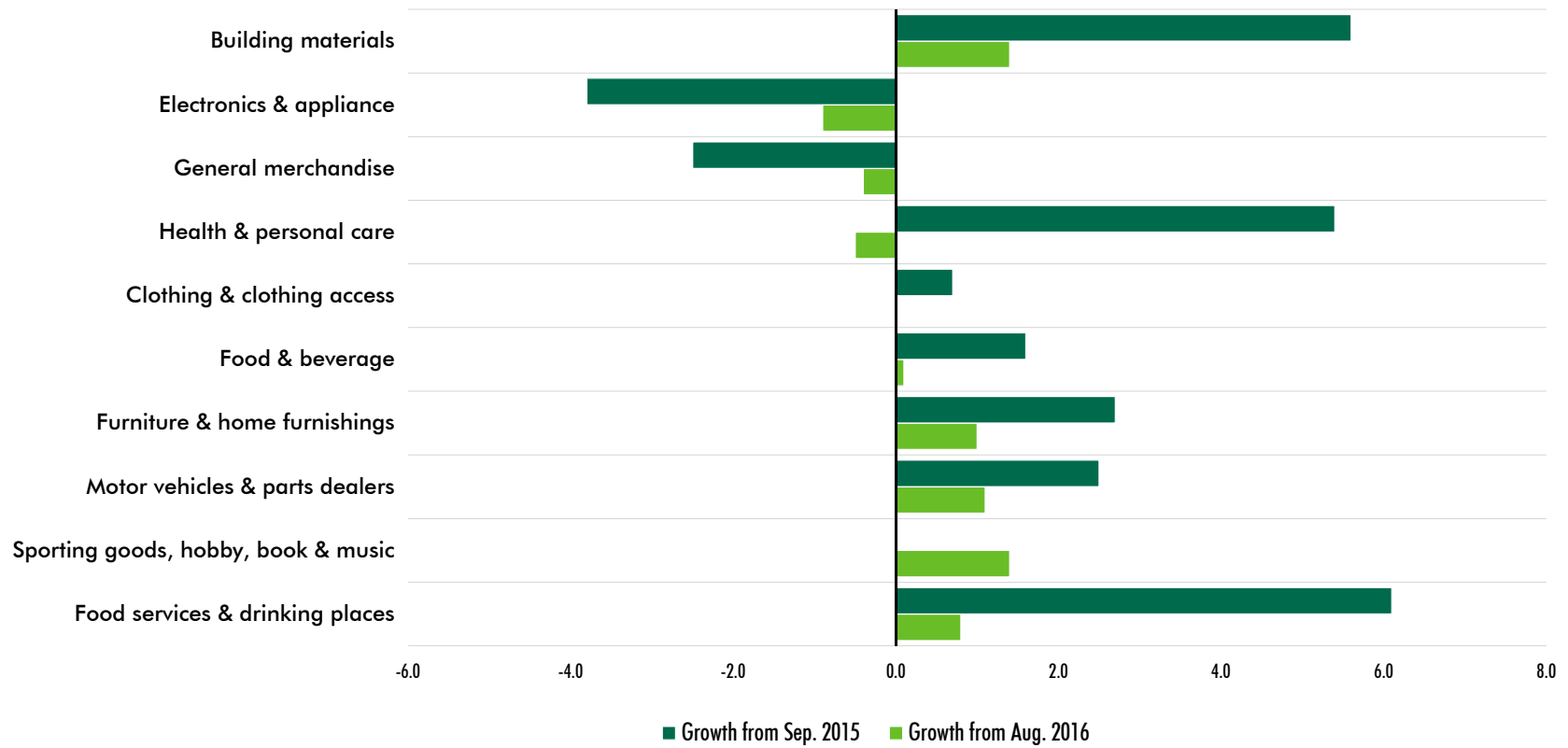
Y-o-Y core sales growth at 3%, total at 2%



Source: Census Bureau, Q3 2016.

RETAIL SEGMENTS RECORD MIXED GROWTH

Retail Sales Growth (%)



Source: Census Bureau, Q3 2016.

