



Q4 2014 Retail Market Report

MARKET TRENDS

Compared to Previous Quarter

Vacancy Rate



Net Absorption



Rental Rates



Construction



The overall retail market showed signs of improvement in fourth quarter 2014. The retail vacancy rate in the St. Louis market area decreased to 6.9% at the end of fourth quarter 2014, compared to 8.0% at the end of third quarter 2014.

Retail net absorption in St. Louis increased for the fourth quarter 2014 with positive 349,001 square feet absorbed. In the third quarter 2014, net absorption was positive 198,637 square feet. Ellisville Square is now 100% occupied after leasing a total of 74,349 square feet to Sports Authority, Michaels and Party City.

During the fourth quarter 2014, four buildings totaling 41,962 square feet were delivered, including The Summit at Gravois Bluffs Building D that delivered 29,062 square feet in Fenton. 712,552 square feet of retail remained under construction, including the 380,000 square foot IKEA development, set to deliver in the fourth quarter of 2015.

Average quoted rental rates in the St. Louis retail market slightly decreased. Quoted rents ended the fourth quarter 2014 at \$12.04 per square foot per year. That compares to \$12.06 per square foot in the third quarter 2014.

NEW AROUND TOWN

Seoul Taco & Seoul Q

- The Delmar Loop

Sugarfire Pie - Olivette

Larder & Cupboard - Maplewood

Cantina Laredo - Clayton

Elements Massage - St. Peters

Dewey's Pizza - St. Charles

Peacock Loop Diner

- The Delmar Loop

RECENT CLOSINGS

Kmart - Florissant

Macaroni Grill - Brentwood, South County, Creve Coeur, St. Peters & Chesterfield

Lester's - Central West End & Chesterfield

J. Gumbo's - Downtown & Central West End

Yacovelli's Restaurant - Florissant

TOTAL RETAIL MARKET STATISTICS

Market	Existing Inventory		Vacancy			YTD Net		Under	Quoted
	# Bldgs	Total GLA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
Calhoun County	2	3,856	0	0	0.0%	0	0	0	\$0.00
Chesterfield Region	173	6,256,661	148,593	148,593	2.4%	63,938	0	0	\$15.93
Franklin County	395	4,426,773	196,516	196,516	4.4%	55,777	0	0	\$9.81
Jefferson County	152	1,559,905	100,745	100,745	6.5%	24,559	0	0	\$12.87
Lincoln County	91	1,027,239	122,960	122,960	12.0%	11,060	0	0	\$12.18
Metro East Illinois	1,087	14,883,251	938,964	944,964	6.3%	104,356	9,300	0	\$10.17
Mid County	913	15,560,348	573,208	590,725	3.8%	260,379	35,795	50,432	\$17.53
NE Metro Illinois	821	10,500,243	792,741	792,741	7.5%	(231,718)	1,600	5,000	\$10.14
North County	448	7,630,925	872,899	875,779	11.5%	37,657	0	0	\$11.48
Northwest County	970	13,585,690	953,690	982,707	7.2%	110,474	1,760	9,000	\$11.36
Outer Jefferson Cnty	149	1,749,273	73,680	73,680	4.2%	17,983	0	2,400	\$9.09
Outer Metro Illinois	115	911,925	41,954	41,954	4.6%	(11,190)	0	0	\$12.65
Outer Monroe County	5	30,421	0	0	0.0%	0	0	0	\$0.00
Outer St Charles Cnty	119	1,870,925	24,150	24,150	1.3%	7,935	0	0	\$10.87
Outer St Louis County	81	1,050,128	126,855	126,855	12.1%	22,609	0	23,000	\$13.57
SE Metro Illinois	202	2,274,353	245,338	245,338	10.8%	18,077	21,600	0	\$11.32
South County	568	11,835,167	1,200,441	1,205,359	10.2%	(276,523)	3,317	135,000	\$12.00
Southwest County	600	9,568,295	684,484	684,484	7.2%	191,873	37,972	0	\$12.07
St Charles County	420	7,916,505	656,033	656,533	8.3%	52,948	8,731	16,420	\$13.98
St Charles Region	785	11,708,646	713,231	713,231	6.1%	249,683	76,160	86,900	\$11.90
St Louis City North	577	8,122,025	810,475	810,475	10.0%	34,356	100,000	384,400	\$12.05
St Louis City South	1,520	10,129,849	331,615	331,615	3.3%	97,094	10,000	0	\$9.88
West County	508	10,791,663	931,597	982,016	9.1%	(11,048)	4,085	0	\$12.20
Totals	10,701	153,393,946	10,540,169	10,651,420	6.9%	830,279	310,320	712,552	\$12.04

