

## Market Analysis

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## Retail Scuffles, But All Is Not Lost

One topic being frequently debated within and outside of the real estate industry is if the reports of retail's death have been exaggerated. While changing consumer taste and the growth of e-commerce will like cause retail chains and property owners to experience their fair share of pain in the coming years, the outlook for retail is much more muddled than the prevailing doom and gloom sentiment hovering over the industry at the moment.

Pessimism surrounding retail is not entirely unfounded, however, as a confluence of factors looks to be accelerating the slowdown of traditional retail chains in 2017. Retail bankruptcies are on a record pace so far this year, sitting at a level that has already surpassed all of 2016. Headlines emphasizing these failures and high-profile withdrawals, like Berkshire Hathaway selling off \$900 million of Walmart stock, supply an ostensibly gloomier outlook for retail.

Retail employment is also the only sector that has been consistently losing workers so far this year. These developments could lead one to believe we are heading down a one-way path to a predominantly e-commerce world, where brick-and-mortar stores become a quaint reminder of times long past. Yet many of the failings of traditional retail chains will create new opportunities for retail spaces to be creative in reinventing themselves, which is necessary to survive today's changing retail environment.

### To Subscribe

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