

NAR Commercial Real Estate: Retail and Industrial Update

Brandon Hardin
Research Economist
NATIONAL ASSOCIATION OF REALTORS®

Retail employment and wages exceed 2019 levels

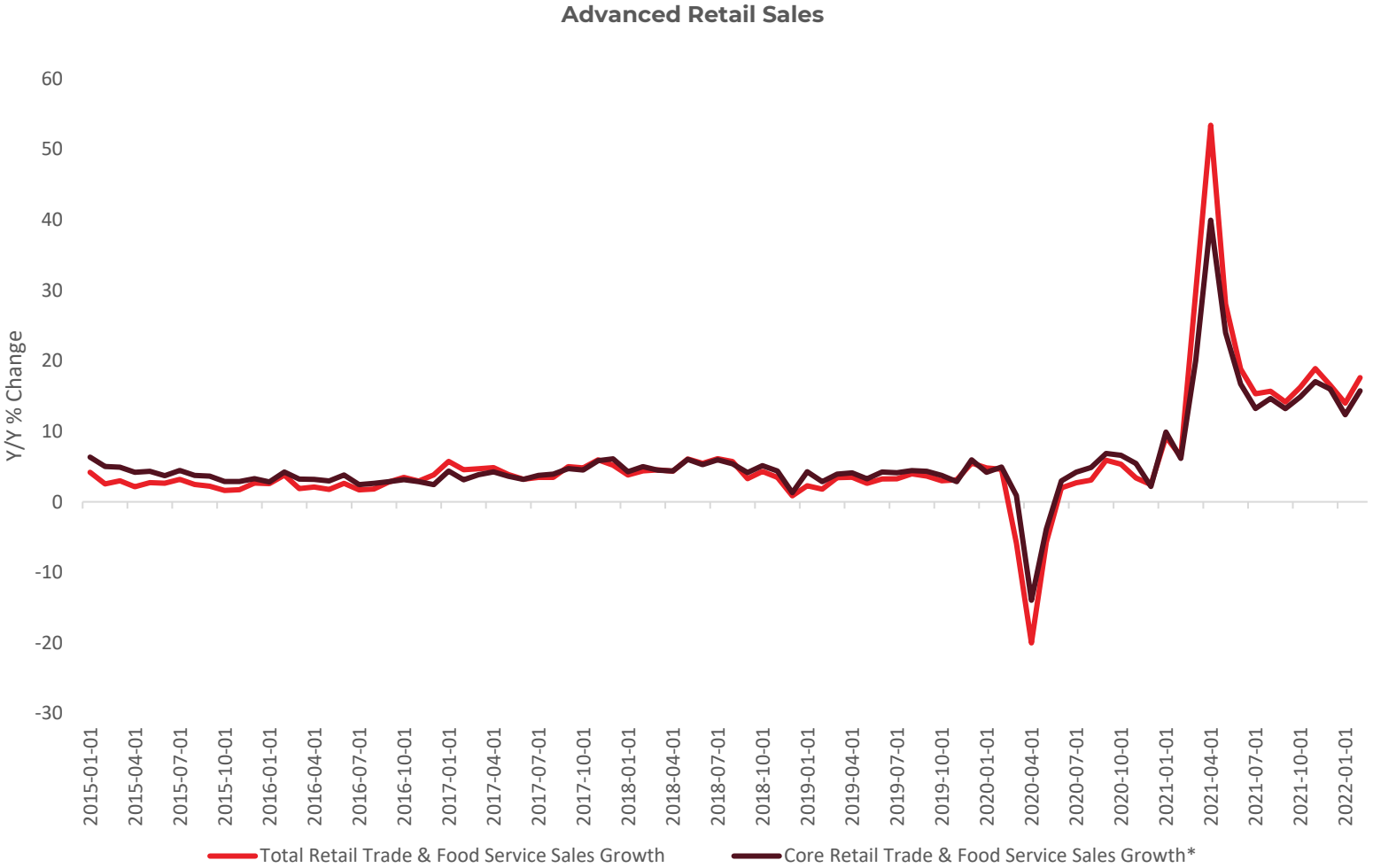


Source: U.S. Census Bureau

Consumer sentiment declines amid retail employment & wage growth



