

Fundamentals Hold as Investment Volume Pulls Back

▲ 4.9%

Availability Rate

▲ (42K)

SF Net Absorption (000s)

▼ 18K

SF Completed (000s)

▲ \$24.47

Avg. Asking Rent (NNN)

Note: Arrows indicate change from previous quarter.

Source: CBRE Econometric Advisors, Q1 2026.

MARKET HIGHLIGHTS

— The Portland retail market closed Q1 2026 with an availability rate of 4.9%. This represented a .1% increase from Q4 2025.

— The total retail sq. ft. absorbed in Q1 2026 was negative 42,000 sq. ft., compared to negative 103,000 sq. ft. in Q4 2025.

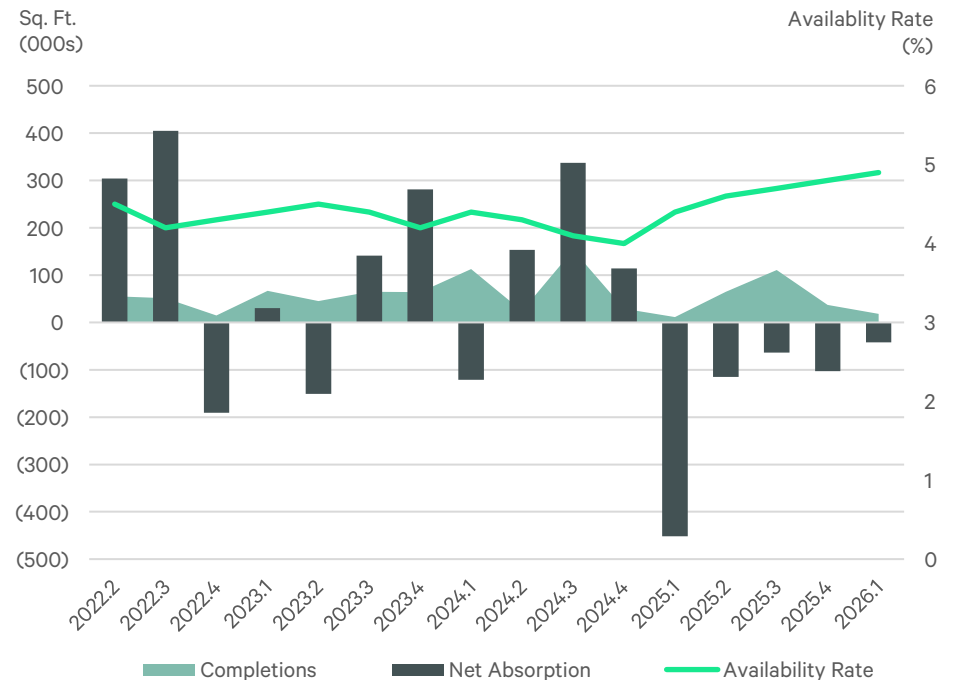
— There was 18,000 sq. ft. delivered in Q1 2026, compared to 37,000 sq. ft. in Q4 2025.

— The overall average net asking rent for retail in Portland ended Q1 2026 at \$24.47, which was up \$0.19 from Q4 2025. Local professionals report seeing higher average net asking rents outside of the CBD and other downtown submarkets, with rates ranging between \$35 - \$45 per sq. ft. in the suburban retail submarkets.

— Significant lease transactions recorded in Q1 2026 include: Crunch Fitness leasing 32,125 sq. ft. at 7809 NE Vancouver Plaza Dr., and Ross Dress for Less's 31,472 sq. ft. lease at 10802-10900 SE Oak St. in Milwaukie.

— The total retail investment sales in Q1 2026 amounted to \$52.4 million in total volume, compared to \$130.8 million in Q4 2025.

FIGURE 1: Completions, Net Absorption, and Availability Rate



Source: CBRE Econometric Advisors, Q1 2026.

