

Rising US store closings on pace for record year

Midyear marked by planned shuttering of almost 6,000 locations, reflecting retail 'real estate churn,' analysis firm says



Apparel retailer Forever 21 is one of the chains that liquidated this year. (Linda Moss/CoStar)

By **Linda Moss**

CoStar News

July 8, 2025 | 1:51 P.M.



With nearly half the year gone, there have been almost 6,000 announced U.S. store closings, far surpassing openings in terms of number and square footage and driven by retail bankruptcies.

Coresight Research this week said it's tracking 5,822 store closings as of June 27, representing an estimated 123.7 million square feet of retail space. That's outpacing the 3,960 announced store openings, totaling 74.5 million square feet, during the same period. At the start of the year, Coresight predicted there would be [a record of roughly 15,000 store closings](#) and 5,800 openings for all of 2025.

This year's almost 6,000 store closings so far compare to 3,496 in the comparable period last year, according to Coresight's June tracker report.

In June, store closings by Plano, Texas-based [home goods seller At Home](#) and Philadelphia-based [pharmacy chain Rite Aid](#), which have both filed for Chapter 11 bankruptcy protection, "pushed the total amount of retail space to close in the U.S. this year to over 120 million square feet," Coresight said. The real estate churn is happening "as cyclical impacts confront structural shifts," according to one executive at the research firm.

During and since the pandemic, store closings have accelerated as retailers reeled from temporary COVID-19 shutdowns, higher interest rates, increased costs due to inflation and consumers clamping down on spending. This year, new tariffs are adding to some retailers' woes. Coresight's projected 15,000 store closings for 2025 would exceed last year's total of 7,325, the [highest number since 2020](#) — the height of the pandemic — when Coresight tracked almost 10,000 closings.

Physical retail still alive

"We will shortly be publishing a midyear analysis of store openings and closures data, where we will take a closer look at the prospects for the full year and benchmark where we are versus our 2025 estimates," John Mercer, Coresight's head of global research, said in an email to CoStar News.

It remains to be seen if store closings actually hit Coresight's original 15,000 forecast. But at least one retail analyst said he expects that the empty space created will be filled, with the U.S. retail vacancy rate remaining tight. It currently measures 4.3%, according to CoStar data.

"There have certainly been some high-profile failures this year, but a lot of space that's come on the market has been quickly re-leased," said Neil Saunders, a retail analyst and managing director of analytics firm GlobalData. "Vacancy rates remain relatively low. In general, there is too much headline grabbing round store closures. People like to make a thing about how physical retail is dead or dying, which is completely untrue."

Echoing that sentiment, Coresight "certainly isn't in the 'death-of-physical-retail' camp and never has been," according to Mercer.

Compounded closing numbers

"However, U.S. retail is in a period of unusually high real-estate churn as cyclical impacts confront structural shifts," he said. "As of week 27 [ended July 4], U.S. store closures are up by two-thirds compared to one year earlier, while openings are flat. That closures total is compounding closure numbers that were already up, year over year, in week 27 of 2024."

Retail bankruptcies remain elevated, although down to 15 year to date, compared with 26 in the prior-year period, according to Mercer.

"Bankruptcies have driven closures at five of the 10 retailers closing the most stores this year ([Joann](#), Party City, Big Lots, New Rite Aid and [Forever 21](#)) and the challenged context is likely to drive further retail companies to bankruptcy," he said. "So while we haven't reached the halfway mark to an estimated 15,000 closures, as of midyear, we do see a likelihood for closures to remain elevated through the rest of 2025."

Major store openings

In June, the top five retailers accounting for the most square footage of closed retail space were Rite Aid, At Home, grocery giant Kroger and off-price retailer Burlington, according to Coresight. Rite Aid plans to shutter 489 stores this year, "accounting for an estimated 6.7 million square feet of total retail space, marking both the highest number of store closures and the largest square-footage closure for a retailer tracked this month," Coresight said.

At Home is looking to close a total of 27 stores in calendar 2025, for an estimated 2.7 million square feet of retail space, according to Coresight.

The top five companies making up the biggest square footage of new retail space tracked in June were Kroger, beauty-goods seller Ulta Beauty, convenience store chain Casey's, Japanese discounter Daiso and furniture retailer Ashley, Coresight said.

"Casey's plans to open an estimated 145 stores in 2025 (the highest number of openings for a retailer tracked in June), accounting for an estimated 508,000 square feet of total retail space," Coresight said.

[Kroger is closing](#) 24 stores this year, but is also opening 30 new locations, according to Coresight.

Follow us on Social Media

Have feedback or questions? Email us at news@costar.com

IN THIS ARTICLE

Companies

[Rite Aid Corporation](#)

Retailer

[Kroger](#)

Retailer

[JOANN Fabric and Craft Stores](#)

Retailer

RELATED ARTICLES

Federal Realty partners with Mercedes-Benz on rollout of EV charging stations

Redefining the role of outlets: Gloucester Quays as a crossover destination

Pottery Barn, West Elm team up with new North Texas store

Iconic DC restaurant to close temporarily for first major repairs in 60 years

First-half job cuts highest since early in pandemic; Builder groups cheer tax bill's passage; Manufacturing activity contracts

Get In Touch

888-226-7404

REQUEST DEMO

Company

About CoStar

CoStarGroup.com

Careers

Press Room

Privacy Notice

CA: Do Not Sell My Personal Info

Cookie Preferences

Terms of Use

Help Fight Data Theft

Accessibility

Contact Us

Social

© 2025 CoStar Group