



COMMERCIAL PROPERTY VACANCY REPORT – JULY 2020

Introduction

Understandably, the entire City of Charlottesville felt the impact caused by the COVID-19 pandemic and the retail property environment was no different. In Charlottesville, half of City's shopping centers vacancy rates increased during the last six months. Barracks Road Shopping Center increased to 10.34%, the Downtown Mall rose to 4.73%, and The Corner is now at 3.28%. Seminole Square's vacancy rate remained at 18.87% while McIntire Plaza and Preston Plaza continued to have a 0.00% vacancy rate. Altogether, the City of Charlottesville's July 2020 vacancy rate is 6.95%, increasing since the January 2020 study, with a vacancy rate of 4.44%.

Downtown Mall

As established, the vacancy rate for the Downtown Mall has increased to 4.73% since the January 2020 study (0.53%). Based on the definition of vacant, the number of unoccupied storefronts was found to be nine out of 190 storefronts. Below is a table displaying vacancy data from the streets that make up the Downtown Mall area from January 2020 and July 2020.

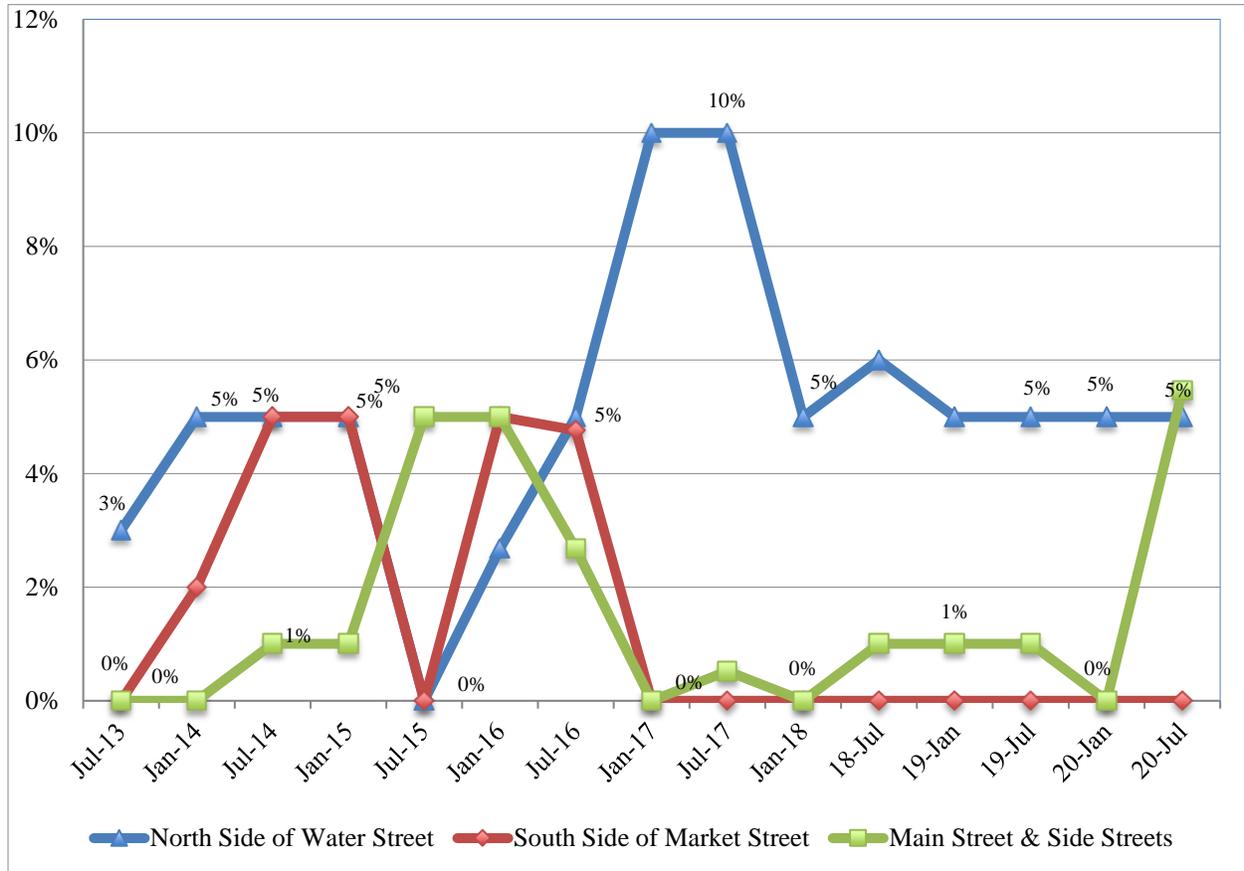
TABLE 1.1 DOWNTOWN MALL VACANCIES & VACANCY RATES*					
JANUARY 2020 & JULY 2020					
Area	Total # of Stores	Vacancies		Vacancy Rate	
		Jan-20	Jul-20	Jan-20	Jul-20
Main Street & Side Streets	146	0	8	0.68%	5.48%
South Side of Market Street	22	0	0	0.00%	0.00%
North Side of Water Street	20	1	1	5.00%	5.00%
Total	190	1	9	0.53%	4.73%

