

RETAIL

'24 Market Insights

Greater Lansing Area, Michigan | H2 2024

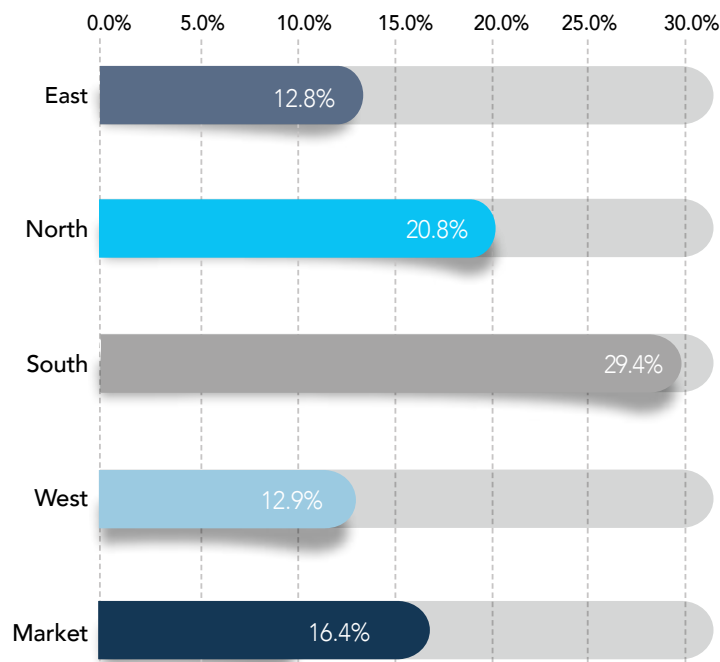
Rite Aid Closures Create Retail Opportunities throughout the Market

Market at a Glance

Arrows indicate change from previous period.



Figure 1: Market Vacancy \geq 5,000 SF Leased Space



Source: Martin Commercial Properties, Inc.

MARKET NEWS

- Average market vacancies increased from 13.8% in H1 2024 to 16.4% in H2 2024.
- **Rite Aid** and **Big Lots** store closures present small-box opportunities across the market, with **Dollar Tree** already securing a site in Haslett (East Submarket).
- Noteworthy lease consolidations include **Burlington** and **Best Buy** in the West Submarket.
- Popular retailers are eyeing **Delta Crossings** in the West Submarket. The center recently welcomed a 25,000 SF **Burlington**, and construction is underway for a 30,000 SF **Best Buy** and an 85,000 SF **Bass Pro Shops**.
- The North Submarket is buzzing with excitement, as popular eateries join the scene—**Fiesta Charra** opening soon in DeWitt, along with **Dave & Buster's** and **Cooper's Hawk Winery** set to debut near **Eastwood Towne Center**.
- The South Submarket is experiencing a revival. **Dunkin'** and **Wingstop** will soon open in a new building near **Meijer**, while across the street, new construction is near complete for **7 Brew Coffee** on South Cedar St. **Dollar Tree** will soon open in **Cedar Green Commerce Center**, and perhaps the most anticipated addition is that of **Chick-fil-A**, who will soon break ground on a South Cedar St. site near I-96.
- **Lansing Duck Pin** is preparing its new space in the vibrant **Red Cedar** mixed-use development on Michigan Ave., next to **Michigan State University** in the East Submarket. It will join other popular retailers in the new development, including **Dunk'd**, **Feng Cha Tea**, **HobNob Pizza**, **Old Bag of Nails**, **Tropical Smoothie**, and **Hooked**.
- A 40,000 SF community center has been proposed for the former **Younkers** space at the regional **Meridian Mall** (East Submarket).
- Noteworthy sales during this period are investment transactions including the 40,000 SF **Jolly-Cedar Plaza** and the 5,500 SF **Bob Evans** building, both in the South Submarket, which sold for \$2.5 Million and \$2.9 Million, respectively. Additionally, the 4,200 SF **Culver's** building on Towne Centre Blvd. in the North Submarket sold for \$2.9 Million.

