RESEARCH 2Q25

St. Louis Retail Report

NEWMARK ZIMMER

Executive Summary

Newmark Zimmer is constantly monitoring market indicators, tracking and analyzing supply and demand drivers, cyclical patterns and industry trends. The following quarterly research report examines the multifaceted St. Louis retail market.

Newmark Zimmer research and analytics has established a system of data flow unique in our industry. Rather than rely on third party data sources, our data acquisition efforts involve inputs from advisors in the field, analysts and brokers executing transactions. Newmark Zimmer research converts market data and analysis into knowledge that creates value for our clients.

Our clients include market-leading landlords and distinguished institutions in and around the St. Louis area and the Midwest. Our market knowledge continues to expand as the market progresses and evolves.

Select Market Transactions

The Promenade at Brentwood Portfolio
337,800 SF GLA – SOLD FOR $71,600,000 ($212/SF)
Mid County | One Brentwood Court

Florissant Marketplace | Florissant, MO
147,350 SF GLA – SOLD FOR $14,000,000 ($95/SF)
North County | 8200-8234 N Lindbergh Boulevard

Woods Mill Center | Town & Country, MO
86,080 SF GLA – SOLD FOR $6,910,000 ($80/SF)
West County | 14302-14450 S Outer 40 Road

Dollar General Market | Mascoutah, IL
10,540 SF GLA – SOLD FOR $4,433,000 ($420/SF)
Metro East | 1324 W Main Street

Walgreens | Affton, MO
14,820 SF GLA – SOLD FOR $4,150,000 ($280/SF)
South County | 1 Grasso Plaza

Retail

ST. LOUIS MARKET OVERVIEW

St. Louis faced headwinds in the second quarter of 2025 as consumer sentiment dipped significantly, part of a national trend that saw declines in 45 of 47 U.S. metro areas. Although net absorption remained positive, tariff-driven uncertainty weighed on leasing activity, particularly in discretionary retail categories. Regional tenants have become more cautious, lengthening deal timelines and demanding additional landlord concessions. Retail landlords in St. Louis are navigating a more restrained climate. Construction and operating costs continue to climb, and tenants are requesting shorter lease terms or increased flexibility to manage potential slowdowns.