CONSUMER SENTIMENT INDEX

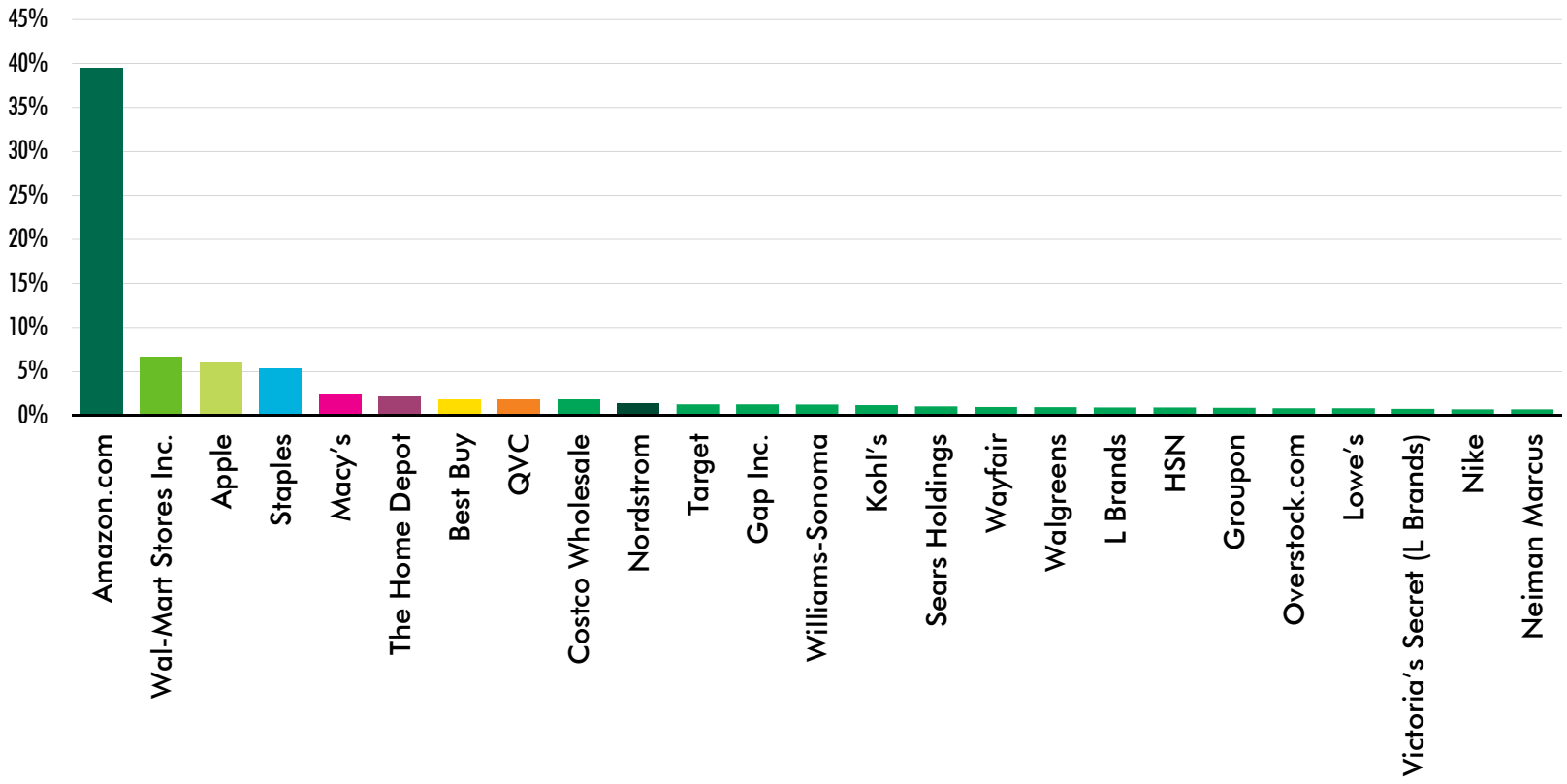
Healthy fundamentals pushes index higher



Source: University of Michigan, Q3 2016.

TOP 25 U.S. E-COMMERCE RETAILERS

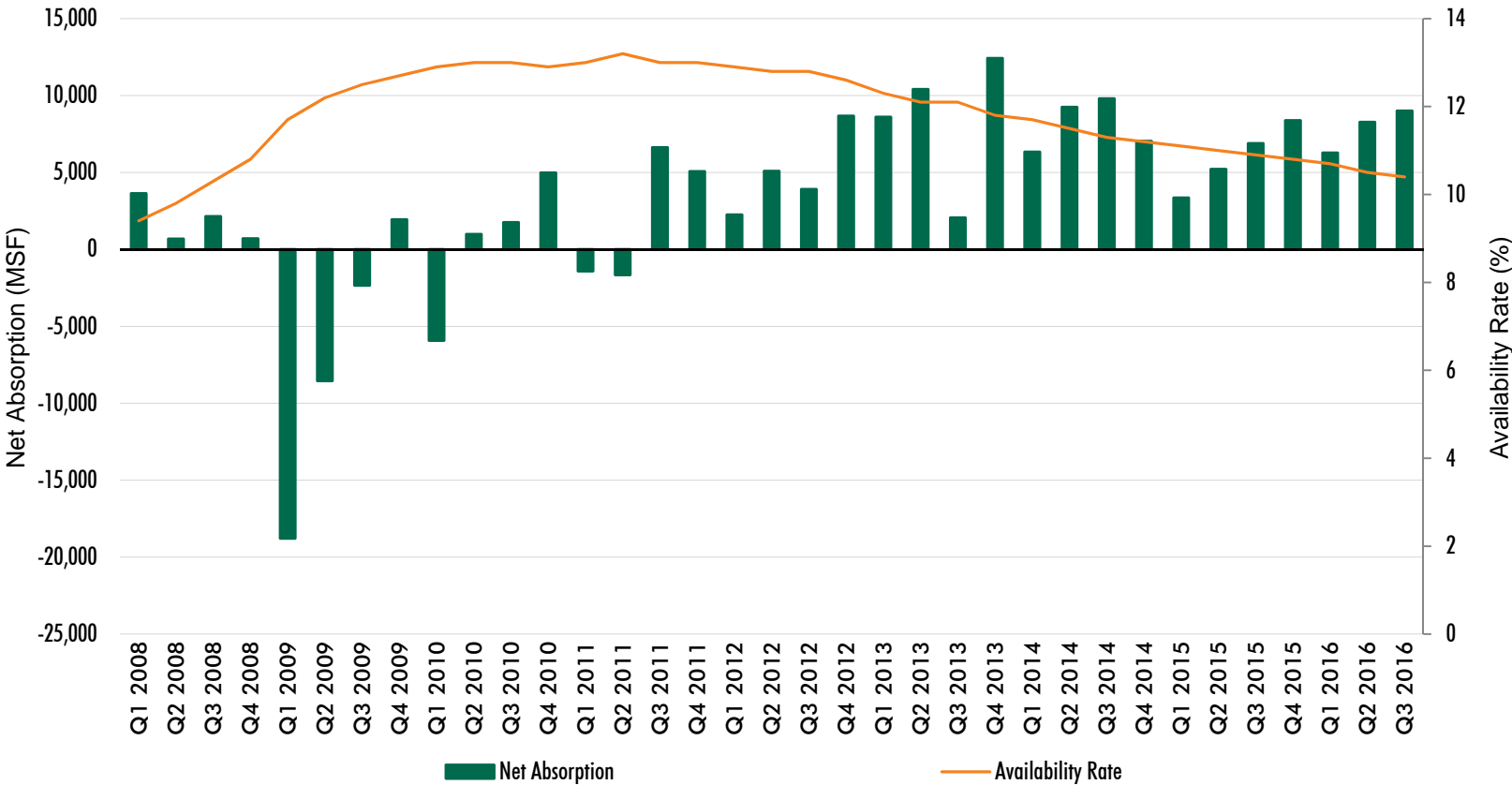
Amazon, Wal-Mart Lead Top 25 E-commerce Retail List