* Businesses that have announced closing since March 2020 are counted as vacant, regardless of the length of closure. In prior studies, locations closed for less than 2 months, under renovation or new leases were not counted as part of this study.

With nine qualifying vacant storefronts out of 190, the Downtown Mall displays a vacancy rate that is significantly lower than the 9.00% peak rate found in both July 2009 and January 2010, during the height of the recession. These trends can be seen in the graph on the following page (Chart 1.1).

Chart 1.1 depicts the Downtown Mall vacancies divided into three main areas: Main Street and the mall side streets, the south side of Market Street, and the north side of Water Street. There were eight vacancies found on Main Street and the side streets; 108 4th Street (formerly Cville Smoke Shop), 321B E. Main Street (The Impeccable Pig), 407 E. Main Street (formerly Wine & Design), 420 E. Main Street Ste A (formerly Chakra Healing), 420 E. Main Street Ste B (formerly Bend Yoga), 107 W. Main Street (formerly Spring Street), 118 W. Main Street B (formerly J. Fenton Gifts) and 201 W. Main Street (formerly The Downtown Grille) were found to be vacant since the last study. The only vacancy on Water Street continues to be at 201 E. Water Street. No vacancies were found on the south side of Market Street.

CHART 1.1 Mall Vacancy Rate by Street 07/2013– 7/2020



New Since Last Study

The Downtown Mall, even during this unusual period, experienced new activity, with many locations open for business and some scheduled to be occupied. Omo Tattoo and Massage opened at 114 4th Street. Superette Saison has just opened at 107 E. Main Street, joining Sombrero's (112 W. Main Street), Luce (110 2nd Street NW) and Vu Noodles (111 E. Water Street) as new businesses opening on the Downtown Mall since the last study. Two planned additions at 101 E. Water Street and 422 E. Main Street are under renovations and will open in the coming weeks.

Other Charlottesville Shopping Centers

In addition to the Downtown Mall, five other shopping areas were studied: Barracks Road Shopping Center, The Corner, McIntire Plaza, Preston Plaza, and Seminole Square. Combined, the total vacancy for all shopping centers, excluding the Downtown Mall, is 9.14%, which is well below the national average of 13.90% (forecasted in October 2019)¹.

¹ www.statista.com, "Forecast of retail vacancy rates in the U.S. 2019-2020."

Barracks Road Shopping Center's vacancy rate has increased, with nine vacancies (10.34%) since the last study in January 2020 (9.20%). 945B Emmet Street, between Old Navy and Nike, has been vacant for three years and 1931 B Arlington is still for lease. Other vacancies were found at 973 Emmet St Ste A (formerly Zinburger), 1044 Emmet Street (formerly J Pedal), 1100 Emmet (formerly Cavalier Tobacco), 1133 Emmet Street (formerly Brixx Pizza), 1137 Emmet Street (formerly CVS). In North Barracks Shopping Center, 2130 Barracks Road is vacant after Sweet Frogs closed. New openings since the last study include the Green Bean Baby Boutique, Spring Street and Mahana Fresh. Chick-fil-A and The Party Starts Here plan to open in the former Burger King and Plow and Hearth locations.

