



Q1 2018

Retail Market Report

MARKET TRENDS

Compared to Previous Quarter

Vacancy Rate



Net Absorption



Rental Rates



Construction



NEW AROUND TOWN

Art Van Furniture - Bridgeton, O'Fallon
South County & Richmond Heights

Texas de Brazil - Richmond Heights

Guerrilla Street Food - University City

Growler USA - St. Charles

Hofbrauhaus Beer Hall - Belleville

Blaze Fast Fire'd Pizza - Kirkwood

The Shack - O'Fallon

Anthony's Italian Eats - Clayton

Native Wings & Grill - St. Charles

DelPietro's Restaurant - Richmond Heights

RECENT CLOSINGS

Toys"R"Us - Chesterfield, St. Peters,
South County, Sunset Hills,
Bridgeton & Fairview Heights

American Doll - Chesterfield

The Libertine - Clayton

Vernon's BBQ - University City

St. Louis Bread Co. - Clayton

McArthur's Bakery Cafe - Chesterfield

Milagro Modern Mexican - St. Louis

Overall, retail market conditions showed a slight decline in the first quarter 2018. There was a slight increase in vacancy rates, the St. Louis market ended the first quarter 2018 at 5.0%, compared to 4.8% at the end of the fourth quarter 2017.

There was negative 417,931 square feet of overall retail space absorbed at the end of the first quarter 2018. Tenants moving out of large spaces included Kmart vacating 129,388 square feet on Lemay Ferry Road, and Value City vacating their space on Lindbergh Boulevard. Harbor Freight occupied 31,170 square feet in Wentzville, and Ashley Furniture HomeStore moved into 16,542 square feet in Alton.

The average quoted rental rates in the St. Louis retail market increased at the end of the first quarter 2018 to \$12.39 per square foot per year, compared to \$12.13 per square foot in the fourth quarter 2017.

Eight buildings totaling 38,983 square feet were delivered in the first quarter 2018. There were still 462,668 square feet of retail space remaining under construction at the end of the first quarter 2018, including the 330,000 square feet under construction at The City Foundry in the St. Louis City submarket, and the 120,000 square feet at the former Shriners Hospital site in Frontenac at 2001 S. Linderbergh Boulevard, which is 100% leased to Lifetime Athletic in the Central St. Louis County submarket.

Market	Existing Inventory			Vacancy		YTD Net		YTD		Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF			
Bond County	62	422,482	2,940	2,940	0.7%	0	0	0			\$14.52
Calhoun County	6	25,826	0	0	0.0%	0	0	0			\$0.00
Chesterfield	187	7,087,113	218,215	221,737	3.1%	(3,872)	0	17,462			\$16.74
Clinton County	114	1,336,647	131,214	131,214	9.8%	6,110	0	0			\$2.50
Crawford County	93	632,655	8,600	8,600	1.4%	40	0	0			\$10.03
Franklin County	506	5,201,889	158,324	158,324	3.0%	10,058	0	0			\$9.13
Jefferson County	190	2,057,084	54,197	54,197	2.6%	8,628	0	0			\$10.48
Jersey County	74	825,701	11,539	11,539	1.4%	0	0	9,000			\$2.28
Lincoln County	126	1,267,524	41,192	41,192	3.2%	(3,600)	0	0			\$13.05
Macoupin County	163	1,341,342	86,793	86,793	6.5%	(4,750)	0	0			\$7.48
Metro East Illinois	1,256	16,210,871	820,093	827,093	5.1%	15,916	12,800	48,440			\$12.63
Mid County	1,007	16,977,344	438,187	470,190	2.8%	(4,433)	4,866	171,007			\$19.34
NE Metro Illinois	946	11,496,577	501,559	507,469	4.4%	60,426	0	0			\$9.20
North County	484	7,949,511	513,048	518,848	6.5%	5,471	0	0			\$10.87
Northwest County	1,063	14,343,300	1,096,773	1,113,953	7.8%	(143,056)	0	0			\$10.70
Outer Jefferson Cnty.	200	2,074,656	122,224	122,224	5.9%	(4,134)	0	4,000			\$7.80
Outer Metro Illinois	147	1,325,710	44,431	44,431	3.4%	0	0	0			\$14.90
Outer Monroe Cnty.	8	45,305	0	0	0.0%	0	0	0			\$0.00
Outer St. Charles Cnty.	147	2,150,639	18,985	18,985	0.9%	49,145	0	0			\$8.18
Outer St. Louis Cnty.	89	1,311,080	104,079	104,079	7.9%	3,700	0	23,000			\$12.12
SE Metro Illinois	258	2,746,326	221,081	221,081	8.1%	14,988	4,000	0			\$10.03
South County	607	11,335,660	775,889	775,889	6.8%	(328,193)	0	0			\$12.66
Southwest County	639	9,785,725	466,393	479,741	4.9%	(13,936)	0	8,900			\$13.07
St. Charles County	477	7,593,367	387,845	393,345	5.2%	10,647	0	0			\$13.55
St. Charles Region	883	12,712,648	647,764	655,764	5.2%	(61,035)	2,720	30,500			\$13.22
St. Louis City North	651	8,850,143	615,191	615,191	7.0%	(11,850)	0	330,000			\$15.26
St. Louis City South	1,641	10,977,736	220,081	220,081	2.0%	46,714	10,197	0			\$12.45
Warren County	114	1,150,003	191,943	191,943	16.7%	(46,626)	0	0			\$7.42
Washington County	44	447,023	4,390	4,390	1.0%	(2,040)	0	0			\$0.00
West County	535	10,717,302	483,771	488,673	4.6%	(22,249)	4,400	0			\$16.00
Totals	12,717	170,399,189	8,386,741	8,489,906	5.0%	(417,931)	38,983	642,309			\$12.39

