



Q2 2018

Retail Market Report

MARKET TRENDS

Compared to Previous Quarter

Vacancy Rate



Net Absorption



Rental Rates



Construction



NEW AROUND TOWN

Sugarfire Smokehouse - O'Fallon, IL

St. Louis Kolache - Clayton

The BAO - Clayton

Copia - Clayton

Wacked Out Weiner - Delmar Loop

Blue Box Pizza - Delmar Loop

Ross Dress For Less - St. Peters

Three Kings Public House

- St. Louis-Lambert Airport

Twisted Roots Brewing - Midtown

The Arch Cafe - Downtown St. Louis

RECENT CLOSINGS

Native Wings & Grill - St. Charles

Winery of the Little Hills - St. Charles

Fox & Hound Pub & Grill - Chesterfield

Vernon's BBQ - University City

DeMun Oyster Bar - Clayton

Shop 'n Save - Maplewood

SanSai Japanese Grill - Maplewood

Harpo's - Soulard

Overall, retail market conditions showed a slight improvement mid year 2018. There was a slight decrease in vacancy rates, the St. Louis market ended the second quarter 2018 at 4.8%, compared to 5.0% at the end of the first quarter 2018.

There was positive 321,512 square feet of overall retail space absorbed at the end of the second quarter 2018. U-Haul moved into 84,100 square feet at 2851 Homer M Adams Parkway and D1 Sports Training moved into 40,000 square feet at Boardwalk Plaza in Ballwin. Tenants moving out of large spaces included Kmart vacating 81,490 square feet in Belleville.

The average quoted rental rates in the St. Louis retail market increased at the end of the second quarter 2018 to \$12.69 per square foot per year, compared to \$12.36 per square foot in the first quarter 2018.

Three buildings totaling 19,100 square feet were delivered in the second quarter 2018. There were still 669,545 square feet of retail space remaining under construction at the end of the second quarter 2018, including 330,000 square feet at The City Foundry in the St. Louis submarket and 120,000 square feet at the former Shriners Hospital site at 2001 S. Lindebergh Boulevard, which is 100% leased to Lifetime Athletic in the Central St. Louis County submarket.

	Existing Inventory		Vacancy			YTD Net	YTD	Under	Quoted
Market	# Bids	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
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	7,077,313	240,104	242,414	3.4%	(24,549)	0	17,462	\$18.99
Clinton County	116	1,380,989	127,500	127,500	9.2%	10,324	0	0	\$2.50
Crawford County	93	633,512	12,009	12,009	1.9%	(3,369)	0	0	\$10.03
Franklin County	508	5,244,467	114,230	114,230	2.2%	57,768	0	0	\$8.65
Jefferson County	191	2,067,644	63,995	63,995	3.1%	(4,300)	0	0	\$12.37
Jersey County	76	849,848	14,449	14,449	1.7%	6,090	9,000	0	\$2.28
Lincoln County	130	1,279,833	34,982	34,982	2.7%	2,610	0	0	\$13.29
Macoupin County	164	1,327,426	25,614	25,614	1.9%	56,429	0	0	\$7.90
Metro East Illinois	1,268	16,491,666	717,537	717,537	4.4%	159,972	37,800	23,440	\$12.31
Mid County	1,015	17,029,377	507,575	539,578	3.2%	(64,521)	13,466	155,407	\$20.06
NE Metro Illinois	953	11,576,629	502,320	508,230	4.4%	62,515	0	0	\$11.32
North County	487	7,984,267	504,024	509,824	6.4%	37,395	0	0	\$10.63
Northwest County	1,067	14,303,216	976,426	993,606	6.9%	(64,881)	0	0	\$11.05
Outer Jefferson Cnty.	201	2,192,645	132,304	132,304	6.0%	(15,614)	0	4,000	\$7.56
Outer Metro Illinois	150	1,340,534	55,631	55,631	4.1%	(10,100)	0	0	\$13.90
Outer Monroe Cnty.	8	45,305	0	0	0.0%	0	0	0	\$0.00
Outer St. Charles Cnty.	149	2,155,359	20,396	20,396	0.9%	47,734	0	5,200	\$9.99
Outer St. Louis Cnty.	89	1,106,412	115,593	115,593	10.4%	(7,814)	0	23,000	\$12.04
SE Metro Illinois	259	2,784,477	214,103	214,103	7.7%	21,966	4,000	0	\$10.05
South County	610	11,329,296	720,558	720,558	6.4%	(264,262)	0	0	\$12.69
Southwest County	641	9,799,234	461,592	474,940	4.8%	(8,335)	0	8,900	\$13.01
St. Charles County	481	7,582,098	379,254	384,754	5.1%	19,238	0	0	\$15.47
St. Charles Region	882	12,716,408	691,311	699,311	5.5%	(90,999)	2,720	10,829	\$13.49
St. Louis City North	655	8,895,918	668,491	668,491	7.5%	(43,650)	0	378,000	\$15.26
St. Louis City South	1,647	11,009,377	198,814	198,814	1.8%	66,643	10,197	4,000	\$12.51
Warren County	116	1,184,099	160,923	160,923	13.6%	(15,606)	0	37,000	\$7.29
Washington County	44	447,023	2,040	2,040	0.5%	310	0	0	\$0.00
West County	536	10,677,613	450,005	453,205	4.2%	39,019	4,400	0	\$15.83
Totals	12,791	170,960,293	8,114,680	8,207,931	4.8%	(29,987)	38,983	669,545	\$12.69