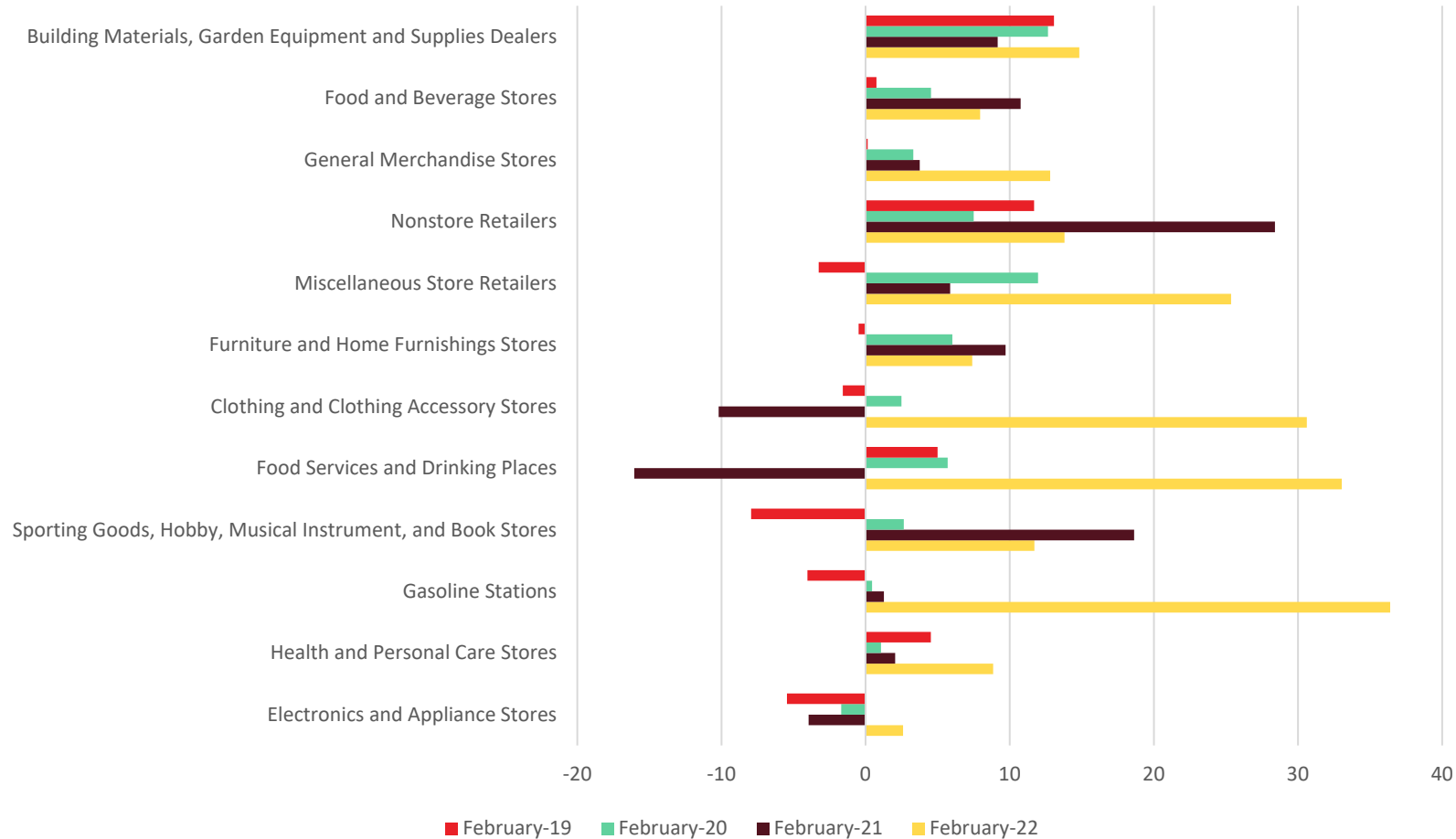
Sharp year-over-year increase in February retail sales



Source: U.S. Census Bureau
Note:* Core Retail Trade & Food Service Sales excludes motor vehicle & parts dealers and gasoline stations.

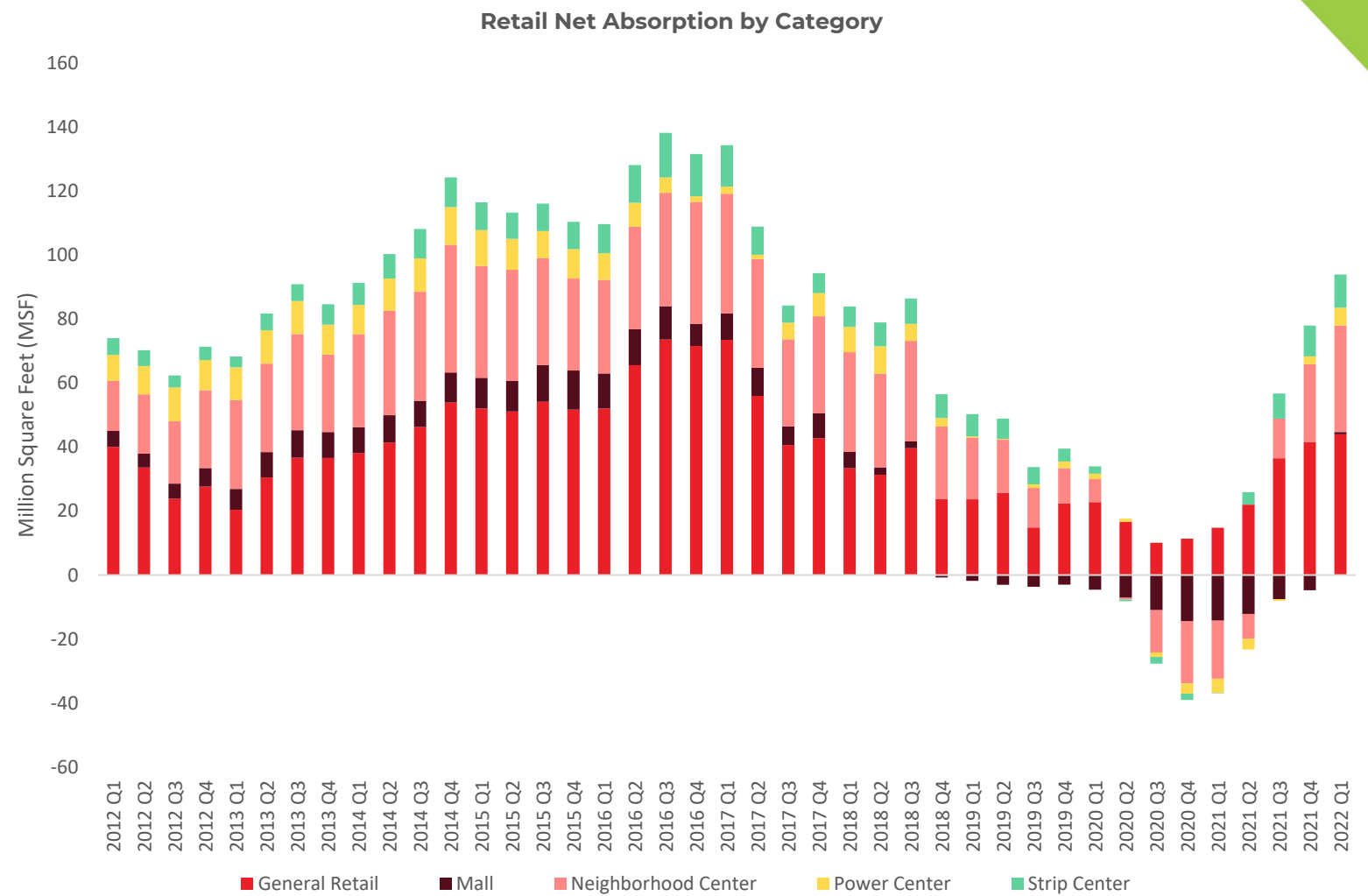
Most growth in retail sales since February 2021: Gasoline Stations by 37%

