CoStarGroup

U.S. Retail Asking Rent Growth Decelerated in the Third Quarter of 2026

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 <location value="LU/us.va.arlton" idsrc="xmltag.org">ARLINGTON, Va.</location>--(BUSINESS WIRE)--Oct. 26, 2026-- <location value="LC/us" idsrc="xmltag.org">U.S.</location> retail asking rent growth decelerated in the third quarter of 2026, according to data from CoStar, a 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/20261026843948/en/ <img arc="https://mms.businesswire.com/media/20261026843948/en/2945077/4/PR_20261026_US_retail_rent_Q3_image1.jpg" alt="Retail rent growth slows to its lowest pace since 2017"> Retail rent growth slows to its lowest pace since 2017   In Q3 2026, national annual asking rent growth slowed to +1.6%, which marked the slowest pace of growth since 2017. The metric was down from +2.3% last quarter and +2.9% a year prior.   "The continued moderation in asking rent growth comes despite a second consecutive quarter of solid demand," said <person>Brandon Swerc</person>, national director of retail analytics at <org value="NASDAQ:IMMS:CSGP" idsrc="xmltag.org">CoStar Group</org>. "Tenant economics have increasingly set the ceiling on rent growth. With elevated operating costs and retailers becoming more selective with expansion plans, tenants have grown increasingly resistant to additional rent increases, particularly in discretionary categories where sales growth has not kept pace."   Every major retail format posted slower growth than a year earlier, underscoring how broadly pricing has cooled across the sector. Power and neighborhood centers posted an annual rent growth of roughly 2.4%, while strip centers and malls recorded a gain of about 1.7%. General retail properties, which account for the largest share of inventory, slowed to roughly 1.0%.   Among markets with at least 100 million square feet of retail inventory, <location value="LU/us.oh.cincin" idsrc="xmltag.org">Cincinnati</location> recorded the strong annual rent growth (+6.2%), followed by <location value="LU/us.tn.nashvl" idsrc="xmltag.org">Nashville</location> (+5.3%) and Charlotte (+5.0%).   <location value="LU/us.pa.pittbr" idsrc="xmltag.org">Pittsburgh</location> and <location value="LU/us.ca.sandgo" idsrc="xmltag.org">San Diego</location> posted declines, at -1.4% and -1.3%, respectively.   The full analysis 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; Zonda, a leading provider of data, analytics, software, and marketplace solutions for the residential construction industry; 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. <img alt="" src="https://cts.businesswire.com/ct/CT?id=bwnews&sty=20261026843948r1&sid=acqr8&distro=nx&lang=en" style="width:0;height:0"> View source version on businesswire.com: https://www.businesswire.com/news/home/20261026843948/en/ News Media Contact
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