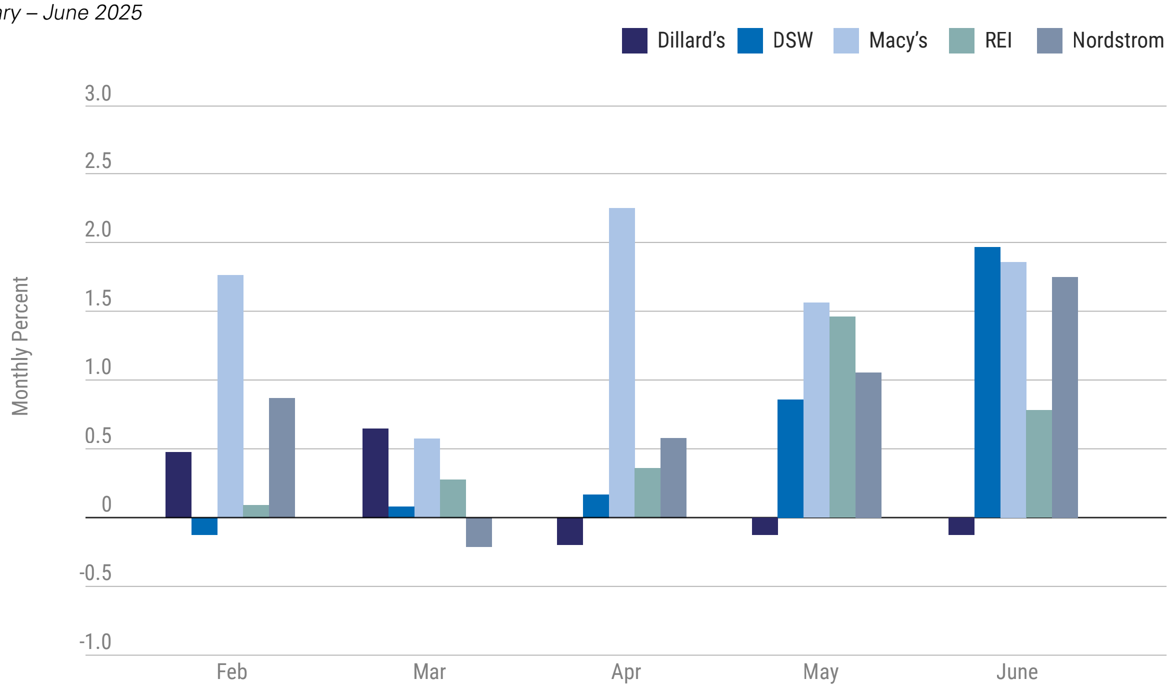
Market News

- Meijer purchased a 6.7-acre land site at 700 Pierce Boulevard in O'Fallon, Illinois, to potentially construct a supercenter store. The grocer now owns more than 23 acres of parcels along Pierce Boulevard. In 2023, Meijer was approved to build a 159,670-SF store, but construction has not commenced as of the second quarter of 2025.
- A collaboration between the City of St. Louis and Greater St. Louis, Inc. to bring business downtown continues to assist local firms. The program offers incentive grants in three categories: The Sidewalk Café and Signage Program, the Tenant Improvement Program, and the Pop-Up Retail Program. More than $350,000 is available to distribute among all the businesses that receive funding.
- Fortune Plus LLC is under contract to purchase the industrial property at 3224 South Kingshighway Boulevard with plans to demolish the structure and construct a new restaurant building. Several new retailers have opened along South Kingshighway Boulevard in the Tower Grove South neighborhood in the past few years, including Dunkin', Scooter's Coffee, and Chuck's Hot Chicken.

Businesses across multiple sectors are preparing for rising prices to impact consumers more visibly by late summer, influencing tenant performance and future space demand. These pricing concerns are already manifesting as apparel prices across major national retailers, many with locations in the Metro, saw steady increases from February 2025 to June 2025. While there may be an upside in domestic manufacturing and a shift toward locally sourced goods, the transition has yet to meaningfully impact near-term leasing. For now, the focus is on retention, rent stability, and maintaining occupancy in a market that may experience further softening before stabilizing.