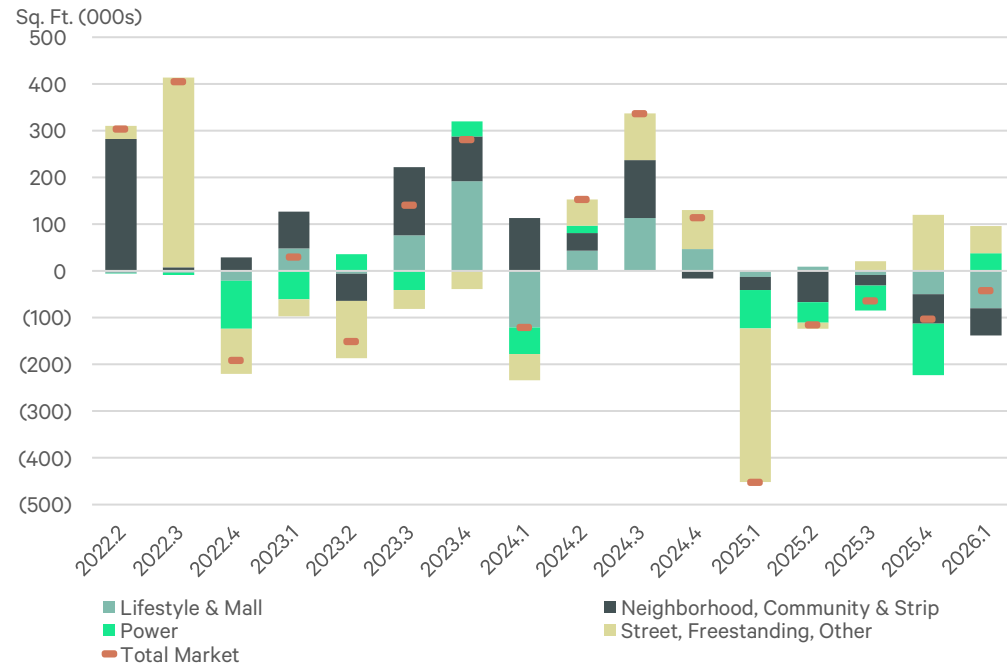
Market Overview

FIGURE 2: Market Statistics by Product Type

| Market | Inventory (SF, 000s) | Availability Rate (%) | Net Absorption (SF 000s) | Completions (SF 000s) | Net Rent |
|---------------------------------|----------------------|-----------------------|--------------------------|-----------------------|----------------|
| Lifestyle & Mall | 7,467 | 4.2 | (80) | - | \$40.00 |
| Neighborhood, Community & Strip | 39,609 | 6.0 | (58) | - | \$24.40 |
| Power | 7,638 | 9.5 | 38 | - | \$32.08 |
| Street, Freestanding, Other | 51,632 | 3.5 | 58 | 18 | - |
| Total Market | 106,346 | 4.9 | (42) | 18 | \$24.47 |

Source: CBRE Econometric Advisors, Q1 2026.

FIGURE 3: Net Absorption by Center Type



Source: CBRE Econometric Advisors, Q1 2026.

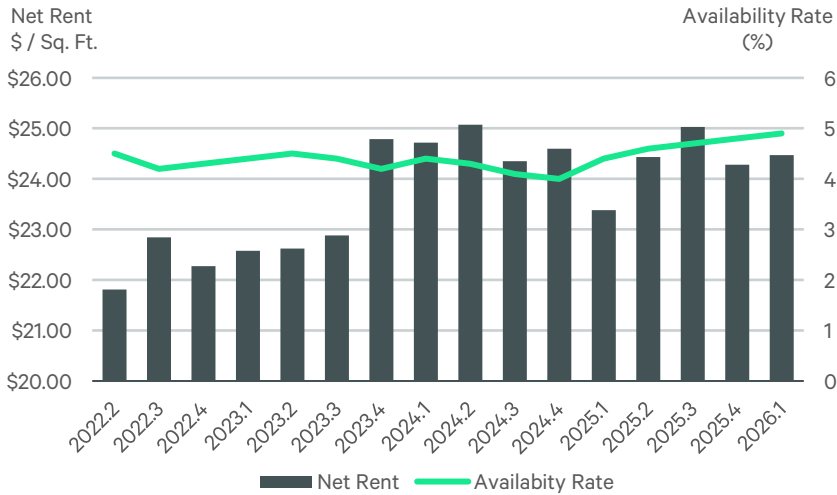
FIGURE 4: Market Statistics by Submarket

