

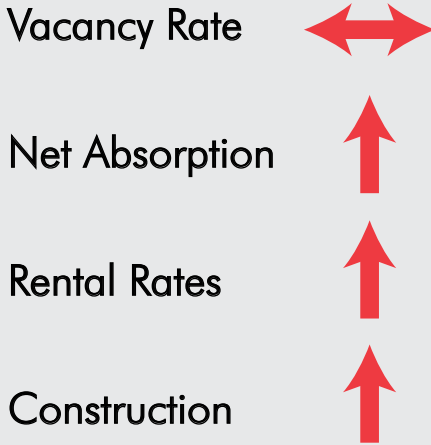


Q3 2018

Retail Market Report

MARKET TRENDS

Compared to Previous Quarter



NEW AROUND TOWN

- Topgolf** - Chesterfield
- DB Cooper's Safe House** - St. Louis
- Blueprint Coffee** - St. Louis
- Restaurant at Seven Gables Inn** - Clayton
- HopCat** - Delmar Loop
- Baked Bear** - Delmar Loop
- Vitality Bowls** - Brentwood
- Krab Kingz Seafood**
- St. Louis & Delmar Loop
- Peel Wood-Fired Pizza** - Clayton
- Blaze Pizza** - St. Peters
- iLoveKickboxing** - Creve Coeur

RECENT CLOSINGS

- Whitebox Eatery** - Clayton
- Hard Rock Cafe** - Downtown St. Louis
- Molly Darcys** - Clayton
- Privado** - Delmar Loop
- Dixon's Smoke House** - Central West End
- Llywelyn's** - Central West End
- Flying Saucer Draught Emporium**
- Downtown St. Louis

The overall retail vacancy rate for the St. Louis market has shown little change so far in 2018. The overall vacancy rate was 4.7% at the end of the third quarter 2018, 4.9% at the end of the second quarter 2018 and 5.9% at the end of the first quarter 2018.

There was positive 371,011 square feet of overall retail space absorbed at the end of the third quarter 2018. Bed Bath and Beyond moved into 37,868 square feet at 9340 Eager Road in Brentwood, and Dollar Tree moved into 9,000 square feet at 16550 Manchester Road in Wildwood. Shop N' Save announced in third quarter they will be closing all their stores; 19 locations have been purchased by Schnucks and will be reopening in October, there are still 15 stores that have not been purchased.

The average quoted rental rates in the St. Louis retail market increased at the end of the third quarter 2018 to \$12.69 per square foot per year, compared to \$12.63 per square foot in the second quarter 2018.

Three buildings totaling 10,909 square feet were delivered in the third quarter 2018. There were still 650,096 square feet of retail space remaining under construction at the end of the third 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. Lindbergh Boulevard, which is 100% leased to Lifetime Athletic in the Central St. Louis County submarket.

Market	Existing Inventory			Vacancy		YTD Net		YTD	Under	Quoted
	# Bids	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates	
Bond County	64	422,630	10,188	10,188	2.3%	(7,248)	0	0	\$14.52	
Calhoun County	6	25,826	0	0	0.0%	0	0	0	\$0.00	
Chesterfield	187	7,077,313	211,621	213,931	3.0%	3,934	0	0	\$17.18	
Clinton County	116	1,336,528	128,757	128,757	9.6%	9,067	0	0	\$5.79	
Crawford County	94	640,121	12,009	12,009	1.9%	(3,369)	0	0	\$9.97	
Franklin County	510	5,251,974	121,814	121,814	2.3%	34,784	0	0	\$8.28	
Jefferson County	194	2,076,559	63,136	63,136	3.0%	(3,481)	0	0	\$12.59	
Jersey County	77	882,223	28,681	28,681	3.3%	(8,142)	9,000	0	\$3.08	
Lincoln County	131	1,284,583	31,142	31,142	2.4%	6,450	0	0	\$13.05	
Macoupin County	165	1,372,516	0	0	0.0%	30,214	0	0	\$8.00	
Metro East Illinois	1,278	16,504,274	722,982	722,982	4.4%	54,380	57,440	12,800	\$12.18	
Mid County	1,024	16,964,424	422,613	452,411	2.7%	32,525	18,466	160,376	\$19.37	
NE Metro Illinois	954	11,593,066	527,028	532,938	4.6%	143,993	0	0	\$12.89	
North County	491	7,922,400	510,331	516,131	6.5%	34,488	0	7,800	\$10.77	
Northwest County	1,071	14,330,486	1,043,813	1,058,143	7.4%	(87,240)	0	0	\$11.07	
Outer Jefferson Cnty.	204	2,211,531	113,486	113,486	5.1%	16,230	4,000	0	\$15.23	
Outer Metro Illinois	152	1,347,654	49,042	49,042	3.6%	4,289	8,400	0	\$13.82	
Outer Monroe Cnty.	8	45,305	0	0	0.0%	0	0	0	\$0.00	
Outer St. Charles Cnty.	151	2,162,485	29,320	29,320	1.4%	38,810	0	0	\$10.55	
Outer St. Louis Cnty.	89	1,107,381	98,663	101,708	9.2%	6,071	0	23,000	\$12.07	
SE Metro Illinois	261	2,791,399	213,959	213,959	7.7%	22,110	4,000	0	\$10.10	
South County	614	11,410,479	775,874	779,974	6.8%	(324,878)	0	0	\$12.49	
Southwest County	642	9,854,664	371,508	373,908	3.8%	99,942	8,900	0	\$12.87	
St. Charles County	483	7,601,140	373,139	378,639	5.0%	36,369	0	0	\$15.52	
St. Charles Region	885	13,038,729	638,793	646,793	5.0%	(23,691)	6,129	7,420	\$12.91	
St. Louis City North	659	9,065,573	654,506	654,506	7.2%	(22,185)	0	391,200	\$15.59	
St. Louis City South	1,650	11,023,217	263,558	263,558	2.4%	13,899	17,697	10,500	\$11.801	
Warren County	116	1,181,847	162,223	162,223	13.7%	(16,906)	0	37,000	\$6.82	
Washington County	44	447,023	0	0	0.0%	2,350	0	0	\$0.00	
West County	537	10,698,244	476,498	476,498	4.5%	15,726	4,400	0	\$16.00	
Totals	12,857	171,691,594	8,054,684	8,135,877	4.7%	108,491	138,432	650,096	\$12.69	

