

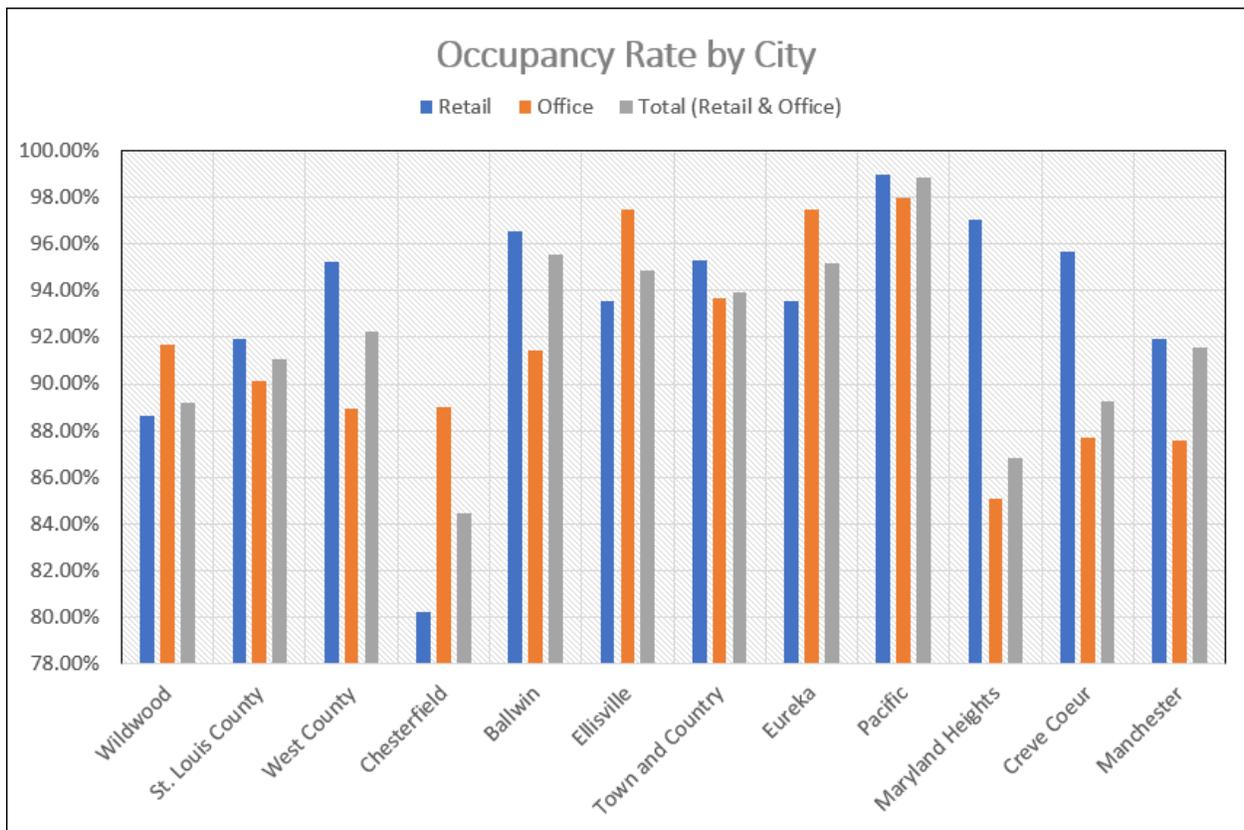
Occupancy Report

This following occupancy report includes data on every retail/office property within the City. The occupancy rate refers to the ratio of rented or used space to the total amount of available space. Please see Wildwood's retail and office occupancy rates below:

- Retail Occupancy Rate: **88.62%**
- Office Occupancy Rate: **91.66%**
- Total Occupancy Rate: **89.22%**

Regional Comparison:

This data was provided by CoStar. The Department collected occupancy data for Wildwood's neighboring cities, St. Louis County, and West County. Please see below for the regional comparison graph.