| Market | Inventory (SF 000s) | Availability Rate (%) | Net Absorption (SF 000s) | Completions (SF 000s) | Net Rent |
|---------------------|---------------------|-----------------------|--------------------------|-----------------------|----------------|
| Total Market | 106,346 | 4.9 | (42) | 18 | \$24.47 |
| Central Portland | 36,919 | 6.3 | (60) | - | \$21.65 |
| Columbia Co | 1,210 | 5.5 | (2) | - | |
| North Clark Co | 1,798 | 1.5 | 20 | 13 | \$44.00 |
| Outer Clackamas C | 2,370 | 2.3 | (7) | - | \$20.00 |
| Skamania Co | 118 | - | - | - | |
| South Portland/Ore | 15,106 | 5.4 | (27) | - | \$27.10 |
| Vancouver | 16,467 | 4.3 | (4) | - | \$22.27 |
| West Portland/Beav | 27,491 | 3.9 | 34 | - | \$26.58 |
| West Washington C | 1,689 | 1.4 | 3 | - | \$28.00 |
| Yamhill Co | 3,178 | 2.8 | 1 | 5 | \$19.09 |

Source: CBRE Econometric Advisors, Q1 2026.

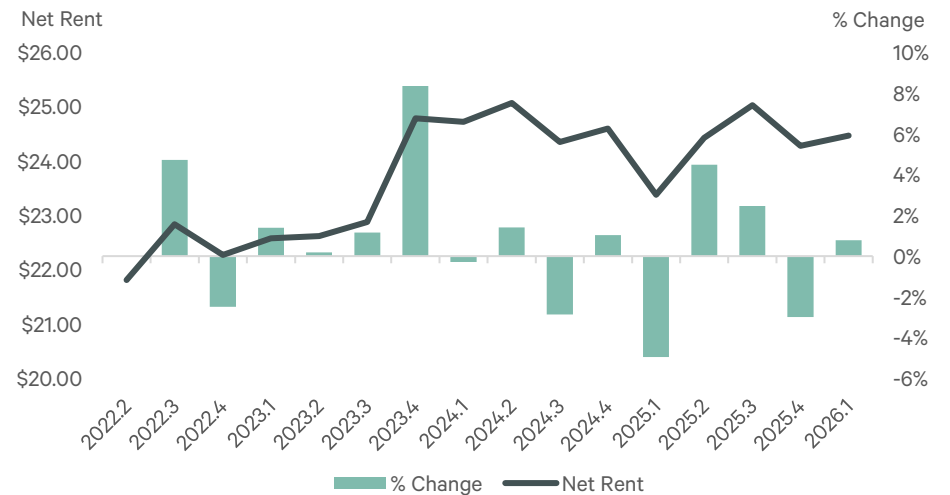
Asking Rents & Availability

FIGURE 5: Net Asking Rent and Availability Rate



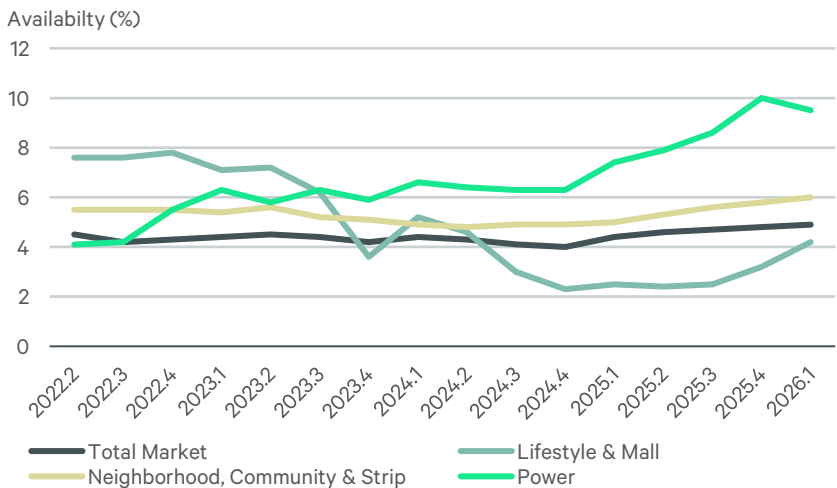
Source: CBRE Econometric Advisors, Q1 2026.