Source: CoStar Property®



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
Floor & Decor	11968 Paul Mayer Ave.	93,005	Northwest County
Aldi	3847-3865 Gravois Ave.	26,688	St. Louis City South
Xist Fitness*	91-195 Concord Plz.	22,500	South County
Pet Supplies Plus	5400-5458 Southfield Ctr.	7,135	South County
Blue Wood Brewery	1817-1821 Cherokee St.	7,000	St. Louis City South

*Renewal

FEATURED PROPERTY



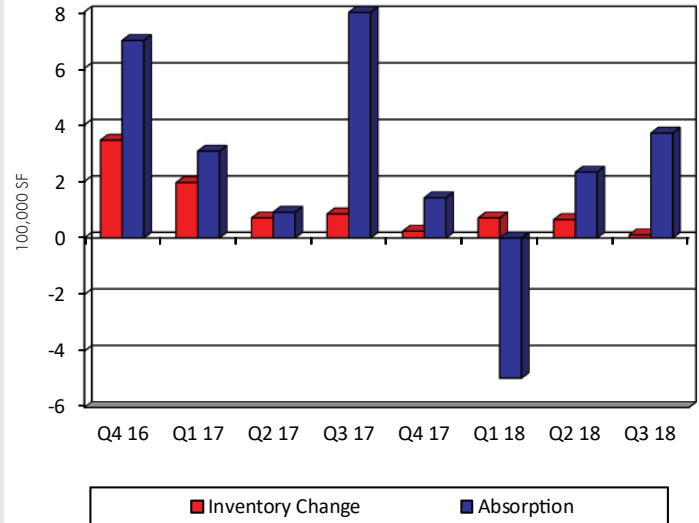
Clarkson Clayton Center
 317-355 Ozark Trail Drive
 Ellisville, MO 63011

- 1,500 SF - 9,520 SF Available For Lease
- 40,040 SF (3 Parcels on 5.26 Acres) For Sale
- Adjacent to the Dierbergs Clarkson/Clayton Center Development
- Heavy Traffic, Upscale Demographics & Signalized Entrances
- Nearby Tenant Mix with Dierbergs, Walgreens, Service & Medical Businesses
- Building Signage Available
- Ample Parking
- Sale Price: \$6,680,000
- Contact Broker for Lease Rate

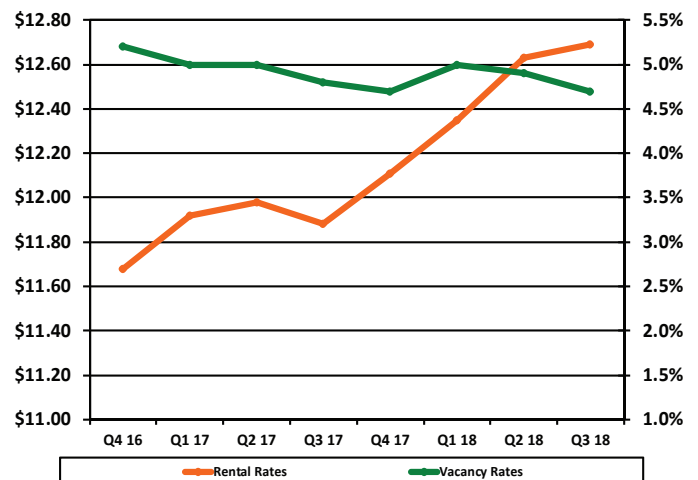
CONTACT: Tim Balk 314-746-1433
 tbalk@gershmancommercial.com



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.