The Corner's rate increased to two vacancies (3.28%) for this study. 109 14th Street remains vacant as Basil closed and Arch's Frozen Yogurt closed at 104 14th St NW #1.

Two of the most stable areas continue to show impressive rates. Preston Plaza has had the lowest consistent vacancy rate of any location, with a vacancy rate of 0.00%, and has held that rate since July 2012. McIntire Plaza continued to hold at a 0.00% vacancy rate, the same since July 2018. Construction continues on over 30,000 square feet of new retail space but since construction is not fully complete, only the three occupied retail storefronts were added to the total number of available spaces. In McIntire Plaza new stores that opened since the last study were PoppyPointe, El Ciruelo, and Cville Glass.

Finally, Seminole Square's vacancy rate has remained the same with ten vacancies (18.87%). The former planned Kroger remains vacant at 220 Zan Road, and stores along the north end of the shopping center are now counted as part of this study since the Hillsdale Drive Extension construction project has been completed. 100 Zan Road (formerly Chili's), 190 Zan Road (formerly GNC), 198 Zan Road (formerly Bike Factory), 234 Zan Road (Performance Bikes), 260 Zan Road (formerly Big Lots) In the north wing of Seminole Square 165, 167, and 169 Seminole Court are all currently vacant. The final vacancy is at 366 Hillsdale Drive, the former Cortiva School of Massage location. New since the last study is Angela's Salon and Spa at 392 Zan Road.

Table 1.2 provides an overview of the vacancy counts and rates in the six shopping centers. Overall, vacancy rates across these six commercial areas increased from 4.44% in January 2020 to 6.95% in this study.

For a visual depiction of the vacancies and planned/new occupancies on the Downtown Mall and in non-Downtown Mall shopping centers, please refer to the attached table including vacant storefronts and planned/new occupancy for July 2020. For a map detailing the surveyed areas, please refer to the attachment *Vacancy Report Study Areas*.

TABLE 1.2 VACANCY TOTALS & RATES - ALL SHOPPING CENTERS July 2019, January 2020 & July 2020							
Area	Total # of Stores	Vacancies			Vacancy Rate		
		Jul-19	Jan-20	Jul-20	Jul-19	Jan-20	Jul-20
Downtown Mall	190	2	1	8	1.05%	0.53%	4.27%
Barracks Road	87	5	8	9	5.75%	9.20%	10.34%
The Corner	61	1	1	2	1.64%	1.64%	3.28%
Preston Plaza	8	0	0	0	0.00%	0.00%	0.00%
Seminole Square	53	10	10	10	18.87%	18.87%	18.87%
McIntire Plaza	50	0	0	0	0.00%	0.00%	0.00%
Total	446	18	20	31	4.02%	4.44%	6.95%

The following criteria were used to determine the vacancy rate in Charlottesville shopping centers:

- Only ground level storefronts were counted.
- Definitions: For the purposes of this survey, the Downtown Mall was defined as the 8-block pedestrian mall, including storefronts on Main Street, the side streets, the south side of East Market Street and the north side of Water Street. The Corner was defined as all commercial establishments on the seven blocks between Madison Lane (Bank of America) and 12 ½ Street Southwest (Graduate Hotel), including side streets such as Elliewood Avenue. As of the July 2014 study, the storefronts on the block of 14th Street to its intersection with Wermland Street have also been included as part of The Corner. Seminole Square, Barracks Road, McIntire Plaza, and Preston Plaza were each defined as the group of commercial buildings that self-identified as a member of the shopping center.
- Storefronts that are unoccupied due to renovations were *not* considered vacant if there are plans for occupancy once the renovations are complete.
- Storefronts that are vacant but have a lease pending/approved were *not* considered vacant.