Year-over-Year Retail Sales Growth by Category (% Change)



Source: U.S. Census Bureau

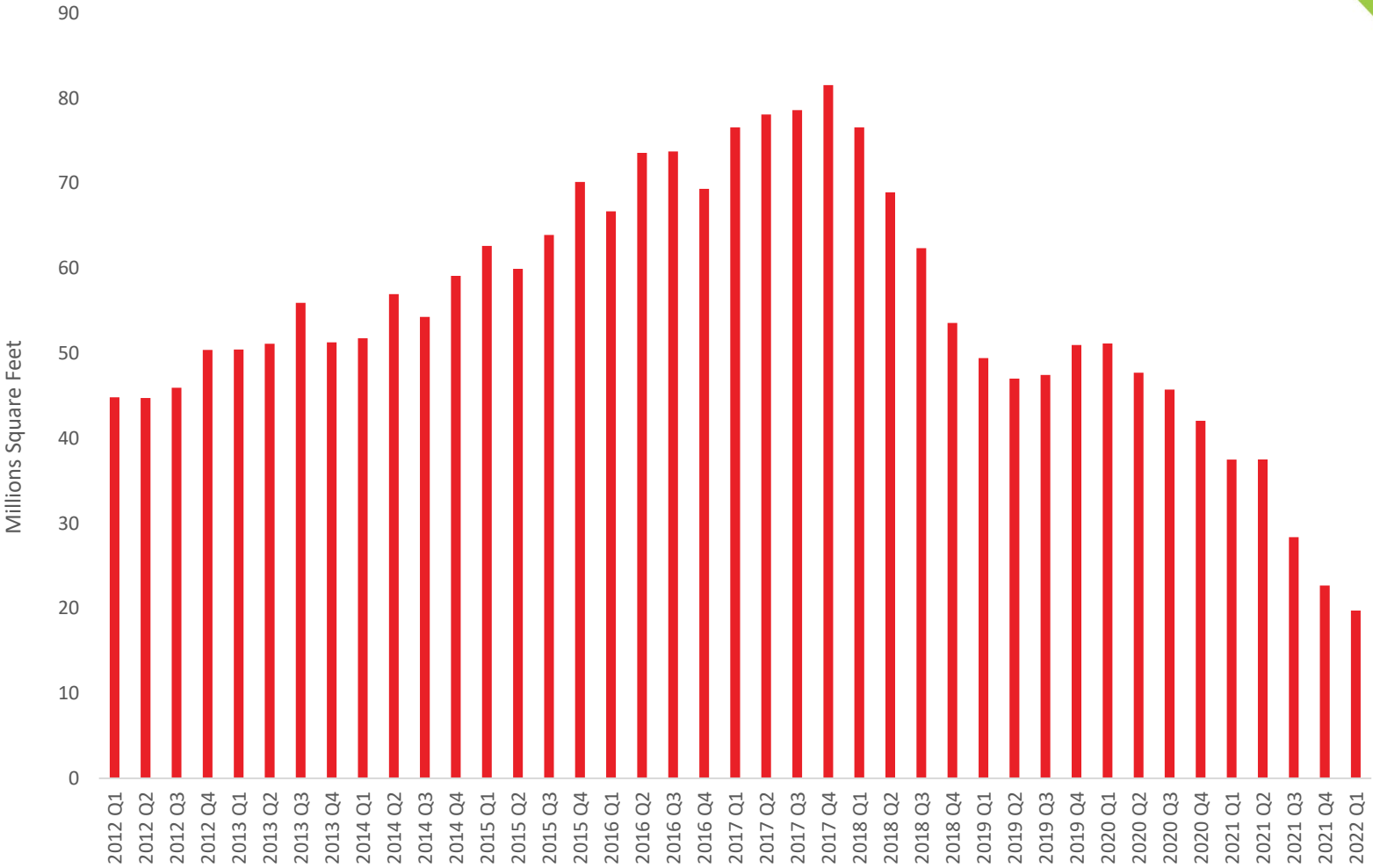
Retail 12-Month absorption: 96 million square feet (March 2022)



