

RESEARCH 2Q26

St. Louis Retail Report



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

Fairview Heights Shopping Center Portfolio

85,600 SF GLA – SOLD FOR \$19,000,000 (\$222/SF)

Metro East | 6601-6621, 6631-6651 N Illinois St – Fairview Heights, IL

Market at Olive Portfolio

19,110 SF GLA – SOLD FOR \$13,350,000 (\$699/SF)

Mid County | 8615; 8616-8626 Olive Blvd – Olivette, MO

Kenrick Plaza

133,830 SF GLA – SOLD FOR \$10,499,400 (\$78/SF)

South County | 7437 Watson Rd – St. Louis, MO

Gravois Plaza

125,840 SF GLA – SOLD FOR \$8,660,000 (\$69/SF)

St. Louis City | 3847-3865 Gravois Ave – St. Louis, MO

Edwardsville Ironworks

21,700 SF GLA – SOLD FOR \$7,500,000 (\$346/SF)

Metro East | 2323-2329 Plum St – Edwardsville, IL

Retail

ST. LOUIS MARKET OVERVIEW

St. Louis slightly loosened in the second quarter of 2026 as local consumer sentiment continues to remain in check. Net absorption registered negative 668,577 SF in the past four quarters as tariff-driven uncertainty continues to affect 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:

- Downtown residents will gain additional dining options with the \$6.0 million Wash Ave Food Hall, which is scheduled to open by October. Developed by Olive Properties, the 9,000-square-foot project will feature eight food and beverage vendors, two bars, and an indoor-outdoor dining area with a retractable roof.
- Swig announced plans to expand its presence in the St. Louis region with a third location at 1066 Wentzville Pkwy. in Wentzville, Missouri. The 4,800-SF, multi-tenant development will be anchored by the “dirty soda” chain and will feature a dedicated drive-thru.
- Planet Overstock signed a lease for 53,510 SF at Arnold Crossing Center, located at 221-237 Arnold Crossroads Center in Arnold, MO. Growing consumer demand for lower-cost alternatives, including thrift stores, overstock outlets, warehouse clubs and e-commerce channels, relative to traditional retailers, is expected to continue over the next four quarters.

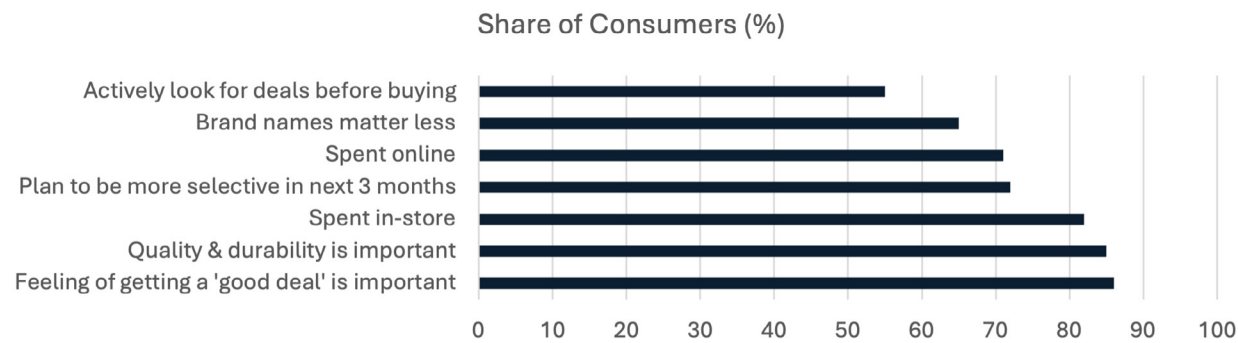
The New Retail Bifurcation: Value vs. Experience

Consumers are becoming increasingly selective about where and how they spend, creating a widening divide between value-oriented retailers and experience-driven concepts. While household budgets remain pressured by elevated prices, consumers have not abandoned discretionary spending in the first half of 2026. Instead, shoppers are placing greater emphasis on the perceived value of each purchase, with retailers competing through either price and affordability or differentiated products, services and experiences.

