



Q3 2016

Retail Market Report

MARKET TRENDS

Compared to Previous Quarter

Vacancy Rate



Net Absorption



Rental Rates



Construction



NEW AROUND TOWN

Mayana Mexican Kitchen
- Clayton

Total Access Urgent Care
- Creve Couer

Hot Box Cookies - Clayton

Twisted Tree Steakhouse
- Sunset Hills

Twin Peaks - Chesterfield

Snow Factory - Delmar Loop

Mellow Mushroom - Sunset Hills

Fort Taco - St. Charles

RECENT CLOSINGS

Cardwell's - Clayton

Sweetie Pie's - Tower Grove

Old Standard Fried Chicken
- Tower Grove

The Wheelhouse - Clayton

Modesto Tapas Bar & Restaurant
- The Hill

New Day Gluten Free - Ellisville

The overall retail market showed a slight improvement in the third quarter 2016. The retail vacancy rate in the St. Louis market slightly decreased at the end of the third quarter 2016 to 6.1%, compared to 6.4% at the end of the second quarter 2016.

The overall retail net absorption was strong in the third quarter 2016. There were positive 671,093 square feet absorbed at the end of the third quarter 2016. At the end of the second quarter 2016, net absorption was positive 593,528 square feet.

Average quoted rental rates in the St. Louis retail market slightly increased at the end of the third quarter 2016 to \$12.17 per square foot per year, compared to \$12.16 per square foot in the second quarter 2016. The Chesterfield and Mid County submarkets continued to have the highest reported asking rates.

During the third quarter 2016, ten buildings totaling 144,236 square feet were delivered including a 45,062 square foot neighborhood center at Kenrick Plaza in the South St. Louis County submarket. There was still 517,550 square feet of retail under construction at the end of the third quarter 2016, including a 62,940 square foot Academy Sports+Outdoors in the West County submarket, set to open mid October.

TOTAL RETAIL MARKET STATISTICS

Market	# Bids	Existing Inventory Total GLA	Direct SF	Vacancy Total SF	Vac %	YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
Calhoun County	5	16,726	0	0	0.0%	0	0	0	\$0.00
Chesterfield Region	180	6,412,516	137,541	137,541	2.1%	9,039	19,250	19,752	\$18.32
Franklin County	471	4,980,758	128,211	128,211	2.6%	41,793	0	11,118	\$10.53
Jefferson County	182	1,921,546	75,730	75,730	3.9%	(5,953)	0	0	\$10.43
Lincoln County	121	1,242,108	48,718	48,718	3.9%	22,463	0	0	\$11.85
Metro East Illinois	1,204	15,575,547	931,789	953,289	6.1%	60,547	13,578	94,754	\$10.94
Mid County	986	16,594,552	481,604	513,012	3.1%	255,906	234,332	105,162	\$19.60
NE Metro Illinois	909	11,489,138	801,289	825,193	7.2%	48,781	51,472	0	\$9.27
North County	477	8,066,040	899,590	908,270	11.3%	6,454	13,325	0	\$9.57
Northwest County	1,019	13,995,065	1,018,260	1,052,860	7.6%	40,620	16,358	160,824	\$10.37
Outer Jefferson Cnty	182	1,947,562	43,337	43,337	2.2%	40,691	9,100	0	\$10.57
Outer Metro Illinois	142	1,127,038	31,963	31,963	2.8%	22,912	0	0	\$12.66
Outer Monroe County	7	43,105	0	0	0.0%	0	0	0	\$0.00
Outer St Charles Cnty	143	2,083,332	34,919	34,919	1.7%	11,621	8,400	0	\$9.46
Outer St Louis County	85	1,075,763	72,599	75,085	7.0%	39,671	0	23,000	\$15.42
SE Metro Illinois	249	2,697,733	277,015	227,015	8.4%	28,260	9,100	0	\$10.27
South County	596	12,198,990	1,523,150	1,523,150	12.5%	147,372	100,062	0	\$12.46
Southwest County	630	9,724,925	443,114	444,614	4.6%	70,896	6,000	0	\$12.95
St Charles County	471	7,530,036	406,552	410,635	5.5%	94,960	46,803	0	\$12.68
St Charles Region	852	12,255,408	742,349	742,349	6.1%	89,495	157,468	4,000	\$14.41
St Louis City North	626	8,535,025	595,217	595,217	7.0%	58,822	0	0	\$13.04
St Louis City South	1,599	10,641,420	304,287	304,287	2.9%	62,375	3,960	1,500	\$11.19
West County	522	10,630,446	713,107	728,107	6.8%	76,087	3,500	97,440	\$14.70
Totals	11,658	160,784,779	9,660,341	9,808,502	6.1%	1,222,812	692,708	517,550	\$12.17

