



Q1 2013

Office Market Report

MARKET TRENDS

Vacancy Rate



Net Absorption



Rental Rates



Construction



The office vacancy rate in the St. Louis market area slightly increased to 20.2% at the end of the first quarter 2013. The vacancy rate was 20.1% at the end of the fourth quarter 2012.

Office net absorption increased in St. Louis for the first quarter 2013 with negative (79,384) square feet absorbed. In the fourth quarter 2012, net absorption was negative (244,926) square feet.

The average quoted asking rental rate in the St. Louis office market decreased over the previous quarter. Quoted rents ended the first quarter 2013 at \$18.65 per square foot per year. That compares to \$18.71 per square foot in the fourth quarter 2012.

NEW DEVELOPMENT



Support Dogs, Inc. is building a new 21,000 square foot headquarters at 10955 Linpage Place that will be completed in June.

NOTEWORTHY SALE



301 Memorial LLC purchased the 56,952 square foot Peabody Building for \$862,400. (\$15.14 PSF)

TOTAL OFFICE MARKET STATISTICS

Submarket	Existing Inventory # Bldgs.	Total GLA	Direct SF	Vacancy Total SF	Vac %	Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
Clayton	83	8,012,070	942,405	1,021,034	12.7%	(142,489)	0	0	\$22.58
I-270/Manchester	28	1,636,496	166,674	166,674	10.2%	(9,383)	0	0	\$19.92
I-270/Olive	80	5,380,388	860,058	928,685	17.3%	(22,895)	0	0	\$19.38
North County	54	3,882,381	1,203,176	1,203,176	31.0%	(78,766)	0	0	\$16.36
South County	64	3,783,812	575,185	575,185	15.2%	17,012	0	0	\$20.59
St. Charles	40	1,704,762	366,387	373,887	21.9%	(4,806)	0	0	\$15.85
St. Louis City	127	17,789,271	4,541,585	4,575,156	25.7%	158,487	0	0	\$15.08
West County/ Chesterfield	82	6,059,134	826,963	928,518	15.3%	(3,908)	0	0	\$21.98
Westport	45	2,897,578	581,147	583,036	20.1%	7,364	0	0	\$16.08
Totals	603	51,145,892	10,063,580	10,355,351	20.2%	(79,384)	0	0	\$18.65

Source: CoStar Property®

Office market data used for this report consists of only multi-tenant office buildings over 20,000 square feet, excluding medical.



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
The Hub Group	Park 270 Building II	55,861	Westport
New Balance Athletic Shoe	Laumeier II	41,876	South County
Xtra Corporation	7911 Forsyth Building	28,277	Clayton
Stifel Bank & Trust	West Park I	19,832	I-270/ Olive
Netelligent Corp	Chesterfield Ridge Center	19,021	West County/Chesterfield

FEATURED PROPERTY

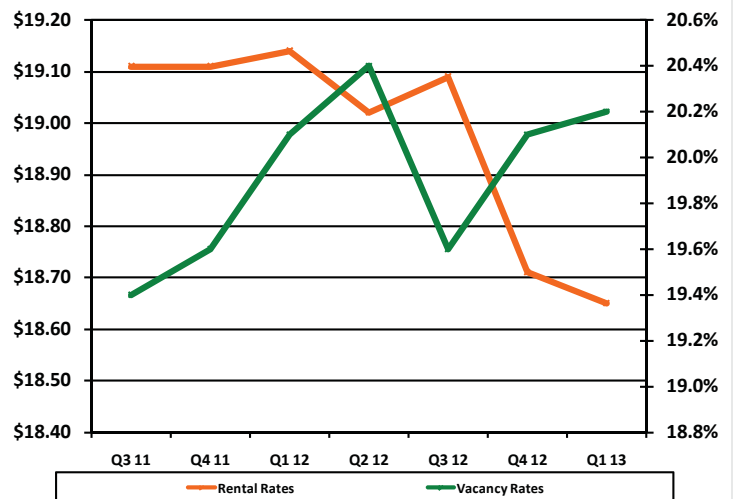
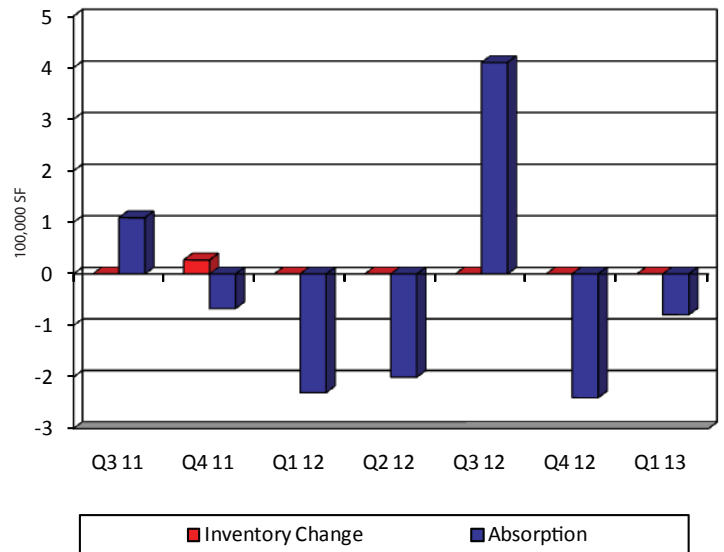


Park 270 Building I & II
1801 & 1807 Park 270 Drive
St. Louis, MO 63146

- Class A Office Buildings
- 1,551 SF - 40,705 RSF Available
- Excellent Visibility on I-270
- Prominent Westport Location
- 4/1,000 SF Parking Ratio
- On-Site Property Management, Fitness Facility, Cafe & Conference Center
- Lease Rate: \$18.50-\$19.50 PSF, Full Service

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*Disclaimer: All information is collected from CoStar Group at the end of 1st Quarter. All information is subject to change. Updated numbers for past quarters reflect CoStar's ongoing research for the most accurate market information.