



# Q1 2015

## Industrial Market Report

### MARKET TRENDS

*Compared to Previous Quarter*

**Vacancy Rate**



**Net Absorption**



**Rental Rates**



**Construction**



The overall industrial vacancy rate in the St. Louis market area showed little change thus far in 2015. The vacancy rate was 7.3% at the end of the first quarter 2015. The vacancy rate was 7.2% at the end of the fourth quarter 2014.

Net absorption for the overall St. Louis industrial market was negative 228,787 square feet absorbed in the first quarter 2015. That compares to positive 342,196 square feet absorbed in the fourth quarter 2014.

The average quoted asking rental rate for available industrial space increased to \$4.06 per square foot per year at the end of the first quarter 2015 in the St. Louis market area. The quoted rental rates were \$3.99 per square foot at the end of the fourth quarter 2014.

Although no new space was delivered in the St. Louis Market in the first quarter 2015, 1,529,137 square feet of industrial space remained under construction including Gateway 673, which is scheduled to deliver 673,137 square feet in second quarter 2015. Fourth quarter 2014 delivered one building totaling 81,844 square feet in the St. Louis market.

### NOTEWORTHY SALE



13600 Shoreline Dr., a 469,935 SF, Class A distribution building in Earth City, sold for \$25,000,000 (\$53.20 PSF).

### NOTEWORTHY SALE



1555 Page Industrial Boulevard, a 211,000 SF manufacturing warehouse in Olivette, sold for \$10,610,000 (\$50.28 PSF).

### TOTAL INDUSTRIAL MARKET STATISTICS

Market	Existing Inventory			Vacancy		YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Airport	237	17,111,868	1,200,220	1,226,570	7.2%	25,771	0	0	\$3.66
Chesterfield/Hwy-40	157	6,009,809	173,716	173,716	2.9%	2,704	0	0	\$7.85
Earth City	317	23,794,990	2,204,939	2,209,939	9.3%	(331,452)	0	0	\$5.02
Fenton	223	8,706,012	375,478	396,678	4.6%	(68,618)	0	0	\$6.31
Hanley	284	6,409,043	159,995	159,995	2.5%	(12,865)	0	0	\$5.43
Illinois	696	38,847,698	1,387,148	1,407,148	3.6%	44,268	0	1,083,137	\$3.57
Innerbelt E of 170	228	9,864,806	317,675	317,675	3.2%	(9,499)	0	0	\$3.97
Innerbelt W of 170	376	11,214,528	701,353	701,353	6.3%	8,034	0	79,000	\$4.29
North County	149	6,240,021	300,825	333,652	5.3%	(26,799)	0	311,000	\$3.72
South County	276	9,086,840	535,759	535,759	5.9%	(7,800)	0	0	\$5.76
St Charles County	805	27,848,922	734,616	737,116	2.6%	(28,498)	0	0	\$4.94
St Louis City North	830	40,604,594	5,044,567	5,164,567	12.7%	15,270	0	56,000	\$2.81
St Louis City South	969	36,729,422	4,133,975	4,133,975	11.3%	59,888	0	0	\$3.04
West County	140	4,658,833	103,979	103,979	2.2%	10,523	0	0	\$6.03
Westport	422	15,924,793	1,531,011	1,578,624	9.9%	90,286	0	0	\$5.71
<b>Totals</b>	<b>6,109</b>	<b>263,052,179</b>	<b>18,905,256</b>	<b>19,180,746</b>	<b>7.3%</b>	<b>(228,787)</b>	<b>0</b>	<b>1,529,137</b>	<b>\$4.06</b>

Source: CoStar Property®



## RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
Saddle Creek Corp	Gateway Commerce Center 7	673,137	Illinois
World Wide Technology	3865 Lakeview Corporate Dr.	410,000	Illinois
Luxco	6301 North Broadway	300,000	St. Louis City North
Major Brands, Inc.*	6701 Southwest Ave.	283,291	St. Louis City South
Executive Express Inc*	5481 Brown Ave.	148,088	St. Louis City North

\*Renewal

## FEATURED PROPERTY



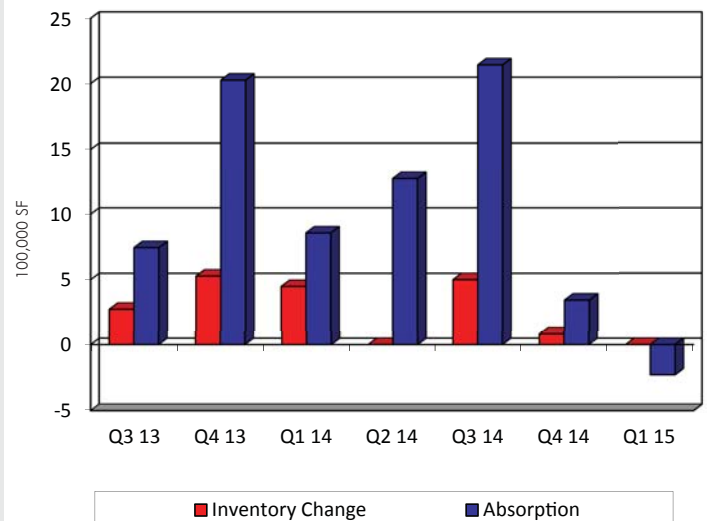
**4200-4220 Shoreline Dr.**  
Earth City, MO 63045

- 100% Leased, Multi-Tenant Building with 3 Tenants
- Prime Earth City Location on 1.52 Acres
- Easy Access to I-70, I-270 & Hwy. 370
- 15' Ceilings
- 7 Docks & 1 Drive-In
- Wet Sprinkler & 3 Phase Electric
- Sale Price: \$1,129,000 (\$47.59 PSF)

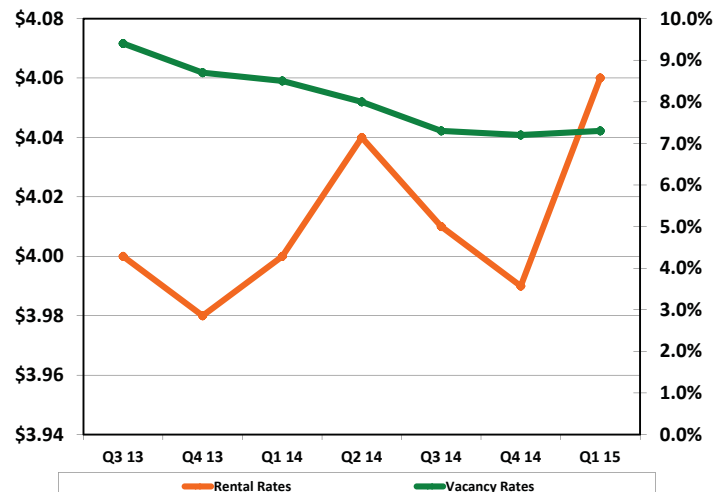
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## Overall Industrial Inventory & Absorption



## Overall Industrial Rental Rates & Vacancy Rates



\*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.