FIGURE 6: Net Rent and % Change



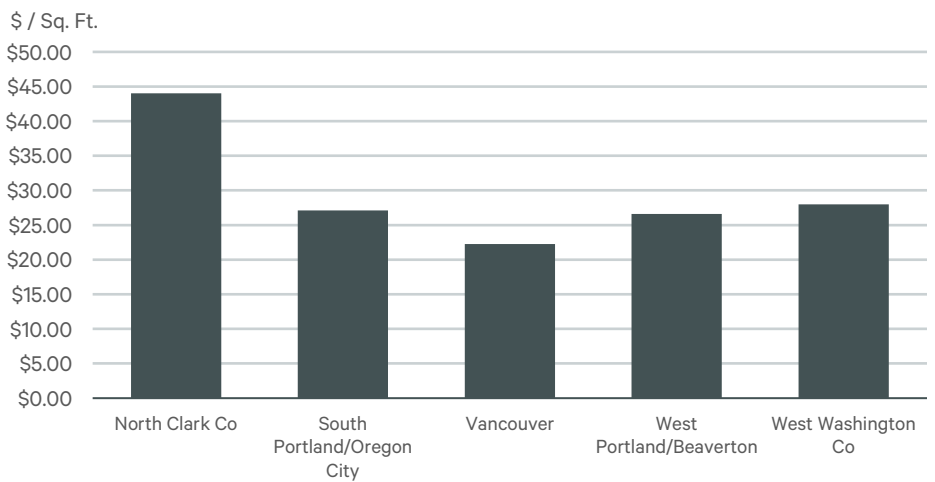
Source: CBRE Econometric Advisors, Q1 2026.

FIGURE 7: Availability by Center Type



Source: CBRE Econometric Advisors, Q1 2026.

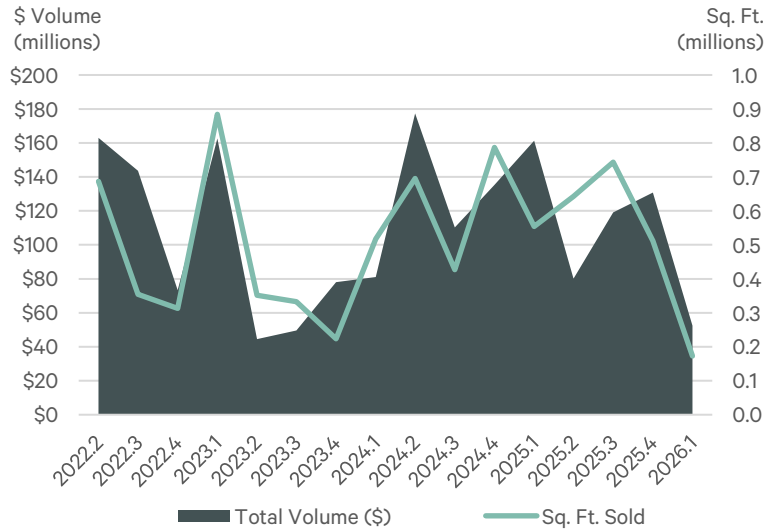
FIGURE 8: Top 5 Submarket by Net Rent



Source: CBRE Econometric Advisors, Q1 2026.

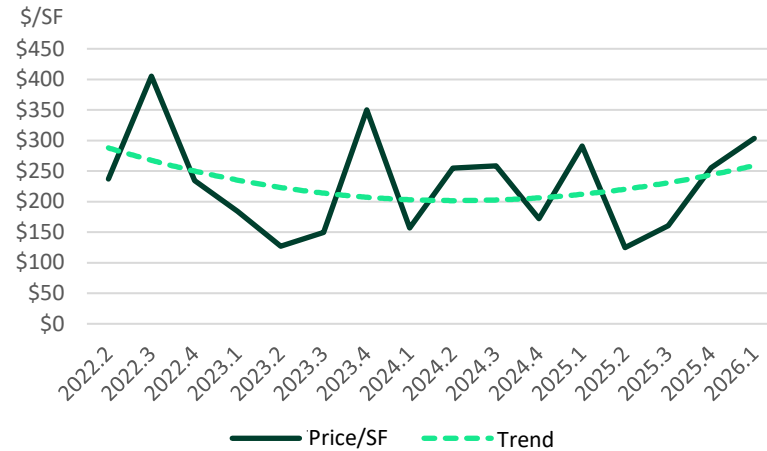
Investment Sales

FIGURE 9: Retail Investment Sale Volume



Source: MSCI Real Capital Analytics, Q1 2026.