Source: eMarketer, 2016.

NET ABSORPTION AND AVAILABILITY RATE

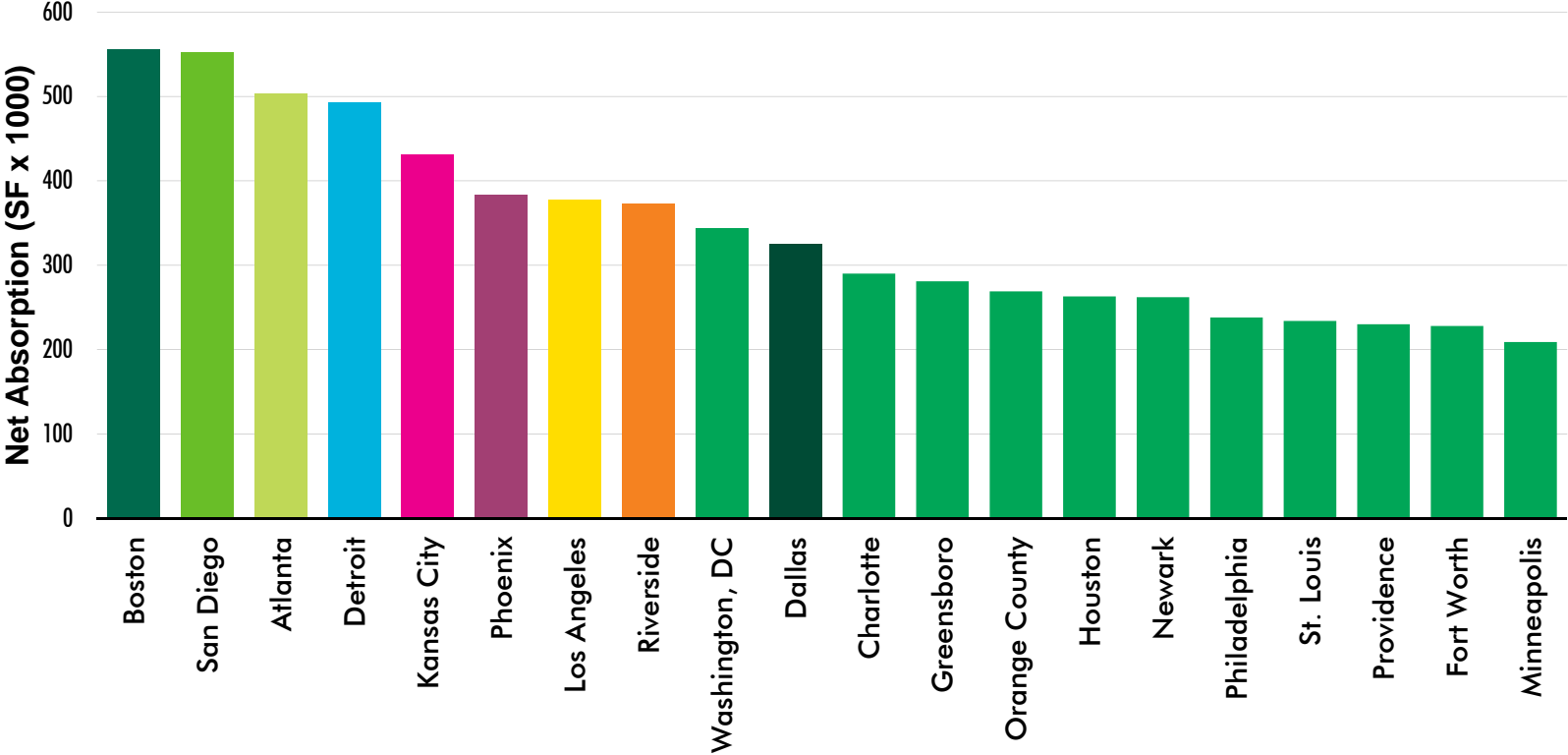
Vacancy drops, net absorption is up by 9 MSF



Source: CBRE Econometric Advisors, Q3 2016.

NET ABSORPTION

51 out of 62 markets recorded positive net absorption in Q3



Source: CBRE Econometric Advisors, Q3 2016.

