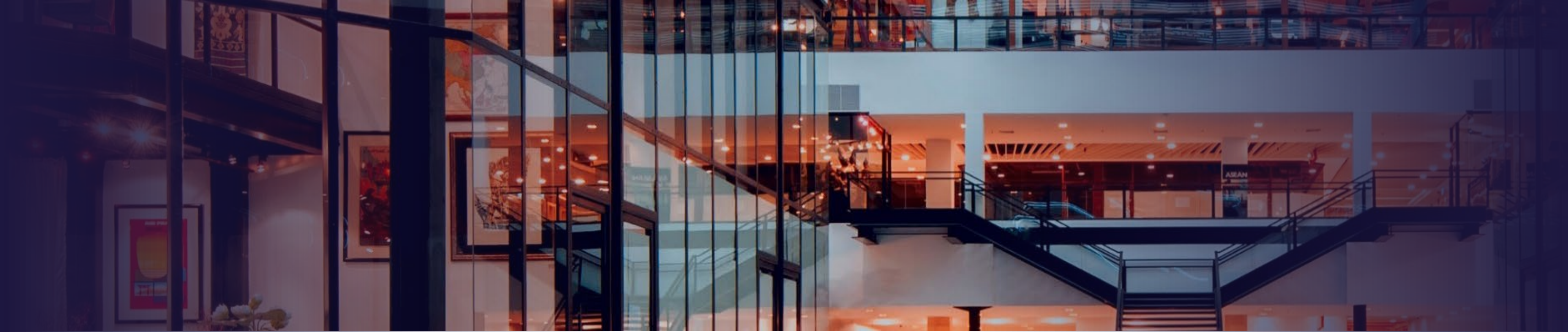
MARKETBEAT

RICHMOND, VA

RETAIL Q2 2026



CUSHMAN & WAKEFIELD THALHIMER

MARKET FUNDAMENTALS

	YOY Chg	Outlook
$89,100 Median HH Income	▼	▲
0.5% Population Growth	▼	▲
3.8% Unemployment Rate	▲	▼

Source: BLS

ECONOMIC INDICATORS

	YOY Chg	Outlook
2.2% GDP Growth	▲	▲
2.1% Consumer Spending Growth	▼	▲
1.5% Retail Sales Growth	▼	▲

Source: BEA, Census Bureau

ECONOMY: DIVERSE INDUSTRY BASE

The Richmond region saw sustained growth through the first half of the year, with unemployment rates well below national numbers. Greater Richmond continues to outperform peer markets in job growth, and 2026 rankings from Fortune magazine name the region as one of the most corporate-headquarters-dense metros in the country with 12 locally headquartered companies in the Fortune 1000. The region's diverse industry base remains a key factor in the stability of the job market, and the expansive presence of VCU and VCU Health, which generates more than $15.8 billion in annual economic impact and supports more than 80,000 jobs, reinforces the talent pipeline and innovation ecosystem. Development from major anchors like Eli Lilly, who is planning a $5 billion manufacturing campus in West Creek, is likely to spur a wave of secondary demand from related consulting and research firms and to support the continued growth of skilled employment and talent inflow.

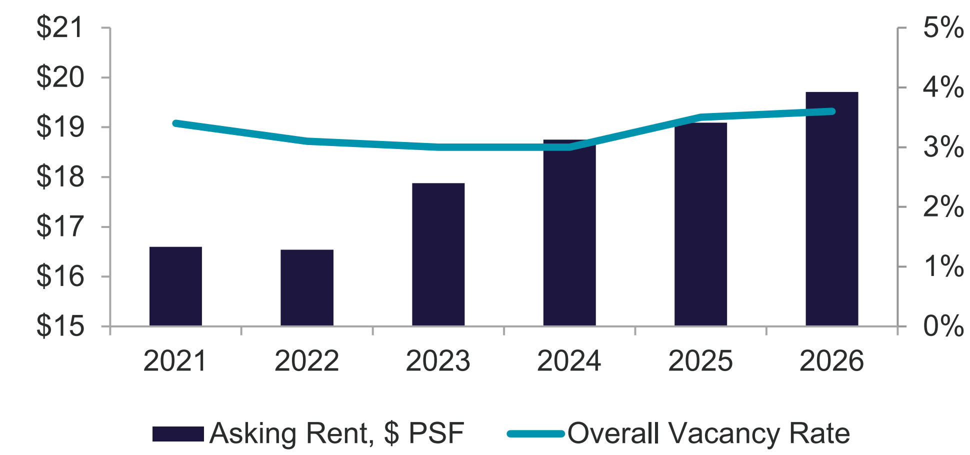
SUPPLY AND DEMAND: VACANCY REMAINS COMPRESSED