Vacant Downtown Mall Storefronts & Planned/New Occupancy – July 2020

Downtown Mall: Vacant Storefronts

<p>201 E. Water Street <i>Planned Dewberry Hotel</i> Est. Vac: 10 years</p> 	<p>108 4th Street <i>Former Cville Smoke Shop</i> Est. Vac: 3 mos.</p> 	<p>321 B E. Main Street <i>Former Impeccable Pig</i> Est. Vac: 3 mos.</p> 	<p>407 E. Main Street <i>Former Wine & Design</i> Est. Vac: 3 mos.</p> 	<p>420 E. Main Street Ste A <i>Former Bend Yoga</i> Est. Vac: 3 mos.</p> 
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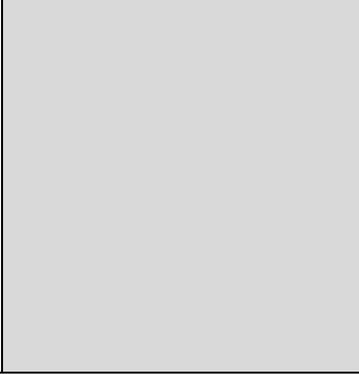
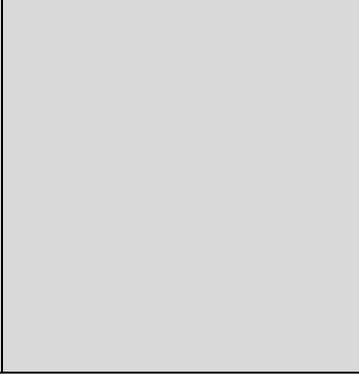
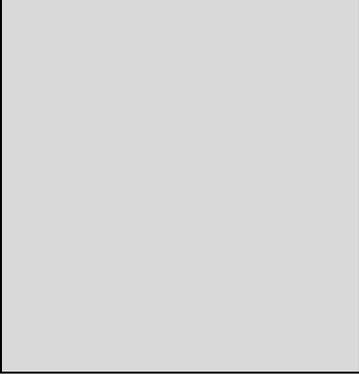
Downtown Mall: Vacant Storefronts

<p>420 E. Main Street Ste B <i>Former Chakra Healing Center</i> Est. Vac: 3 mos.</p> 	<p>107 W. Main Street <i>Former Spring Street Studio</i> Est Vac: 5 mos.</p> 	<p>118 W. Main Street B <i>Former J. Fenton Gifts</i> Est Vac: 6 mos.</p> 	<p>2017 W. Main Street <i>Former The Downtown Grille</i> Est Vac: 4 mos.</p> 	
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Downtown Mall: Planned/New Occupancy

<p>114 4th Street <i>Omo Tattoo & Massage</i> Now Open</p> 	<p>112 W. Main Street <i>Sombrero's</i> Now Open</p> 	<p>110 2nd Street NW <i>Luce</i> Now Open</p> 	<p>111 E. Water Street <i>Vu Noodles</i> Now Open</p> 	<p>101 E. Water Street <i>Vitae Spirits Distillery</i> Downtown Tasting Room Fall 2020</p> 
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Downtown Mall: Planned/New Occupancy

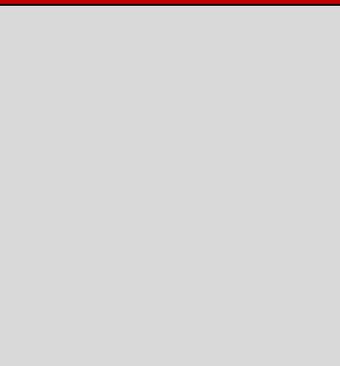
<p>422 E. Main Street <i>Name Undecided</i> Fall 2020</p> 				
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Vacant Non-Downtown Mall Storefronts & Planned/New Occupancy July 2020

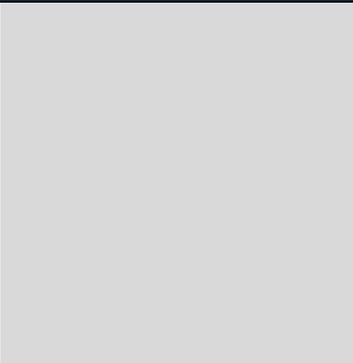
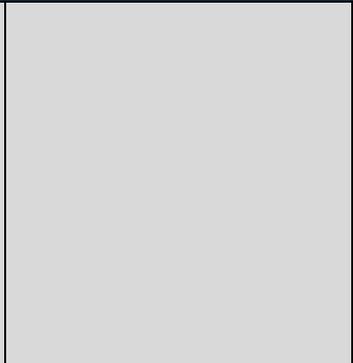
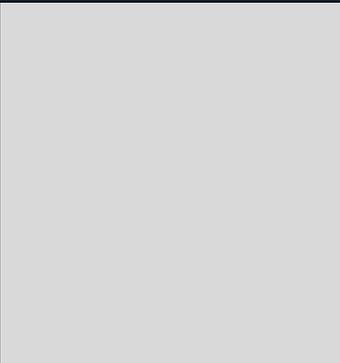
Barracks Road: Vacant Storefronts