OCCUPANCY RATE BY CENTER TYPES

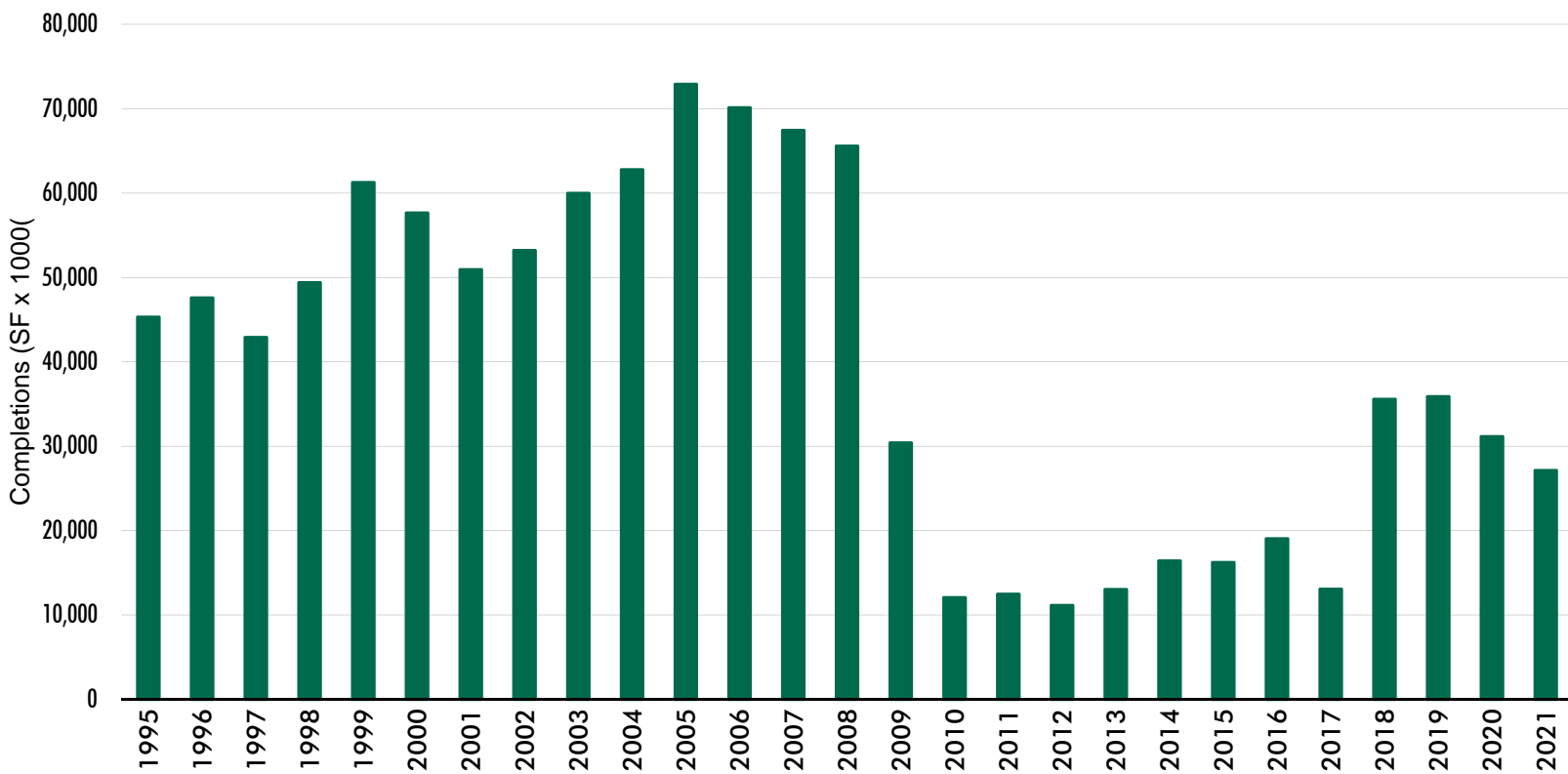
Power centers growing



Source: National Council of Real Estate Investment Fiduciaries (NCREIF), Q3 2016.

