

CINCINNATI / DAYTON

CUSHMAN & WAKEFIELD

Retail Q4 2021

\$61,787

Median HH Income

YoY Chg



12-Mo. Forecast



0.5%

Population Growth



4.5%

Unemployment Rate



Sources: BLS, BOC, Moody's Analytics
Q4 2021 data are based on latest available data of combined MSAs. Growth rates are year-over-year.

U.S. ECONOMIC INDICATORS Q4 2021

5.4%

GDP Growth

YoY Chg



12-Mo. Forecast



11.3%

Consumer Spending Growth



17.9%

Retail Sales Growth



Sources: BLS, BOC, Moody's Analytics
Q4 2021 data are based on latest available data. Growth rates are year-over-year.

ECONOMIC OVERVIEW

The unemployment rate in Greater Cincinnati and Greater Dayton was 5.0% at the end of 2020. By Q4 2021, Cincinnati unemployment fell to just 4.3% and Dayton unemployment was at 4.9%, which were similar to the national rate of 4.2%.

Based on a recent release regarding metropolitan Gross Domestic Products (GDP) from the Bureau of Economic Analysis, Cincinnati was the 27th largest metro economy in the U.S. At \$152.6 billion dollars, *Cincinnati's GDP was the largest in the state of Ohio*, ahead of Columbus (\$137.3 billion), Cleveland (\$133.6 billion) and Dayton (\$45.2 billion). The combined Cincinnati / Dayton metropolitan GDP was nearly \$200 billion, which would place it among the top 20 metro economies.

SUPPLY AND DEMAND

The end of 2021 was a period of recovery for retailers across the country, as U.S. year-over-year consumer spending growth and retail sales growth reached double digits in the fourth quarter. Shopping center vacancy in the combined Cincinnati / Dayton market was remarkably consistent before and after the COVID-19 pandemic. In Q4 2021, the shopping center vacancy rate for the combined region was 7.1%, a 60-basis point (bps) decrease from the prior year. Furthermore, Q4 2021 vacancy was nearly the same as the pre-COVID-19 vacancy rate of 7.0% in Q4 2019. Between the four types of shopping centers in the combined region, Q4 2021 vacancy rates ranged between 4.6% (Lifestyle) and 7.6% (Neighborhood & Community). With the exception of Lifestyle Centers, vacancy decreased in the remaining three shopping center types on a year-over-year (YOY) basis. The largest yearly decrease in vacancy (393,000 sf) took place in Neighborhood & Community centers, which were also by far the largest shopping center type by total inventory.

Full year 2021 net absorption in the Cincinnati / Dayton market was 468,000 square feet (sf), which was a complete reversal from 2020 net absorption figure of negative 465,000 sf. Outside of Lifestyle Centers (-106,000 sf), full year 2021 net absorption was positive in the three remaining center types. Between the two metro areas, full year net absorption was evenly distributed between Cincinnati (264,000 sf) and Dayton (204,000 sf). Annual net absorption was positive in the combined Cincinnati / Dayton market for three of the past five years.

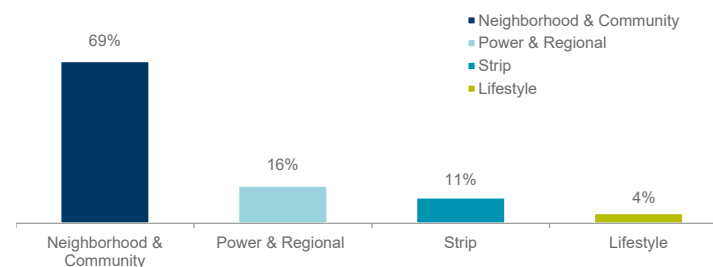
PRICING

Asking rental rates averaged \$10.95 triple net per square foot (psf) per year across all categories. This was a 4.5% increase on a YOY basis. It should be noted that these figures are used for benchmarking and include all classes and availability sizes.

RENT / VACANCY RATE



AVAILABILITY BY PRODUCT TYPE



CINCINNATI / DAYTON

Retail Q4 2021

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MARKET STATISTICS

SHOPPING CENTER TYPE*	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (NNN)**
Lifestyle	3,849,295	3,500	172,767	4.6%	35,435	-106,363	0	\$17.50
Neighborhood & Community	39,039,598	106,532	2,867,249	7.6%	158,318	398,435	0	\$10.10
Power / Regional	10,259,964	3,440	708,273	6.9%	-69,280	63,878	0	\$10.64
Unanchored Strip	8,039,187	4,400	452,607	5.7%	99,830	111,777	0	\$14.53
CINCINNATI / DAYTON TOTALS	61,188,044	117,872	4,200,896	7.1%	224,303	467,727	0	\$10.95

*Shopping Center Types do not include malls & outlets

**Rental rates reflect weighted net asking \$psf/year

KEY LEASE TRANSACTIONS Q3 / Q4 2021

PROPERTY	SUBMARKET	TENANT	SF	TYPE
Shoppes at Valle Greene	East Dayton	NAPA	25,928	New Lease
Easttown Shopping Center	South Central Dayton	Village Discount Outlet	19,000	Renewal
Union Centre Pavilion	Butler County	Lori's Roadhouse	19,000	New Lease
Eastgate Square	Eastgate/Anderson Twp.	Overstock Guys	12,650	New Lease
The Foundry	Cincinnati CBD	Jeff Ruby's Steakhouse	11,688	New Lease
Twenty Mile Plaza	Mason/Montgomery	Dollar General	10,400	New Lease
Prospect Square	Forest Park/West	Once Upon a Child	7,450	New Lease
32 East Shopping Center	Eastgate/Anderson Twp.	Affordable Care	5,487	New Lease

KEY SALES TRANSACTIONS Q3 / Q4 2021

PROPERTY	SUBMARKET	SELLER / BUYER	SF	PRICE / \$ PSF
Governor's Plaza	Mason/Montgomery	CASTO / Nextgen Automotive 4 LLC	185,362	\$12.1M / \$65
North Heights Plaza	Northeast Central Dayton	Huber Heights LLC / ExchangeRight	113,732	\$8.5M / \$75
Shoppes at Northwoods	North Dayton	Midland Atlantic Properties / KRF Dayton LLC	92,985	\$9.3M / \$65
The Shoppes of Mason	Mason/Montgomery	Optimus Mason II LLC / eGAP Funds	80,800	\$12.0M / \$149
Mall Woods Shopping Center	South Dayton	Hieronimus Management / Alpine Income Prop. Trust	78,793	\$9.4M / \$119
Bellbrook Plaza	Southeast Dayton	DDM - Bellbrook, LLC / Lighthouse Mortgage	39,000	\$3.0M / \$77
Schoolhouse Plaza	Kenwood	Glazer Properties / Baceline Investments, LLC	24,085	\$3.5M / \$145
Tylersville Square	Butler County	The Salvation Army / A & S Imports LLC	23,659	\$1.8M / \$74

JARRETT HICKS

Associate Director of Research

Tel: +1 513 322-3802

jarrett.hicks@cushwake.comcushmanwakefield.com

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