



Q3 2017

Retail Market Report

MARKET TRENDS

Compared to Previous Quarter

Vacancy Rate



Net Absorption



Rental Rates



Construction



Overall the retail market showed a slight improvement in the third quarter 2017. The retail vacancy rate in the St. Louis market ended the third quarter 2017 at 5.0%, compared to 5.2% at the end of the second quarter 2017.

The overall retail net absorption was strong in the third quarter 2017, with positive 598,972 square feet absorbed. This included Burlington moving into the Shoppes of Mid Rivers in St. Peters at the end of October, and Lucky's Market leaving 46,119 square feet at Fountain Plaza in Ellisville. There was negative 63,519 square feet absorbed at the end of the second quarter 2017.

Average quoted rental rates in the St. Louis retail market increased at the end of the third quarter 2017 to \$12.28 per square foot per year, compared to \$12.18 per square foot in the second quarter 2017.

New construction increased during the third quarter 2017, six buildings totaling 323,335 square feet were delivered, including The Shoppes of Mid Rivers which delivered 270,000 square feet in the St. Charles submarket. There were still 152,940 square feet of retail under construction at the end of the third quarter 2017, including the 30,000 square foot Fresh Thyme on Woodstone Dr. in the St. Charles submarket.

NEW AROUND TOWN

Duluth Trading Co - St. Charles

The Capital Grille - Clayton

Westport Social - Westport Plaza

Ozzie's Burger Bar - Downtown

Pan-Asia Supermarket
- Manchester

Katie's Pizza and Pasta
- Town & Country

Bob's Discount Furniture - St. Peters

Burlington - St. Peters

RECENT CLOSINGS

Gymboree - St. Peters, Chesterfield,
Lake St. Louis & Fairview Heights

Lucky's Market - Ellisville

Elephant Bar - Des Peres

Lubeley's Bakery - St. Louis

Tilted Kilt Pub & Eatery
- St. Charles

Five Star Burger - Kirkwood

TOTAL RETAIL MARKET STATISTICS

Market	Existing Inventory			Vacancy		YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total GLA	Direct SF	Total SF	Vac %				
Calhoun County	6	25,862	0	0	0.0%	9,100	9,100	0	\$0.00
Chesterfield Region	183	6,771,143	219,242	220,454	3.3%	(106,929)	11,940	25,274	\$18.27
Franklin County	491	5,141,476	117,540	117,540	2.3%	43,577	12,400	0	\$8.25
Jefferson County	183	1,942,207	60,953	60,953	3.1%	20,708	3,500	0	\$9.69
Lincoln County	124	1,260,704	26,176	26,176	2.1%	12,942	0	0	\$12.34
Metro East Illinois	1,229	16,056,720	811,706	818,706	5.1%	37,456	9,570	37,800	\$11.21
Mid County	997	16,966,562	414,629	444,427	2.6%	157,910	85,870	33,366	\$17.88
NE Metro Illinois	931	11,462,809	597,075	620,979	5.4%	36,225	9,014	0	\$8.77
North County	481	7,975,584	462,768	468,568	5.9%	384,016	0	0	\$10.06
Northwest County	1,048	14,268,483	1,232,985	1,236,385	8.7%	44,646	43,849	15,000	\$10.66
Outer Jefferson Cnty	197	2,038,736	43,126	43,126	2.1%	(5,428)	0	0	\$10.64
Outer Metro Illinois	143	1,212,920	40,692	40,692	3.4%	(6,933)	0	0	\$14.54
Outer Monroe County	8	45,305	0	0	0.0%	0	0	0	\$0.00
Outer St Charles Cnty	147	2,150,708	39,260	70,430	3.3%	(9,917)	0	0	\$9.82
Outer St Louis County	87	1,097,714	110,584	110,584	10.1%	(18,630)	0	23,000	\$11.12
SE Metro Illinois	254	2,719,665	206,422	206,422	7.6%	19,772	0	0	\$10.26
South County	599	11,436,432	455,551	455,551	4.0%	40,564	0	0	\$12.52
Southwest County	633	9,741,256	495,115	502,068	5.2%	(60,610)	0	3,500	\$13.67
St Charles County	473	7,493,292	440,647	446,647	6.0%	(77,086)	5,000	0	\$14.20
St Charles Region	869	12,644,142	849,868	849,868	6.7%	130,269	279,000	30,000	\$12.22
St Louis City North	630	8,596,445	644,525	644,525	7.5%	(99,768)	0	0	\$14.15
St Louis City South	1,617	10,780,767	300,301	300,301	2.8%	(224)	1,500	0	\$11.80
West County	532	10,738,474	454,016	460,310	4.3%	140,293	8,723	0	\$15.63
Totals	11,862	162,567,370	8,022,181	8,144,712	5.0%	691,953	479,466	152,940	\$12.28