Source: CoStar Property®



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
At Home	Manchester Meadows	102,973	West County
Full Throttle	Manchester Meadows	46,260	West County
Sky Zone	Crossroads Centre	36,916	Metro East Illinois
Ross Dress for Less	6600 Edwardsville Crossing	25,000	NE Metro Illinois
Here Today	900 Northwest Plaza	18,600	Northwest County

FEATURED PROPERTY



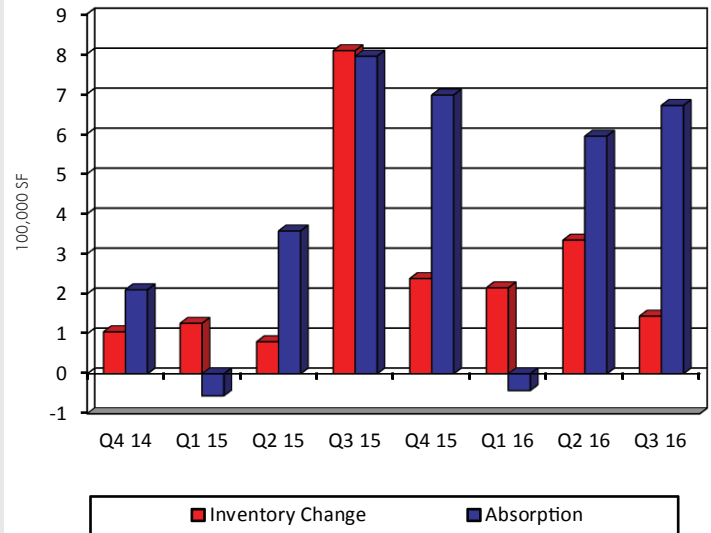
14932-14948 Manchester Rd.
St. Louis, MO 63011

- Investment Sale Opportunity, 100% Leased
- 17,720 SF Retail Strip Center (2 Buildings)
- Prime Retail Location on Manchester Road
- Built in 2012
- Situated on 2.4 Acres
- 4 Tenants: The Floor Project, Title Boxing, Jet's Pizza & Firehouse Subs
- Asking Price: \$3,400,000

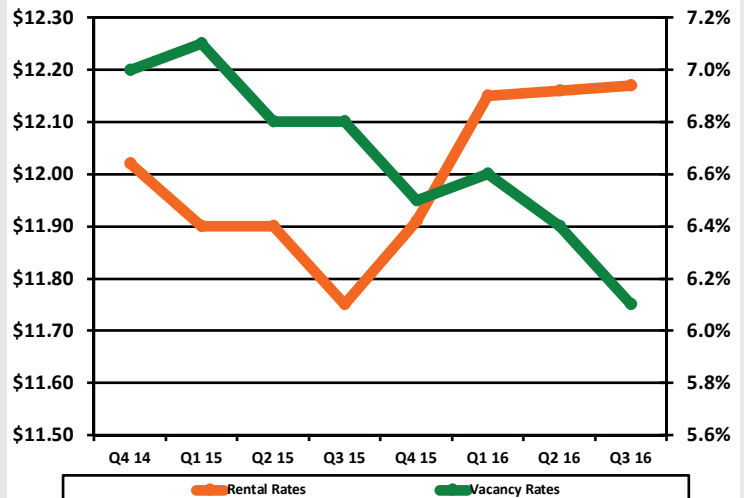
CONTACT: Tim Balk
314-746-1433
tbalk@gershmancommercial.com



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.