FIGURE 10: Retail Investment Sale Price Per Sq. Ft.



Source: MSCI Real Capital Analytics, Q1 2026.

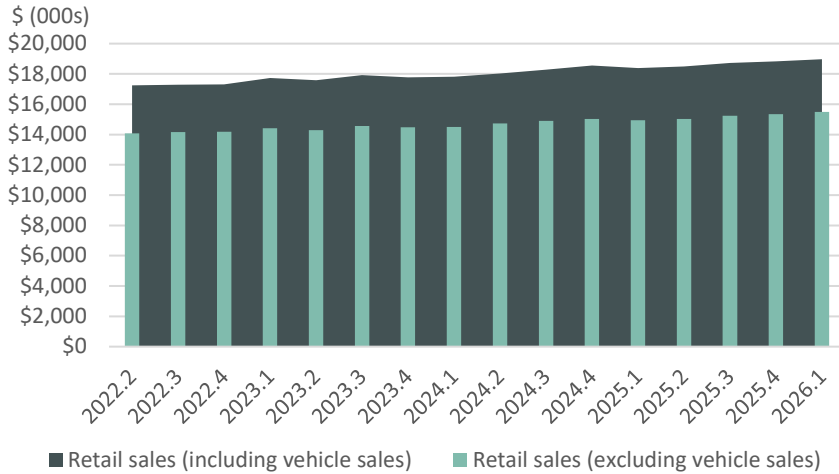
FIGURE 11: Q1 2026 Sale Transactions

| Buyer | Property Name | City | Building SF | Sale Price | Price / SF |
|------------------------|-----------------------------|-----------|-------------|--------------|------------|
| HRC PROPERTY ACQUI, Jc | Highland Fair Shopping Cen | Gresham | 74,764 | \$17,000,000 | \$227 |
| Realty Income Corp | PetSmart | Beaverton | 25,693 | \$7,500,000 | \$292 |
| Gurdial S Virk | 14919 SE Stark Street | Portland | 18,603 | \$4,700,000 | \$253 |
| Bharwinder Singh | Rite Aid | Gresham | 17,272 | \$3,400,000 | \$197 |
| Ae J Yi | 4900 River Road North | Keizer | 16,656 | \$3,600,000 | \$216 |
| DON Rasmussen Company | 10101 Sw Washington Square | Tigard | 9,975 | \$13,000,000 | \$1,303 |
| Keith AMO | 1120 Lancaster Drive Southe | Salem | 9,848 | \$3,210,000 | \$326 |

Source: MSCI Real Capital Analytics, Q1 2026.