Overall vacancy closed the quarter at 3.6%, up 10 basis points (bps) quarter-over-quarter and up 40 bps year-over-year, keeping the rate below 4.0% for the nineteenth consecutive quarter. Leasing activity has topped 671,000 square feet (sf) since the start of the year, a noticeable drop compared to the first half of last year as supply-side shortages continue to hamper demand from new and expanding retailers. The pipeline remains limited to just over 231,000 sf of active development with the majority of speculative space centered around the Whole Foods-anchored Midlothian Depot in Chesterfield County. Aldi's newest location is underway at Stony Run Commons in Hanover County, just north of the Henrico Sports & Events Center on the heavily traveled Washington Highway corridor. Plans have also been filed for the next phase of development at The Lake in Chesterfield County near Brandermill. The new 14,400 sf retail building will add to the total 250,000 sf of office, retail, entertainment and restaurant space master planned for the development.

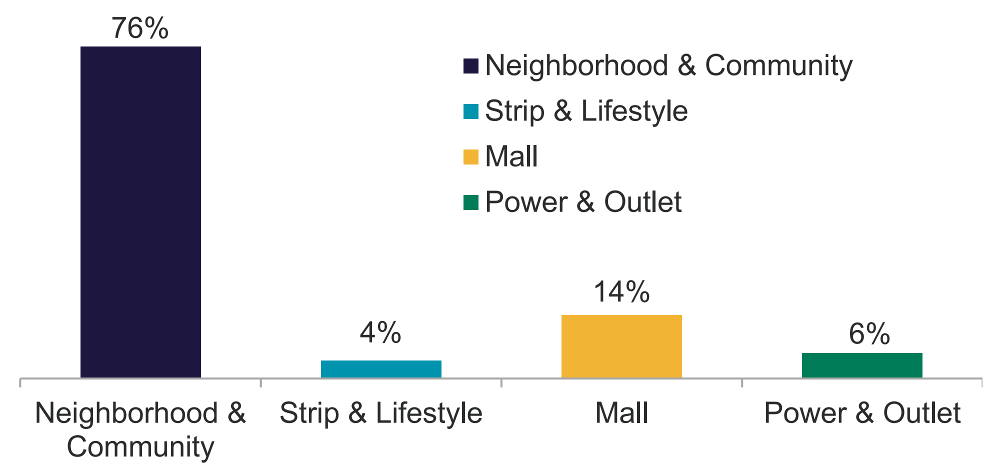
PRICING: INVESTMENT MARKET ACTIVE

Sales volume has topped $223 million since the start of the year with a flurry of trades during the second quarter. West Broad Commons (109,551 sf) transferred for $18.7 million. Tuckernuck Commons (93,391 sf) sold for $12 million, and Fresh Market-anchored Ridge Shopping Center (67,464 sf) traded for $19.2 million. Total deal volume since the start of 2024 has topped $1.3 billion.

