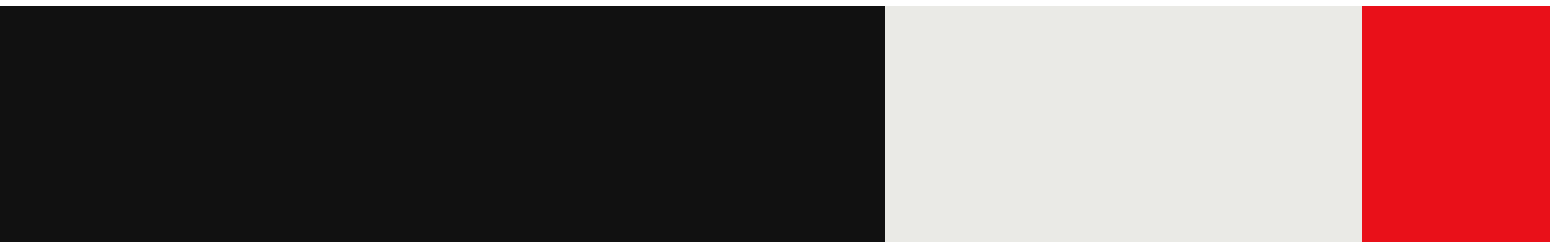



Walmart bought a mall— here's what happens next

Article



Walmart recently bought Monroeville Mall near Pittsburgh, signaling either a massive retail expansion plan or a shrewd real estate grab. Either way, the purchase strengthens Walmart's market foothold while adding rental income. This isn't a random acquisition but a calculated move.

The mall currently houses Macy's, JCPenney, Claire's, Victoria's Secret, restaurants, and a Cinemark theater.

[Walmart remains tight-lipped about specific plans](#). Chris Maguire, CEO of Cypress Equities and Walmart's real estate partner, told CNBC only that it will become a "retail-driven, mixed-use project."

Here's what that could look like.

Multiple store formats: Walmart will likely use the mall to expand its brick-and-mortar presence.

- With its wide selection of goods from [grocery](#) to furniture, a Walmart Supercenter would make the most sense to join Dick's Sporting Goods, Macy's, and JCPenney as an anchor store.
- Walmart could place smaller formats, like its Neighborhood Market store, throughout the mall for shoppers seeking a quick in-and-out experience.
- Walmart might also build individual storefronts for its Walmart Money and Walmart Vision Centers.

Or, the [retailer](#) could convert the space into a fulfillment center like [Amazon has done with malls](#) in Baton Rouge, Louisiana, and Knoxville, Tennessee.

A mix of tenants: If Walmart chooses the traditional mall route, it needs more than retail brands to draw consumers in.

- As malls struggle with foot traffic, many have integrated non-retail offerings like fitness centers, co-working spaces, or entertainment venues.
- And it seems to be working. Visits to Fenton, a mixed-use development center in Cary, North Carolina, grew 53.2% YoY between July and December 2023, and visits to mixed-use development Park Central Mall in Phoenix, Arizona, increased by 32.8% YoY, per data from Placer.ai.

This isn't new: Walmart has shown interest in malls before.

- In 2018, [Walmart announced plans to develop malls](#) around its stores, according to Forbes.
- "We want to provide pedestrian connectivity from our box to the experiential zones that are planned on our footprint," said LB Johnson, vice president of Walmart's US real estate operations. "We want to augment these experiences and activities with more food and beverage, with health and fitness, essential services, and entertainment."

- This might signal more mall purchases ahead.

Bottom line: Buying Monroeville Mall could be part of Walmart's long-term plan or simply a smart property investment. Either way, Walmart will use it to strengthen its retail business and earn extra money from rent.

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