Source: NAR analysis of CoStar® data

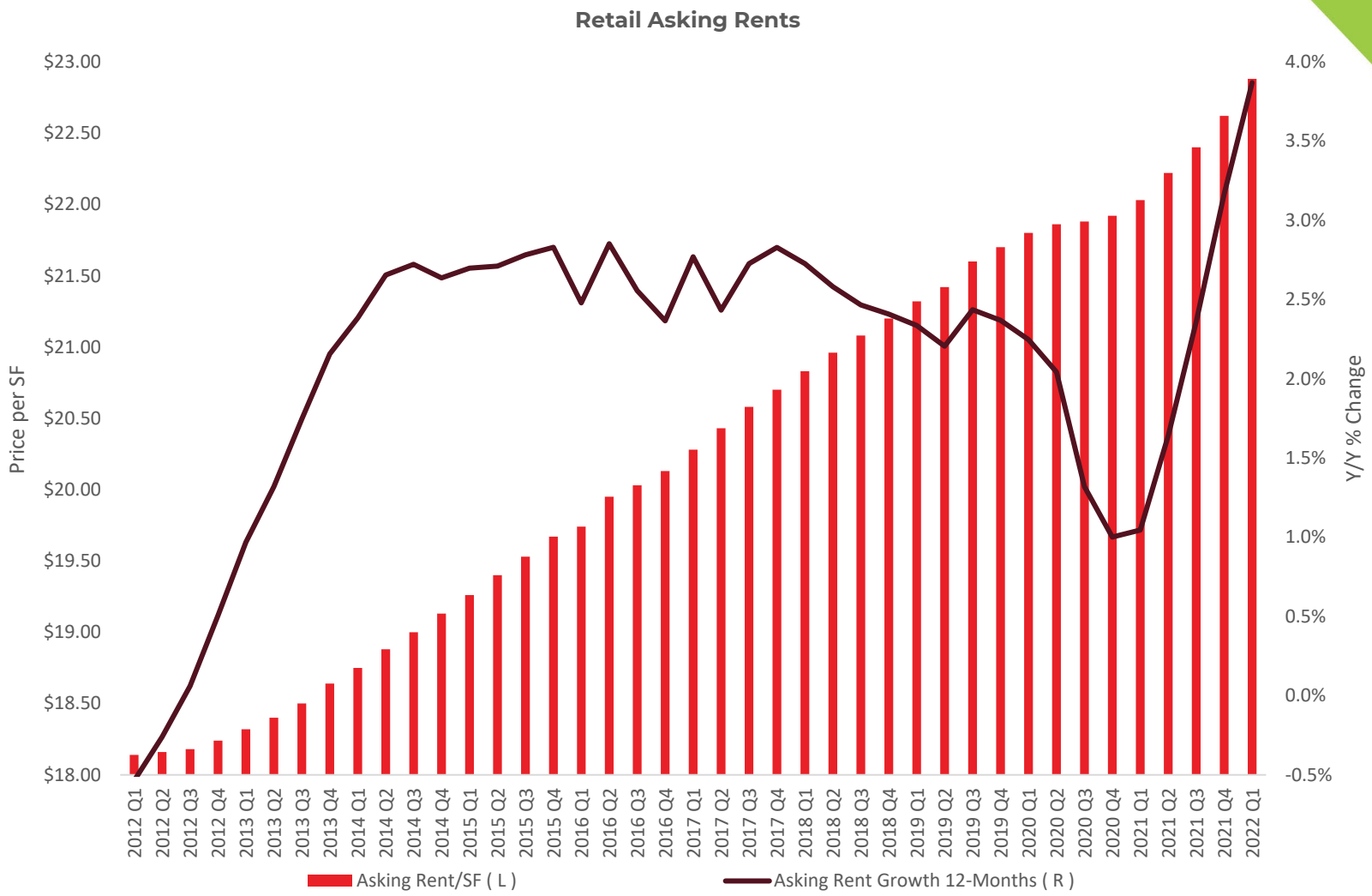
Retail Net Delivered SF 12-Months (Supply) remains low

