



Q3 2014

Retail Market Report

MARKET TRENDS

Vacancy Rate



Net Absorption



Rental Rates



Construction



The overall retail market remained relatively flat so far in 2014. The retail vacancy rate in the St. Louis market area remained at 8.0% at the end of third quarter 2014.

Retail net absorption in St. Louis increased for the third quarter 2014 with positive 186,419 square feet absorbed. In the second quarter 2014, net absorption was negative (80,262) square feet.

During the third quarter 2014, nine buildings totalling 212,525 square feet were delivered, including University Commons that delivered 76,160 square feet in St. Charles. 559,152 square feet of retail remained under construction including 380,000 square feet on Forest Park Avenue with the new IKEA development. Second quarter 2014 delivered two new buildings totaling 18,137 square feet.

Average quoted rental rates in the St. Louis retail market slightly decreased. Quoted rents ended the third quarter 2014 at \$12.03 per square foot per year. That compares to \$12.08 per square foot in the second quarter 2014.

NEW AROUND TOWN

United Provisions Grocery & Eatery

- The Delmar Loop

Lucky's Market - Ellisville

Honey Kid's Kitchen - Chesterfield

The Wheelhouse - Downtown

Strange Donuts - Kirkwood

Peacemaker Lobster & Crab Co.

- Soulard/Benton Park

RECENT CLOSINGS

Spicers Toys & Candy - Ladue

The Nest - Frontenac

Phillip's Furniture - Kirkwood

Rizzo's Station Pizzeria - The Hill

Wild Horse Grill - Chesterfield

Hamburger Mary's - Downtown

Ginger Bistro - The Delmar Loop

Shubert Furniture - Manchester

TOTAL RETAIL MARKET STATISTICS

Market	Existing Inventory # Bids	Total GLA	Direct SF	Vacancy Total SF	Vac %	YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
Calhoun County	2	3,856	0	0	0.0%	0	0	0	\$0.00
Chesterfield Region	173	6,257,742	137,366	137,366	2.2%	83,006	0	0	\$16.21
Franklin County	395	4,429,933	213,526	213,526	4.8%	38,267	0	0	\$9.79
Jefferson County	152	1,511,326	94,561	94,561	6.3%	24,009	0	0	\$12.93
Lincoln County	91	1,027,239	123,760	123,760	12.0%	10,260	0	0	\$12.24
Metro East Illinois	1,077	14,892,069	1,027,259	1,033,259	6.9%	2,378	6,000	3,000	\$10.25
Mid County	908	15,541,269	695,456	715,416	4.6%	127,988	34,195	29,532	\$17.39
NE Metro Illinois	816	10,499,182	714,839	714,839	6.8%	(170,016)	0	6,600	\$10.27
North County	448	7,707,478	903,668	906,548	11.8%	30,188	0	0	\$11.28
Northwest County	973	15,092,461	2,405,811	2,434,828	16.1%	95,639	75,305	9,000	\$11.14
Outer Jefferson Cnty	149	1,747,652	92,085	92,085	5.3%	(422)	0	0	\$9.09
Outer Metro Illinois	115	913,623	36,321	36,321	4.0%	(6,557)	0	0	\$11.64
Outer Monroe County	6	33,303	0	0	0.0%	0	0	0	\$0.00
Outer St Charles Cnty	120	1,904,636	25,230	25,230	1.3%	6,855	0	0	\$10.78
Outer St Louis County	81	1,174,728	169,623	169,623	14.4%	19,420	0	23,000	\$11.22
SE Metro Illinois	201	2,274,541	246,471	246,471	10.8%	16,444	21,600	0	\$12.04
South County	568	12,001,248	1,237,291	1,242,209	10.4%	(141,668)	3,317	0	\$11.94
Southwest County	596	9,435,627	754,737	754,737	8.0%	114,180	0	0	\$12.15
St Charles County	423	7,883,461	658,501	659,001	8.4%	50,582	8,731	16,420	\$13.66
St Charles Region	784	11,687,754	734,534	734,534	6.3%	219,069	76,160	86,900	\$11.70
St Louis City North	577	8,196,176	828,749	829,949	10.1%	28,857	100,000	384,400	\$12.16
St Louis City South	1,516	10,199,331	311,581	311,581	3.1%	99,352	10,000	0	\$10.10
West County	506	10,883,005	934,906	985,325	9.1%	(12,577)	4,085	0	\$12.32
Totals	10,677	155,297,640	12,346,275	12,461,169	8.0%	635,254	339,393	559,152	\$12.03

