



# YEAR-END 2024 TUCSON ARIZONA

Retail big box leasing activity throughout Tucson area was robust in 2024. At year-end, **42 spaces greater than 10,000 sq. ft. were available**, resulting in **±1,674,328 sq. ft. of vacant big box space** throughout the market. This compares to 32 spaces of greater than 10,000 sq. ft. and ±1,289,000 sq. ft. of large vacant retail space recorded at the end of 2023.

## CURRENT TUCSON RETAIL QUICK FACTS

▲ 12

Vacant Big Box  
Retail Spaces of  
30,000+ SF

▲ 42

Vacant Big Box  
Retail Spaces of  
10,000+ SF

▲ ±1.67M

Total Square Feet  
of Big Box Vacancy

▼ ±344K

Total Square Feet  
of Leased Big Box  
Space

▼ \$12.11

PSF NNN Average  
Asking Rate for Big  
Box Space

▼ 6.4%

Overall Retail  
Vacancy

Arrows represent change from year-end 2023



CBRE

# TUCSON'S BIG BOX RETAIL SPACE HAS WINS, BUT HEADWINDS EXPECTED SOME NATIONAL RETAILER BANKRUPTCIES TRIGGERING STORE CLOSURES

Retail anchor spaces leased in metro Tucson during 2024 were primarily absorbed by discount retailers and some fitness/fun operators. There were additional retailer closures that opened up some prime junior box spaces that quickly got absorbed for those seeing high-exposure. Moreover, many of Tucson's key big box retailers renewed their leases, helping to maintain overall occupancy at a time when some other national retailers filed bankruptcies. At-present Tucson has more retail big box space available than what was vacant during the pandemic and expectations are that 2025 will experience further box vacancies once some decide to close stores or auction off their leases.



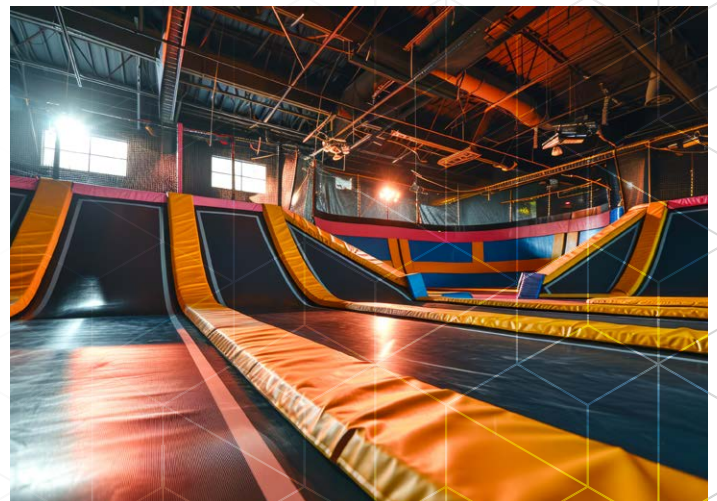
In 2024, we had two large retailers complete their construction (deals reported in 2023) with a new Fry's Marketplace opening in over 150,000 sq. ft. in north Marana, and Home Depot opened in  $\pm 100,000$  sq. ft. in Tucson's growing southeast valley. Retail follows residential rooftops and the community's growth areas have attracted numerous new retailers and service businesses and expecting to continue to see new construction to meet the residents' needs, albeit, interest rates and construction costs have not seen reductions, thus tempering some expansions.

A wave of large space vacancies flooded the market and the nation in 2024 with the closure of some Walgreens and CVS stores, Conn's, American Freight, Big Lots, and 99 Cent Only. 2025 will likely see more with pending closures of Party City, Joann, Advance Auto Parts, and others.

Although there are many large retail spaces that remain vacant, what has become evident is that ownerships that are right-priced, have the ability to contribute to tenant improvements and are responsive to offers, are often those that secure the tenants in the market. Even such, some retail boxes likely will be demolished to make way for new concepts or for a reimagined overall development with mixed uses.

Entertainment uses such as indoor pickleball courts, trampoline parks, race car tracks, and kids play parks are constantly scouring the market to lease space but many of the vacant box spaces lack sufficient clear-height with no or few support columns. Further, many of these uses are viewed by landlords as lacking credit and long-term viability, with lender scrutiny. Gym uses are looking to expand or relocate to get better positioning, but often the co-tenants in center have restrictions against the uses due to the parking demands.

Retail continues to be dynamic and ever-evolving. Consumers have proven themselves to be multi-channel shoppers with bricks and mortar playing an important role, alongside on-line consumption. With very little construction of new box spaces, Metropolitan Tucson had  **$\pm 343,594$  sq. ft. of box space of 10,000 sq. ft. of larger absorbed in 2024.**



# 2024 TOP RETAIL BOX



**±103,078 SF**  
Walmart (expansion SF)  
455 E Wetmore Rd  
Tucson, AZ



**±30,162 SF**  
The Picklr  
11855 N Oracle Rd  
Oro Valley, AZ



**±28,874 SF**  
Burlington  
18705 S Frontage Rd  
Green Valley, AZ



**±27,808 SF**  
Caliber Collision  
3959 N Oracle Rd  
Tucson, AZ



**±25,593 SF**  
Dollar Tree  
7125 E Golf Links Rd  
Tucson, AZ



**±21,500 SF**  
Burlington  
7150 E Broadway Blvd  
Tucson, AZ



**±18,400 SF**  
DBAT Baseball & Softball  
5975 E Broadway Blvd  
Tucson, AZ



**±14,375 SF**  
Dollar Tree  
8705 E Speedway Blvd  
Tucson, AZ



**±13,900 SF**  
Affordable Sales & Rentals  
815 E Grant Rd  
Tucson, AZ



**±13,576 SF**  
Dollar Tree  
2175 W Ina Rd  
Tucson, AZ



**±13,548 SF**  
Midtown Mercantile Merchants  
3302 E Speedway Blvd  
Tucson, AZ



**±12,000 SF**  
Super Sale Bin Store  
3733 W Ina Rd  
Marana, AZ



**±10,780 SF**  
Archwell Health  
4550 E Golf Links Rd  
Tucson, AZ



**±10,000 SF**  
Daiso  
6884 E Sunrise Dr  
Tucson, AZ

## ABOUT NANCY MCCLURE



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Nancy McClure is a First Vice President in the Tucson office of CBRE. A veteran of the Retail commercial real estate industry, she represents occupiers and investors in the sale and leasing of properties. She is passionate of bricks & mortar and has advised numerous ownerships on development to evolve over time.

*For Further information, contact Nancy McClure.*

## METHODOLOGY

We surveyed vacant retail box spaces in excess of 10,000 contiguous square feet located in shopping centers or freestanding buildings within the Tucson retail sub-market. Absorption was based on retailers that either signed leases or opened within these spaces between January 1, 2024 and December 31, 2024.