

CINCINNATI / DAYTON

CUSHMAN & WAKEFIELD

Retail Q2 2022

\$70,881

Median HH Income



0.4%

Population Growth



3.4%

Unemployment Rate



Sources: BLS, BOC, Moody's Analytics
Q2 2022 data are based on latest available data of combined MSAs. Growth rates are year-over-year.

U.S. ECONOMIC INDICATORS Q2 2022

2.5%

GDP Growth



9.8%

Consumer Spending Growth



8.7%

Retail Sales Growth



Sources: BLS, BOC, Moody's Analytics
Q2 2022 data are based on latest available data. Growth rates are year-over-year.

ECONOMIC OVERVIEW

The unemployment rate in Greater Cincinnati and Greater Dayton fell over the past year from 4.9% in Q2 2021 to just 3.4% as of Q2 2022. Local unemployment was even less than the national rate of 3.6%.

Site Selection Magazine recently released its annual "Governor's Cup" rankings for economic development and new corporate facility projects. Among metropolitan areas with more than 1 million residents, Greater Cincinnati placed seventh overall for major corporate capital investment / construction projects, which was up from its previous year's ranking of ninth overall. Additionally, Greater Dayton received a first-place ranking among metropolitan areas between 200,000 and 1 million residents.

SUPPLY AND DEMAND

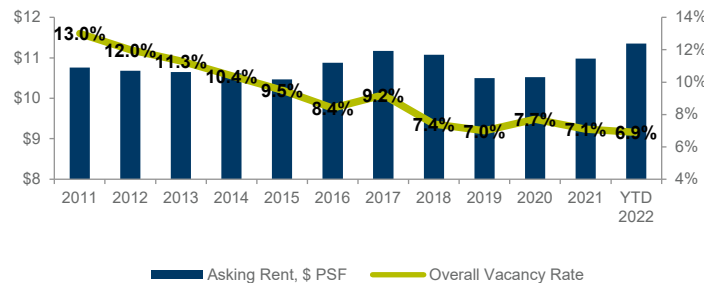
Shopping center vacancy in the combined Cincinnati / Dayton market reached its lowest point in more than a decade in Q2 2022, at just 6.9%. On a year-over-year (YOY) basis, vacancy decreased by nearly 100-basis points (bps), or 561,000 square feet (sf). The majority of the 2021 to 2022 vacancy decrease came from the Dayton portion of the region, where vacancy decreased by 170 bps YOY, versus the Greater Cincinnati vacancy decrease of 50 bps. Between the four types of shopping centers in the combined region, Q2 2022 vacancy rates ranged between 4.6% (Lifestyle) and 7.5% (Neighborhood & Community). Quarterly vacancy decreased YOY in two of the four shopping center types including Neighborhood & Community and Unanchored Strip centers.

For the first time since 2018, first-half net absorption was positive in the combined Cincinnati / Dayton market at nearly 91,000 sf. Unlike the first quarter, the second quarter of 2022 was especially strong as each of the four shopping center categories saw positive absorption. Year-to-date (YTD) 2022 net absorption was evenly distributed between Cincinnati (48,000 sf) and Dayton (43,000 sf) markets. In the first half of 2022, the majority of positive absorption was in Neighborhood & Community and Unanchored Strip shopping centers. The second-largest category, Power / Regional shopping centers, saw negative first-half absorption of 32,000 sf, and Lifestyle Centers also saw negative first-half absorption of -5,700 sf.

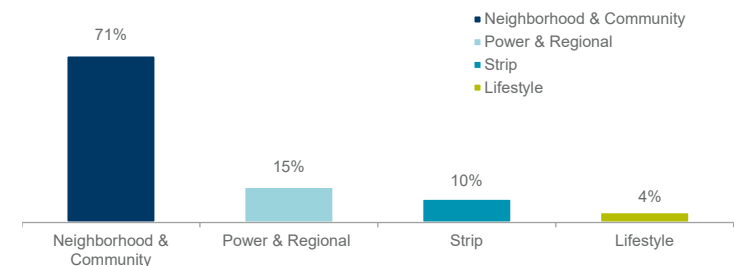
PRICING

Asking rental rates averaged \$11.35 triple net per square foot (psf) per year across all categories. This was a 5.0% 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 Q2 2022

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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 | 3,958,741 | 0 | 181,954 | 4.6% | 120 | -5,687 | 0 | \$17.50 |
| Neighborhood & Community | 41,259,809 | 134,565 | 2,965,270 | 7.5% | 58,411 | 69,932 | 0 | \$10.63 |
| Power / Regional | 9,764,992 | 3,440 | 664,489 | 6.8% | 20,203 | -32,250 | 0 | \$11.57 |
| Unanchored Strip | 8,222,416 | 9,200 | 417,856 | 5.2% | 27,078 | 58,891 | 0 | \$13.85 |
| CINCINNATI / DAYTON TOTALS | 63,199,722 | 147,205 | 4,223,333 | 6.9% | 105,812 | 90,886 | 0 | \$11.35 |

*Shopping Center Types do not include malls & outlets

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

KEY LEASE TRANSACTIONS Q1 / Q2 2022

| PROPERTY | SUBMARKET | TENANT | SF | TYPE |
|------------------------------|----------------------|----------------------|--------|-----------|
| Cross Pointe Shopping Center | South Dayton | Dot's Market | 27,000 | New Lease |
| Waterstone Shopping Center | Mason/Montgomery | Ross Dress For Less | 25,302 | New Lease |
| Western Hills Marketplace | Forest Park/West | Burlington Stores | 25,000 | New Lease |
| River's Edge at Milford | Milford/Wards Corner | Harbor Freight Tools | 18,047 | New Lease |
| Harrison Square | Forest Park/West | Harbor Freight Tools | 17,421 | New Lease |
| Park East Plaza | Butler County | Harbor Freight Tools | 15,000 | New Lease |
| The Foundry | Cincinnati CBD | Five Iron Golf | 13,000 | New Lease |
| Mad River Station | South Dayton | Aldi | 12,000 | New Lease |

KEY SALES TRANSACTIONS Q1 / Q2 2022

| PROPERTY | SUBMARKET | SELLER / BUYER | SF | PRICE / \$ PSF |
|--------------------------|----------------------|---|---------|-----------------|
| Beavercreek Center | East Dayton | CIM Real Estate / Necessity Retail REIT | 270,820 | \$27.3M / \$101 |
| Alexandria Village Green | Northern Kentucky | Albanese Cormier Holdings / MRP Capital Group | 206,296 | \$26.7M / \$129 |
| Latonia Plaza | Northern Kentucky | Andy Blair / BAK Realty Investments | 197,262 | \$8.0M / \$41 |
| West Park Square | Southeast Dayton | BC Wood Properties / JRW Investments | 104,873 | \$9.0M / \$86 |
| Wilmington Plaza | South Central Dayton | Carnegie Companies / Trinicap Properties | 97,145 | \$3.4M / \$35 |
| Ridgewater Plaza | Kenwood | Frayar Enterprises LLC / Covcor Real Estate | 83,915 | \$4.7M / \$56 |
| Tylersville Pointe | Butler County | Midland Atlantic Properties / Tabani Group | 70,923 | \$11.8M / \$166 |
| Shoppes at Valle Greene | East Dayton | Oberer Realty Services / Bears Real Estate | 69,349 | \$6.8M / \$97 |

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