

ROSWELL

Retail in View



FALL/WINTER
2020

Roswell Retail Review

For the past several years, shoppers have been gravitating toward more unique, experience-driven concepts causing the national retail market to shift from traditional big-box stores and shopping malls to **boutiques, specialty markets, and mixed-use developments** that feature a combination of dining, retail, office, and residential options. The base of shoppers in Roswell is no different. Defined as Enterprising Professional, Professional Pride, and Savvy Suburbanite tapestry segments, Roswell's demographic prefers to spend money on quality products, food and wine, and hobby-driven activities. With a **leakage of \$250 million from industry sectors such as food, drink, and curated retail**, growth and opportunity abound throughout the city for a variety of retail concepts.

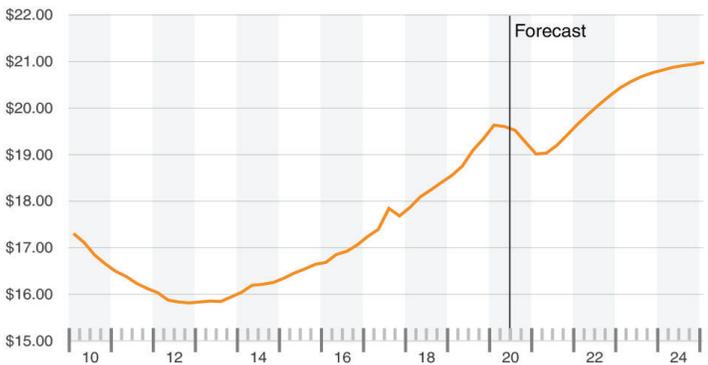
With limited greenspace available in Roswell for new builds, redevelopment of retail space is increasing. Shopping centers such as Connexion Plaza, Roswell Village, Roswell Square and Roswell Depot have all been redeveloped over the past few years, breathing new life into outdated retail centers. Roswell also has a high concentration of retail located in its downtown Historic District. Over the past decade, this area has become a regional destination for shopping and dining—**offering more than 25 chef-driven restaurants, 5 craft-beverage destinations, and several art galleries and boutiques surrounded by high-end residential**. The destination is rapidly expanding beyond the Canton Street epicenter, stretching from Woodstock Road to the Chattahoochee River. Additionally, the Historic District will soon be home to the **new mixed-use development Southern Post**, which will introduce 40,000 square feet of space to the retail footprint of the downtown corridor.

Despite COVID-19, Roswell's retail market data for the last 12 months shows improvements in most areas. However, with the industry trending toward an alltime high in occupancy rate and asking rates at the end of 2019 and early 2020, the impact of the pandemic is likely minimized by early 2020 gains. The city has more than 8 million square feet of inventory and 20,000 square feet under construction, with an **occupancy rate at a 10-year-high of nearly 93 percent**. Additionally, Roswell has seen a **positive total net absorption of 60,000 square feet** for the last 12 months. While the market sale price saw a slight decline of 1.4 percent to \$193 per square foot, **market rent increased by 2.9 percent to \$19.55 per square foot**. CoStar is currently forecasting a decrease in market rates over the next 12 to 18 months with a potential return to pre-COVID rates sometime in 2022.

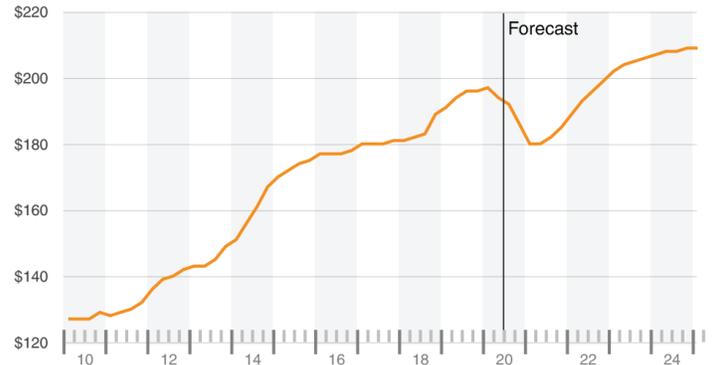
By the Numbers

Inventory (SF)	Inventory Under Construction (SF)	Vacancy Rate	Net Absorption (SF)	Market Rent (PSF)	Market Sale Price (PSF)	Market Cap Rate
8.1 Million	20,000	7.1%	60,000	\$19.55	\$193	7.2%

