

The Acceleration of Luxury Retail in the United States

SELECTIVE EXPANSION. COMPRESSED SUPPLY.
MARKET AND CORRIDOR PRECISION.
RETAILERS BUYING REAL ESTATE.

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SUMMARY

The luxury retail landscape is experiencing a dramatic shift, moving away from broad expansion toward hyper-focused location precision in key benchmark corridors. With vacancy rates dropping and lease competition soaring, we are seeing quiet luxury brands absorb premium spaces while major retailers increasingly purchase real estate to secure their long-term permanence. Dive into our latest masonre market study to explore these critical dynamics and discover how strategic, data-driven decisions will define the next era of high-end retail expansion.

THE NATIONAL LANDSCAPE

Luxury growth is clustering in income-dense, tourism-supported corridors — not expanding broadly.



Market Signal: Performance Divergence

Luxury performance is no longer uniform.

- Select brands outperforming projections
- Consolidating of underperforming locations
- Heightened scrutiny on occupancy cost

Brand power alone no longer drives results.
The strategy: Location precision.



Market Signal: Quiet Luxury Absorption

Aspirational:

- LV
- Gucci

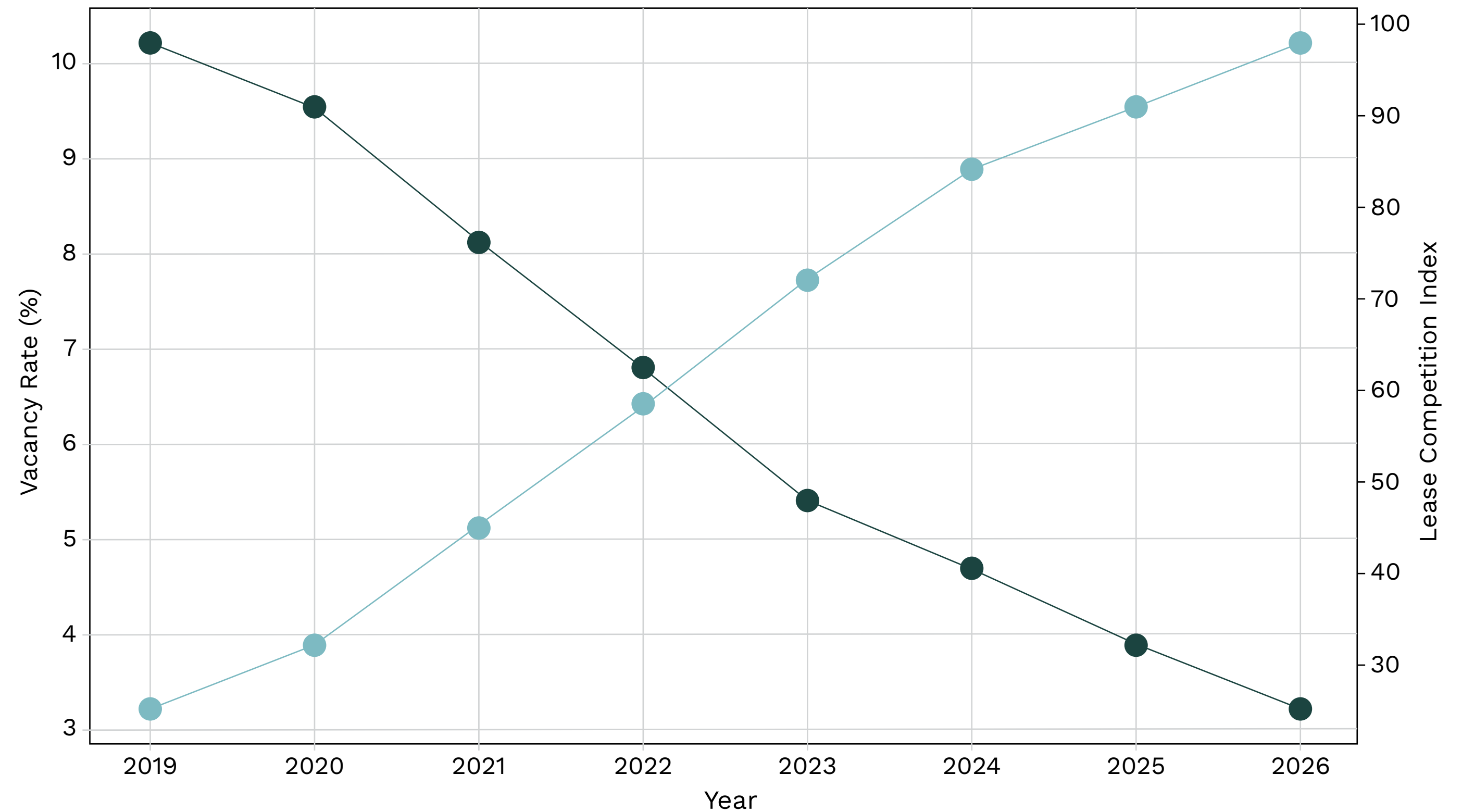
Quiet Luxury:

- Zegna
- Eleventy
- Peter Millar

Quiet luxury brands are tolerating rising rents and expanding selectively due to its customer base and buying power.


Leasing momentum is increasingly margin-driven.

Market Shift: Vacancy vs. Lease Competition (2019-2026)



Vacancy / Availability → Trending downward
Leasing Competition / Demand Pressure → Trending upward

SOURCE: JLL, U.S. RETAIL MARKET DYNAMICS; CBRE, Q4 2025 U.S. RETAIL FIGURES; MASONRE ANALYSIS

An aerial photograph of a city street, likely in New York City, showing a mix of brick and stone buildings. The ground floor features several high-end retail stores, including Brunello Cucinelli and Audemars Piguet. A large, colorful billboard for Hermès is visible on a building in the background. The text "Scarcity of quality real estate in top markets and overwhelming brand demand is shaping today's luxury retail market." is overlaid in white on the image. In the foreground, there are orange and white traffic barrels and some greenery.

Scarcity of quality real estate in top markets and overwhelming brand demand is shaping today's luxury retail market.

New York as Benchmark

Upper Madison:

- Strong rent recovery
- Accelerated velocity
- Quiet luxury density increasing

SoHo:

- Post-dip rebound
- Increased ownership activity
- Flagship repositioning

NYC remains the proving ground for national strategy.



Ownership as Strategic Positioning

Recent signals:

- Ralph Lauren — SoHo
- IKEA — Broadway & Fifth
- Alo — South Beach / Design District / LA

Ownership is increasingly used to:

- Secure corridor permanence
- Hedge escalating rents
- Signal long-term conviction

Real estate is becoming embedded in brand capital strategy.



Strategic Implications

Successful expansion in 2026 requires:

- Corridor precision
- Speed of execution
- Capital discipline
- Off-market awareness

Focus Areas:

First U.S. Entry:

- Madison / SoHo
- Miami Design District
- Beverly Hills

Selective Expansion:

- Charleston
- Naples
- Tampa
- Aspen

Expansion today is about density — not footprint.



Contact

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masonre is a real estate brokerage and advisory firm with a strong history of leading the growth of trophy retail assets and brands in New York City, Miami, and Los Angeles.

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