

\$76,100

Median HH Income

YoY Chg



12-Mo. Forecast



0.8%

Population Growth



2.2%

Unemployment Rate



Source: BLS, BOC, Moody's Analytics
Data Source: Costar

U.S. ECONOMIC INDICATORS Q2 2023

2.1%

GDP Growth

YoY Chg



12-Mo. Forecast



7.8%

Consumer Spending Growth



1.3%

Retail Sales Growth



2023Q2 data are based on latest available data.
Growth rates are year-over-year

ECONOMY:

Despite the many challenges the U.S. economy is facing, the Omaha market continues to experience positive economic growth. During the twelve-month period ending in the second quarter of 2023, there were 7,900 non-farm payroll positions added. Omaha continues to have one of the lowest unemployment rates in the nation, currently sitting at 2.2%. The local unemployment rate peaked in the fourth quarter of 2022, hitting 3.0%. Omaha's unemployment rate has been under the 3.0% mark for the past six consecutive months. According to the Midland Business Journal's Omaha Grow report, "The Greater Omaha Chamber economic development team has seen significant interest in the area, landing projects worth over \$2 billion in capital investment in 2022 and managing a pipeline of potential projects of over \$18 billion".

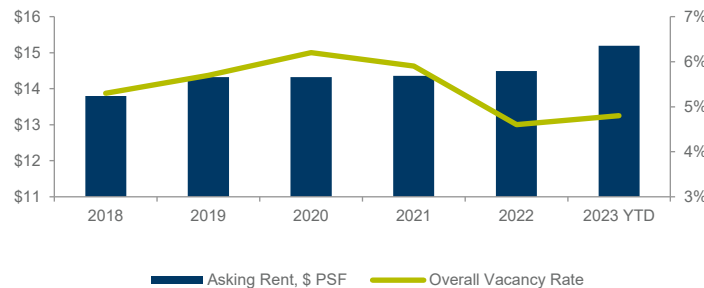
SUPPLY AND DEMAND:

Omaha's retail market recorded 270,538 square feet (sf) of positive absorption in the second quarter, bringing the year-to-date (YTD) absorption total to 348,408 sf. Overall vacancy declined by 40 basis points (bps) year-over-year (YOY), closing the first half of the year at 4.8%. There were four construction deliveries for the quarter, totaling just over 180,000 sf and another eighteen retail properties totaling 224,374 sf are currently in the construction pipeline. The Southwest Omaha submarket saw the most activity for the quarter, recording 147,689 sf of positive absorption. The largest single occupier for the quarter was Hy-Vee, moving into its newly constructed building in the Southwest Omaha submarket. The grocer opened a full-service supermarket at this location, which includes amenities such as, an in-store Starbucks, a pharmacy, a large wine and spirits department, food hall/multiple dining options, an eyewear kiosk, etc. This massive supermarket is 139,270-sf, making it the largest Hy-Vee store in the United States.

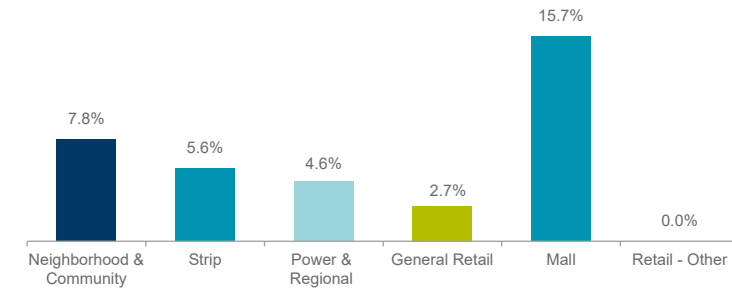
PRICING:

Rent in Omaha's retail market continues to trend upward, increasing by \$0.70 per square foot (psf) YOY. Overall retail asking rents were recorded at \$15.19 psf at the close of Q2, up \$0.16 psf since the beginning of 2023. While each retail property type saw rent growth, mall properties saw the largest amount of rent growth, increasing by 4.2% YOY. Power Centers came in second with \$14.73 psf, an increase of 4.1% YOY. A combination of non-traditional tenants moving into retail space and retail properties being redeveloped and converted to new uses, is keeping retail vacancies low. As long as supply is tight, the market can expect to see continued growth in the retail sector.

RENT / VACANCY RATE



AVAILABILITY BY PRODUCT TYPE



	INVENTORY (SF)	SUBLET VACANT (SF)	DIRECT VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION	YT D OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	OVERALL AVG ASKING RENT (NNN)*
Central Omaha	7,692,317	0	577,205	7.5%	33,500	20,316	10,561	\$15.52
Council Bluffs	5,775,020	2,650	162,847	2.9%	-2,650	-3,425	0	\$7.24
Downtown Council Bluffs	1,889,477	0	62,275	3.3%	4,198	11,078	0	\$10.89
Downtown Omaha	2,843,223	0	116,837	4.1%	11,345	8,340	3,197	\$21.18
E Cass County	835,877	0	28,750	3.4%	600	600	0	\$15.47
E Mills County	142,712	0	0	0.0%	0	0	0	N/A
E Pottawattamie County	484,981	0	2,000	0.4%	0	-692	0	N/A
Harrison County	667,120	0	0	0.0%	0	0	0	N/A
North Central Omaha	3,460,524	12,983	286,589	8.7%	12,744	22,437	38,000	\$11.25
Northeast Omaha	3,215,908	0	43,901	1.4%	10,367	10,411	0	\$15.19
Northwest Omaha	4,762,237	30,000	181,980	4.5%	11,035	20,770	48,296	\$17.93
Sarpy East	7,131,465	169	377,662	5.3%	9,930	-11,170	0	\$16.68
Sarpy West	1,185,199	0	42,931	3.6%	1,895	37,894	1,500	\$19.00
Saunders County	932,038	0	0	0.0%	0	0	0	\$14.00
South Central Omaha	2,058,784	8868	41,503	2.4%	2,063	12,559	3,520	\$11.48
Southeast Omaha	3,522,425	0	28,777	0.8%	4,452	7,688	6,992	\$13.20
Southwest Omaha	12,583,066	48,738	882,040	7.4%	147,689	197,109	96,308	\$14.01
W Cass County	360,582	0	0	0.0%	0	0	0	N/A
W Mills County	522,024	0	0	0.0%	0	0	0	\$10.00
W Pottawattamie County	227,848	0	0	0.0%	0	0	0	N/A
Washington County	1,021,225	0	9,595	0.9%	0	0	0	\$13.31
West Dodge Corridor	3,488,298	0	131,327	3.8%	23,370	14,493	16000	\$19.14
OMAHA TOTALS	64,802,350	103,408	2,976,219	4.8%	270,538	348,408	224,374	\$15.19

*Rental rates reflect NNN asking \$PSF/Year

KEY LEASE TRANSACTIONS Q2 2023

PROPERTY	SUBMARKET	TENANT	SF	TYPE
713-721 S 72 nd St	Central Omaha	Ross Dress for Less	25,886	New Lease
17305 Davenport St	West Dodge Corridor	Ancho & Agave	10,804	New Lease
8303 Spring Plz	Central Omaha	For the Wild Birds	10,583	New Lease

*Renewals included in leasing statistics

KEY UNDER CONSTRUCTION PROPERTIES Q2 2023

PROPERTY	SUBMARKET	OWNER	SF
NEC 204 th & Q St	Southwest Omaha	Woodsonia Real Estate	50,000
7255 N 101 st Plz	North Central Omaha	B Street Collision Services, Inc	35,000

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