Market Rent per SF



Market Sale Price per SF



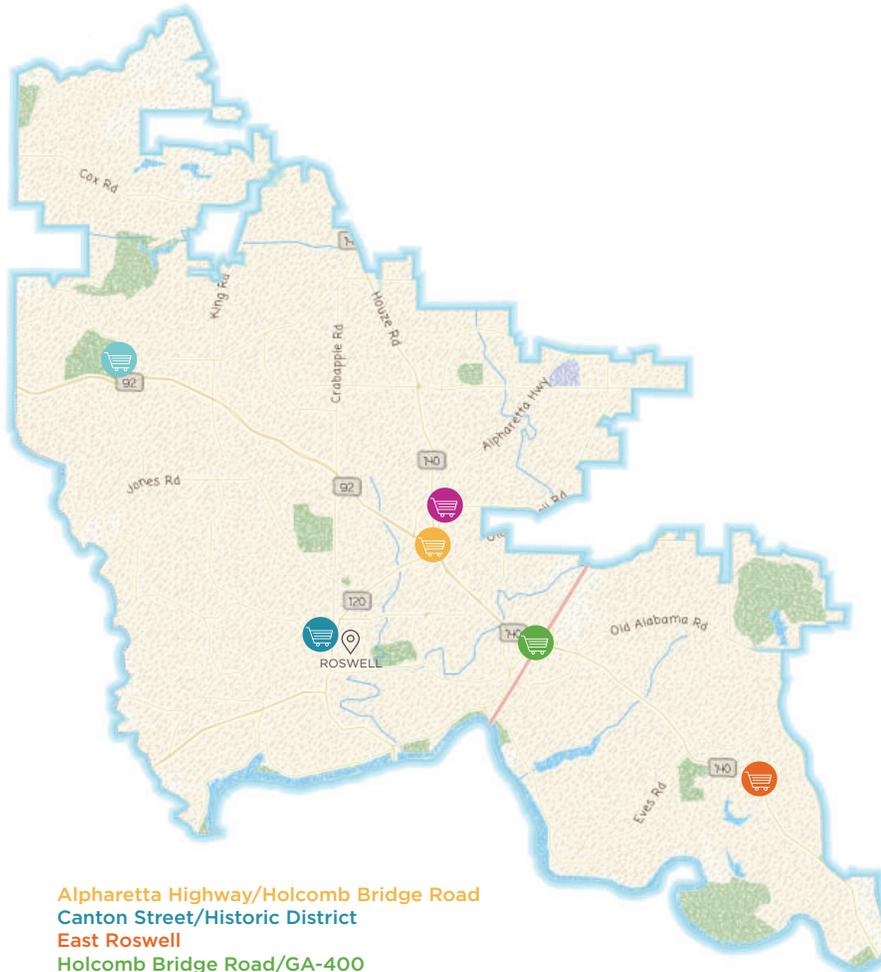
COVID-19 Impact & Outlook

While the full impact of the pandemic on the retail market is still unknown, Roswell has not seen a tremendous amount of storefront and restaurant closures, which is in sharp contrast to much of the country. Many of the businesses that did close during the pandemic were immediately backfilled. Additionally, major development projects continue to move forward throughout the city. Southern Post mixed-use development, which will bring **more than 40,000 square feet of retail** to Historic Roswell, is slated to **begin construction in the first half of 2021** and has secured leases with DaVinci's Donuts and PONKO Chicken. Another development, located at the intersection of Old Alabama Road and Holcomb Bridge Road, broke ground Q3 2020 and will become the home of international supermarket chain **Lidl, slated to open Summer 2021**.

As of **September 2020**, Roswell's unemployment rate sits at **4.3 percent**, significantly less than the 7+ percent unemployment rate reported in May and well below the **current national average of 7.9 percent**. Low vacancy rates, continued development and an improving unemployment rate are all positive signs of recovery.

Roswell Retail Trade Area Analysis

as defined by NextSite using uber retail mobile mapping data



Alpharetta Highway/Holcomb Bridge Road
Canton Street/Historic District
East Roswell
Holcomb Bridge Road/GA-400
Mansell Road/Alpharetta Highway
Parkway Village

Alpharetta Highway/Holcomb Bridge Road

- Population: **363,629**
- Daytime Population: **443,417**
- Average HH Income: **\$129,281**

Canton Street/Historic District

- Population: **1,018,980**
- Daytime Population: **1,476,854**
- Average HH Income: **\$131,734**

East Roswell

- Population: **87,452**
- Daytime Population: **98,943**
- Average HH Income: **\$122,517**

Holcomb Bridge Road/GA-400

- Population: **160,758**
- Daytime Population: **226,219**
- Average HH Income: **\$122,465**

