

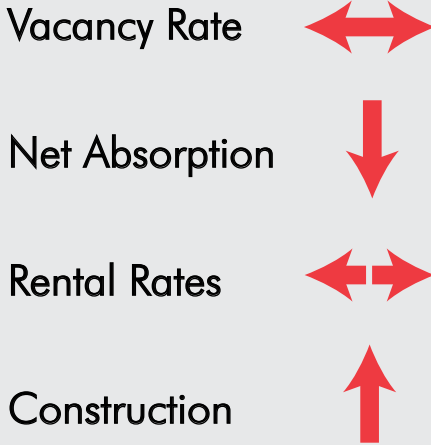


Q4 2018

Retail Market Report

MARKET TRENDS

Compared to Previous Quarter



The overall retail vacancy rate for the St. Louis market has shown no real change in 2018. The overall vacancy rate ended fourth quarter 2018 at 4.8%, compared to 4.7% at the end of third quarter 2018. There hasn't been much change over the last 2 years, 2017 also ended with a 4.7% overall vacancy rate.

There was negative 190,150 square feet of overall retail space absorbed in the fourth quarter 2018, ending 2018 with a total of negative 15,214 square feet absorbed. Although Schnucks purchased 19 of the closed Shop 'n Saves, 12 in the area remained vacant. Mall business continues to suffer, and the Chesterfield Mall sold at auction for \$13 million to Georgia-based Hull Property Group. The Staenberg Group purchased the Sears building at the Chesterfield Mall back in April.

The average quoted rental rates in the St. Louis retail market showed no change this quarter, ending the fourth quarter 2018 at \$12.65 per square foot per year, and was \$12.64 per square foot at the end of the third quarter 2018. The rental rates did improve since last year at this time, fourth quarter 2017 ended at \$12.04 per square foot.

Four buildings totaling 66,945 square feet were delivered in the fourth quarter 2018. There were still 739,248 square feet of retail space remaining under construction at the end of the fourth quarter 2018, including The City Foundry in the St. Louis submarket and the former Shriners Hospital site in the Central St. Louis County submarket.

NEW AROUND TOWN

Rockwell Beer Co. - The Grove

Schnucks - O'Fallon, St. Louis, St. Ann, St. Charles, St. Peters, Festus, Florissant, Arnold, Lemay, Dardenne Prairie, St. John, Shrewsbury, Fenton, Alton & Belleville

Dogtopia - Ellisville

Union 30 - Downtown

Morton's the Steakhouse - Downtown

Chocolate Pig - Cortex District

Blaze Pizza - Richmond Heights

Ultimate Ninjas - Chesterfield

Syberg's - St. Peters

Leopard Boutique - Maplewood

RECENT CLOSINGS

Shop 'n Save - All MO & IL Stores

iTap - Chesterfield

Anthony's Italian Eats - Clayton

Tavern Kitchen & Bar - Central West End

J.F. Sanfilippo's Italian Restaurant
- Downtown

Cardwell's at the Plaza - Frontenac

Regal Cinemas 18 - Hazelwood

Market	Existing Inventory			Vacancy		YTD		Under	Quoted
	# Bids	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
Bond County	65	444,134	10,188	10,188	2.3%	0	0	0	\$14.52
Calhoun County	6	25,826	0	0	0.0%	0	0	0	-
Chesterfield	186	7,019,691	196,283	198,593	2.8%	15,338	0	0	\$18.61
Clinton County	119	1,348,628	138,857	138,857	10.3%	(10,100)	0	0	\$5.86
Crawford County	94	640,121	8,652	8,652	1.4%	0	0	0	\$9.97
Franklin County	520	5,333,664	83,399	83,399	1.6%	35,727	0	0	\$9.06
Jefferson County	197	2,110,056	55,865	55,865	2.6%	7,271	0	0	\$12.73
Jersey County	80	897,557	22,216	22,216	2.5%	6,465	9,000	0	\$3.08
Lincoln County	131	1,289,011	47,548	47,548	3.7%	6,450	0	(16,406)	\$12.59
Macoupin County	166	1,335,566	55,113	55,113	4.1%	(55,113)	0	0	\$8.00
Metro East Illinois	1,284	16,497,759	808,592	809,736	4.9%	54,380	57,440	0	\$12.58
Mid County	1,033	17,068,386	402,219	429,600	2.5%	30,712	38,246	140,596	\$20.19
NE Metro Illinois	972	11,729,406	524,422	599,332	5.1%	(70,421)	4,343	160,600	\$13.11
North County	492	7,921,231	458,371	575,802	7.3%	(59,671)	0	8,092	\$10.55
Northwest County	1,073	14,367,206	955,885	1,071,255	7.5%	4,356	0	2,476	\$10.77
Outer Jefferson Cnty.	209	2,234,512	103,554	103,554	4.6%	6,000	13,026	0	\$9.73
Outer Metro Illinois	152	1,341,381	17,936	17,936	1.3%	14,995	0	0	\$14.00
Outer Monroe Cnty.	8	45,305	0	0	0.0%	0	0	0	-
Outer St. Charles Cnty.	151	2,162,485	30,9960	30,996	1.4%	(1,676)	0	5,200	\$10.66
Outer St. Louis Cnty.	90	1,114,117	101,376	104,421	9.4%	(2,713)	0	0	\$11.72
SE Metro Illinois	266	2,814,666	207,119	207,119	7.4%	6,840	4,000	0	\$10.34
South County	617	11,427,336	765,527	823,401	7.2%	(34,184)	0	0	\$12.65
Southwest County	641	9,741,098	372,311	434,136	4.5%	(60,228)	8,900	4,400	\$12.70
St. Charles County	484	7,589,027	359,918	365,418	4.8%	5,331	5,056	14,726	\$13.93
St. Charles Region	889	12,969,965	604,795	604,795	4.7%	48,729	69,032	11,820	\$12.66
St. Louis City North	662	9,008,523	399,989	399,989	4.4%	211,458	10,165	391,200	\$13.69
St. Louis City South	1,659	11,082,399	262,035	262,035	2.4%	(2,215)	66,147	0	\$11.85
Warren County	118	1,222,488	159,423	159,423	13.0%	39,800	37,000	4,456	\$6.56
West County	540	10,755,385	488,890	646,401	6.0%	(181,600)	16,399	0	\$16.33
Totals	12,904	171,536,903	7,641,479	8,265,780	4.8%	(190,150)	338,754	745,766	\$12.65