OVERALL VACANCY & ASKING RENT



AVAILABILITY BY PRODUCT TYPE



MARKET STATISTICS

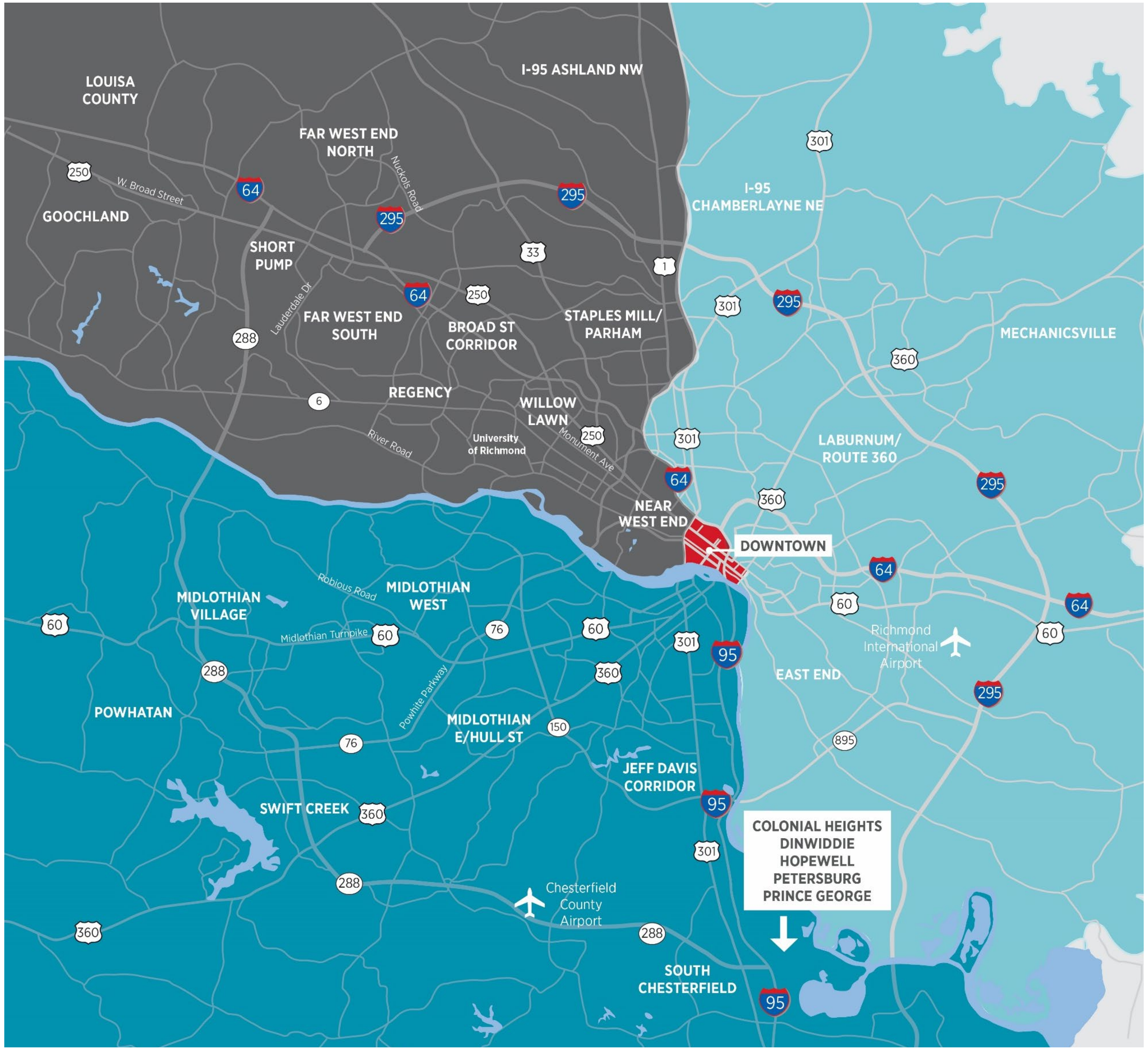
SUBMARKET	INVENTORY (SF)	DIRECT VACANT (SF)	SUBLET VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (NNN)*
Broad St Corridor	4,729,248	212,854	0	4.5%	-8,127	-25,951	8,400	$25.24
Colonial Heights	3,436,872	93,538	3,600	2.8%	1,280	-34,890	20,645	$19.68
Dinwiddie	564,342	21,144	0	3.7%	-2,035	-2,035	-	-
Downtown	2,279,725	75,724	0	3.3%	-5,555	-24,644	-	$22.60
East End	4,164,884	121,716	0	2.9%	449	3,107	-	$18.25
Far West End North	316,257	3,528	0	1.1%	-1,500	-3,528	-	-
Far West End South	1,291,816	58,560	0	4.5%	5,010	2,492	-	$14.00
Goochland	572,189	7,401	0	1.3%	640	599	-	$19.50
Hopewell	1,296,971	145,919	0	11.3%	9,109	16,284	-	$18.20
I-95 Ashland/NW	2,343,309	69,148	0	3.0%	18,819	33,000	-	$13.26
I-95 Chamberlayne/NE	1,284,559	7,803	0	0.6%	7,036	13,536	-	$13.53
Jeff Davis Corridor	2,988,989	35,909	0	1.2%	-6,753	-15,874	2,808	$18.21
Laburnum/Route 360	2,870,407	106,307	0	3.7%	-5,363	77,747	6,930	$16.61
Louisa County	1,014,989	29,930	0	2.9%	1,300	-138	7,000	$8.70
Mechanicsville	3,129,204	112,619	0	3.6%	130,066	136,100	10,000	$15.34
Midlothian E/Hull St	6,622,495	480,543	10,958	7.4%	-54,347	-35,380	-	$14.79
Midlothian Village	2,023,151	113,472	0	5.6%	12,503	30,612	14,000	$28.32
Midlothian West	6,893,401	228,690	147,657	5.5%	-57,202	-49,261	92,507	$20.59
Near West End	3,556,124	116,707	0	3.3%	-15,352	-7,542	500	$27.56
New Kent County	628,365	1,250	0	0.2%	0	1,000	-	-
