International Council of Shopping Centers
U.S. MALL PERFORMANCE

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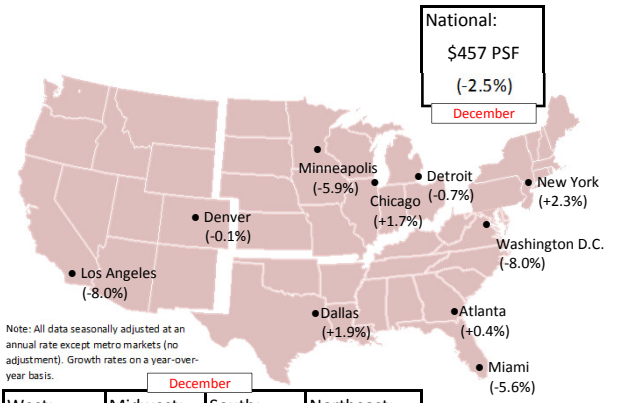
U.S. Sales Productivity Declines Slightly in 2015



Note: All data seasonally adjusted at an annual rate except metro markets (no adjustment). Growth rates on a year-over-year basis.

December

West:	Midwest:	South:	Northeast:
$599 PSF	$353 PSF	$445 PSF	$513 PSF
(-3.2%)	(-0.7%)	(-2.8%)	(-2.1%)

Weak — Strong

- Non-anchor stores in U.S. malls closed out 2015 with an annual sales per square foot (psf) of $474, representing a slight 0.01% decline compared to 2014 (i.e., virtually flat). Sales productivity has hovered between $472 and $475 annually since 2013, but has far exceeded pre-2012 levels.

- During the holiday season (November-December), sales psf fell by 3.2% at non-anchor stores in U.S. malls compared to the same period in 2014. The decline was partly due to a 9.7% decrease in electronics, which performed below expectations during the holiday season.

- Sales psf decreased by 2.5% in December. It declined for the second consecutive month. Seasonally adjusted sales psf at an annualized rate dropped to $457 for that month from $466 in November.

- All four Census regions fell in December for the second consecutive time with the Midwest (-0.7%) falling the least. Separately, the West (-3.2%) had its largest decline of the year in December 2015.

- Of the five major tenant groups, home furniture and furnishings fell the most (-10.6%) in December, with electronics experiencing particular difficulty that month (-8.0%). As a result, that category contributed a 1.5 percentage point drag on the overall sales productivity in December. Based on various industry newsletters, smartphone sales were weaker than expected in that month.

Sales Productivity for Selected Retail Tenant Categories
Year-over-Year Percent Change

Women's Apparel

+0.4%

Jewelry

+1.0%

Electronics

-8.0%

Food Court

+3.3%

This publication is based on information ICSC believes is reliable. However, ICSC cannot guarantee its accuracy and is not liable for any damages arising out of its use. All proprietary materials and analysis are copyrighted. ©2016. The *U.S. Mall Performance* report contains proprietary data for non-anchor sales and square footage information on over 470 centers, essentially regional and super-regional malls. For 2014, this included more than $57.6 billion in retail sales. For further information please contact John Connolly, Research Project Manager, at jconnolly@icsc.org or (646) 728-3681.