

KEYPOINTS

THE RETAIL NEWSLETTER

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ACCELERATING RETAIL

Mango will open 20 US stores in 2025, bringing its total to 65... **Ikea** will open 8 US locations this year...**Sprouts Farmers Market** opened 33 stores in 2024, for a total of 440 stores in 24 states. It will open 35+ stores in 2025...TJX will open 30 **HomeGoods** (including 9 **HomeSense**), and 20 **Sierra**. It also plans to remodel 500 stores and relocate 40...



TJX will add 90 new locations across all its brands in 2025

Photo:©KeyPoint Partners, LLC

Costco will open 7 locations across 5 states in 2025...**Ollie's Bargain Outlet** has acquired 40 former **Big Lots** leases from Gordon Brothers. Including these, Ollie's has acquired 63 Big Lots leases...**Hammer & Nails** plans to have 70 shops by the end of 2025 and surpass 100 by the close of 2026...As part of its plan to add 300+ stores over 10 years, **Target** plans to open 20+ stores (mostly large format) in 2025...**Nordstrom** opened 6 **Rack** stores in the 4th quarter for a total of 23 in fiscal 2024. Nordstrom ended the year with 377 stores, including 277 Rack stores...**Foot Locker** plans to open or convert 80 stores to its new concept this year, and is revamping 300 stores this year, on top of 400 upgraded last year...**BJ's Wholesale Club** will add 25-30 clubs during the next two fiscal years.BJ's currently operates 252 clubs and 188 BJ's Gas locations in 21 states...**Ross Stores** will open 80 Ross Dress for Less and 10 dd's Discounts stores this year...**Wendy's** will add 1,000 net new restaurants globally by 2028, reaching 8,100+...Princess Polly will open 7 US stores in 2025, bringing their total to 13...Variety Wholesalers will reopen 9 **Big Lots** stores in 6 states...**School of Rock** opened its 400th franchised location...**Walgreens** has entered into an agreement to be acquired by Sycamore Partners. The deal is expected to close in the 4th quarter...**CVS** will open 12+small-format US

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OBSERVATIONS

Chris Cardoni, Contributor

OBSERVATION: Joann's Unraveling Fabric: We all know how this story goes; by now it's become a familiar industry progression: in April of 2024 we noted in our *Decelerating Retail* section that "**Joann Inc.** filed for Chapter 11 bankruptcy protection. The retailer expects to emerge from bankruptcy as early as next month...Joann will become a private company owned by some of its lenders and industry parties. Its 829 stores across 49 states will remain open during the process."



Photo:©KeyPointPartners, LLC

In January of this year we noted "Joann will close 8 US stores as part of routine store evaluation. The retailer filed for Chapter 11 bankruptcy again after filing in 2024 and becoming a privately held company. It's seeking to sell its assets." And just last month, our news noted that "Joann will close 500 of its 800+ US stores in all 50 states as part of bankruptcy proceedings." And now, not unexpectedly, you have only to glance at the *Decelerating* section at left to see that Joann will go out of business, and auction 790 leases. Another venerable, old-school retailer is unable to make the transition to a fractious retail environment.

This of course will leave a large number of sizeable retail vacancies, many already being marketed or even leased. But it also leaves a big gap in the craft and fabric market. Where will a fairly large number of dedicated crafty shoppers go for their fabric, sewing notions, and other assorted supplies?

According to **Chain Store Age** (*Numerator: Michaels, Hobby Lobby to benefit the most from Joann store closings, CSA.com News Briefs 2/19/2025*), "data and market research company Numerator issued a quick pulse survey to 500 people with verified Joann purchases in the past six months to better understand...where they plan to shift their spend...80% of Joann shoppers say they

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KPP NEWS

New Business: VP of Investment Sales Jonathan Aron is handling the sale of three single-tenant properties, a **Walgreens** in Ware, MA (at right), a recently renovated **KFC** in Tilton, NH, and a newly-constructed **Arby's** in Riverview, FL.

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locations in the next year. Stores will average -5,000 s/f, with a full-service pharmacy and limited products.