Monthly Price Changes in Apparel at U.S. Retailers

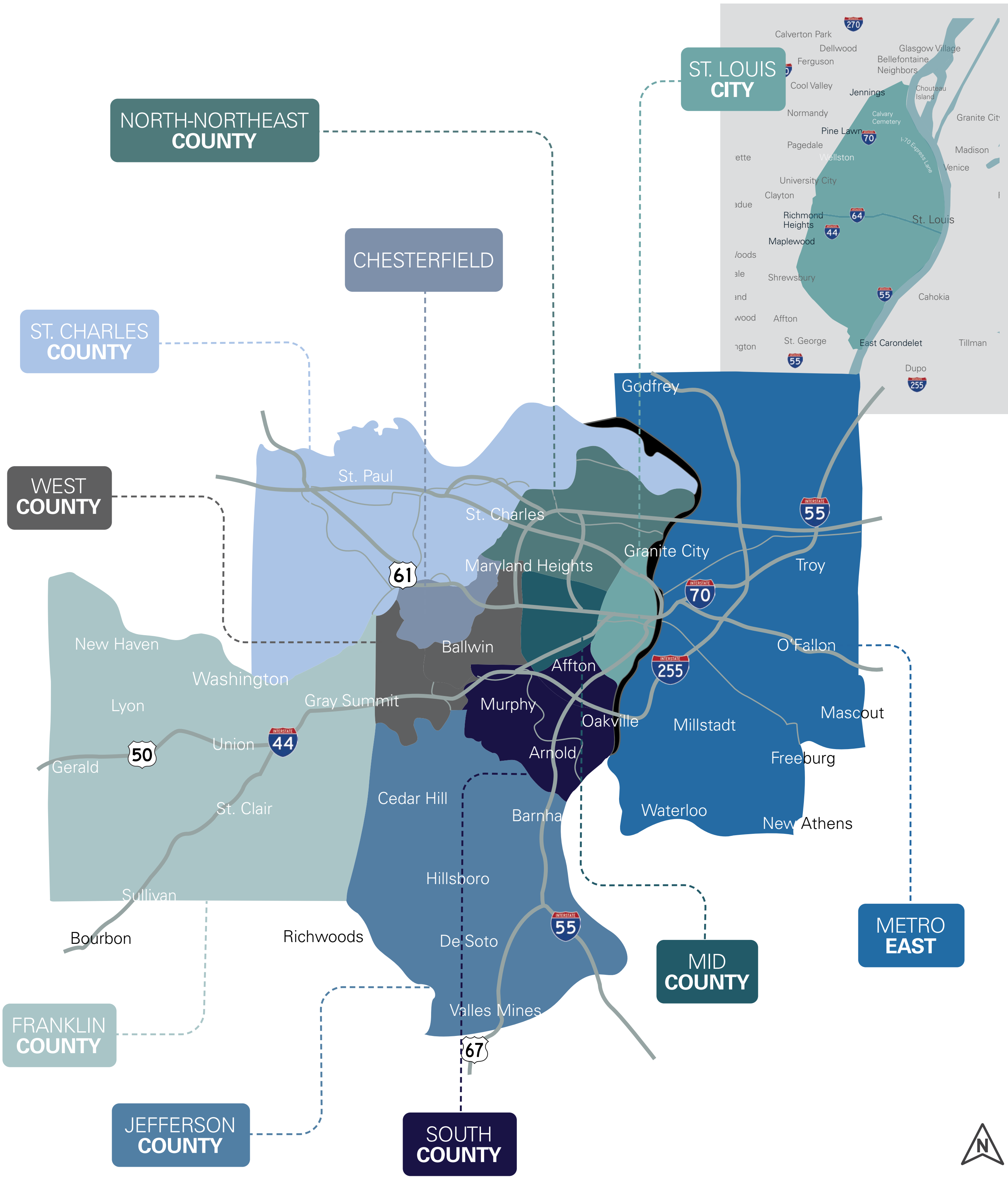
February – June 2025



Source: Dataweave, CNBC

Submarket Maps

DOWNTOWN & SUBURBS



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2Q25 St. Louis

RETAIL MARKET STATISTICS TABLE

	Type	# of Buildings	Total Inventory (SF)	Total Vacancy Rate	Qtr Absorption (SF)	Past 4 Qtrs. Absorption (SF)	Total Asking Rent (NNN)
CHESTERFIELD	All	195	5,744,354	4.60%	48,370	70,291	$21.62
	Small Shop	93	478,929	0.00%	0	0	$23.51
	Big Box	102	5,265,425	5.00%	48,370	70,291	$21.37
FRANKLIN COUNTY	All	597	6,189,708	1.30%	11,050	23,905	$11.02
	Small Shop	430	1,763,196	0.00%	7,784	21,963	$14.67
	Big Box	167	4,426,512	1.90%	3,266	1,942	$10.61
JEFFERSON COUNTY	All	472	4,869,316	0.60%	3,400	29,273	$12.84
	Small Shop	334	1,304,327	0.00%	0	13,361	$16.73
	Big Box	138	3,564,989	0.80%	3,400	15,912	$11.14
METRO EAST	All	2,856	33,312,848	3.60%	29,580	254,981	$14.38
	Small Shop	2,115	8,015,011	1.40%	29,332	49,911	$19.87
	Big Box	741	25,297,837	4.30%	248	205,070	$12.97
MID COUNTY	All	1,132	17,658,844	1.80%	22,919	14,793	$22.46
	Small Shop	769	3,086,371	3.20%	-10,263	-1,569	$22.94
	Big Box	363	14,572,473	1.50%	33,182	16,362	$21.85
NORTH-NORTHEAST COUNTY	All	1,698	20,634,337	4.00%	-49,498	88,206	$12.30
	Small Shop	1,225	4,505,001	1.90%	7,854	-2,233	$17.14
	Big Box	473	16,129,336	4.60%	-57,352	90,439	$11.62
ST. CHARLES COUNTY	All	1,746	24,335,435	3.10%	22,179	111,363	$16.88
	Small Shop	1,221	5,010,539	1.90%	-4,074	49,828	$20.92
	Big Box	525	19,324,896	3.50%	26,253	61,535	$16.22
ST. LOUIS CITY	All	2,497	21,598,327	4.30%	73,103	1,267	$11.01
	Small Shop	1,990	7,469,930	2.10%	12,298	14,859	$15.89
	Big Box	507	14,128,397	5.50%	60,805	-13,592	$9.75
SOUTH COUNTY	All	1,343	20,931,980	3.90%	31,252	124,961	$13.49
	Small Shop	907	3,591,455	1.20%	-4,473	20,274	$17.48
	Big Box	436	17,340,525	4.40%	35,725	104,687	$13.26
WEST COUNTY	All	662	12,223,308	4.80%	-90,675	66,565	$16.82
	Small Shop	389	1,643,164	2.10%	73	3,173	$18.09
	Big Box	273	10,580,144	5.20%	-90,748	63,392	$16.65
TOTALS	All	13,198	167,498,457	3.50%	101,680	785,605	$14.61
	Small Shop	9,473	36,867,923	1.70%	38,531	169,567	$18.86
	Big Box	3,725	130,630,534	4.00%	63,149	616,038	$13.83

Small Shop: Retail buildings in which GLA is 9,000 square feet or less. **Big Box:** Retail buildings in which GLA is 9,001 square feet or more.