Source: CoStar Property®



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
Hobby Lobby	Fairview City Centre	55,089	Metro East Illinois
Sports Authority	15909 Manchester Road	40,000	West County
Dick's Sporting Goods	Wentzville Crossing	35,116	St. Charles County
Michaels	15925 Manchester Road	18,727	West County
Party City	15894 Manchester Road	15,667	West County

FEATURED PROPERTY



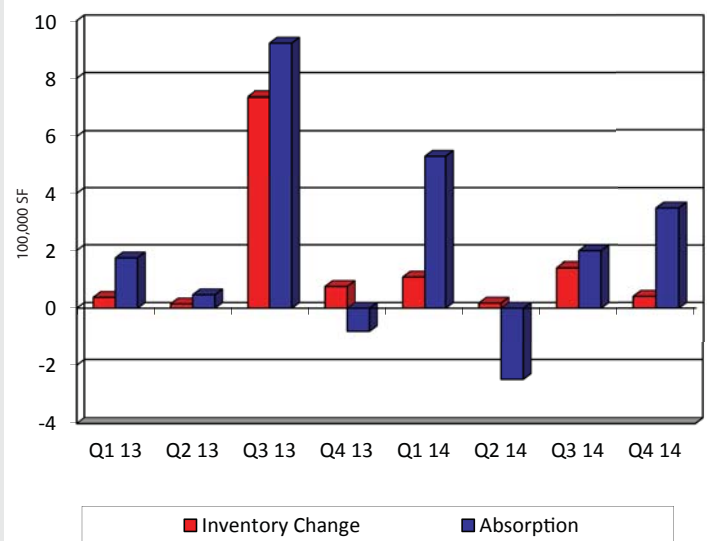
Manchester Plaza
 14244 Manchester Road
 Manchester, MO 63011

- 15,393 SF - 96,268 SF Available
- Directly across from Walmart, Costco & Best Buy
- Pylon Signage on Manchester Road
- Signalized Entrance
- Easy Access & Ample Parking
- Lease Rate: \$10.00 PSF, NNN

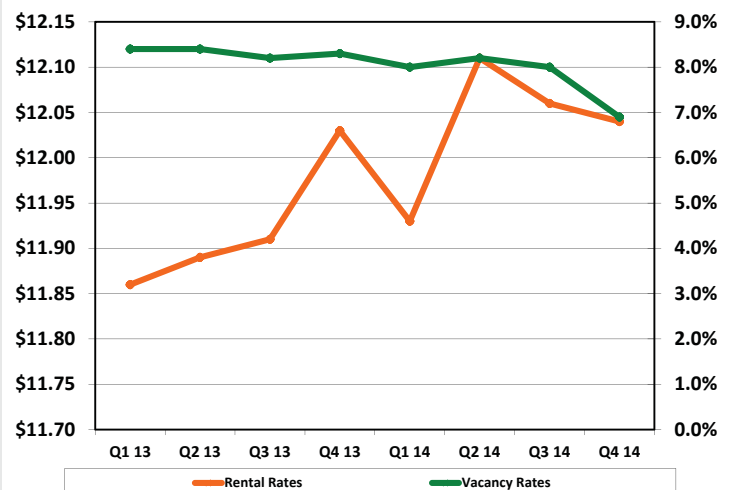
CONTACT: Tim Balk 314-746-1433
 tbalk@gershman.com



Overall Retail Inventory & Absorption



Overall Retail Rental Rates & Vacancy Rates



*Disclaimer: All information is collected from CoStar Group at the end of 4th Quarter. All information is subject to change. Updated numbers for past quarters reflect CoStar's ongoing research for the most accurate market information.