

RETAIL ‘25 Market Insights

Greater Lansing Area, Michigan | H2 2025

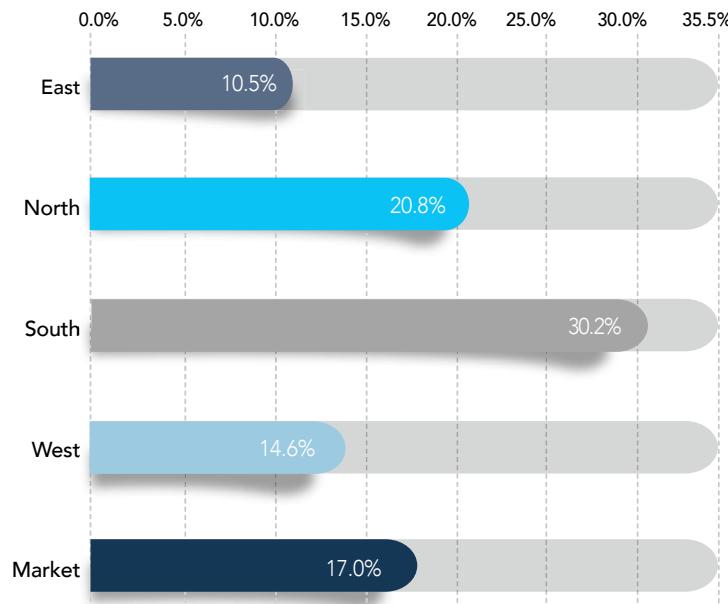
User Demand Concentrates in Prime Corridors

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.

Martin

MARKET NEWS

- Vacancy declined 40 basis points this period, falling from 17.4% to 17.0%. Overall vacancy is concentrated primarily in older properties in less desirable areas, while newer assets in strong retail corridors are recording vacancy rates at approximately 1/3 of the market average.
- Leasing activity remained consistent throughout 2025, while vacancy left from major bankruptcies backfilled quickly in prime locations.
- Deal timelines are stretching modestly as retailers take a more deliberate approach, emphasizing footprint optimization and experiential concepts over aggressive expansion.
- Tenant move-ins are expected to increase in 2026 as recently signed deals translate into openings, supported by ongoing demand for neighborhood and necessity-focused retail.
- Value-oriented demand is driving expansion among discount retailers, including Dollar Tree and Aldi's, while higher-income households continue supporting high-end tenants.
- Food-and-beverage leasing led local activity in 2025, with notable users including Chick-fil-A, Panda Express, Starbucks, Foxtail Coffee, Bubbakoo's Burritos, Raising Cane's, Shake Shack, Wingstop, Smoothie King, RJ's Metropolitan Ice Cream, and Anna's House, fueling competition for high-traffic sites.
- Fitness users were also active in H2 2025, with Planet Fitness opening a new 20,600 SF location and Terra Firma Bouldering Company signing a lease for 15,000 SF at Meridian Pointe.
- Former Rite Aid sites are being successfully repurposed into new community-serving uses. Examples include Dollar Tree on Lake Lansing Rd. (East Submarket), Urban Street Corner Markets on Cedar St. in Mason (South Submarket), and UM Health at E. Michigan Ave. and Pennsylvania Ave. (East Submarket). Additional repositioning is underway, including Sheetz planned for 111 E. Saginaw Street (East Submarket) and new tenants—Shake Shack, Wingstop, Smoothie King, and Batteries Plus—slated to open at Grand River and Clippert in Frandor (East Submarket).
- Frandor continues to backfill big-box space quickly, with Barnes & Noble opening in the former Party City space and a 30,000 SF tenant (to be announced) leasing the former JoAnn location (East Submarket).
- Regional mall leasing strengthened at Meridian Mall (East Submarket), highlighted by Ashley Furniture opening a 95,000 SF store and Schulers Books expanding into 30,000 SF.
- New construction remains active locally including Best Buy's relocation to a new 30,000 SF building at Delta Crossings, and additional projects underway for Bass Pro Shops, Aldi, Chick-fil-A, Sheetz, Tidal Wave Auto Spa, Raising Cane's and more.
- Notable closures included Sleep Number in Okemos; along with Starbucks and No Thai! at 401 E. Grand River (East Submarket). Going, Going, Gone! by Dick's Sporting Goods is expected to close on W. Saginaw Highway (West Submarket) soon.
- Availability is expected to tighten as rental rates remain flat into 2026.
- Major sales this period included high-profile commercial land, led by the 2.9-acre former Outback Steakhouse site (\$2.2 million) and the 2.2-acre former Wheat Jewelers site (\$1.6 million), both on Marsh Rd. in the East Submarket, as well as a 6.3-acre parcel at 6420 S. Cedar (\$1.0 million).