DECELERATING RETAIL

Joann will wind down operations after 82 years in business. GA Group and A&G Real Estate Partners plans to auction 790 store leases....**JCPenney** will close 8 of its 650+ stores US stores in 2025...**Kirkland's** will update or close 19 stores



JCPenney will close 8 US stores in 8 states in 2025

Photo:©wolterk@123RF.com

in 35 states...**Denny's** will accelerate its plan to close 70 to 90 more stores in 2025, part of its plan to close 150 by the end of the year. Denny's ended 2024 with 1,334 restaurants, with about 745 in the US...**Forever 21** will close at least 200 US locations as part of a bankruptcy process expected to begin soon. The retailer filed for Chapter 11 bankruptcy in 2019, closing about 100 stores...**On the Border** filed for Chapter 11 bankruptcy. Its website lists 66 locations...**TD Bank** will close 38 of its 1,100 US branches in 11 states.

NEW ENGLAND RETAIL

Waterstone Properties Group acquired an 86,000 s/f retail condo in the Marketplace at Braintree from Seritage Growth Properties. The property includes **Nordstrom Rack** and **Ulta Beauty**, and is managed by KeyPoint Partners.... **Celebree School** is expanding its Boston footprint, with the 1st expected to open in 2026...**Pop Mart** opened a store in Norwalk, CT, its 1st in the state and 23rd in the US.

MONTHLY RETAIL SALES: COMMERCE DEPT.

Retail sales rose 0.2% in February, the Commerce Department said.

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

CONSUMER CONFIDENCE INDEX

The Conference Board Consumer Confidence Index® declined by 7.0 points in February to 98.3.

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

Walmart's latest real estate purchase: a 50-year-old Pittsburgh area mall

are upset about the closure news...they are most likely to shift their purchases to craft stores such as Michaels or Hobby Lobby (74%). Also benefitting: online (44%) and mass retailers such as Walmart or Target (39%). Independent or local craft or fabric stores (24%) and dollar or discount stores (23%) are also expected to get a boost.

Other findings: Buyers said they shop at Joann due to the good sales or deals (65%), the product selection (65%), the convenient location (50%), good prices (49%), and the fact that it is a trusted retailer/brand name (43%).

OBSERVATION: Walmart: "We Bought a Mall!": As noted in our *Accelerating Retail* news last issue, Walmart recently purchased Monroeville Mall & Annex in Monroeville, PA, a 50+-year-old center near Pittsburgh with 100+ operating tenants. Why, you may ask, did Walmart buy a mall? Well, **Retail Dive** asked that exact question in a recent story (*Dive Brief: Why does Walmart want a shopping mall? It could be an attempt to broaden revenue streams, plot the location of a future store or, at its simplest, take advantage of a good deal*, Nate Delesline III, Reporter, Retail-Dive.com, 4/24/25)

"Walmart recently expanded its real estate portfolio with a \$34 million purchase", Delesline writes. "However, the type of property the retailer bought gave some industry experts and observers pause....To several industry experts and analysts, the retailer made a smart move... the Mall offers an attractive real estate parcel already set up for retail. It also gives Walmart a measure of control on what businesses operate in the center...If this strategy works, the company may try it again elsewhere, tapping into underperforming malls with prime locations.

"I don't think they have any interest in the mall itself. I think it's a real estate deal," Nick Egelanian, president of SiteWorks, a retail development firm not connected with the deal, told Retail Dive.

Rather than a desire to get into the mall landlord business...it appears the price was right for a site they wanted; the mall operation is a fringe benefit... with advantages such as favorable zoning and fewer regulatory hurdles versus starting from scratch...Even if some challenges arise, such as dealing with existing leases or needing to update outdated infrastructure, the cost-benefit equation often favors redevelopment.

Neil Saunders, managing director of GlobalData, noted that the mall's purchase price is "a relatively small investment" for a company of Walmart's size. The retailer may have a redevelopment vision that includes a new Walmart store or might be testing ways to diversify its revenue streams with property ownership, Saunders said in an email to Retail Dive."



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