Mansell Road/Alpharetta Highway

- Population: **743,881**
- Daytime Population: **1,072,549**
- Average HH Income: **\$132,791**

Parkway Village

- Population: **309,933**
- Daytime Population: **392,661**
- Average HH Income: **\$125,965**

Featured Projects



Centre Pointe Shops

601 Houze Way, Roswell, GA 30076

- \$9M Development
- 23,000 SF Total, 10,000 SF Retail
- Opened August 2020
- 9 Retail Spaces Total
- Tenants Include:



Majestic Diamond

Ryilee Gray Hair Salon



Roswell Depot Shopping Center

408 Atlanta Street, Roswell, GA 30075

- Fully Renovated in 2019
- 24,000 SF Total
- 6,100 SF Contiguous Retail/Office Available
- Large Restaurant Space Available
- Located Along Future Historic Gateway Project
- Tenants Include:



Roswell Square Shopping Center

587 Atlanta Street, Roswell, GA 30075

- \$3.5M Renovation
- 24,000 SF
- 2 Suites Available (+/- 2,100 SF)
- NEW Restaurant Coming 2021 -
- Tenants Include:



Southern Post Mixed-Use Development

1035-61 Alpharetta Street, Roswell, GA 30075

- \$95M Development
- Construction Beginning Early/Mid 2021
- 40,000 SF Retail
- 90,000 SF Office
- 128 Apartments, 10 Town Homes
- Future Tenants Include:





97,218
total population

1.05% increase
in population growth
projected from 2020 - 2025



103,496
daytime population



2.6
average
family size

39
median
age

Annual Retail Expenditures



Apparel & Services
\$125,987,790



Entertainment & Recreation
\$184,499,503



Food (home & away)
\$522,606,965

Retail Gap



Food & Beverage
\$59,423,581



Clothing & Accessories
\$45,416,369



General Merchandise
\$148,505,075



\$141,715

average household income

52% of households
earn \$100,000+

Top 3 Tapestry Segments of Residents

Enterprising Professionals

These residents are well educated and climbing the ladder in STEM (science, technology, engineering, and mathematics) occupations. They change jobs often and therefore choose to live in condos, town homes, or apartments; many still rent their homes. The market is fast-growing, located in lower density neighborhoods of large metro areas. Enterprising Professionals residents are diverse, with Asians making up over one-fifth of the population. This young market makes over one and a half times more income than the US median, supplementing their income with high-risk investments. At home, they enjoy the Internet and TV on high-speed connections with premier channels and services.

1 **2.48** median
average household size age
35.3
\$86,600
median household income

Professional Pride

These consumers are well-educated career professionals that have prospered through the Great Recession. To maintain their upscale suburban lifestyles, these goal oriented couples work, often commuting far and working long hours. However, their schedules are fine-tuned to meet the needs of their school age children. They are financially savvy; they invest wisely and benefit from interest and dividend income. So far, these established families have accumulated an average of 1.6 million dollars in net worth, and their annual household income runs at more than twice the US level. They take pride in their newer homes and spend valuable time and energy upgrading. Their homes are furnished with the latest in home trends, including finished basements equipped with home gyms and in-home theaters.

2 **3.13** median
average household size age
40.8
\$138,100
median household income

Savvy Suburbanites

These residents are well educated, well read, and well capitalized. Families include empty nesters and empty nester wannabes, who still have adult children at home. Located in older neighborhoods outside the urban core, their suburban lifestyle includes home remodeling and gardening plus the active pursuit of sports and exercise. They enjoy good food and wine, plus the amenities of the city's cultural events.

3 **2.85** median
average household size age
45.1
\$108,700
median household income

ROSWELL [inc]

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As the economic and business development organization for the City of Roswell, Georgia, we serve as a catalyst for a vibrant and sustainable business community. Our vision is for Roswell to be the best place in the region for innovative, community-minded businesses and entrepreneurs, and we accomplish this through four main areas of work—business attraction and recruitment, business retention and expansion, industry support, and business development.

As a 501(c)6 nonprofit, we have worked with the city through a public-private partnership since 2012.

Learn more at roswellinc.org.



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For nearly a century, Georgia Power has helped hometowns across our state grow and prosper. To help companies and communities navigate the journey to success, our team of seasoned experts provides free consultation and services. Our experienced business recruitment and community development teams, highly-skilled engineers and nationally recognized research analysts support them at every stage of growth. From site selection to business expansion, we've helped create or retain almost 147,000 jobs in the last decade.

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