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Retail landlords' April rent collection indicates that COVID-19 lockdowns yielded both winners and losers among retailers, Marcus & Millichap president and CEO Hessam Nadji said on the firm's Retail Trends 2020 webinar. "We're seeing a huge bifurcation of impact. The stronger players were able to pay and did pay."

As stores reopen, sales are picking up steam. "We're pleasantly surprised by the improvement in May," said Kimco Realty CEO Conor Flynn. DLC Management collected 71 percent of the rent roll for April, and executive vice president and COO Chris Ressa said May will be higher. "As deals get done, that will continue to grow," he said. Both companies' portfolios rely heavily on grocery anchors and other essential retailers.

April 2020 rent collection varied

Tenant category	Rent paid
Banks/finance	99%

Grocery/pharmacy	98%
Auto/gas station	90%
Professional services	74%
Pet stores/vets	69%
Average	64%
Medical	63%
Apparel and textiles	57%
Hobby/sporting	51%
Restaurants	45%
Entertainment	38%
Personal services	36%
Health/Fitness	12%

Source: Marcus & Millichap

Another round of federal stimulus for consumers and aid for small businesses would help the strong survive, Nadji said. "Many of them are going to bridge through this successfully, but many of them are not going to make it."

Bank savings deposits have soared, and the personal savings rate has skyrocketed, he said, indicating pent-up demand that could benefit some tenants that had trouble paying rent when their stores were closed. "Consumers have had no ability to spend as they normally would," he said. "At some point, this is going to come into the economy."

By Brannon Boswell

Executive Editor/SCT