Source: CoStar Property®



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
Lifetime Athletic	2001 S. Lindbergh Blvd.	120,000	Mid County
Harbor Freight Tools	15356 S. Veterans Memorial Pwy. W.	31,170	Outer St. Charles County
Sears Hometown*	1048-1251 Washington Square	18,000	Franklin County
Collectables Antique Mall	8-22 Wentzville Market Pl.	15,000	Outer St. Charles County
Beyond Beauty Supply	10000 W. Florissant Ave.	14,468	Northwest County

*Renewal

FEATURED PROPERTY

**Orchard Bend Shopping Center**

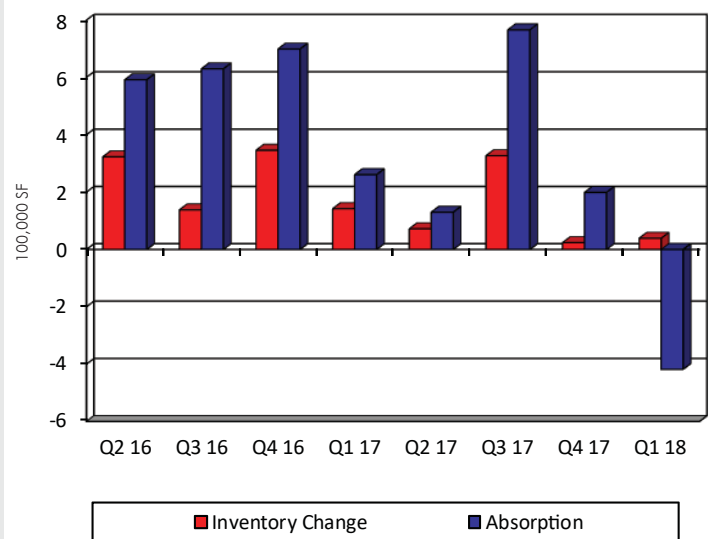
11977 St. Charles Rock Road
Bridgeton, MO 63044

- Anchored by Hobby Lobby, Save-A-Lot & Guitar Center
- 4,200 SF - 5,400 SF Ideal for Restaurant with Patio for Outdoor Seating
- Located across from New Walmart
- Prominent Retail Corridor Located in the Center of Northwest County
- Signalized Access
- Excellent Parking

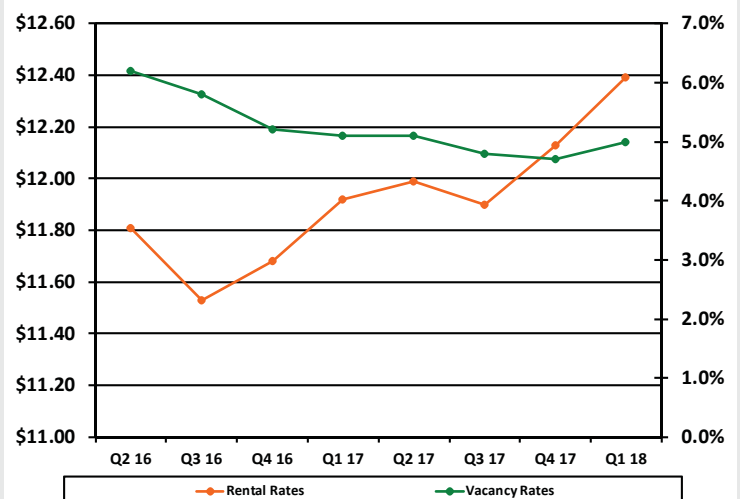
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Overall Retail Inventory & Absorption



Overall Retail Rental Rates & Vacancy Rates



*Disclaimer: All information is collected from CoStar Group at the end of 1st Quarter. All information is subject to change. Updated numbers for past quarters reflect CoStar's ongoing research for the most accurate market information.