Retail Net Delivered Square Footage 12-Months as of March 27, 2022



Source: CoStar® data

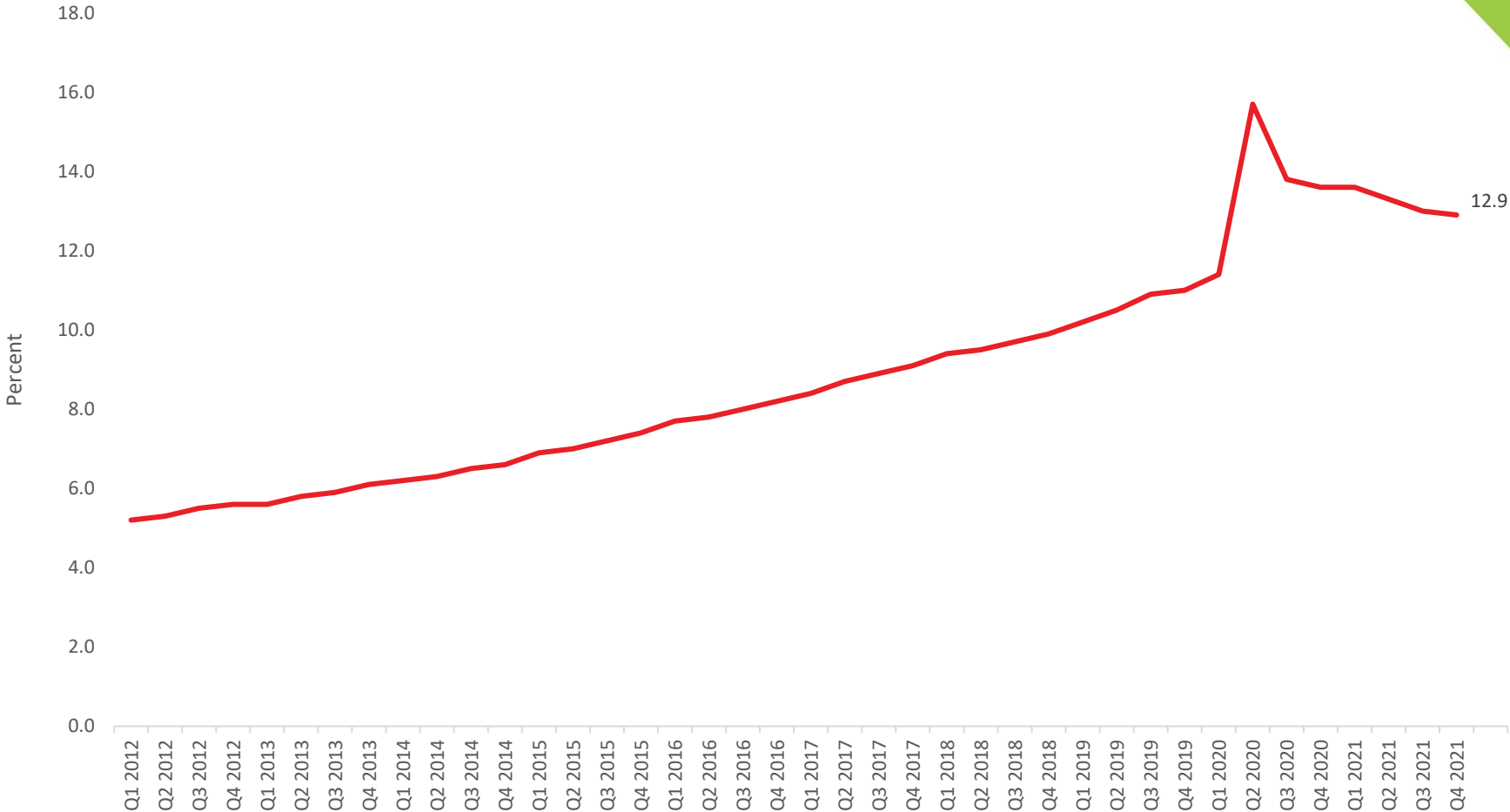
Retail asking rents reach new y/y high of 3.9% at \$22.88



