

**\$83,700**

Median HH Income

YoY Chg



12-Mo. Forecast



**0.7%**

Population Growth



**2.6%**

Unemployment Rate



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

### U.S. ECONOMIC INDICATORS Q4 2023

**2.6%**

GDP Growth

YoY Chg



12-Mo. Forecast



**6.7%**

Consumer Spending Growth



**3.8%**

Retail Sales Growth



2023Q4 data are based on latest available data.  
Growth rates are year-over-year

### ECONOMY:

Heading into 2023, most economists predicted a U.S. recession happening within the year. After battling soaring prices, skyrocketing interest rates, and economic uncertainty, Americans can breathe a sigh of relief. The U.S. economy beat the odds and the forecasted recession has been called off. After peaking at 9.1% in June of 2022, the U.S. inflation rate has slowly declined and is currently sitting at 3.1% for the twelve months ending in November of 2023, compared to the 7.1% inflation rate that was recorded in November of 2022. Federal Reserve Chairman Jerome Powell also hinted at interest rate cuts in 2024, as inflation cools. On the local front, the job market remained strong through recession fears. Omaha employers added 7,400 jobs year-over-year, bringing the local unemployment rate to 2.6% at year-end. Omaha has the second lowest unemployment rate in the Midwest, coming in behind the Madison (WI) market at 2.5%.

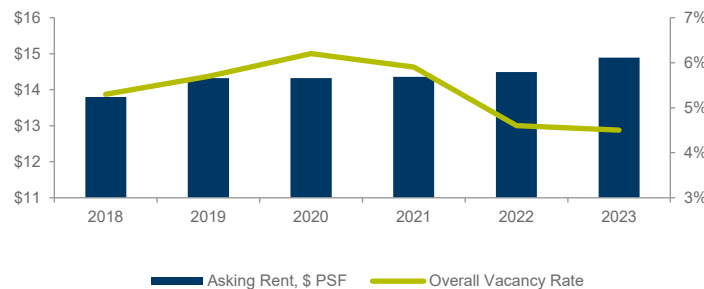
### SUPPLY AND DEMAND:

Demand for new construction remained high, driving positive absorption in 2023. Though developers are working hard to deliver new supply and keep up with demand, much of the space is claimed before construction completion, causing the overall vacancy to remain tight. As a result, tenants are not able to expand as quickly as they'd like to. Omaha's retail market recorded 43,764 square feet (sf) of positive absorption in the last quarter, bringing the year-to-date (YTD) absorption total to 605,646 sf. Overall vacancy declined by 10 basis points (bps) year-over-year (YOY), closing the last quarter of 2023 at 4.5%. Five buildings totaling 180,514 sf were delivered in the fourth quarter, bringing the YTD total to 562,467 sf. There is an additional 224,374 sf of retail product currently in the construction pipeline, and more than half of the new space has already been spoken for. The Southwest Omaha submarket is home to the brunt of new retail construction. Nearly 88.0% of the retail inventory delivered in Q4 was located in Southwest Omaha, and it will be home to 43.0% of the retail space that is currently under construction.

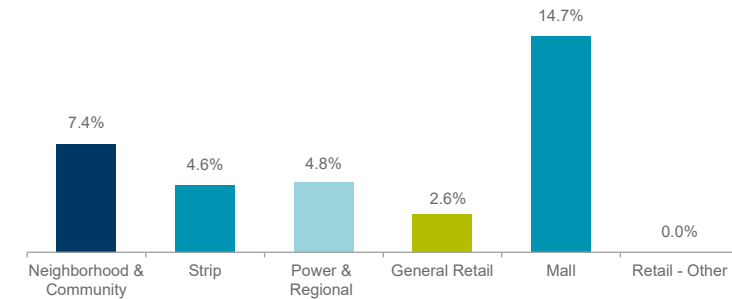
### PRICING:

Average asking rents in Omaha's retail market increased by \$0.40 per square foot (psf) YOY, resting at \$14.89 psf triple net, at the close of 2023. The Downtown Omaha submarket fetched the highest asking rents at \$20.55 psf, an increase of \$0.22 psf YOY. Tenants are willing to pay more for prime retail space and pent-up demand for new retail space will continue to drive asking rents upward, into 2024.

