



Q1 2014

Office Market Report

MARKET TRENDS

Vacancy Rate



Net Absorption



Rental Rates



Construction



NOTEWORTHY SALE



The 128,250 square foot, Class A GenAmerica Building downtown St. Louis sold for \$11,500,000. (\$89.67 PSF) Laclede Gas will occupy as their new headquarters.

NOTEWORTHY SALE



The 9,850 square foot Class C office building located at 7800 Clayton Road in Richmond Heights sold for \$850,000. (\$86.29 PSF)

The office vacancy rate in the St. Louis market area increased slightly to 18.7% at the end of the first quarter 2014. The vacancy rate was 18.4% at the end of the fourth quarter 2013.

Office net absorption decreased in St. Louis for the first quarter 2014 with negative 148,012 square feet absorbed. In the fourth quarter 2013, net absorption was positive 119,403 square feet.

The average quoted asking rental rate in the St. Louis office market remained relatively flat over the previous quarter. Quoted rents ended the first quarter 2014 at \$19.10 per square foot per year. That compares to \$19.09 per square foot in the fourth quarter 2013.

There was no new construction in first quarter 2014.

Submarket	Existing Inventory # Bldgs.	Total GLA	Direct SF	Vacancy Total SF	Vac %	Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
Clayton	73	7,361,258	911,371	951,506	12.9%	13,938	0	0	\$22.22
I-270/Manchester	27	1,540,504	228,190	228,190	14.8%	(10,914)	0	0	\$20.92
I-270/Olive	78	5,314,796	825,815	849,818	16.0%	(57,760)	0	0	\$19.91
North County	44	3,331,925	833,446	833,446	25.0%	(8,585)	0	0	\$16.46
South County	68	4,253,924	569,914	569,914	13.4%	17,305	0	0	\$20.42
St. Charles	38	1,709,317	321,996	321,996	18.8%	5,643	0	0	\$16.77
St. Louis City	115	16,247,497	3,897,291	3,912,701	24.1%	7,061	0	0	\$16.06
West County/ Chesterfield	77	5,391,397	710,390	766,026	14.2%	(82,507)	0	0	\$22.03
Westport	38	2,409,523	461,145	462,984	19.2%	(32,193)	0	0	\$17.15
Totals	558	47,560,141	8,759,558	8,896,581	18.7%	(148,012)	0	0	\$19.10

Source: CoStar Property®

Office market data used for this report consists of only multi-tenant office buildings over 20,000 square feet, excluding medical. The above chart is a combination of Class A, Class B and Class C buildings.



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
Laclede Gas Company	GenAmerica Building	127,468	St. Louis City
Cambridge Innovation Center	@4242 Building	36,000	St. Louis City
Morgan Stanley Smith Barney	Pierre Laclede Center II	30,380	Clayton
Spencer Fane Britt & Browne*	1 N Brentwood Blvd.	26,629	Clayton
Midwest Mortgage Capital	Paragon Building	21,670	West County/Chesterfield

*Renewal

FEATURED PROPERTY



13610 Barrett Office Drive
St. Louis, MO 63021

- 493 Sf - 3,572 SF Office Space Available
- Convenient Manchester/I-270 Location at Barrett Station Road
- First Floor, 3,572 SF Suite has Private Entrance from the Parking Lot
- Building Signage Available
- Also Available For Sale, Perfect Owner/User Opportunity - Call for Details
- Lease Rate: \$16.50 PSF, FS

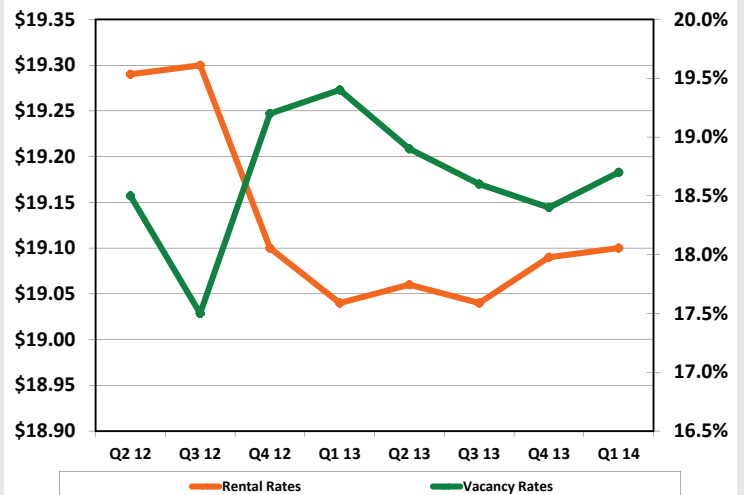
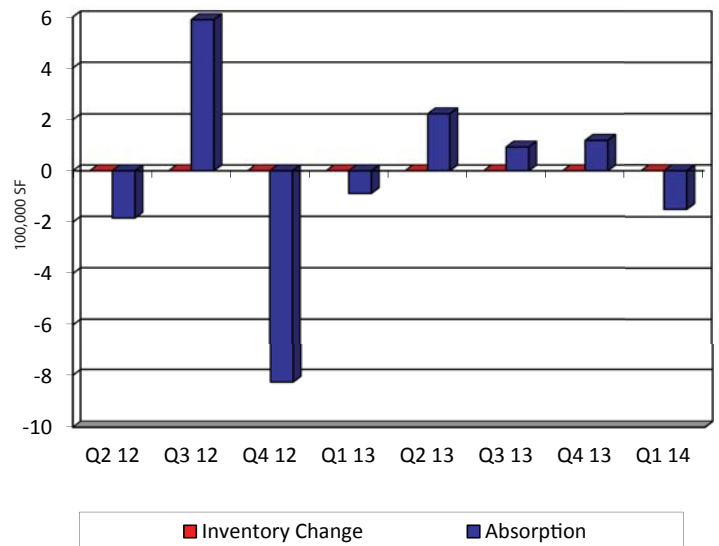
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*Disclaimer: All information is collected from CoStar Group at the end of 1st Quarter. All information is subject to change. Updated numbers for past quarters reflect CoStar's ongoing research for the most accurate market information.