COMPLETIONS

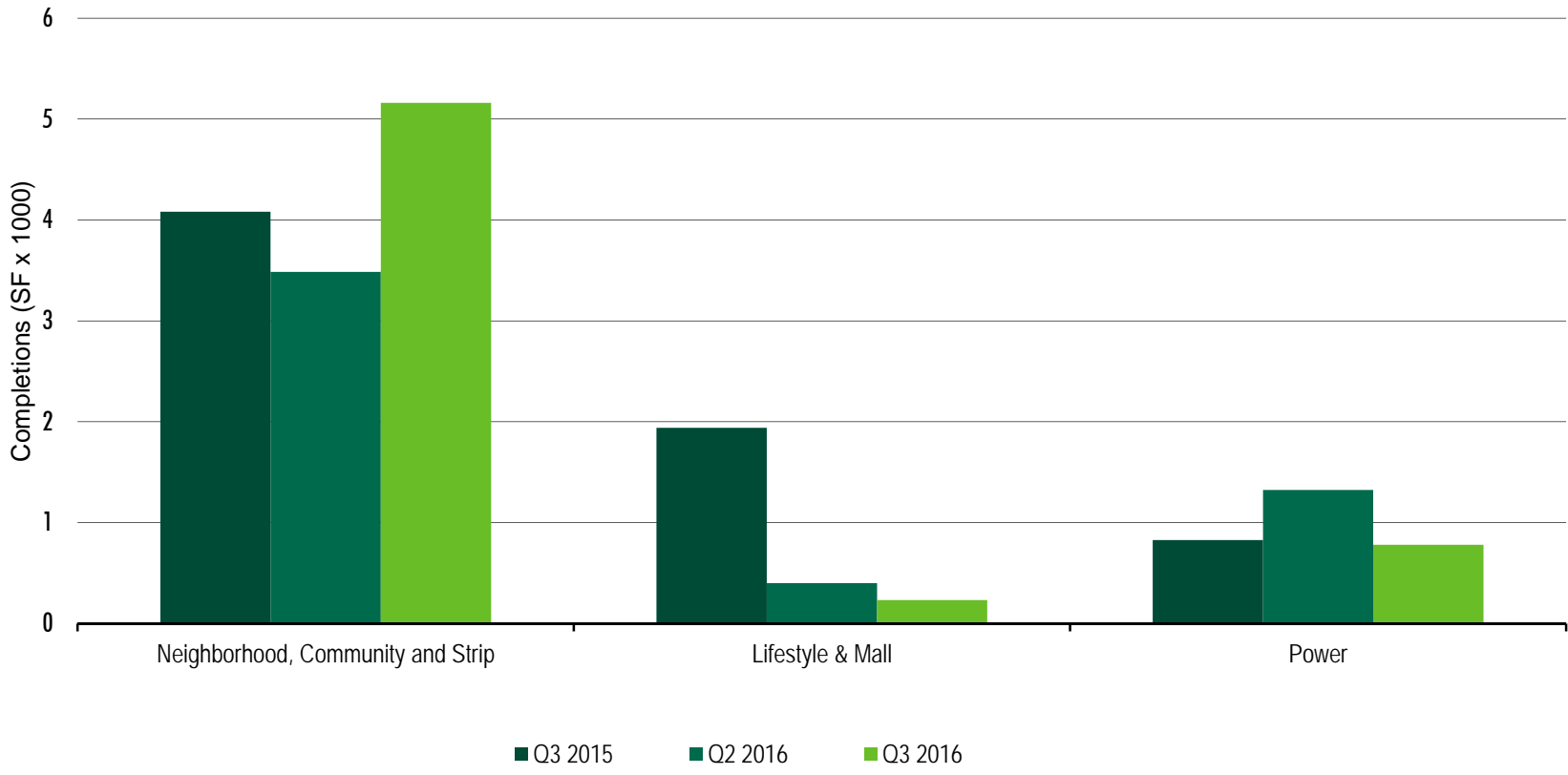
Completions for NC&S is low



Source: CBRE Econometric Advisors, Q3 2016.

RETAIL CONSTRUCTION

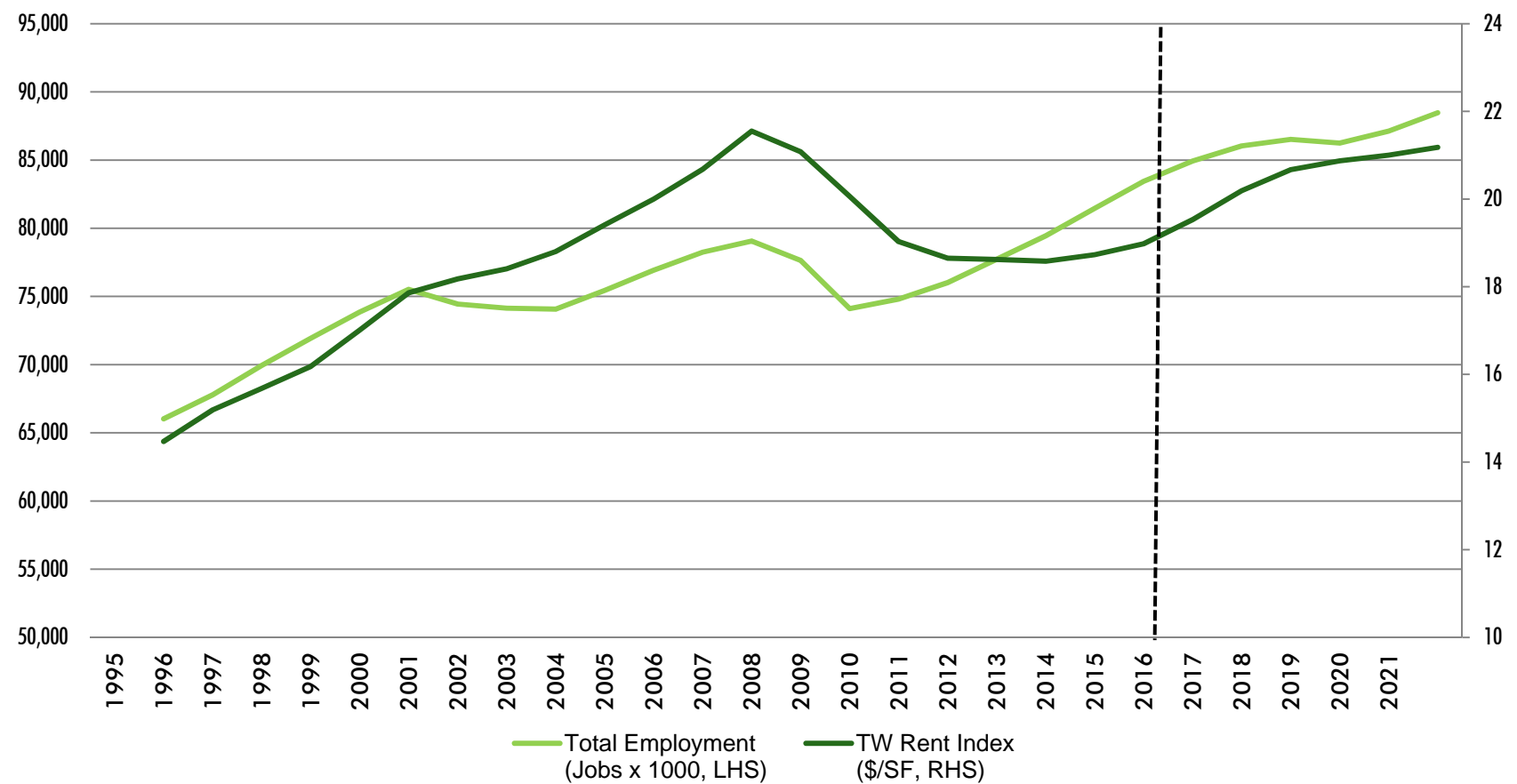
Retail construction for NC&S higher than Q2 2016



Source: CBRE Econometric Advisors, Q3 2016.