Petersburg	2,946,610	119,998	0	4.1%	-136	-3,930	-	$14.11
Powhatan	863,416	20,750	0	2.4%	-3,000	6,232	-	$22.18
Prince George	1,272,172	23,811	0	1.9%	-2,740	-8,888	-	$18.00
Regency	2,085,109	101,529	0	4.9%	4,805	8,023	-	$27.88
Short Pump	4,570,348	32,404	0	0.7%	121,072	148,670	7,000	$34.00
South Chesterfield	4,026,649	53,178	41,117	2.3%	9,508	23,846	6,900	$17.28
Staples Mill/Parham	4,352,566	89,580	0	2.1%	1,371	24,812	30,366	$24.11
Swift Creek	4,141,809	89,596	0	2.2%	-10,161	-15,728	24,400	$27.81
Willow Lawn	3,029,708	64,561	0	2.1%	11,133	-2,581	-	$24.71
RICHMOND TOTALS	**79,295,684**	**2,638,169**	**203,332**	**3.6%**	**161,830**	**295,690**	**231,456**	**$19.71**

*Rental rates reflect Triple Net asking $PSF/Year

KEY LEASE TRANSACTIONS Q2 2026

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Merchants Walk Shopping Center	Broad St Corridor	La Herradura	18,419	New
Spring Centre	Mechanicsville	School of Dance Arts	9,016	New
Arch Village Shopping Center	Midlothian West	Turf Indoor Training	8,400	New
Ashland Town Center	I-95 Ashland/NW	Samaritan's Walk	7,500	New
Village at Waterford	Swift Creek	Image Studios	7,360	New

RETAIL SUBMARKETS



LIZ GREVING
Associate Director, Research
Tel: +1 804 697 3560
liz.greving@thalhimer.com

Independently Owned and Operated / A Member of the Cushman & Wakefield Alliance

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In 2025, the firm reported revenue of $10.3 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.