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FOR IMMEDIATE RELEASE:

Survey of 3,300 shopping centers reveals retail segments with most and least rent abatement requests

Retail data and software company, Retailsphere has reached out to 3,300 shopping centers with over 60,000 units to determine which segments have most often requested rent abatements due to the Coronavirus pandemic.

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At the beginning of the Coronavirus pandemic, Retailsphere reached out to shopping center owners [asking how rent abatement requests were impacting their business](#). At the time they stated roughly 30% of tenants were requesting full or partial rent abatement, with an inclination to provide relief to small or local businesses before large national brands.

Retailsphere representatives have followed up with those shopping center companies and many other retail commercial real estate firms in a larger, second survey, now that much of the nation has begun re-opening their economies. These firms represent over 66,000 units across all retail segments representing thousands of national brands and franchisors as well as local and regional businesses.

In these interviews, Retailsphere specifically asked what percentage of retailers requested rent abatement based in these 8 segments: Food/Restaurant, Fitness, Physical Retail, Salon, Child-Related, National Brands, Franchisees and Medical/Professional. While “rent abatements are not something you want to do regularly,” stated one VP from Maryland, “in this case it's something you have to do because it's the difference between life and death for some of these businesses.”

Based on this survey, rent abatements were requested by salons most frequently. 100% of the firms interviewed with salon tenants had some percentage ask for rent abatement. On average 30.6% of all salons requested rent abatement. This is followed by fitness related retailers, with an average of 16.3% of requesting rent abatements, and then national brands/franchisees with an average of 12.2% requesting rent abatements.

Survey respondents assumed these categories most frequently asked for abatements as a result of frequent forced closures, and in many cases, state mandated delays in re-opening. These delays have been especially problematic for gyms. One Florida management group said, “fitness gyms that offer basketball, pickleball and racquetball have a harder time bouncing back because of the restrictions. We’ve seen 55% of our fitness tenants request rent abatement as a result.”

The industries with the fewest requests were child focused businesses with just an average of 4% requesting rent abatement, followed by medical (6%) and food (8%) related retailers requesting abatements.

When interviewed, Mark Brutten of Brixton Capital, said “The restaurant industry was able to stay open, but some restaurants were not prepared for takeout only and delivery. Some ran out of take out supplies and because the warehouses they get their food trays from were

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closed, they could not replenish. A lot of essential businesses were not even thought of as essential and were forced to close.”

For a full recap of the survey data, or if you’re interested in learning more about Retailsphere’s data collection and research team reach out to Retailsphere today at www.retailsphere.com to speak to someone about our extensive retailer database or for a personalized demo.

About Retailsphere: Retailsphere provides more comprehensive retailer data and retail related news than any other platform available in the industry. Retailsphere’s retailer profiles give shopping center owners, leasing executives, and commercial real estate brokers the data they need to analyze the market and make strategic business decisions when approaching potential tenants. Founded in 2018, Retailsphere has more accurate data in hundreds of metro areas across the United States than any other database. Retailsphere, **Retail insights from every angle.**

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