

Charlottesville, VA

Retail Q1 2022



	YoY Chg	12-Mo. Forecast
3.7% Vacancy Rate	▲	▲
32K Net Absorption, SF	▼	▲
\$19.04 Asking Rent, PSF	▼	▲

Overall, Net Asking Rent

U.S. ECONOMIC INDICATORS Q1 2022

	YoY Chg	12-Mo. Forecast
4.1% GDP Growth	▲	▲
11.3% Consumer Spending Growth	▲	▲
11.2% Retail Sales Growth	▲	▲

Source: BEA, Census Bureau

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ECONOMIC OVERVIEW: Consistent Gains

The Charlottesville area economy is continuing its climb after posting steady gains in employment since the start of 2021. After experiencing its highest unemployment rate on record of 10.2% in April 2020, Charlottesville employment has rebounded to near pre-pandemic levels of more than 116,000. Hotel occupancy increased more than 10% year-over-year (YOY) to 58.7% with a 29.3% increase in room demand reported.

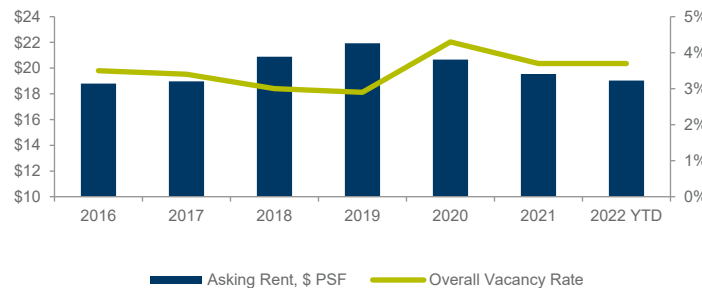
SUPPLY AND DEMAND: Post-Pandemic Rebound

Charlottesville retail continues its post-pandemic rebound following a year of positive net gains in 2021. While the overall retail vacancy is down 20 basis points year-over-year (YOY), vacancy is still well below the high mark of 4.3% reached at the end of 2020. Leasing activity extended from downtown north to the airport area and is expected to increase throughout the year. More than 155,000 square feet (sf) of retail space has been delivered since 2020 and the limited availability of speculative product will continue to have a positive impact on the overall vacancy. Projects like Albermarle Business Campus and Brookhill Town Center will bring continued growth to the market, delivering office and residential opportunities as well as restaurant and retail spaces, which are now pre-leasing.

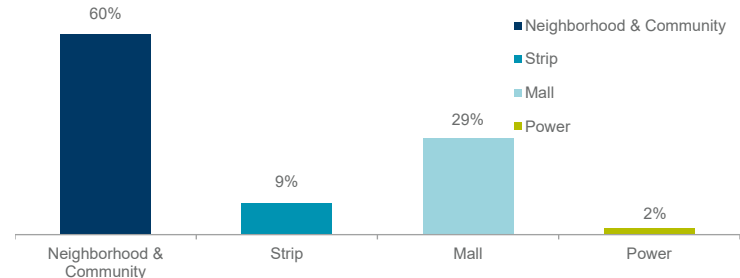
PRICING: Active Investment Market

The year opened with retail sales activity of almost \$16 million and multiple transfers to national buyers. Transfers averaged \$318 per square feet, and acquisitions are up 65% YOY based on total square footage transacted. Key transfers include the sale of The Exchange, a 19,448 sf building located in downtown - now home to The Bebedero and Rockfish Brewing Company in the former Downtown Grille space - to a local investor for \$5.2 million, and the sale of the Sheetz ground lease on Seminole Trail from Core Real Estate to W.R. Boutros for \$5.35 million.

RENT / VACANCY RATE



AVAILABILITY BY PRODUCT TYPE



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