

MARKETBEAT

CHARLOTTESVILLE, VA

RETAIL Q3 2026

CUSHMAN & WAKEFIELD THALHIMER

MARKET FUNDAMENTALS

	YOY Chg	Outlook
1.9% Vacancy Rate	▼	▼
61.4K Net Absorption, SF	▼	▲
$26.49 Asking Rent, PSF	▲	▲

Overall, Net Asking Rent

ECONOMIC INDICATORS

	YOY Chg	Outlook
1.6% GDP Growth	▼	▲
1.5% Consumer Spending Growth	▼	▲
1.0% Retail Sales Growth	▼	–

Source: BEA, Census Bureau

ECONOMY: ECONOMIC DRIVERS & DEVELOPMENT MOMENTUM

Charlottesville continues to benefit from strong economic momentum and growing regional investment activity. Tourism remains a key driver, with visitor spending in Charlottesville and Albemarle County surpassing $1 billion for the first time in 2025. Charlottesville's Downtown Mall celebrated its 50th anniversary, now attracting nearly 2.8 million (M) visitors annually. At the same time, the region is emerging as a major hub for technology and advanced manufacturing, supported by significant data center development in Louisa County, including multiple large-scale projects totaling millions of square feet, as well as more than $120M in commitments from leading pharmaceutical companies to establish workforce training initiatives. These investments are strengthening the area's economic foundation, supporting job growth, and reinforcing Central Virginia's appeal to businesses, residents, and investors alike.

SUPPLY & DEMAND: RETAIL GROWTH CONTINUES

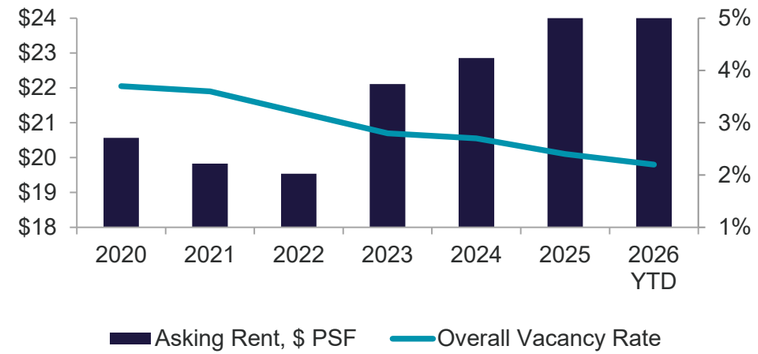
Overall vacancy decreased 40 basis points (bps) quarter-over-quarter (QOQ) and decreased 50 bps year-over-year (YOY). This is the fourteenth consecutive quarter where vacancy has held at or below 3.0%. Leasing activity topped over 38,950 square feet (sf) for the quarter. The largest transaction was located at The Triangle Building where WorkSource Enterprises, LLC leased 13,376 sf of space. Retail expansion in the market continues as well, with Publix, Jersey Mike's Subs, and VIV Nail Salon announced as tenants for the second phase of development at Villages at Terrace Greene which is expected to deliver in 2027.

Currently under construction is Three Notch'd Center located at 5370 Three Notch'd Rd. This new mixed-use development will consist of over 21,405 sf and will be two stories. Anytime Fitness has agreed to occupy 7,248 sf and is will be the first tenant in the development.

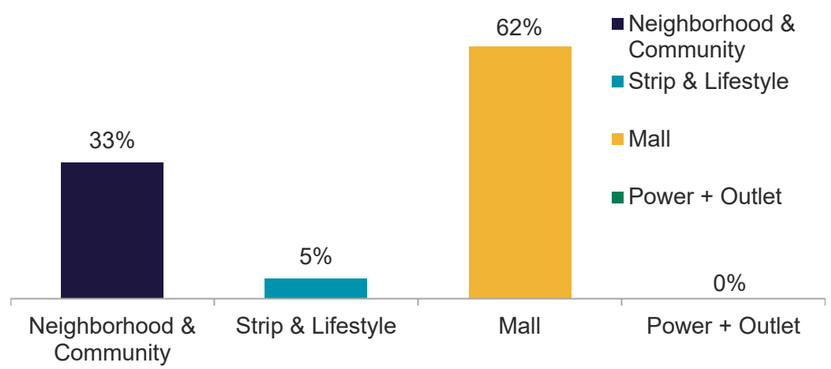
PRICING: 5TH STREET STATION TRADES HANDS

Quoted rental rates have increased just over 12.2% QOQ and have increased 3.2% year-over-year (YOY). Sales volume for the quarter topped $129M. Contributing to 91.5% of the quarterly sales volume was the sale of 5th Street Station. This 451,799-sf Wegmans-anchored shopping center was purchased by Bridge 33 Capital for $117.2M from SJC Ventures. The shopping center was 98.0% occupied at the time of sale, and major tenants include Dick's House of Sports, Haverty's, Planet Fitness, Alamo Drafthouse Cinema, and others.