* Based on data provided by CoStar

Availability vs. Vacancy Distinction:

The Department would also like to identify the availability and vacancy rates in the City of Wildwood compared to the rest of the region. Vacant space refers to all space not currently occupied by a tenant, regardless of any lease obligation that may be on the space. “Vacancy rate” is the percentage of all available square footage in a property that is vacant or unoccupied at a particular time; however, vacant space can be either available or unavailable. The vacancy rate is the opposite of the occupancy rate. A good example would be a space that has been leased but is still undergoing construction and/or has not delivered yet. The space is still vacant, but it is not available. Availability refers to the total amount of space that is currently being marketed as available for lease or sale in a given time period. With available space, it is not specified if the space is vacant, occupied, available for sublease, or available in the future. For example, a tenant could be actively marketing their space for sublease but is still occupying the space (not vacant), or a property could be under construction or going through a renovation, in which case the landlord could actively market the space for lease, making it both available and vacant. In conclusion, the vacancy rate refers to the percentage space available in a market or in a rental unit, while the availability rate aims to illustrate the amount of space in a market available for deals either immediately or in the short term.

In the tables below, the Department has provided the retail/office availability and vacancy rates. Data on our neighboring municipalities, St. Louis County, and West County is also included.



* Based on data provided by CoStar

Available Space vs. Vacant Space (SF):

The Department has provided the amount of available and vacant square footage in Wildwood and our neighboring municipalities. Please see graph below.



* Based on data provided by CoStar

This graph shows that some of our neighboring municipalities have a lot more retail/office space in general. When a municipality has less total space, new vacancies are more impactful. For example, the total amount of Wildwood’s retail/office space is 642,531 SF. Ballwin’s total retail/office space is 5,149,819 SF. If 10,000 SF becomes vacant in Wildwood’s market, it affects Wildwood’s occupancy rate by 1.6%. If 10,000 SF becomes vacant in Ballwin’s market, it affects Ballwin’s occupancy rate by .02%. This is important to note when focusing on business retention in the City of Wildwood. We feel the hit of a business leaving more than some of our neighboring municipalities.

Wildwood’s Main Retail/Office Centers:

