

KEYPOINTS

THE RETAIL NEWSLETTER

APRIL 2025 ©KEYPOINT PARTNERS, LLC BURLINGTON, MA

ACCELERATING RETAIL

PayMore Stores opened 18 stores in March. It now operates 71 stores... **Wayfair** opened its 2nd large-format store, in Atlanta... **Ollie's Bargain Outlet** bought 40 former **Big Lots** and plans 75 stores in 2025. It now has 559 stores in 31 states... **Five Below** will open 150 stores this year. It ended the year with 1,771 US stores... **Ocean State Job Lot** acquired 15



Five Below will open 150 new stores this year

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Big Lots locations in 8 states, and plans to open 22 stores this year... **Altitude Trampoline Park** opened 3 parks in Q1 and will open 3+ in Q2... **Chicken Salad Chick** will partner with franchisees to double its count in 5 years. It now has 288 restaurants in 20 states... **JJill** will open 25 stores by the end of 2025 and 50 by 2029. It now has 252 stores... **Dave's Hot Chicken** will be acquired by Roark Capital for \$1 billion. Dave's has 300+ US locations... **Primark** will open stores in 3 states. It now has 30 stores in 12 states, with plans to reach 60 in 2026... **Aldi** has 9 stores coming to FL. It plans to open 800 stores by the end of 2028. It now has 2,600 US stores... **Dollar Tree** entered an agreement to sell **Family Dollar** to Brigade & Macellum for \$1 billion+. Dollar Tree also plans to convert 2,000 stores to its new format and open 300 stores... **Advance Auto Parts** will open 30 US stores in 2025, and 100+ more through 2027... **The Paper Store** opened the 2nd location of its Uncharted format, with 6 more planned... **Academy Sports + Outdoors** reached a milestone 300 stores after opening its 1st locations in PA and MD. It plans 20-25 stores in 2025... **Dutch Bros** opened its 1,000th store in February, with goal of 2,029 shops by 2029... Variety Wholesalers announced the 1st openings for its newly-acquired **Big Lots** stores with 9 stores in 6 states... **Birkenstock** opened its 10th US store in Nashville, TN... **Sam's Club** will open 15 stores a year and re-

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OBSERVATIONS

Chris Cardoni, Contributor

OBSERVATION: Craft Brew Blues: I don't know about you, but with everything happening in the world today, I could use a tall, cold one, and a craft brewpub is a great place to get one (along with some cool food and maybe some interesting music). But is all well in your local craft brewery taproom?

Craft brewers and their taprooms/ brewpubs/"beerstros" began a period of enormous growth over the last several years, with new brewers and brewpubs bubbling up all over but there are signs that the industry is tapping out.

In our region, as noted in a recent story in the **Boston Business Journal** (*Everett brewery to close due to 'unfortunate business circumstances'*, David Cifarelli, MassLive.com, on BBJ.com, April 8, 2025) large numbers of craft breweries are closing or merging. Last fall the **Boston Globe** asked, "Have we reached an era of Peak Craft? All signs point to yes" (*In Massachusetts, the once-thriving beer biz is losing its fizz*, Jon Chesto, The Boston Globe, September 5, 2024). Chesto writes: "Craft beer is no longer the hopped-up industry it once was... overall beer sales have been flat or declining for years... To a large extent, the plateau reflects generational drinking habits. Craft beer rose to prominence as millennials reached legal drinking age. But they're getting older, raising

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KPP NEWS

New Opening: client **Apple Cinemas** opened its latest premium cinema location in the Mall at Greece Ridge, Rochester, NY (pictured at right). The cinema features ScreenX with immersive 270-degree panoramic view, ACX format with 4K Laser projection, and Dolby Atmos Immersive Sound. **New Leasing Business:** VP of Retail Brokerage Don Mace and Retail Brokerage Associate Magnolia Neu are handling the leasing of **338 Newbury Street** in Boston.

Photo:©Apple Cinemas,



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KeyPoint Partners, LLC, One Van De Graaff Drive, Suite 402, Burlington, MA 01803
Tel 781.273.5555 Info@KeyPointPartners.com KeyPointPartners.com

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model all its 600+ locations...**Playa Bowls** opened its 300th location. An additional 90+ are set to open this year...**Batteries Plus** opened 8 locations across 7 states...**7-Eleven** will open 1,300 stores through 2030.