Examination and calculation of supply and demand determinants by building size uncovered statistically significant inflection points consistently at the 9,000-square-foot building size. For this reason, the division between small-shop and big-box occurs at 9,000 square feet.

Market Indicators

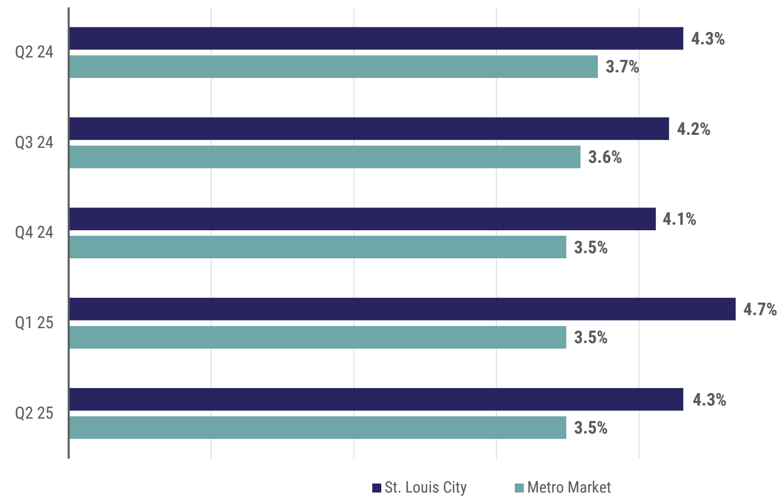
VACANCY RATE, ASKING RENT & NET ABSORPTION

ST. LOUIS CITY
VACANCY RATE

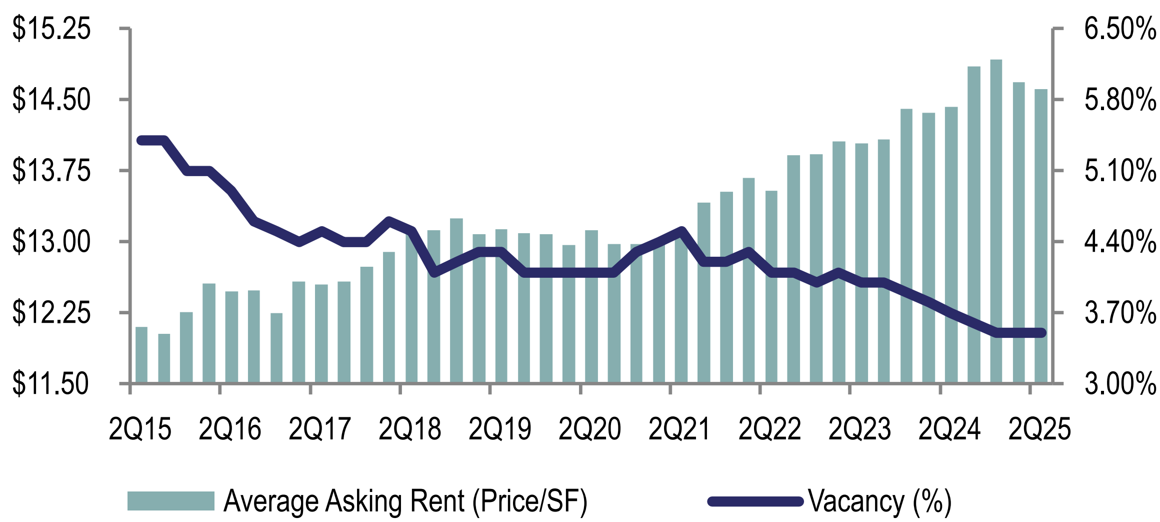
The St. Louis City vacancy rate remained flat compared to the past year.