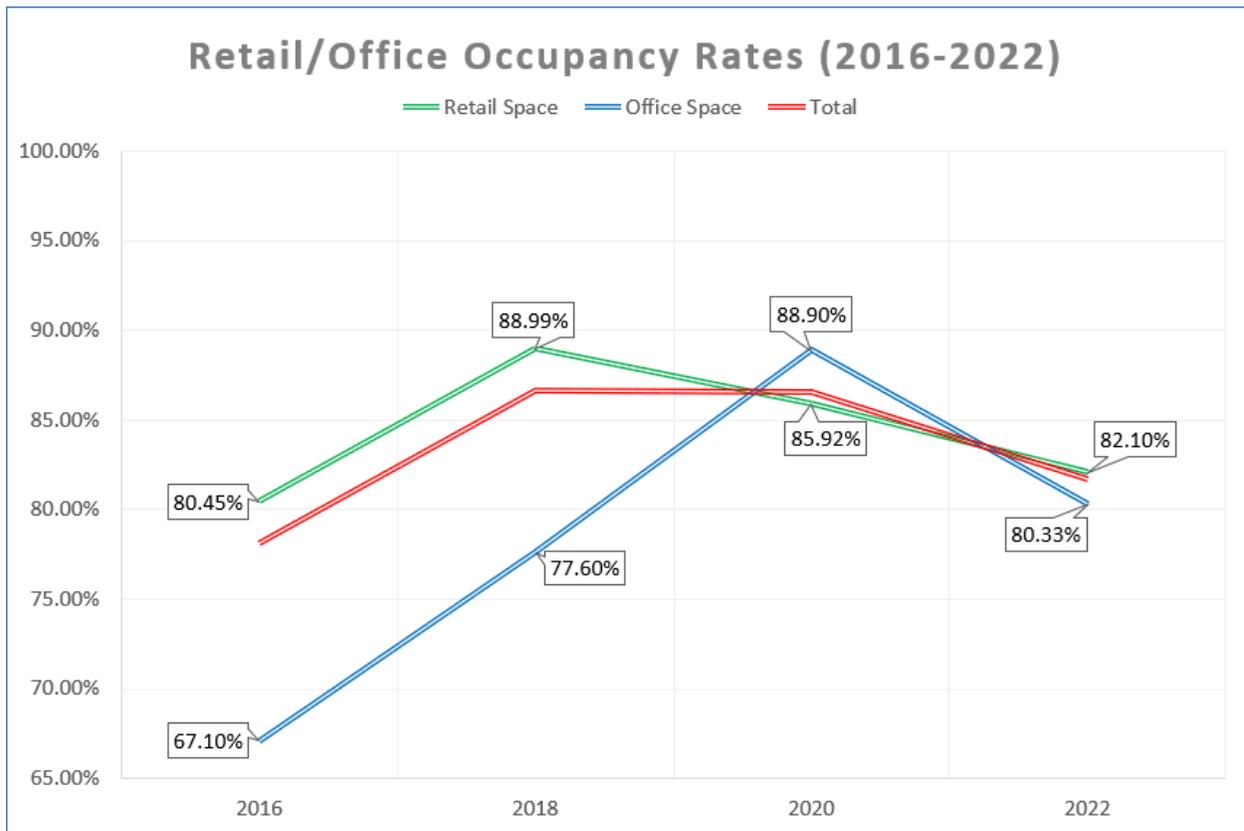
The Department also wanted to send over an update on the occupancy rates within Wildwood’s major retail/office centers. The data below focuses on the key plazas within the City. The occupancy rate within Wildwood’s main retail/office plazas is less than the occupancy rate of the City as a whole. The Department wanted to point this out, for it’s easier to notice vacancies if they’re located in a frequently visited part of town. These main retail/office plazas are key pillars in Wildwood, so we should focus on increasing the occupancy rate in these areas. These plazas are also attractive to potential businesses

looking to open a physical location. Please see below for the occupancy rates within Wildwood’s main retail/office plazas.

- Retail Occupancy Rate: **82.1%**
- Office Occupancy Rate: **80.33%**
- Total Occupancy Rate: **81.71%**

To provide some additional context, I have provided a graph showing the occupancy rates for the major retail/office plazas in Wildwood from 2016-2022. Please see below:

Occupancy Rate for Wildwood’s Major Retail/Office Plazas (2016-2022):



* Based on City’s license database and information provided to the City. This graph only includes data on Wildwood’s main retail/office properties.

Occupancy/Vacancy Calculation:

To calculate the occupancy rates for Wildwood’s major retail/office plazas, the Department contacted brokers and conducted in-person visits to the major retail/office properties within Wildwood. Once we noticed or were informed of a vacancy, we recorded the square footage of the vacant space. The total square footage of Wildwood’s main plazas was also noted. From here, the Department was able to calculate the occupancy rate by dividing the occupied square footage by the total square footage available. To calculate the vacancy rate, the Department divided the vacant square footage by the total square footage available.

Shopping Centers:

The Department wanted to include some data on the availability/vacancy rates for Wildwood's shopping centers. The term shopping center refers to a group of retail stores and service establishments that are usually designed to serve a community or neighborhood. This data gives us a better idea of which shopping centers in Wildwood are struggling. The Department has also listed the shopping center's corresponding owner/broker, so the Committee knows who is managing each property.