Source: NAR analysis of CoStar® data

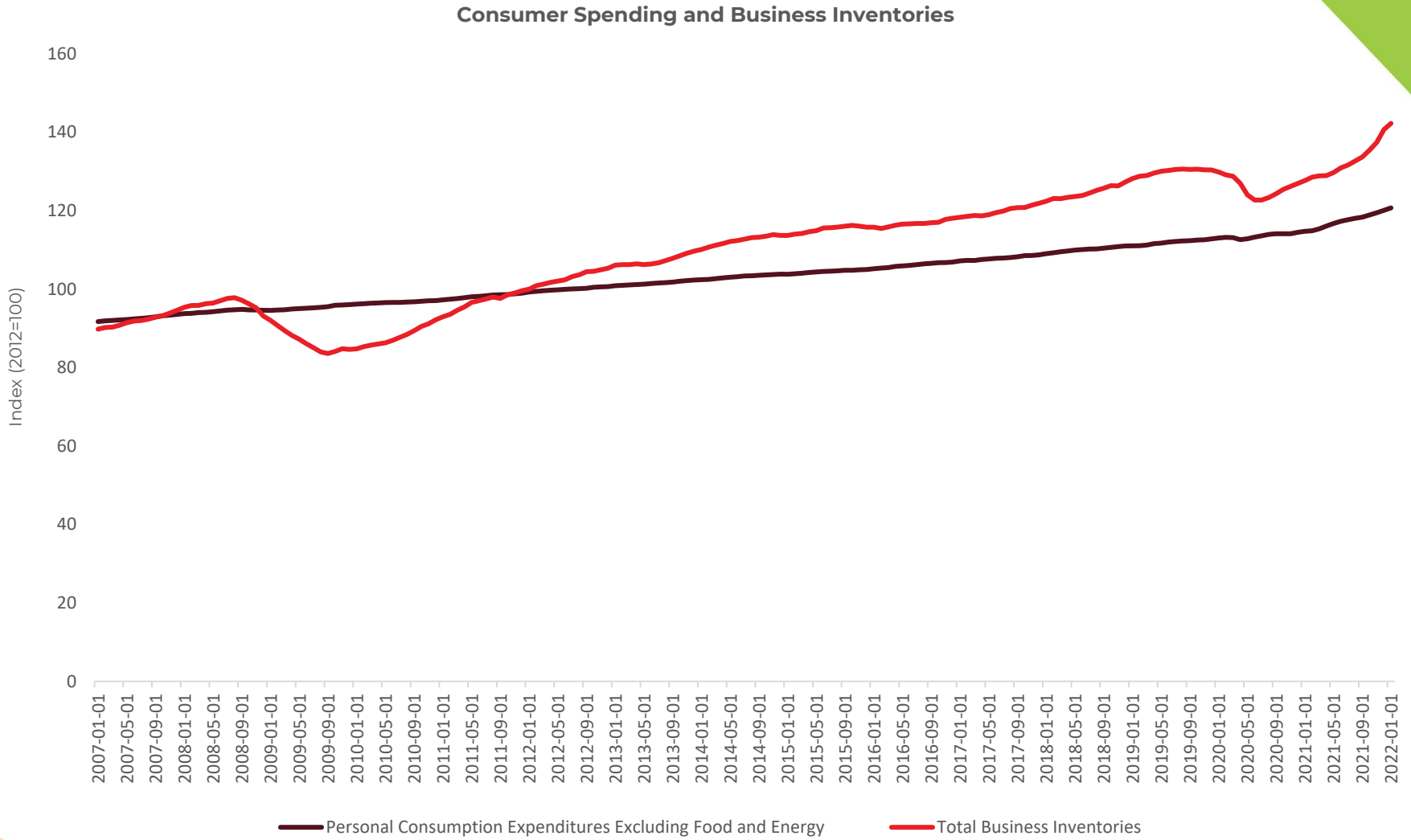
E-Commerce sales plateauing

Quarterly E-Commerce Retail Sales Percent of Total Sales



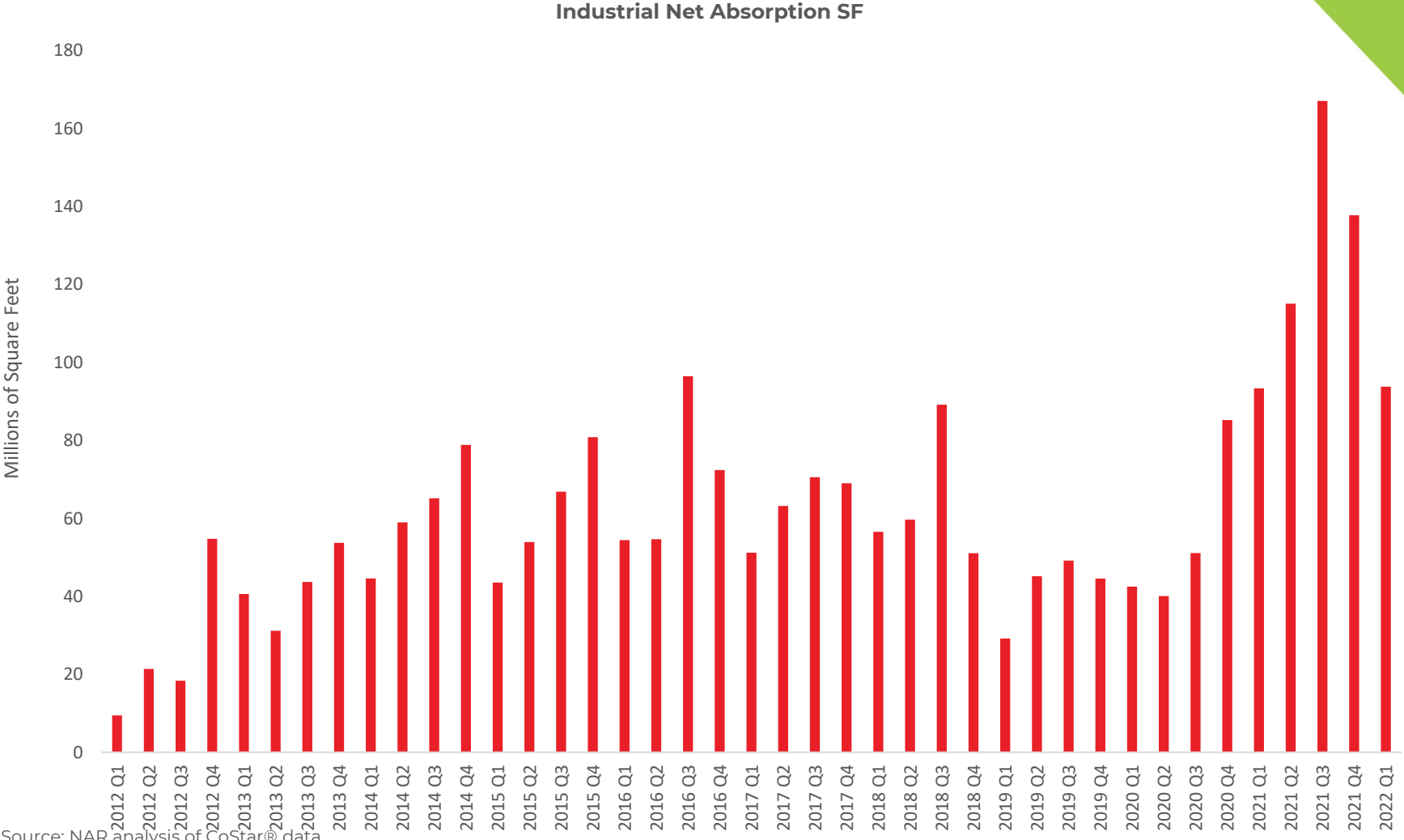
Source: U.S. Census Bureau

Businesses build “safety inventory”