METRO MARKET
VACANCY RATE

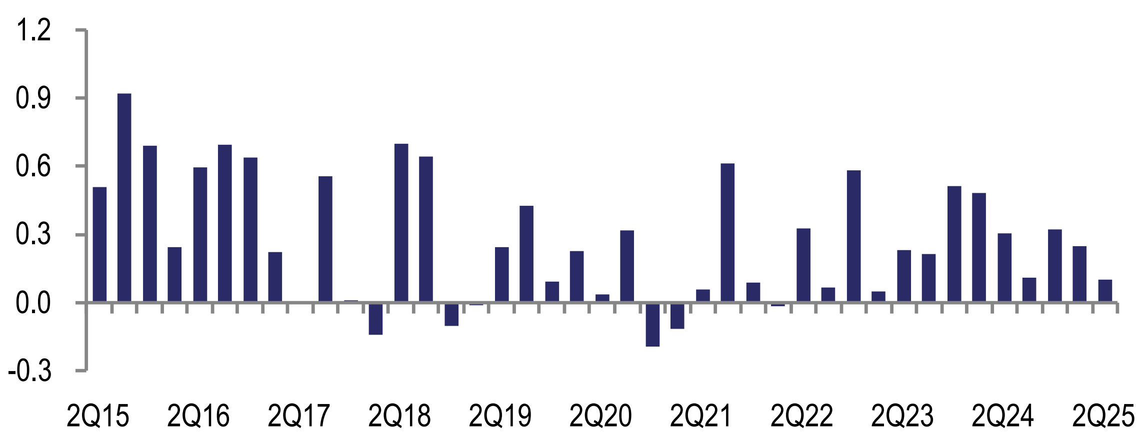
The metro market vacancy rate displayed a downward trend, decreasing **20 basis points** compared to the past year.



ASKING RENT AND VACANCY



NET ABSORPTION
SQUARE FEET, MILLIONS



2Q25 St. Louis

SUBMARKET VACANCY RATE

CHESTERFIELD
VACANCY RATE

Improved by **80 basis points** compared to the past year.

4.6%	2Q25
5.4%	2Q24

Small shop space is hard to find in Chesterfield as vacancy in this niche is 0.0%.

METRO EAST
VACANCY RATE

Worsened by **10 basis points** compared to the past year.

3.6%	2Q25
3.5%	2Q24

Metro East displayed the highest amount of total net absorption in the market during the past four quarters.

MID COUNTY
VACANCY RATE

Worsened by **20 basis points** compared to the past year.

1.8%	2Q25
1.6%	2Q24

Mid County displayed the highest average asking rental rate in the market.

WEST COUNTY
VACANCY RATE

Improved by **50 basis points** compared to the past year.

4.8%	2Q25
5.3%	2Q24

West County displayed the second highest vacancy rate for big box space in the market.

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We transform untapped potential into limitless opportunity.

We don't just adapt to what our partners need—we adapt to what the future demands.

Since our start, we've faced forward, predicting change and pioneering ideas. Almost a century later, the same strategic sense and audacious thinking still guide our approach. Today our integrated platform delivers seamlessly connected services tailored to every type of client, from owners to occupiers, investors to founders, and growing startups to leading companies.

Tapping into smart tech and smarter people, we bring ingenuity to every exchange and transparency to every relationship.

We think outside of boxes, buildings and business lines, delivering a global perspective and a nimble approach. From reimagining spaces to engineering solutions, we have the vision to see what's next and the tenacity to get there first.

TERMS AND DEFINITIONS

Gross Leasable Area (GLA) – Expressed in square feet. It is the total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines. It is the standard measure for determining the size of retail spaces, specifically shopping centers, where rent is calculated based on GLA occupied. There is no real difference between RBA (Rentable Building Area) and GLA except that GLA is used when referring to retail properties while RBA is used for other commercial properties.

Vacancy Rate – The vacancy rate is the amount of physically vacant space divided by the inventory and includes direct and sublease vacant.

Net Absorption – The net change in physically occupied space over a period of time.

Average Asking Rent – The dollar amount asked by landlords for available space expressed in dollars per square foot per year. Retail rents are expressed as triple net where all costs including, but not limited to, real estate taxes, insurance and common area maintenance are borne by the tenant on a prorata basis. The asking rent for each building in the market is weighed by the amount of available space in the building.

DISCLAIMER

RESEARCH

Newmark Zimmer research reports are also available at **nmrkzimmer.com**

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