Recent ICSC research found that 86% of consumers consider getting a good deal important when deciding whether to spend, while 85% place importance on product quality and durability. At the same time, physical retail remains highly relevant: 82% of consumers recently spent money in a store, compared with 71% online.

The important distinction is that “value” does not necessarily mean low price. Deloitte estimates that as much as 40% of consumers’ perception of value can come from factors other than price, including quality, service, checkout experience, loyalty and employee interactions. Retailers are increasingly winning by delivering either compelling economic value or a compelling experience, and the strongest concepts often deliver both.

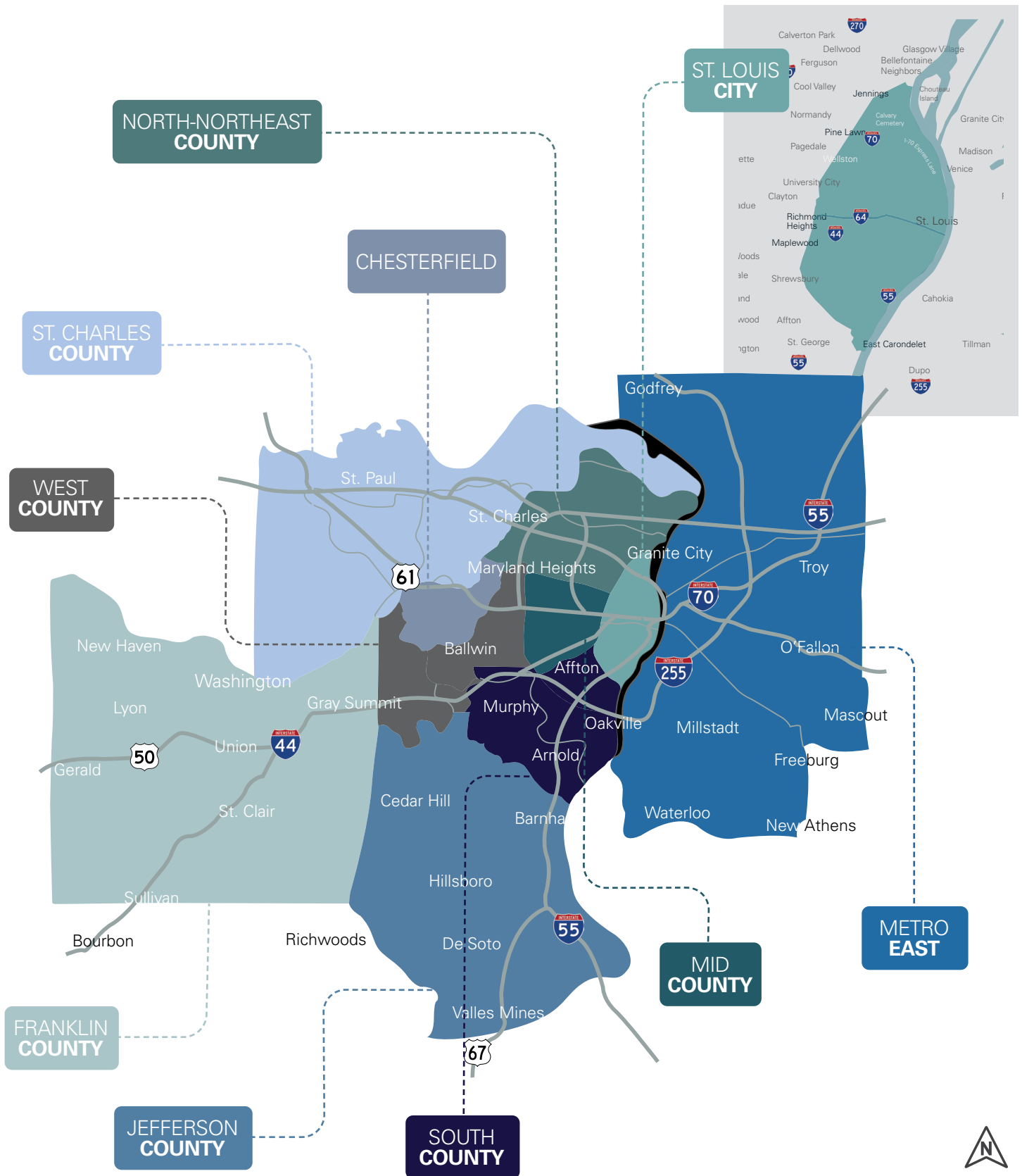
Consumers Remain Store-Oriented Despite Value Pressures