### RENT / VACANCY RATE



### AVAILABILITY BY PRODUCT TYPE



# OMAHA

Retail Q4 2023

**CUSHMAN & WAKEFIELD**

**LUND COMPANY**

	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	7,701,610	10,061	530,549	7.0%	23,713	56,048	10,561	\$16.03
Council Bluffs	5,833,011	1,400	132,182	2.3%	23,960	24,990	0	\$19.72
Downtown Council Bluffs	1,889,777	0	91,668	4.9%	920	-16,795	0	\$10.88
Downtown Omaha	2,832,652	0	138,380	4.9%	-10,927	-13,203	3,197	\$20.55
E Cass County	835,877	0	26,350	3.2%	3,000	3,000	0	\$15.47
E Mills County	142,712	0	0	0.0%	0	0	0	N/A
E Pottawattamie County	484,981	0	0	0.0%	0	1,308	0	N/A
Harrison County	655,811	0	2,480	0.4%	0	-2,480	0	N/A
North Central Omaha	3,434,100	17,839	368,941	11.3%	9,499	51,211	38,000	\$11.46
Northeast Omaha	3,222,753	0	33,514	1.0%	478	1,668	0	\$15.40
Northwest Omaha	4,774,920	30,000	139,071	3.5%	13,619	64,034	48,296	\$18.90
Sarpy East	7,321,849	4,800	302,983	4.2%	28,432	1,129	0	\$15.15
Sarpy West	1,186,903	0	30,305	2.6%	6,182	43,020	1,500	\$18.66
Saunders County	941,850	0	1,444	0.2%	-1,444	-1,444	0	\$14.00
South Central Omaha	2,158,384	8,868	42,138	2.4%	-3,146	5,562	3,520	\$13.67
Southeast Omaha	3,605,556	0	25,856	0.7%	-326	10,609	6,992	\$15.69
Southwest Omaha	12,740,222	64,597	810,673	6.9%	-33,614	390,911	96,308	\$14.80
W Cass County	369,519	0	0	0.0%	0	0	0	N/A
W Mills County	522,024	0	2,800	0.5%	0	-2,800	0	\$10.00
W Pottawattamie County	227,848	0	0	0.0%	0	0	0	N/A
Washington County	1,026,504	0	14,995	1.5%	-5,400	-5,400	0	\$13.31
West Dodge Corridor	3,537,591	6,000	94,671	2.8%	-11,182	-5,722	16,000	\$16.37
<b>OMAHA TOTALS</b>	<b>65,446,454</b>	<b>143,565</b>	<b>2,789,000</b>	<b>4.5%</b>	<b>43,764</b>	<b>605,646</b>	<b>224,374</b>	<b>\$14.89</b>

\*Rental rates reflect NNN asking \$PSF/Year

## KEY LEASE TRANSACTIONS Q4 2023

PROPERTY	SUBMARKET	TENANT	SF	TYPE
5401-5645 N 90 <sup>th</sup> St	North Central Omaha	Fowling Warehouse	47,020	New Lease
255 N 170 <sup>th</sup> St	West Dodge Corridor	Nordstrom Rack	30,000	New Lease
2819 S 125 <sup>th</sup> Ave	Southwest Omaha	MW Climbing	24,000	New Lease

\*Renewals included in leasing statistics

## KEY UNDER CONSTRUCTION PROPERTIES Q4 2023

PROPERTY	SUBMARKET	OWNER	SF
10902 S 150 <sup>th</sup> St	Sarpy West	HHK1023 RE, LLC	62,950
NEC 204 <sup>th</sup> & Q St	Southwest Omaha	Woodsonia Real Estate	50,000

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