<p>945 B Barracks Road <i>Newly Remodeled Space</i> Est. Vac: 3.5 years</p> 	<p>1107A Emmet Street N <i>Former Bevello</i> Est. Vac: 1.5 year</p> 	<p>1931 B Arlington Blvd <i>Newly Remodeled Space</i> Est. Vac: 2.5 years</p> 	<p>1100 Emmet Street N <i>Former Cavalier Pipe & Tobacco</i> Est. Vac: 1.5 year</p> 	<p>2130 Barracks Road <i>Former Sweet Frogs</i> Est. Vac: 3 mos</p> 
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Barracks Road: Vacant Storefronts

<p>1137 Emmet Street <i>Former CVS</i> Est. Vac: 6 months</p> 	<p>1133 Emmet Street <i>Former Brixx Pizza</i> Est. Vac: 6 months</p> 	<p>1044 Emmet Street <i>Former J Petal</i> Est. Vac: 1 year</p> 	<p>973 Emmet Street <i>Former J Petal</i> Est. Vac: 1 year</p> 	
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Barracks Road: Planned/New Occupancy

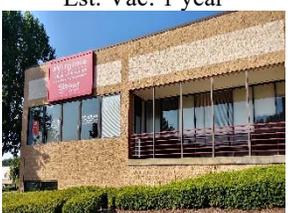
<p>2120 Barracks Road #10 <i>Green Bean Baby Boutique</i> Now Open</p> 	<p>1107 Emmet Street <i>The Party Starts Here</i> Now Open</p> 			
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Vacant Non-Downtown Mall Storefronts & Planned/New Occupancy July 2020

Seminole Square: Vacant Storefronts

<p>165 Seminole Court <i>Former Occupant Unknown</i> Est. Vac: 2 years</p> 	<p>167 Seminole Court <i>Former Pete's Pet Forum</i> Est. Vac: 2 years</p> 	<p>169 Seminole Court <i>Former Boy Scouts Shop</i> Est. Vac: 2 years</p> 	<p>220 Zan Road <i>Former Kroger Relocation</i> Est. Vac: 2.5 years</p> 	<p>260 Zan Road <i>Former Bike Factory</i> Est. Vac: 1 year</p> 
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Seminole Square: Vacant Storefronts

<p>100 Zan Road <i>Former Chili's</i> Est. Vac: 1 year</p> 	<p>190 Zan Road <i>Former GNC</i> Est. Vac: 1 year</p> 	<p>260 Zan Road <i>Former Big Lots</i> Est. Vac: 6 months</p> 	<p>234 Zan Road <i>Former Performance Bikes</i> Est. Vac: 1.5 years</p> 	<p>366 Hillsdale Drive <i>Former Cortiva School of Massage</i> Est. Vac: 1 year</p> 
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Vacant Non-Downtown Mall Storefronts & Planned/New Occupancy July 2020

Seminole Square: Planned/New Occupancy				
<p>392 Zan Road <i>Angela Salon & Spa</i> Now Open</p> 				

Vacant Non-Downtown Mall Storefronts & Planned/New Occupancy July 2020

The Corner: Vacant Storefronts

<p>109 14th Street NW <i>Former Basil</i> Est. Vac: 6 months</p> 	<p>104 14th St NW #1 <i>Former Arch's Frozen Yogurt</i> Est. Vac: 3 months</p> 			
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The Corner: Planned/New Occupancy

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Vacant Non-Downtown Mall Storefronts & Planned/New Occupancy July 2020