Source: CoStar Property®



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
Hobby Lobby	15401-25 Manchester Road	55,000	West County
Bed Bath & Beyond	8340 Eager Road	37,868	Mid County
Club Fitness	3200 Laclede Station Road	36,597	Mid County
Onelife Fitness	Ballpark Village - Building 2	32,000	St. Louis City North
Twisted Root Brewing	3690 Forest Park	10,036	St. Louis City North

FEATURED PROPERTY

**Manchester Center I**

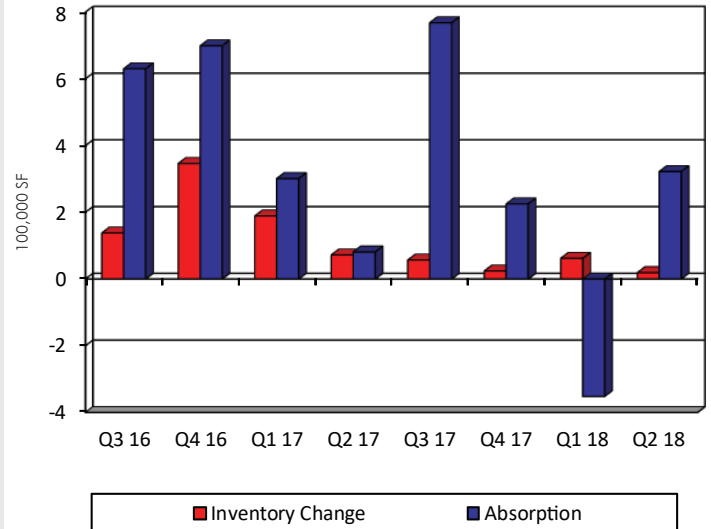
14208-14242 Manchester Rd.
Manchester, MO 63011

- 1,400 SF - 9,956 SF Available
- Located just East of Hwy. 141, across from Costco, Walmart & Nordstrom Rack
- Excellent Visibility & Easy Access
- Pylon Signage Available
- Outstanding Tenant Mix & High-End Retail in the Area
- Ample Parking
- Lease Rate: \$17.50 PSF, NNN

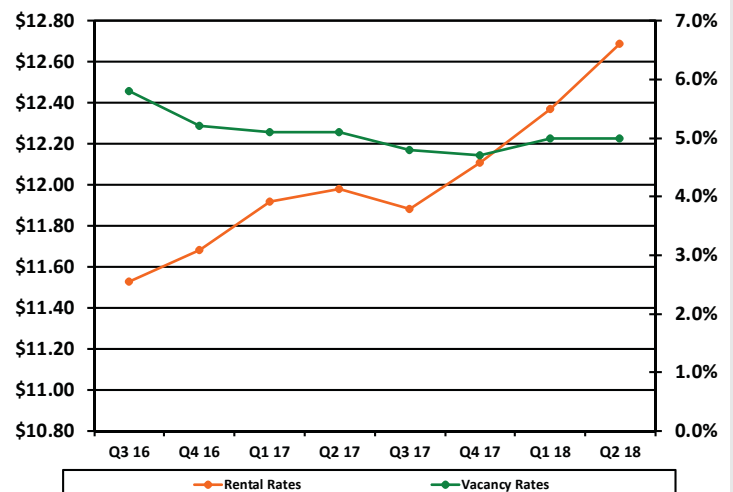
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Overall Retail Inventory & Absorption



Overall Retail Rental Rates & Vacancy Rates



*Disclaimer: All information is collected from CoStar Group at the end of 2nd Quarter. All information is subject to change. Updated numbers for past quarters reflect CoStar's ongoing research for the most accurate market information.