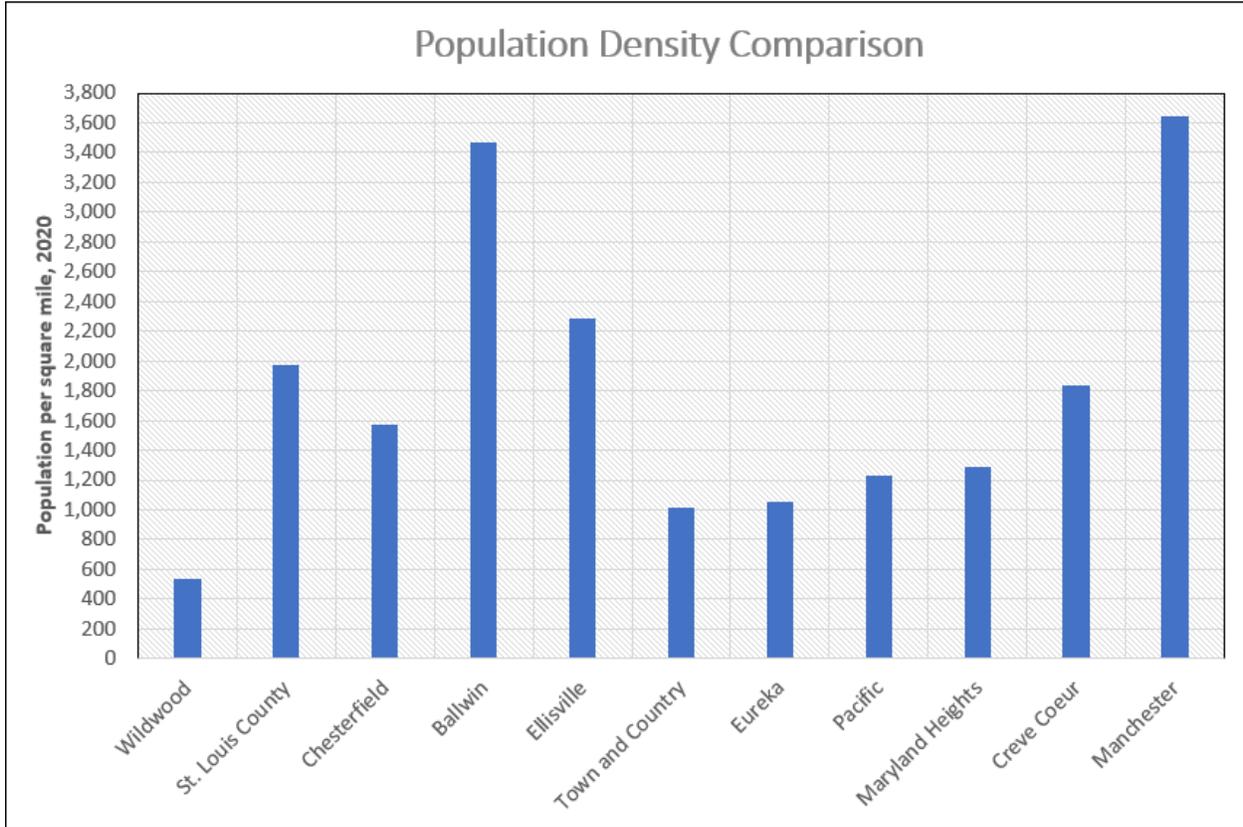
* Based on data provided by CoStar

Shopping Centers with Corresponding Owners/Brokers:

| Shopping Center | Address | Owner/Broker |
|--------------------------------|-----------------------------------|-------------------------------------|
| Wildwood Town Center | 16721-16765 Main St | Intelica CRE |
| Wildwood Town Center | 151-183 Plaza Dr - (Source HOV) | ArciTerra Group, LLC |
| Wildwood Town Center | 100 Plaza Dr - Walgreens | Realty Income Corporation |
| Wildwood Town Center | 101-125 Plaza Dr - Building B | Location CRE |
| Wildwood Town Center | 170-174 Plaza Dr | CBRE |
| Wildwood Town Center | 2751 Fountain Pl - Building F | US Capital Development |
| Dierbergs Wildwood Town Center | 2424-2480 Taylor Rd | Capitol Realty Group, Inc. |
| Wildwood Crossing | 16528-16588 Manchester Rd | The DESC0 Group |
| Wildwood Crossing | 16506-16528 Manchester Rd | The DESC0 Group |
| Wildwood Square | 17185-17253 New College Ave | RL Jones Properties |
| Cherry Hills Square | 16972-16982 Manchester Rd | Grace Cherry Hills Prop Llc |
| Winding Trails Centre | 16497 Clayton Rd | Cornerstone Commercial Realty, Inc. |
| Village Plaza | 16401-16461 Village Plaza View Dr | Gershman CRE |
| Main Street Plaza | 16918-16930 Manchester Rd | Covert-Corsair |