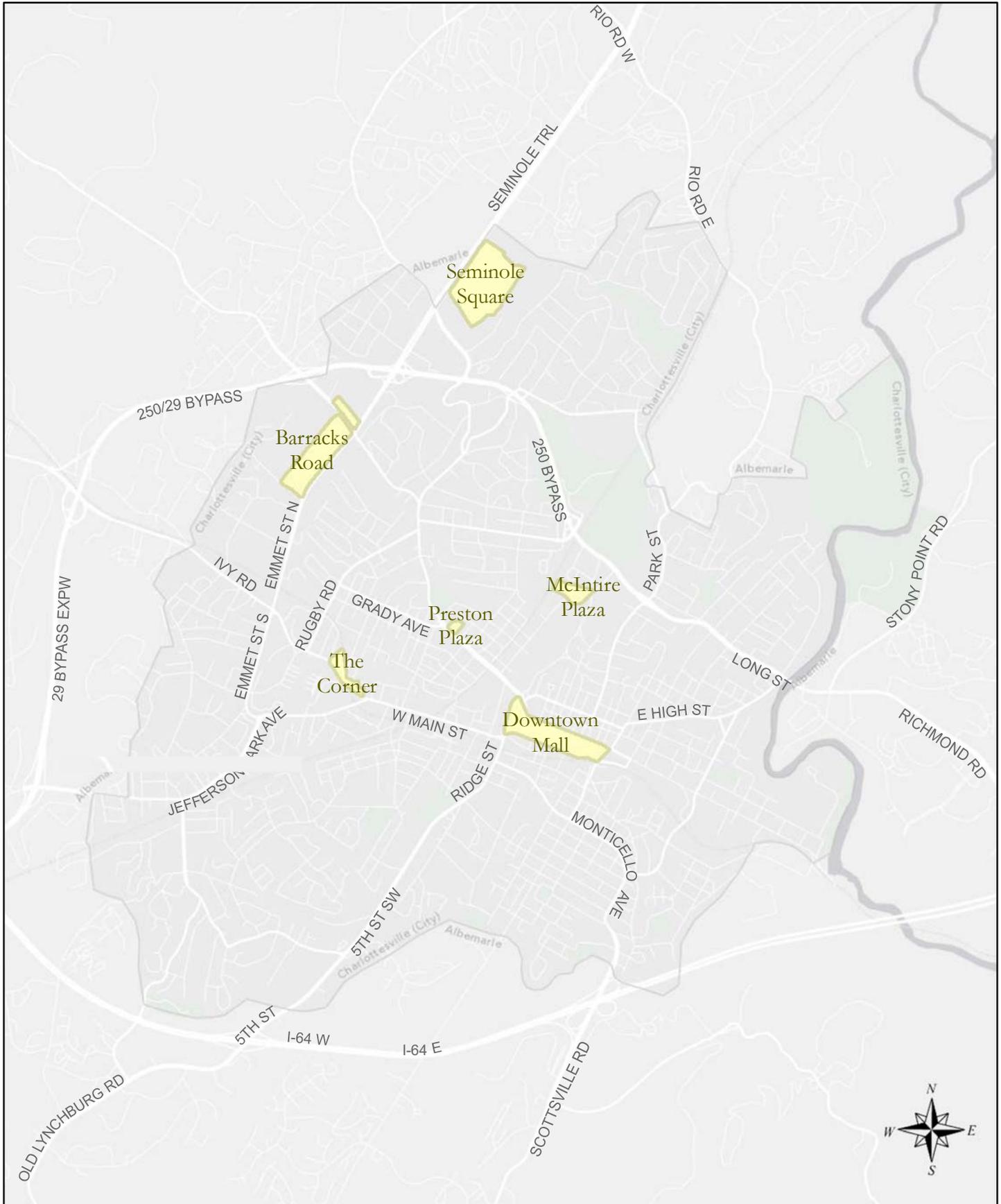
McIntire Plaza: Planned/New Occupancy				
<p>1747 Suite J Allied Street <i>PoppyPointe</i> Now Open</p> 	<p>1703 Allied Lane <i>El Ciruelo</i> Now Open</p> 			

*Indicates storefront has been vacant for less than two months, therefore not meeting the vacancy minimum

“Est. Vac” is defined as “Estimated Time of Vacancy”

“Est. Occ” is defined as “Estimated Time of Occupancy”

Vacancy Report Study Areas



 Retail Areas