

Charlottesville, VA

Retail Q2 2022



	YoY Chg	12-Mo. Forecast
3.4% Vacancy Rate	▼	▼
29K Net Absorption, SF	▼	▲
\$19.25 Asking Rent, PSF	▼	▲

Overall, Net Asking Rent

ECONOMIC OVERVIEW: Positive Gains

The Charlottesville area economy is continuing its climb after posting steady gains in employment since the start of 2021. With increased foot traffic and rebounds in the hospitality industry, Charlottesville unemployment has dropped to 2.8%, near pre-pandemic levels and down 80 basis points (bps) year-over-year (YOY). Hotel revenues have increased by 40% year-over-year, and the average daily rate has increased 23% compared to the 2019 numbers.

SUPPLY AND DEMAND: Occupancy Rates Hold

Charlottesville retail continues to maintain high occupancy levels with the second quarter closing at nearly 97% occupancy overall. Overall retail vacancy is down 10 basis points year-over-year (YOY), and year-to-date net absorption is well in the black at just over 60,000 square feet (sf). With no deliveries in the second quarter and limited product under construction, overall vacancy is projected to remain low. The largest proposed block of space is the centrally located redevelopment at Hillsdale Village, with up to 60,000 sf planned in the complex anchored by Whole Foods. The project is located along the Route 29 corridor, which stretches to the north and east of downtown and includes more than 35% of the total market inventory.

PRICING: Active Investment Market

The quarter closed with total sales volume approaching \$74 million, and pricing averaging \$290 per square foot. Blackstone acquired the Hollymead Town Center as part of a large portfolio sale that accounted for 71% of the quarter's total volume and included both multifamily and retail properties. National buyers were involved in 67% of the quarter's sales based on the number of transactions, a further sign of the region's strong fundamentals and attractive business climate.

U.S. ECONOMIC INDICATORS Q2 2022

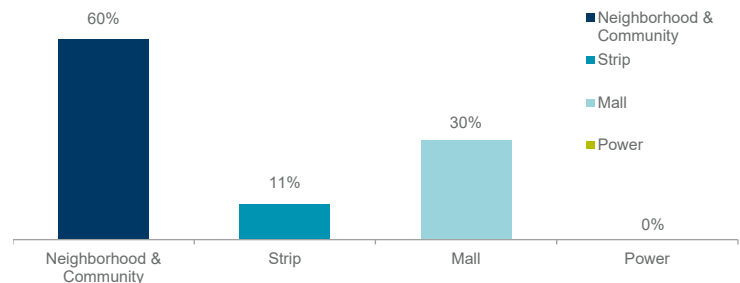
	YoY Chg	12-Mo. Forecast
2.5% GDP Growth	▲	▲
9.8% Consumer Spending Growth	▲	▲
8.7% Retail Sales Growth	▼	▲

Source: BEA, Census Bureau

RENT / VACANCY RATE



AVAILABILITY BY PRODUCT TYPE



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