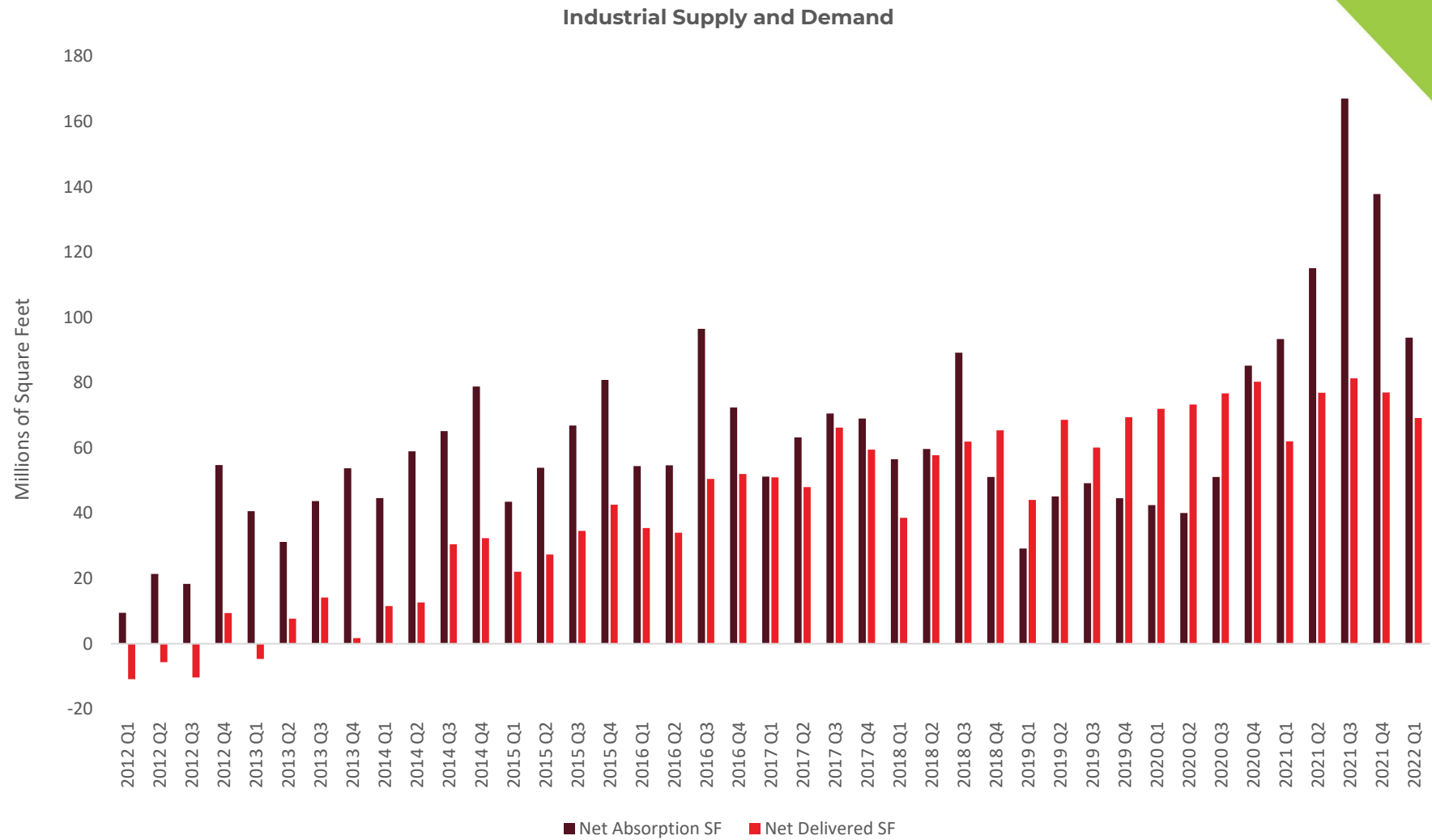
Source: FRED

Industrial absorption at record Q1 level



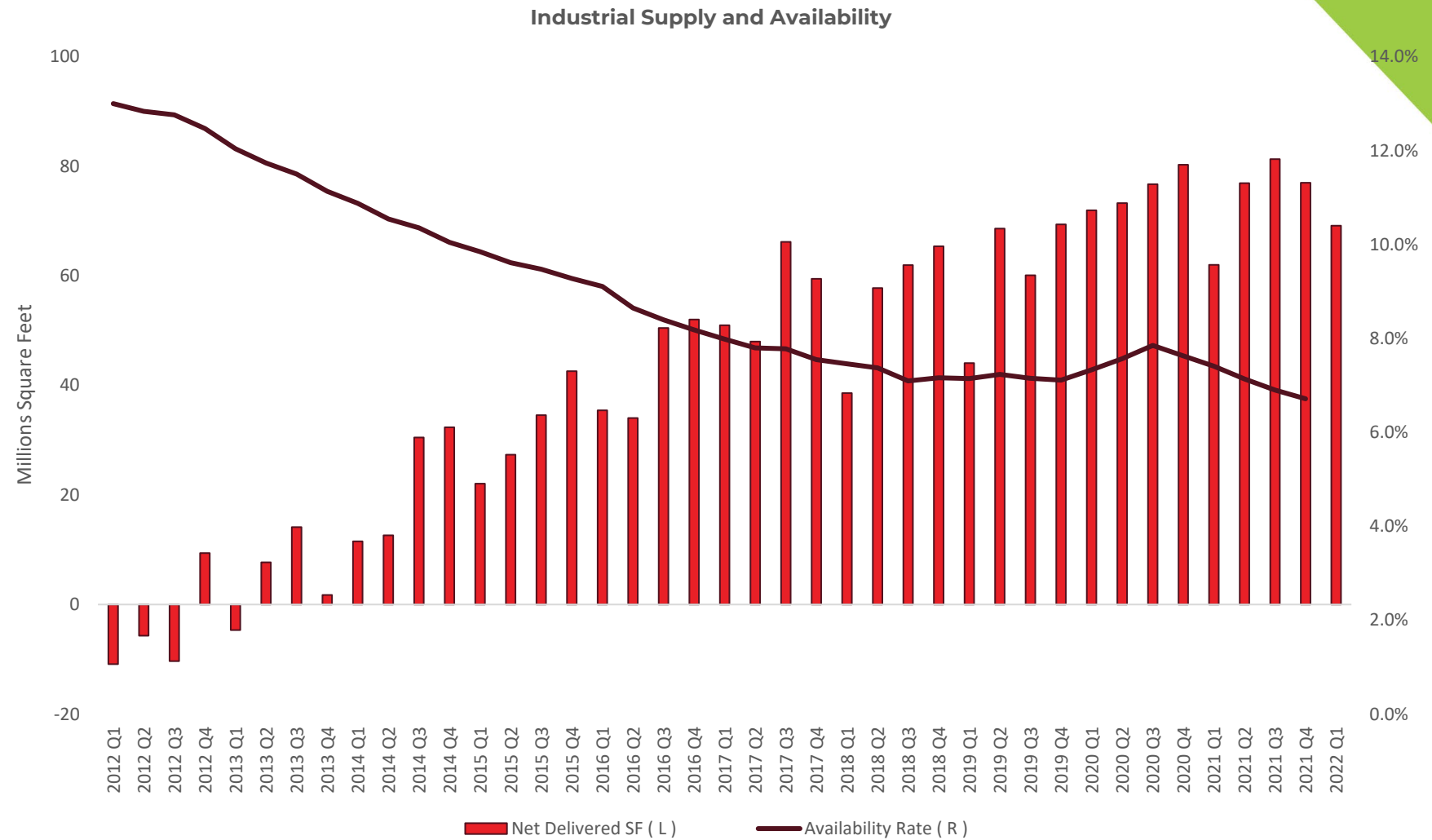
Source: NAR analysis of CoStar® data

Industrial absorption at record high above Q1 and 10-year averages



Source: NAR analysis of CoStar® data

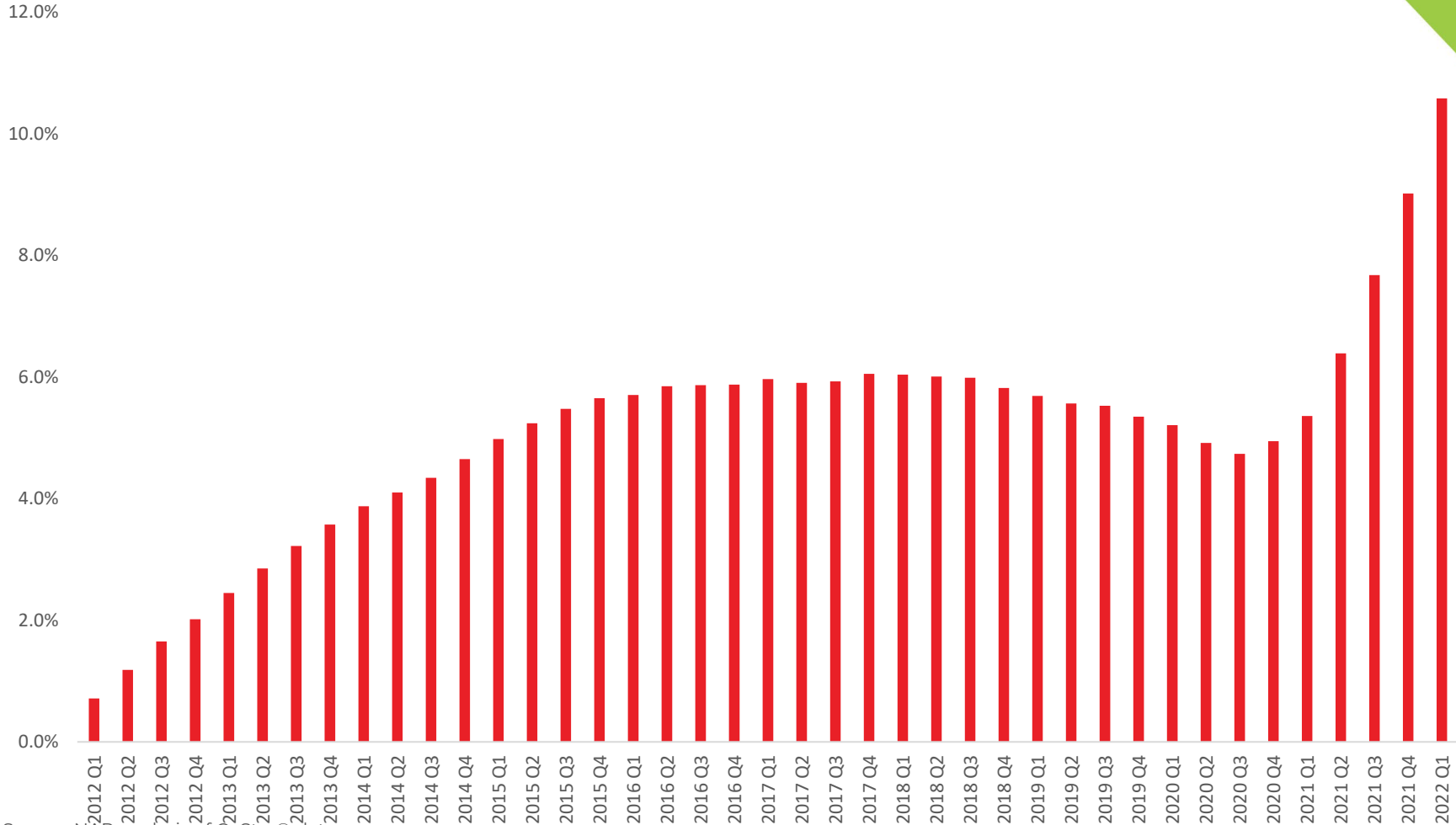
Industrial supply and availability: Both at record lows



Source: NAR analysis of CoStar® data

Industrial asking rents at record high 10.6%

Industrial Asking Rent Growth Y/Y % Change



Source: NAR analysis of CoStar® data



THANK YOU



NARdotRealtor



nar.realtor

#NARForecastSummit

THAT'S WHO WE 

 NATIONAL
ASSOCIATION OF
REALTORS®