Source: CoStar Property®



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
Walmart	7435 Watson Road	135,000	South County
Here Today	Lincoln Place Centre	20,769	Metro East Illinois
Halloween City	Machester Plaza	14,244	West County
Pet Supplies Plus	9981 Manchester Road	13,000	Mid County
Spirit Halloween Superstores	Orchard Bend Shopping Center	11,911	Northwest County

FEATURED PROPERTY



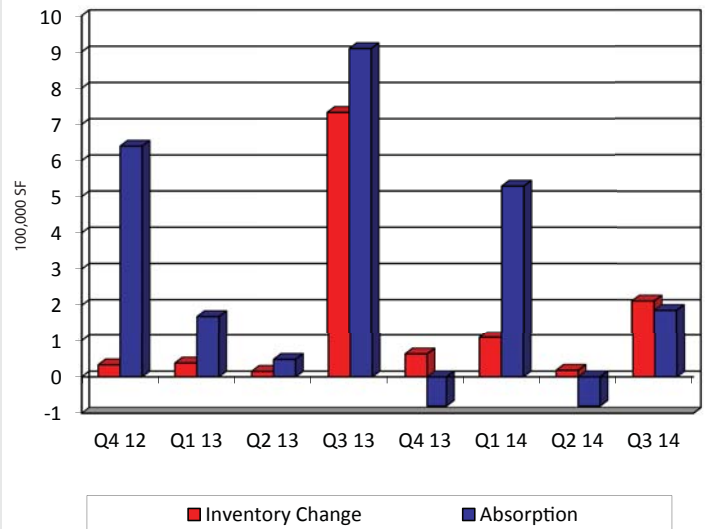
Ozark Trail
317-355 Ozark Trail
Ellisville, MO 63011

- 750 SF - 9,520 SF Available
- Great Tenant Mix Including Dierbergs & Walgreens
- Heavy Traffic & Upscale Demographics
- Signalized Entrances
- Building Signage Available
- Lease Rate: \$14.75 PSF, NNN

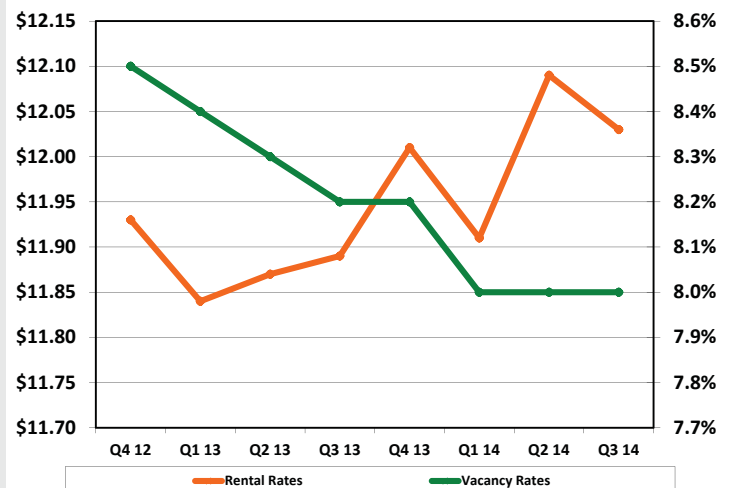
CONTACT: Danny Jonas 314-746-1425
djonas@gershman.com



Overall Retail Inventory & Absorption



Overall Retail Rental Rates & Vacancy Rates



*Disclaimer: All information is collected from CoStar Group at the end of 3rd Quarter. All information is subject to change. Updated numbers for past quarters reflect CoStar's ongoing research for the most accurate market information.