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
Urban Air	57-81 Ludwig Dr.	40,588	Metro East Illinois
The Edge Fitness Club	4015-4059 Veterans Memorial	40,418	St. Charles Region
Old Navy*	10 Meadows Circle	13,569	St. Charles County
SourceHOV	151-183 Plaza Dr.	13,073	West County
Nike Factory Store*	25 Meadows Circle	12,056	St. Charles County

*Renewal

FEATURED PROPERTY



Baxter Center

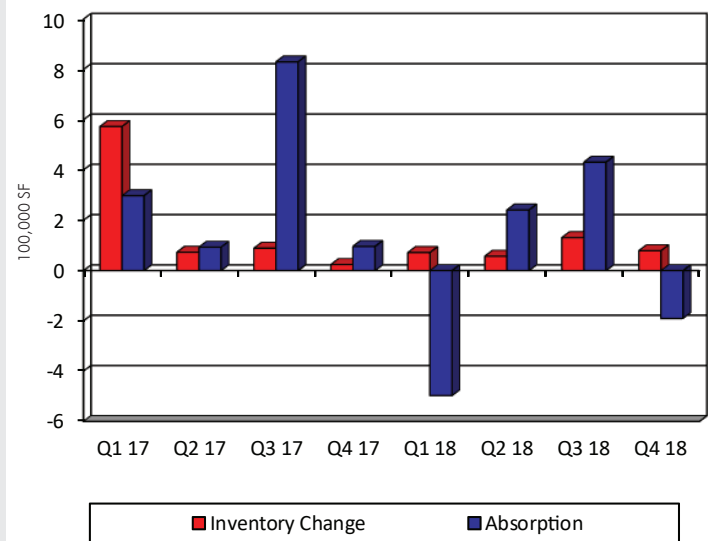
14815-14855 Clayton Road
Chesterfield, MO 63017

- 1,280 SF - 5,600 SF Available For Lease
- Prime Retail Space at the Corner of Baxter Road & Clayton Road
- Anchored by Gold's Gym, Charro Mexican Restaurant & Subway
- 32,140+ VPD on Clayton Road
- Lease Rate: \$17.00 PSF, NNN

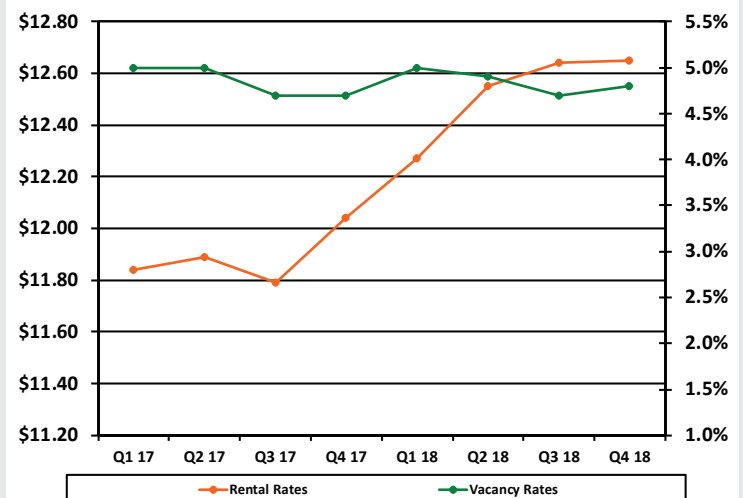
CONTACT: Thomas Drier 314-746-1425
tdrier@gershmancommercial.com



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.