OVERALL VACANCY & ASKING RENT

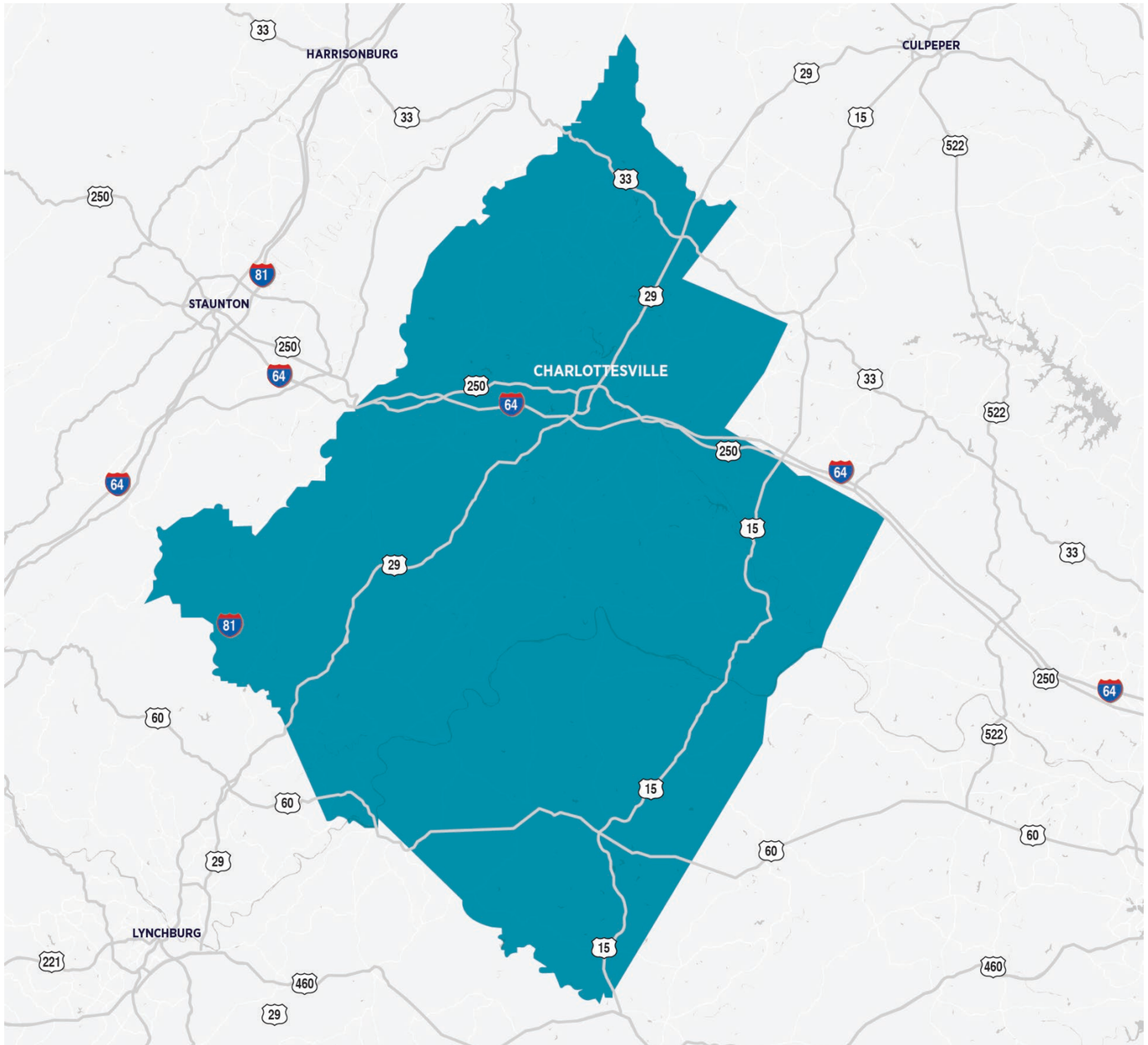


AVAILIBILITY BY PRODUCT TYPE



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RETAIL SUBMARKETS



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