Population Density Comparison:

The Department had alluded to the fact that Wildwood’s population density could be lower than our neighboring municipalities. The Department did some digging and found some data to back up this claim. The Department has included a regional comparison graph showing each municipality’s population per square mile. As you can see, Wildwood has the lowest number of residents per square mile by far. Please see below for the population density comparison graph.



* Based on data provided by US Census Bureau (2020)

Retail/Office Space Distinction:

The Department would also like to note the difference between retail and office space. With office space, there may not be as many people wandering in and out, whereas “retail space” depends largely on foot traffic. Foot traffic is the key variable. Retail space is for businesses who rely on foot traffic to increase their revenue. Typically, retail spaces are located near another, perhaps larger business that is referred to as an “anchor business.” For example, Dierbergs and Schnucks can be considered anchors for the surrounding retail businesses in their respective plazas. These anchors provide a continuous stream of foot traffic that can potentially spill over to the surrounding retail businesses. Retail spaces typically have large glass windows, perhaps with products or signage to draw people in. Moreover, office spaces will not rely heavily on foot traffic. These spaces will likely need room for cubicles, individual offices, conference rooms, and reception areas. Medical facilities are usually located in office spaces as well, for they are not reliant on foot traffic.

I have included a useful table to help identify the differences between retail and office space below:

| Space Type Variables (Avg.) | Retail Spaces | Office Spaces |
|-----------------------------|---|--|
| Foot Traffic | Higher | Lower |
| Number of Parking Spaces | More than number of employees | Similar to number of employees |
| Visibility | Higher | Lower |
| Accessibility | High | Moderate |
| Price per SF | Higher | Lower |
| Lease Term | 2-5 Years, on average | As short as 1-month and up to 10+ years |
| Commonly used for | Retailers in the food, clothing, beauty, tech, etc. | Medical, insurance, legal, real estate, etc. |

Sales Tax Information:

Lastly, the Department would like to share some additional information on Wildwood’s sales tax structure. Wildwood participates in the St. Louis County pooled tax program. When someone buys something in Wildwood, they are taxed at a rate of 8.238%. 4.225% is State sales tax. The other 4.013% of tax revenue goes to St. Louis County and Wildwood. 3.513% goes to St. Louis County and .5% goes directly to Wildwood for capital improvement projects. 2.513% goes to St. Louis County for transportation, mass transit (Metrolink), children’s services, Regional Parks and Trails, emergency services (911), Metro Parks Arch, Public Safety & Zoological Park. The remaining 1% is a County-wide sales tax. The revenue generated from the 1% County-wide sales tax is distributed among 91 municipalities and unincorporated St. Louis County. Cities in St. Louis County are divided into two groups, Group A and Group B, for the purpose of distributing the 1% County-wide sales tax. Group A cities retain a portion of the sales tax revenues collected from businesses within their boundaries and share a portion with pool cities. Pool or Group B cities, share revenues with others in the pool on a per capita basis. This means that these funds are distributed based on each municipality’s population (Census data). Wildwood is designated as a pool or Group B city. Within the special Community Improvement District (CID), an additional one percent (1%) Sales tax is charged to fund maintenance within the district and debt retirement. The CID is a separate entity from the City of Wildwood and therefore produces its own budget, financial statements, and disclosures.