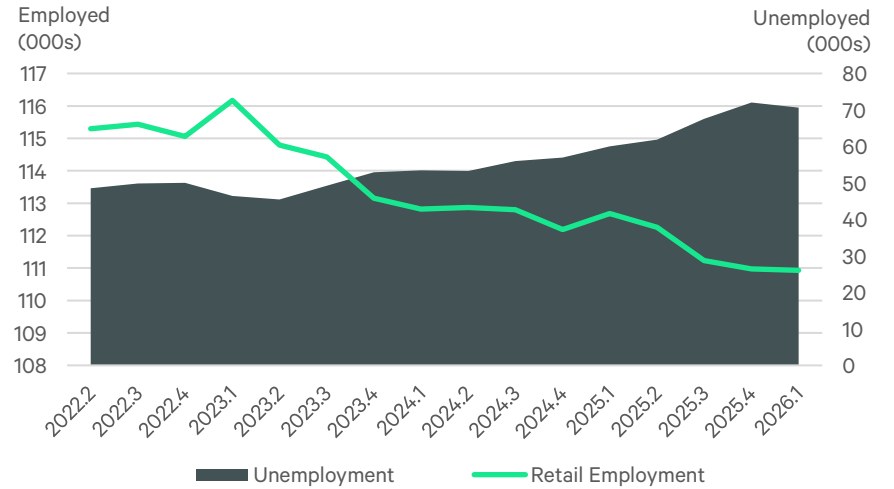
Economic Overview

FIGURE 12: Total Retail Sales



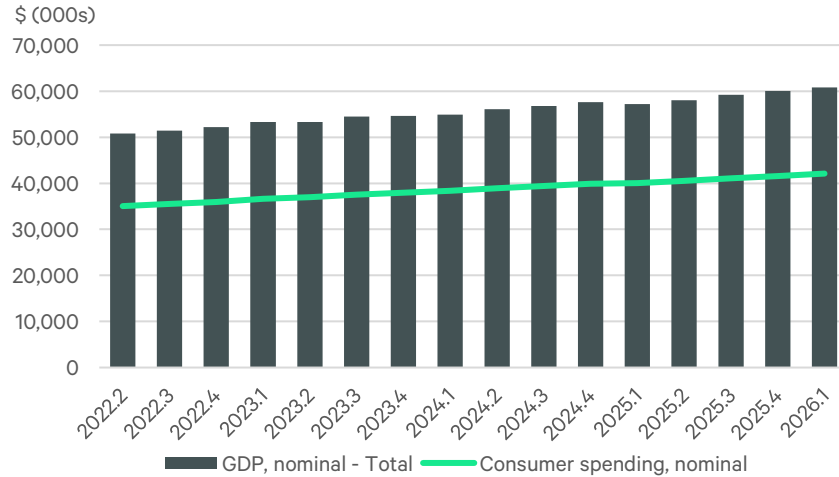
Source: Oxford Economics, Q1 2026.

FIGURE 13: Retail Employment vs. Unemployment



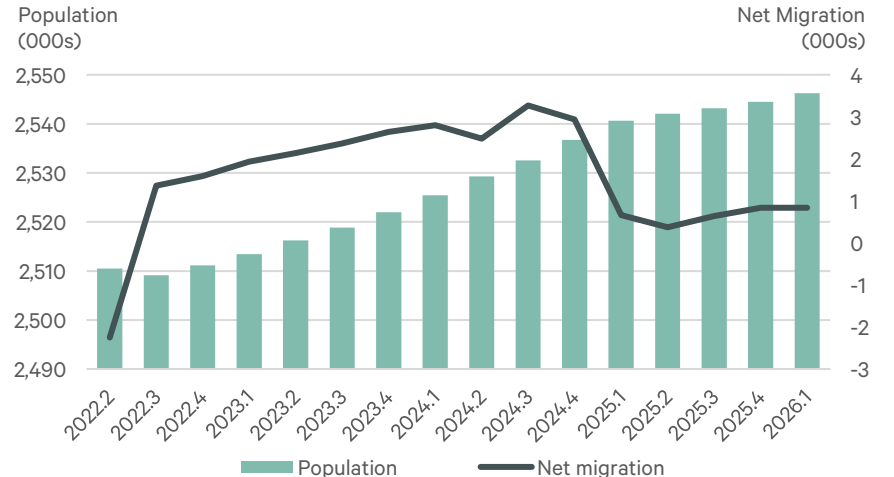
Source: Oxford Economics, Q1 2026.

FIGURE 14: GDP & Consumer Spending



Source: Oxford Economics, Q1 2026.

FIGURE 15: Total Population & Net Migration



Source: Oxford Economics, Q1 2026.

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Retail Definitions

Neighborhood, community and strip centers are groupings of buildings where there is most often an anchor property (except strip). Neighborhood properties are the largest ranging from 125,000 to 400,000 sq. ft., followed by community at 30,000 to 125,000 sq. ft., and strip with 30,000 or less sq. ft.

Lifestyle are upscale national-chain specialty stores with dining and entertainment in an outdoor setting. Lifestyle centers range from 150,000 to 500,000 sq. ft. Malls, including both regional and super regional malls, can provide a wide range of goods and services. Regional malls are built around full-line department stores and usually range over 300,000 sq. ft. Super regional malls are usually over 750,000 sq. ft. with more department stores.

Power Centers are category-dominant anchors, including discount department stores, off-price stores, and wholesale clubs, with only a few small tenants. They range from 250,000 to 600,000 sq. ft. and have multiple anchors.

Freestanding Retail are single-tenant occupied retail buildings. All other variables may vary.

Market Definition

The Portland market consists of Clackamas County, Columbia County, Multnomah County, Washington County, Yamhill County, Clark County, Skamania County.

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