CoStar Upgrades U.S. Retail Forecast

August 12, 2026

ARLINGTON, Va.--(BUSINESS WIRE)--Aug. 12, 2026-- U.S. retail projections are expected to remain broadly balanced through 2027, according to a just-released forecast from CoStar, the leading global provider of online real estate marketplaces, information and analytics in the property markets.

This press release features multimedia. View the full release here: https://www.businesswire.com/news/home/20260812070355/en/

Fundamentals forecast to remain balanced

National retail vacancy is anticipated to remain at current levels in the near term before rising minimally over the medium term, while rent growth is expected to strengthen modestly as limited new supply and healthy tenant demand continue to support occupancy.

“The updated forecast reflects stronger-than-anticipated demand earlier this year,” said Brandon Svec, national director of retail analytics at CoStar Group. "Store openings continue to outpace closures, known closure announcements have fallen to their lowest level in several quarters, and retailers have continued to backfill vacant space more quickly than expected. In addition, the pipeline of announced, but not yet opened, stores remains elevated, providing a continued source of future demand over the next two to three years.”

“Although the forecast has improved, risks remain tilted modestly to the downside,” said Svec. “Higher energy prices resulting from geopolitical conflict involving Iran could weigh on consumer spending and retailer profitability. Additional risks include renewed tariff uncertainty, further labor market deterioration leading to slower wage growth, and weaker population gains due to tighter immigration policies. Each could reduce retail sales growth and slow tenant expansion plans over the forecast period.”

The full forecast can be found here.

For more information about the company and its products and services, please visit costargroup.com.

About CoStar Group
CoStar Group (NASDAQ: CSGP) is a global leader in commercial real estate information, analytics, online marketplaces, and 3D digital twin technology. Founded in 1986, CoStar Group is dedicated to digitizing the world’s real estate, empowering all people to discover properties, insights, and connections that improve their businesses and lives.

CoStar Group’s major brands include CoStar, a leading global provider of commercial real estate data, analytics, and news; LoopNet, the most trafficked commercial real estate marketplace; Apartments.com, the leading platform for apartment rentals; Homes.com, the fastest-growing residential real estate marketplace; and Domain, one of Australia’s leading property marketplaces. CoStar Group’s industry-leading brands also include Matterport, a leading spatial data company whose platform turns buildings into data to make every space more valuable and accessible; STR, a global leader in hospitality data and benchmarking; Ten-X, an online platform for commercial real estate auctions and negotiated bids; and OnTheMarket, a leading residential property portal in the United Kingdom.

CoStar Group’s websites attracted over 118 million average monthly unique visitors in the second quarter of 2026, serving clients around the world. Headquartered in Arlington, Virginia, CoStar Group is committed to transforming the real estate industry through innovative technology and comprehensive market intelligence. From time to time, we plan to utilize our corporate website as a channel of distribution for material company information. For more information, visit CoStarGroup.com.

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