Source: CoStar Property®



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
Rockler Woodworking & Hardware*	Orchard Bend Shopping Center	9,111	Northwest County
Peel Pizza	212 S. Meramec Ave.	8,816	Mid County
Dollar Tree	Green Mount Crossing	8,267	Metro East Illinois
The Shack	Deer Creek Crossing	8,000	St. Charles County
Circle 7 Ranch	Des Peres Commons	5,177	Mid County

*Renewal & Expansion

FEATURED PROPERTY



Olive Arcade Plaza

12915-13029 Olive Blvd.
St. Louis, MO 63141

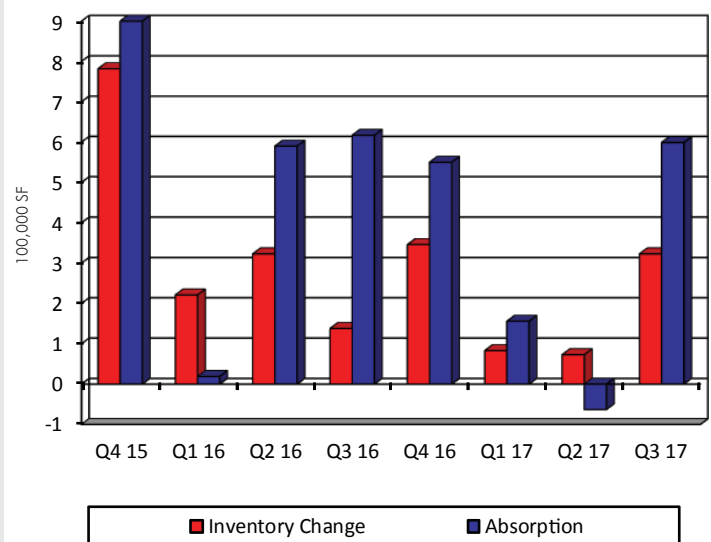
- 960 SF - 7,346 SF Available
- Signalized Intersection
- Newly Remodeled Facade/Storefront
- Abundant Parking
- Outstanding Demographics
- Traffic Count: 33,170 VPD
- Lease Rate: \$16.00 PSF, NNN

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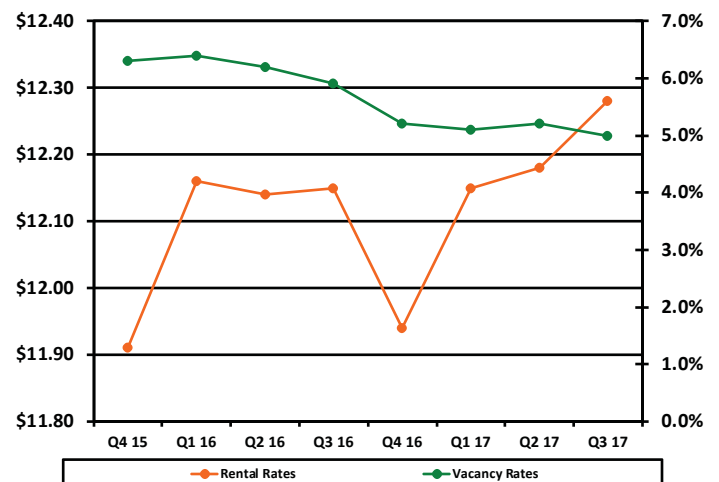
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Overall Retail Inventory & Absorption



Overall Retail Rental Rates & Vacancy Rates



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