DECELERATING RETAIL

The operator of **Forever 21** filed for bankruptcy and will end operations. RCS Real Estate Advisors has been retained to market and sell 360 US leases...**Amazon** has closed 2



Forever 21 will wind down operations and sell store leases

Photo: @hyperspeed@123RF.com

Amazon Fresh stores in VA and will close 1 in CA...**Signet** will evaluate 150 mall stores in the next 2 years to see if they should be closed or improved. It plans to renovate or relocate 200 stores...**Torrid** plans 40-50 store closures in 2025...**Kohl's** closed 27 stores in 15 states last month...**TGI Fridays** will close 130 US restaurants...**Guess** will close 20 stores.

NEW ENGLAND RETAIL

Walgreens will close 9 MA stores, part of a plan to close 1,200 stores in 3 years...**Evereve**, **Pacsun**, **J7 Adventureland**, and **Van Leeuwen Ice Cream** are among tenants to open at the Burlington (MA) Mall...**New Balance** reopened its retail store next to its headquarters in Brighton...**Warby Parker** will open stores on Cape Cod and in NH...**Indochino**, **Free People**, and **Abercrombie & Fitch** will open at MarketStreet, Lynnfield MA...**Ollie's** will open its first ME store in Sanford...**Trader Joe's** will open in West Roxbury later this year...**Todd Snyder** opened at The Street, Chestnut Hill MA...**Taco John's** opened in downtown Boston.

MONTHLY RETAIL SALES: COMMERCE DEPT.

Retail sales rose 1.4% in March, after rising 0.2% in February, according to the Commerce Department.

Source: U.S. Department of Commerce - commerce.gov

CONSUMER CONFIDENCE INDEX

The Conference Board Consumer Confidence Index® fell by 7.2 points in March to 92.9.

Source: The Conference Board - www.conference-board.org

"In the craft brewing industry, there is definitely a decline."

kids, and cutting back on the late nights on the town. Gen Z seems to be much less interested in the latest super-hoppy IPA or double barrel aged stout...it's only a matter of time before the overall number of breweries starts to drop".

It's not just around here, though. Chesto quotes Bart Watson of the Brewers Association: "What you're seeing in Massachusetts very much mirrors the national trend" This is borne out by a couple of stories from the Midwest (*It's a 'rough time' for Michigan's craft beer industry, but how bad is it?*, Melody Baetens, **The Detroit News**, March 21, 2025 and *Breweries learn to pivot through challenging landscape*, Katie Kapusta, **Spectrum1 News**, Cincinnati, April 3, 2025).

Baetens writes: "The headlines about the independent craft brewery industry over the last year have not been good" but notes, "Current players who are surviving say the industry isn't dying, it's adjusting". Kapusta quotes Rhiannon Hoeweler of **Madtree Brewery** in Cincinnati: "If you look at overall trends in the craft brewing industry, there is definitely a decline". Customer habits are changing and the economic climate is tough [with] the added pressure of tariffs on materials that make the craft beer world run."

While the craft beer industry remains in flux, many brewers remain committed to the brewpub/taproom as "a community hub with live music, a high-quality chef-driven food menu, and support from and for neighboring businesses". They're adjusting offerings to suit changing customer habits and tastes. Hoeweler admits (writes Kapusta) "the taproom is the location they worry about the most, but...these growing pains will ultimately help them better serve their customers" – and, by extension, landlords with brewpubs in their properties.

OBSERVATION: State of Space:

Keeping tabs as usual on retail space trends, this caught my eye on *Chain Store Age*: "The recent stretch of store closings has pushed retail space availability to a two-year high.

CoStar's newest report reveals that store closures more than doubled in 2024...pushing the retail space availability rate to 4.8%...the most retail space available for lease than at any point in the past two years...since the start of 2024,



Photo: @annastills@123RF.COM

retailers have announced plans to close more than 10,000 stores, with chains like **Big Lots**, **Joann**, and **Party City** closing hundreds of locations. Closures have led retail space availability to increase by approximately 12.5 million s/f since the start of 2025...Among 44 major U.S. retail markets, defined as those with at least 100 million s/f of retail space, availability increased in 24 over the past year... the overall market remains tight, particularly for prime locations, even as loosening of availability for mid-sized boxes in power/community centers offers a fresh batch of opportunities." (*Available retail space increases for first time in two years*, Zachary Russell, **CSA.com**, March 28, 2025).

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Comments or questions: KP@KeyPointPartners.com