RETAIL '24 Market Insights

Greater Lansing Area, Michigan | H2 2024

Figure 2: Market Statistics | H2 2024

SUBMARKET	MARKET RENTABLE AREA (SF)	MARKET SHARE (%)	VACANT (SF)	VACANCY RATE (%)	COMPLETIONS (SF)	NET ABSORPTION (SF)	ASKING LEASE RATE (\$/SF/YR)
East	3,809,438	39.5	485,938	12.8	0	-93,070	17.00-45.00
North	784,975	8.1	163,013	20.8	0	33,254	10.00-27.00
South	1,696,443	17.6	499,000	29.4	0	-30,113	7.00-16.00
West	3,354,482	34.8	433,834	12.9	0	-126,848	9.00-30.00
Market	9,645,338	100.0	1,581,785	16.4	0	-216,877	7.00-45.00

Source: Martin Commercial Properties, Inc.



MARKET COMPOSITION

The Greater Lansing Area features a substantial retail footprint with over 9.6 million SF of leasable space in buildings $\geq 5,000$ SF. The following is a closer look at its four submarkets and most dynamic retail corridors:

EAST SUBMARKET

The area's largest retail sector and home to **MSU**, **Frandor Shopping Ctr.** and **Meridian Mall**.

Most Dynamic Corridors:

Grand River Ave. from **Frandor** to **Meridian Mall**; Lake Lansing Road, just east of US-127; intersection of Jolly and Okemos Rds. (near I-96 Interchange) and the emerging Bus-69/Coleman Rd/Marsh Rd. quadrant.

NORTH SUBMARKET

The area's smallest retail sector and home to **Eastwood Towne Center**, **Heights of Eastwood** and **Sam's Club**.

Most Dynamic Corridor:

Lake Lansing Road from US-127 to Wood St.

SOUTH SUBMARKET

The retail sector with lowest household income coupled with robust traffic counts.

Most Dynamic Corridor:

Cedar St. from Jolly Rd. to Willoughby Rd. (near I-96)

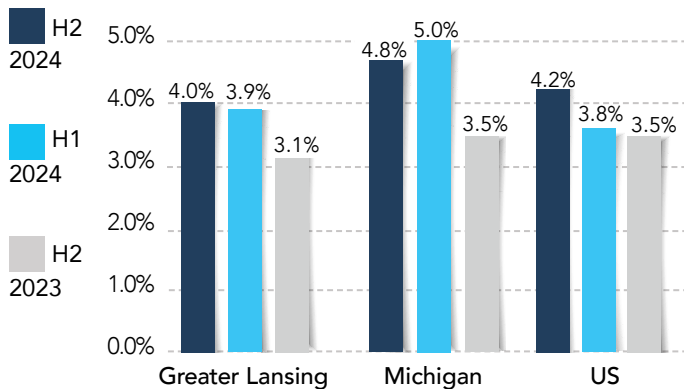
WEST SUBMARKET

The market's second-largest retail sector featuring the regional **Lansing Mall** and **Delta Crossings**, a new \$200 Million mixed-use development at the Saginaw/I-96 interchange.

Most Dynamic Corridors:

West Saginaw @ I-96 and West Saginaw near Lansing Mall.

Figure 3: Unemployment Statistics
History of Unemployment / Local, State, U.S.



Source: Bureau of Labor Statistics

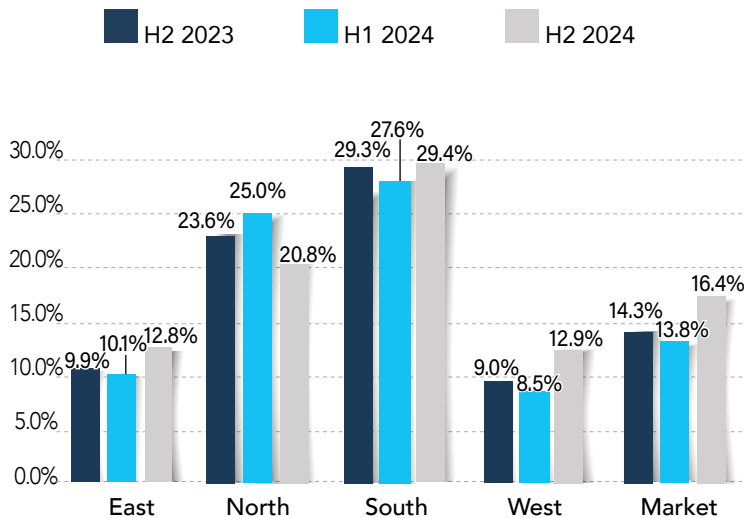
VACANCIES

Market vacancies averaged 16.4%, up from 13.8% in H1 2024.