TW RENT INDEX AND TOTAL EMPLOYMENT

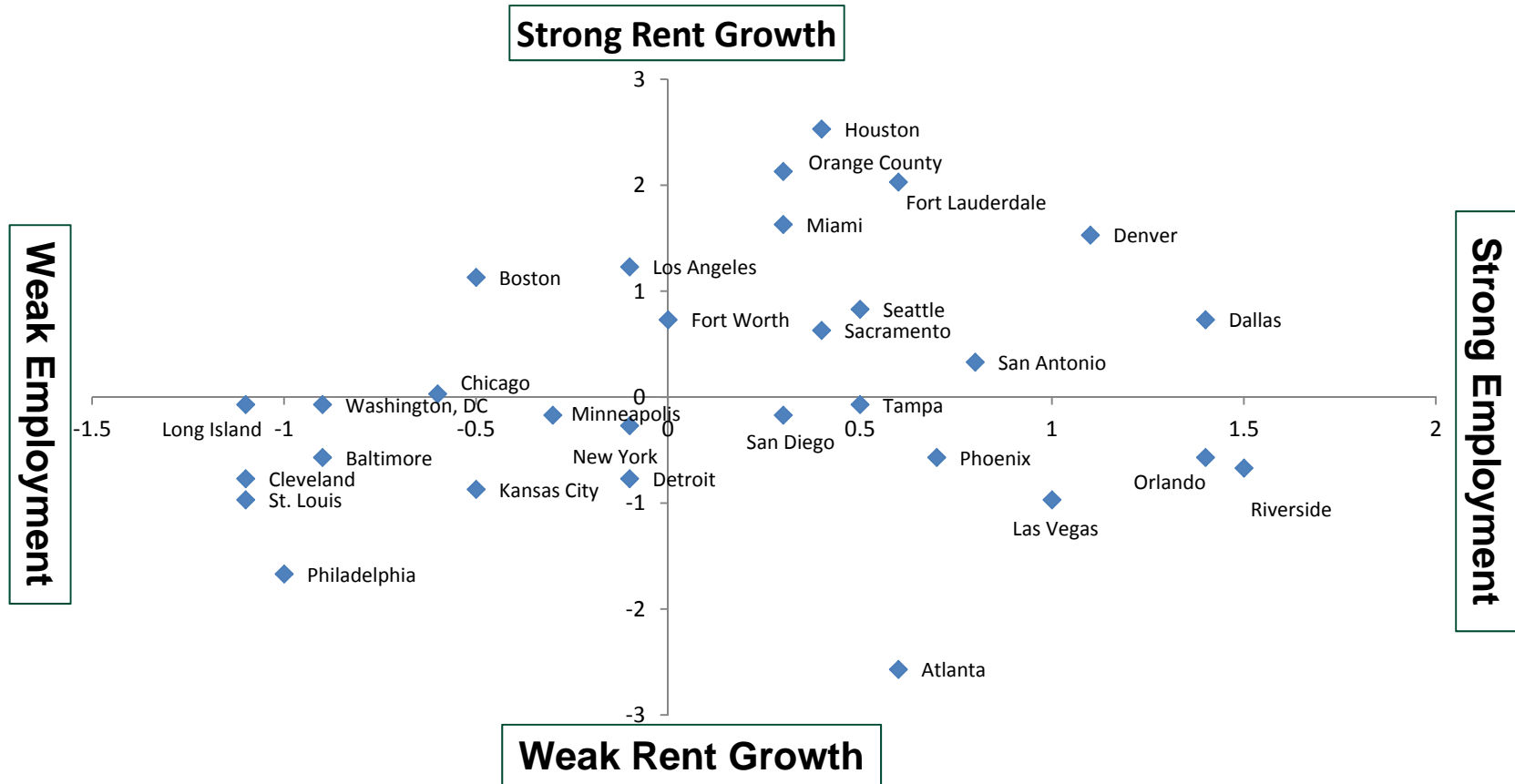
Employment is a major determinant of rents



Source: CBRE Econometric Advisors, Q3 2016.