Source: ICSC, April 2026.

Submarket Maps

DOWNTOWN & SUBURBS



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RETAIL MARKET STATISTICS TABLE

	Type	# of Buildings	Total Inventory (SF)	Total Vacancy Rate	Qtr Absorption (SF)	Past 4 Qtrs. Absorption (SF)	Past 4 Qtrs. Deliveries (SF)	Total Asking Rent (NNN)
CHESTERFIELD	All	199	5,491,415	6.20%	1,080	-53,281	0	\$23.34
	Small Shop	97	497,083	3.00%	-7,171	-15,089	0	\$24.06
	Big Box	102	4,994,332	6.50%	8,251	-38,192	0	\$22.94
FRANKLIN COUNTY	All	627	6,356,897	1.50%	-11,843	2,777	24,607	\$16.28
	Small Shop	455	1,844,347	0.70%	1,214	-511	12,607	\$16.84
	Big Box	172	4,512,550	1.90%	-13,057	3,288	12,000	\$15.62
JEFFERSON COUNTY	All	489	4,892,931	1.60%	-13,388	-11,561	10,566	\$11.90
	Small Shop	351	1,364,643	0.60%	1,232	-6,504	0	\$15.25
	Big Box	138	3,528,288	2.00%	-14,620	-5,057	10,566	\$10.85
METRO EAST	All	3,016	35,254,246	4.80%	1,989	-398,274	59,363	\$13.40
	Small Shop	2,261	8,588,503	2.30%	-34,114	-68,298	26,450	\$19.93
	Big Box	755	26,665,743	5.60%	36,103	-329,976	32,913	\$11.96
MID COUNTY	All	1,152	17,727,670	3.00%	192,878	22,892	234,975	\$24.26
	Small Shop	791	3,148,070	3.10%	-15,874	-6,694	500	\$24.95
	Big Box	361	14,579,600	2.90%	208,752	29,586	234,475	\$23.29
NORTH-NORTHWEST COUNTY	All	1,715	20,227,690	4.70%	-51,648	-235,952	60,986	\$12.96
	Small Shop	1,247	4,562,143	1.70%	-17,710	12,868	986	\$16.42
	Big Box	468	15,665,547	5.60%	-33,938	-248,820	60,000	\$12.46
ST. CHARLES COUNTY	All	1,793	24,611,895	2.80%	66,876	304,196	225,848	\$16.46
	Small Shop	1,260	5,201,278	2.30%	-8,094	-4,999	23,400	\$20.48
	Big Box	533	19,410,617	3.00%	74,970	309,195	202,448	\$15.13
ST. LOUIS COUNTY	All	2,508	19,823,904	4.80%	-28,274	-43,144	5,000	\$11.64
	Small Shop	2,030	7,587,141	2.10%	-7,975	-14,901	5,000	\$17.26
	Big Box	478	12,236,763	6.50%	-20,299	-28,243	0	\$10.35
SOUTH COUNTY	All	1,364	21,343,843	5.20%	-28,860	-223,604	66,891	\$13.93
	Small Shop	931	3,707,734	1.80%	1,550	1,835	30,191	\$17.11
	Big Box	433	17,636,109	5.90%	-30,410	-225,439	36,700	\$13.72
WEST COUNTY	All	678	12,080,655	5.10%	-138,172	-32,626	30,877	\$17.40
	Small Shop	409	1,695,439	1.30%	5,991	29,213	12,877	\$23.25
	Big Box	269	10,385,216	5.70%	-144,163	-61,839	18,000	\$16.70
TOTALS	All	13,541	167,811,146	4.20%	-9,362	-668,577	719,113	\$14.54
	Small Shop	9,832	38,196,381	2.00%	-80,951	-73,080	112,011	\$19.07
	Big Box	3,709	129,614,765	4.80%	71,589	-595,497	607,102	\$13.59