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Figure 2: Market Statistics | H2 2025

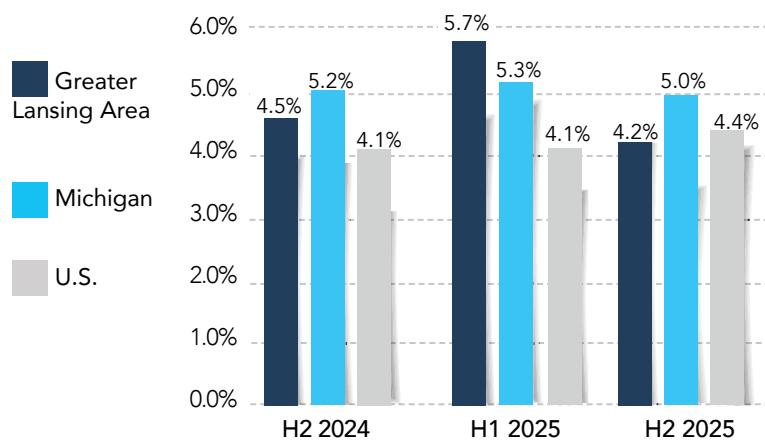
≥5,000 SF Leased Retail Space

Submarket	Market Rentable Area (SF)	Market Share (%)	Vacant (SF)	Vacancy Rate (%)	Completions (SF)	Net Absorption (SF)	Asking Lease Rate (\$/SF/YR)
East	2,896,740	36.6	303,347	10.5	0	46,447	17.00-35.00
North	779,039	9.8	161,871	20.8	0	14,178	10.00-35.00
South	1,696,443	21.4	512,850	30.2	0	12,391	7.00-16.00
West	2,549,517	32.2	371,782	14.6	30,000	-20,190	9.00-30.00
Market	7,921,739	100.0	1,349,850	17.0	0	52,826	7.00-45.00

Source: Martin Commercial Properties, Inc.



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



Source: Bureau of Labor Statistics

MARKET COMPOSITION

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

Most Dynamic Retail Corridors: (1) Grand River Ave. from **Frandor** to the regional **Meridian Mall**; (2) Lake Lansing Road, just east of US-127; (3) Intersection of Jolly and Okemos Rds. (near I-96 Interchange) and (4) The emerging Bus-69/Coleman Rd/Marsh Rd. quadrant near **Costco**.

Notable 2025 Activity: A 30,000 SF tenant to be named and **Barnes & Noble** opened in **Frandor Shopping Ctr.**; **Ashley Furniture** opened and **Schulers Books** expanded in **Meridian Mall**; **Terra Firma Bouldering Co.** opened on Grand River Ave. in **Meridian Pointe**; and the former **Rite Aid** at **Frandor** is being redeveloped to accommodate **Shake Shack, Wingstop, Smoothie King** and **Batteries Plus**.

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

Most Dynamic Retail Corridor: Lake Lansing Rd. from US-127 to Wood St.

Notable 2025 Activity: **Cooper's Hawk Winery & Restaurant, Panda Express** and **Dave & Busters** opened on Lake Lansing Rd.; **Planet Fitness** opened on Showtime Dr.; and **Chick-fil-A** and **Aldi's** to build on Lake Lansing Rd.

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)

Notable 2025 Activity: **Chick-fil-A** under construction at 6420 South Cedar St. **Wing Snob** opened in **Jolly-Cedar Plaza**. **Smoothie King, Auntie Anne's & Cinnabon** opened at 2540 E. Jolly Rd. and **Urban Street Corner Markets** opened at 610 Cedar St. in Mason.

WEST SUBMARKET - The market's second-largest retail sector featuring the regional **Lansing Mall** and mixed-use development **Delta Crossings**.

Most Dynamic Corridors: (1) West Saginaw Hwy. @ I-96 and (2) West Saginaw Hwy. near **Lansing Mall**.

Notable 2025 Activity: **Best Buy** opened and **Bass Pro Shops** to build at - and **Anna's House** to open across from **Delta Crossings**. **Aldi's** to build at on E. Saginaw in Grand Ledge. **Raising Cane's** to build on **Lansing Mall** outlet.