PERFORMANCE AND LOCAL ECONOMIC CONTEXT INDICATORS IN THE PAST 5 YEARS

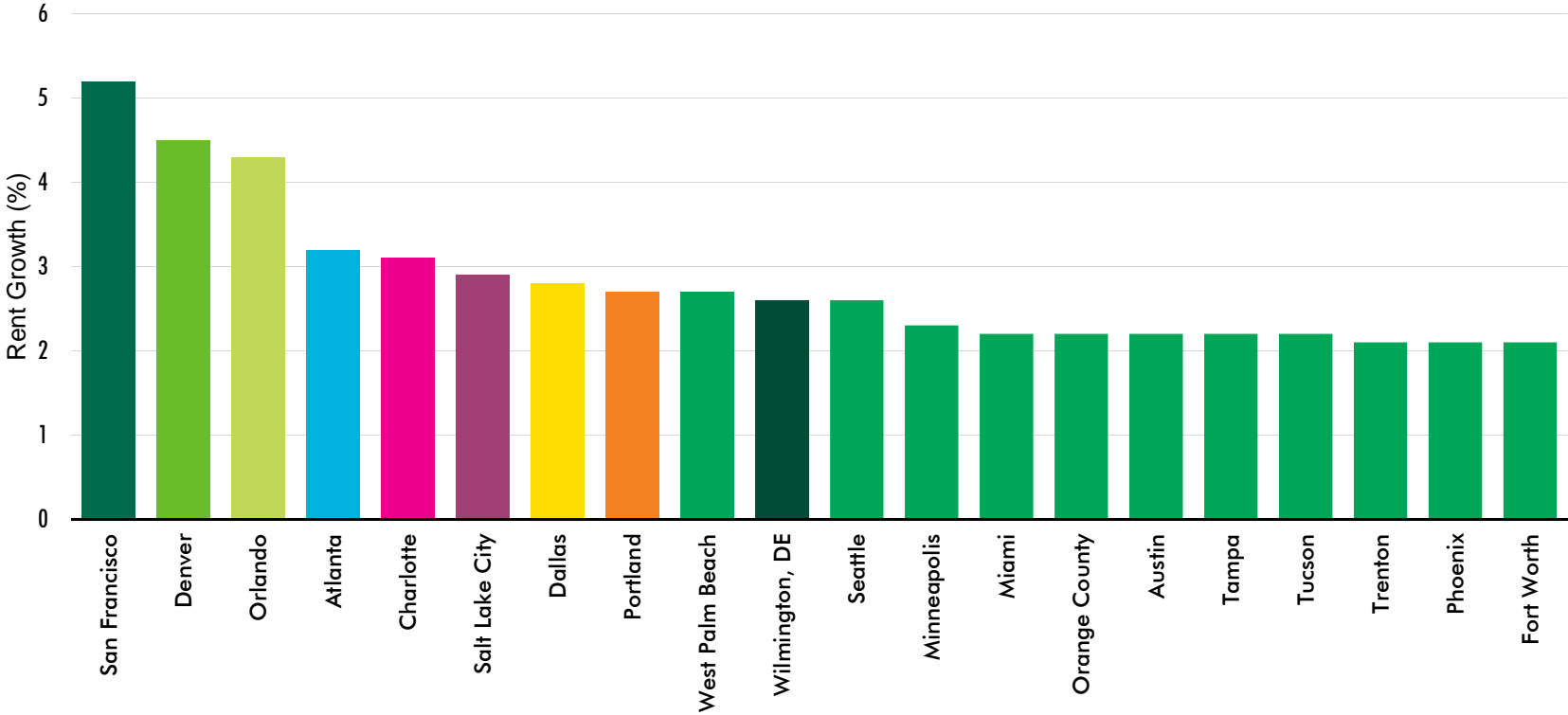
Uneven distribution of markets across the four quadrants



Source: CBRE Econometric Advisors, Q3 2016.