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

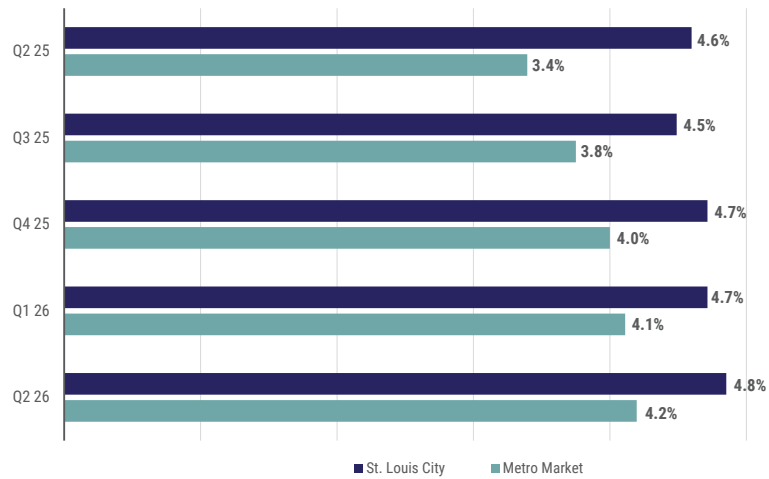
VACANCY RATE

The St. Louis City vacancy rate displayed an upward trend, increasing **20 basis** points compared to the past year.

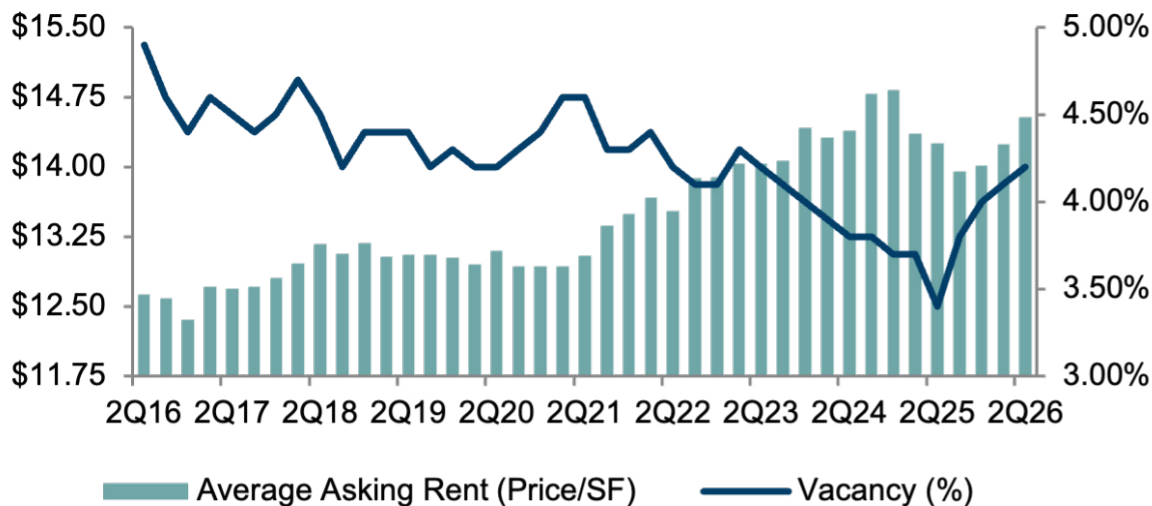
METRO MARKET

VACANCY RATE

The metro market vacancy rate displayed an upward trend, increasing **80 basis** points compared to the past year.