VACANCIES

The Greater Lansing retail market is steady, supported by **sustained tenant retention** in high-performing trade areas. Average vacancy declined by 40 basis points, falling from 17.4% in H1 2025 to 17.0% in H2 2025.

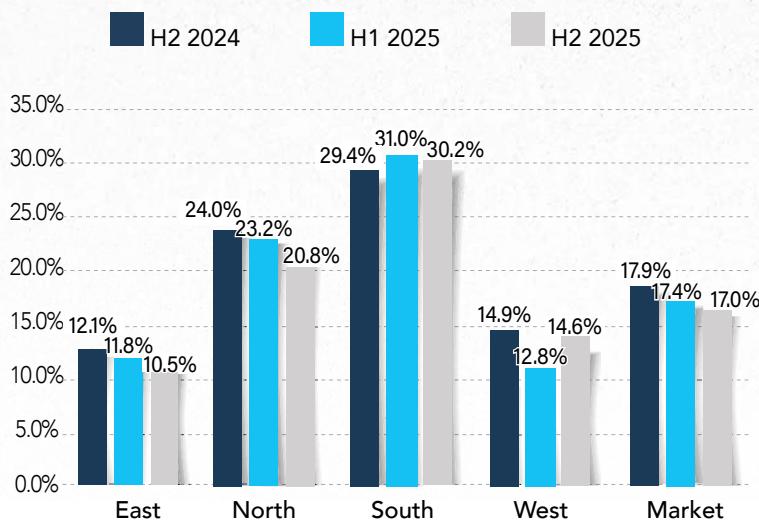
The East Submarket—the market's largest and strongest—posted the **lowest vacancy at 10.5%**, followed by the West Submarket at 14.6%.

Vacancy is higher in the North Submarket at 20.8%, reflecting a mix of newer development around Eastwood Towne Center and older strip center inventory.

The South Submarket remains the softest, with the highest average vacancy at 30.2%, driven by lower household income in the sector.

Looking ahead, Greater Lansing's retail market is expected to remain stable but uneven across submarkets. Vacancy may inch up or down in certain areas, but limited new supply, steady employment growth, and targeted tenant expansion should support a gradual recovery.

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



Source: Martin Commercial Properties, Inc.

ABSORPTION

Absorption measures the net change in physically occupied retail space over a given period. During H2 2025, the Greater Lansing retail market recorded 52,826 SF, similar to the 52,929 SF absorbed in H1 2025.

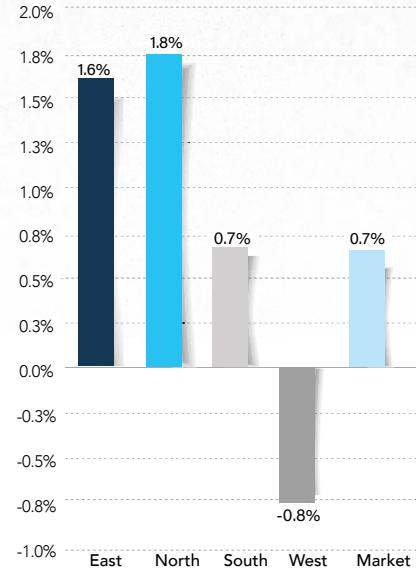
Most of the period's positive absorption was driven by the East Submarket, which recorded 46,447 SF. While numerous food-and-beverage users—including **Foxtail Coffee**, **Bubbakoo's Burritos**, **RJ's Metropolitan Ice Cream**, **Starbucks** and more—signed leases during the period, the largest transaction was a tenant (confidential at this time), which took 30,000 SF in the former **JoAnn** space in **Frandor**. This was followed by **Terra Firma Bouldering Company** signing a lease at **Meridian Pointe**.

The North Submarket posted the second-highest absorption during the period, totaling 14,178 SF, driven largely by **smaller lease transactions**.

The South Submarket followed with 12,391 SF of absorption, led by **Urban Street Corner Markets**, which leased a former Mason **Rite Aid** space on Cedar Street.

While the West Submarket saw several new leases, it posted negative 20,190 SF in absorption, primarily due to **Best Buy**'s downsizing and relocation from a 45,000 SF building near the **Lansing Mall** to a new 30,000 SF building in **Delta Crossings**.

Figure 5: H2 2025 Absorption - Percent Change Leased Buildings Comprising $\geq 5,000$ SF



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The Abbot, Across from MSU
1,500-2,930 SF for Lease

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