RENT GROWTH IN THE NEXT 5 YEARS

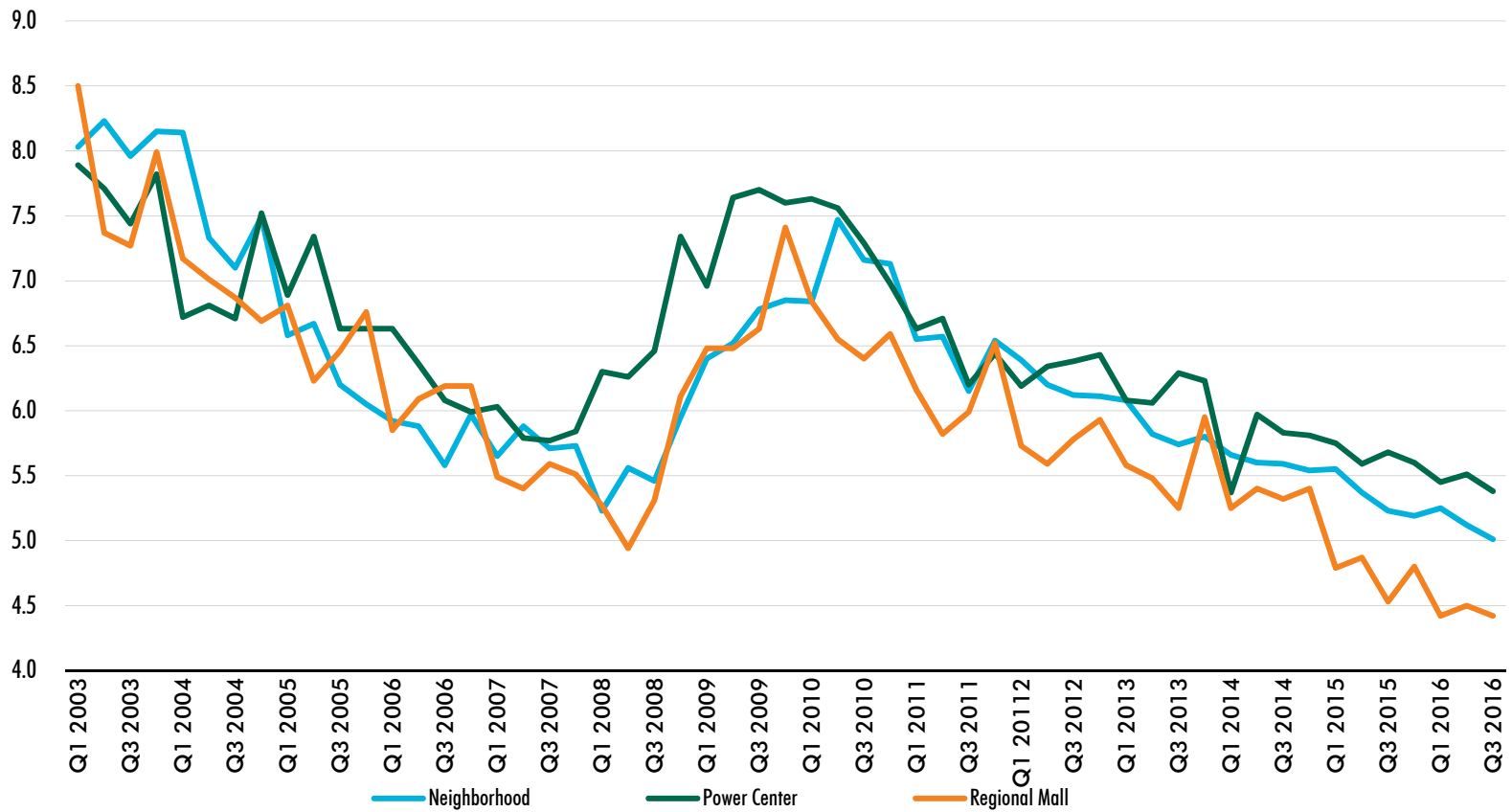
Markets with the highest rent growth



Source: CBRE Econometric Advisors, Q3 2016.

CAP RATE BY CENTER TYPES

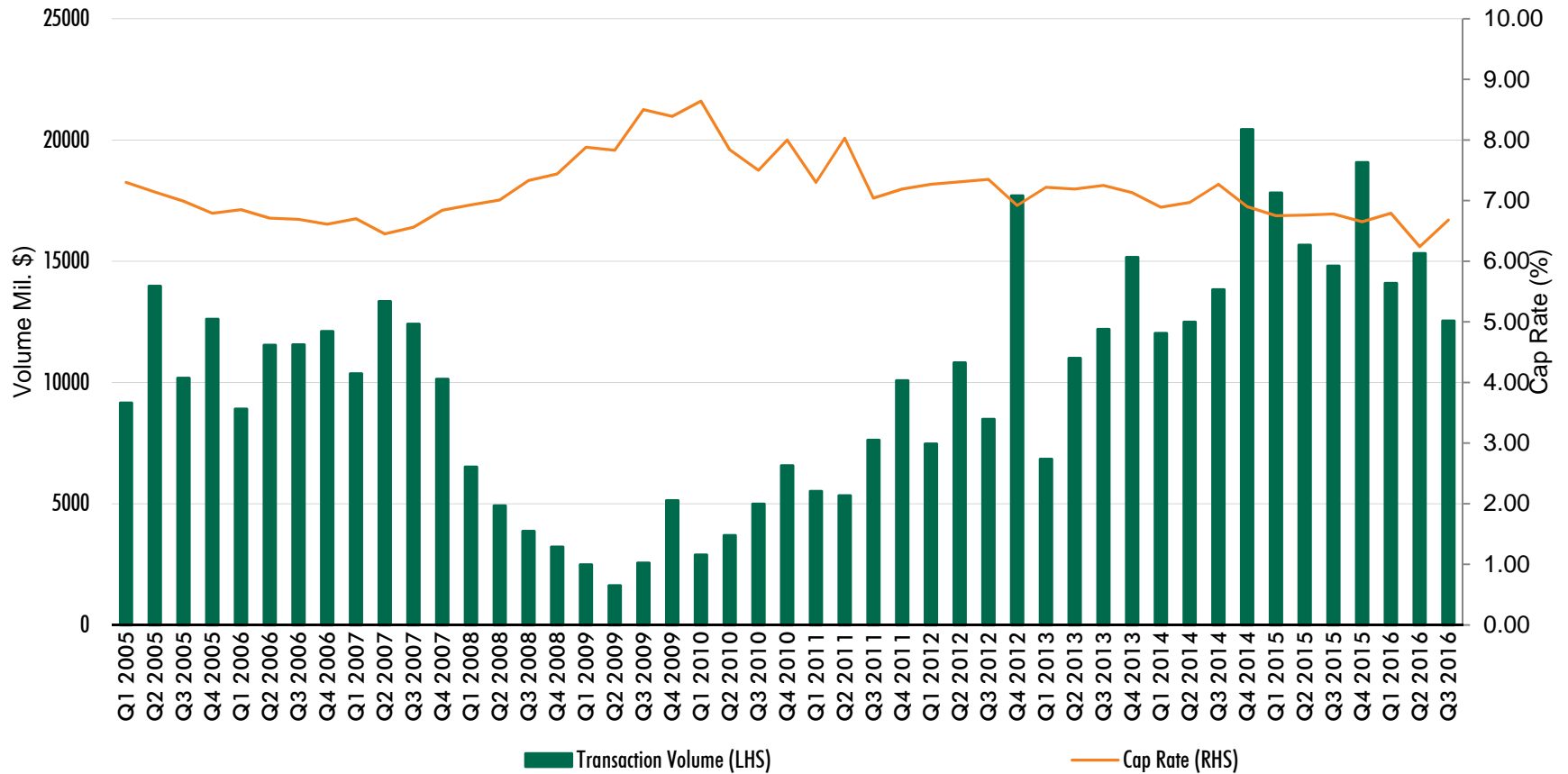
Compression in Cap Rate for all Centers



Source: ICSC, Q3 2016.

TRANSACTION VOLUME

Lower than the last quarter



Source: Real Capital Analytics, Q3 2016.



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THANK YOU