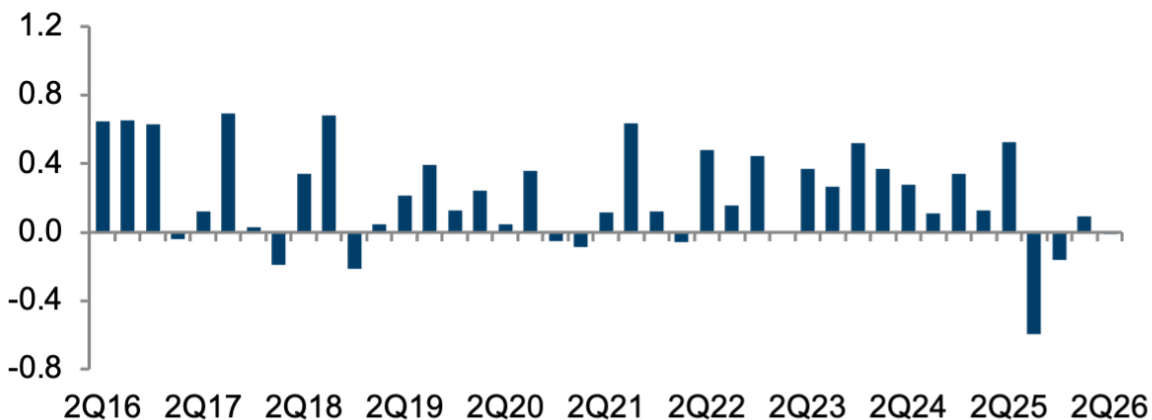


ASKING RENT AND VACANCY



NET ABSORPTION

SQUARE FEET, MILLIONS



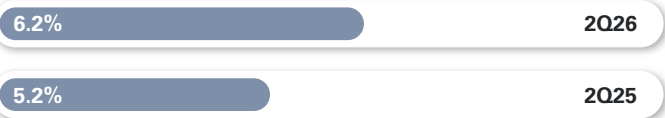


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SUBMARKET VACANCY RATE

CHESTERFIELD VACANCY RATE

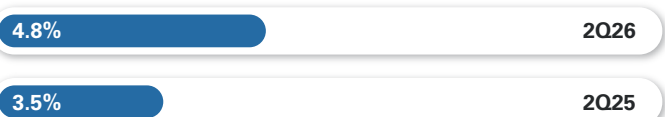
Worsened by
100 basis points
compared to the
past year.



Chesterfield displayed the second-highest negative absorption for Small Shop space in the market during the past four quarters.

METRO EAST VACANCY RATE

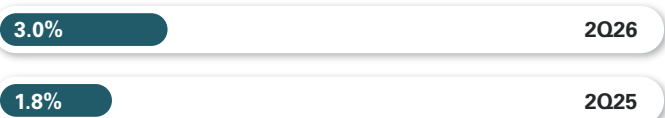
Worsened by
130 basis points
compared to the
past year.



Metro East displayed the highest negative net absorption in the market during the past four quarters.

MID COUNTY VACANCY RATE

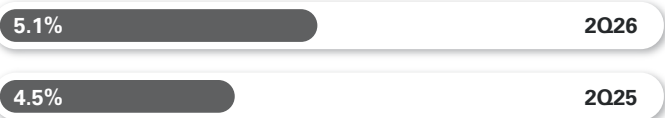
Worsened by
120 basis points
compared to the
past year.



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

WEST COUNTY VACANCY RATE

Worsened by
60 basis points
compared to the
past year.



West County displayed the third-lowest vacancy for Small Shop space in the market.

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Kansas City, MO 64105
816-474-2000

Eastern Jackson County

1485 SW Market Street
Lee's Summit, MO 64081
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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.

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