The East Submarket saw the most significant change, with vacancies rising from 10.1% in H1 2024 to 12.8%. This increase was primarily due to closures of **Big Lots** and **Rite Aid** locations, though new leasing activity remained strong. Notable transactions included **Dollar Tree**, **Lansing Duck Pin**, **Jersey Mike's**, **Chipotle**, **Crumbl Cookies**, **Big Moe's Kitchen**, **Pizzawala's**, **U of M Health Pharmacy**, and more. Additionally, a +/- 40,000 SF community center has been proposed for the former **Younkers** space in **Meridian Mall**, which would further strengthen the sector.

Vacancies also increased in the West Submarket, driven by the closures of **Rite Aid** and **Big Lots**, and **Burlington's** consolidation from a 75,000 SF location at 5625 West Saginaw to a new 25,000 SF storefront in **Delta Crossings**. **Best Buy** is set to follow **Burlington's** lead, downsizing to a 30,000 SF store under construction at **Delta Crossings**. The center is also expected to add an 85,000 SF **Bass Pro Shops**.

Figure 4: History of Market Vacancies - Leased Buildings Comprising $\geq 5,000$ SF



Source: Martin Commercial Properties, Inc.

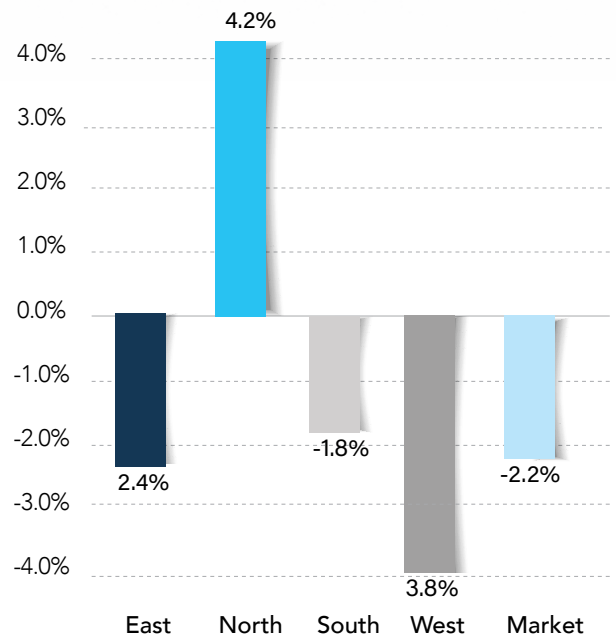
The North Submarket saw vacancies decrease to 20.8%, down from 25.0% in H1 2024. This sector continues to be a sought-after retail destination, recently welcoming **REO Town Clubhouse Ristorante**, **Art & Jake's**, **Fiesta Charra**, **Flap Jack**, and more. **Cooper's Hawk Winery** and **Dave & Buster's** are also set to open soon.

While the South Submarket has a higher average vacancy rate of 29.4%, new development in the fast food sector is thriving. Recent additions include **Panda Express**, with new buildings underway for **Wingstop**, **Dunkin'**, and **7 Brew Coffee**. **Chick-fil-A** will soon open a location on South Cedar St. near I-96.

ABSORPTION

Absorption is the net change in physically occupied space from one period to the next. Over the past six months, net absorption in the Greater Lansing retail market totaled -216,877 SF, down from -24,996 SF absorbed during H1 2024.

Figure 5: H2 2024 Absorption - Percent Change Leased Buildings Comprising $\geq 5,000$ SF



RETAIL '24

Market Insights Greater Lansing Area, Michigan | H2 2024



301-325 N Clippert St., &
3000-3040 Vine St., Lansing, MI
Up to 21,435 SF for Lease

Trusted Commercial Real Estate Services . . . Since 1962

For over 60 years, Martin Commercial Properties has provided comprehensive commercial real estate services across five core business lines: Brokerage, Property Management, Property Development, Investment and Corporate Services.

Martin Commercial Properties is your source for local market knowledge. Since 1988, Martin has produced extensive Greater Lansing Area market insights detailing office, retail and industrial statistics, major transactions, industry trends and market forecasts.

Brokerage



Services

Property



Management

Construction



Services

Investment



Services

Corporate



Services

Properties



Reliability you can trust. Results you can depend on.



Carson Patten
Vice President | Retail Advisor
carson.patten@martincommercial.com



Samantha Le
Senior Associate | Retail Advisor
samantha.le@martincommercial.com



Van W. Martin, SIOR, CCIM, CRE
President
Chief Executive Officer
van.martin@martincommercial.com