



Q1 2019 Industrial Market Report

MARKET TRENDS

Compared to Previous Quarter

Vacancy Rate



Net Absorption



Rental Rates



Construction



NOTEWORTHY SALE



11650 Lakeside Crossing Ct., a 100,021-SF industrial warehouse located in Maryland Heights sold for \$8,700,000. (\$86.98 PSF)

NOTEWORTHY SALE



8212 Lackland Rd., a 61,808-SF industrial warehouse located in Overland sold for \$3,205,000 (\$51.85 PSF)

The overall industrial vacancy rate for the St. Louis market showed little change this quarter. The industrial vacancy rate ended the first quarter 2019 at 4.4%, compared to 4.1% at the end of the fourth quarter 2018.

There was negative 334,648 square feet absorbed at the end of the first quarter 2019, the first negative quarter we have had in over five years. More than half of the negative absorption came from the Illinois submarket as a result of FW Warehousing/FW Logistics vacating over 326,000 square feet at 4300 Church St. and 4251 St. Clair Ave. The Keefe Group moved into 117,804 square feet at 3601-51 New Town Blvd., and Nike moved in to the remaining 107,000 square feet from the 247,000-square-foot lease they signed last year at 1250-1290 Interstate Dr. in Wentzville.

The average quoted asking rental rates for available industrial space decreased to \$4.72 per square foot at the end of the first quarter 2019 in the St. Louis market area, compared to \$4.81 per square foot at the end of the fourth quarter 2018.

Three new buildings totaling 415,160 square feet were delivered in the St. Louis market in the first quarter of 2019, all in the St. Charles County submarket. There were still 4,788,013 square feet of industrial space remaining under construction including Amazon's 855,000-square-foot distribution center at 4000 Premier Parkway in the St. Charles County submarket, Bayer's 590,000-square-foot expansion at 700 Chesterfield Pkwy. W and Pfizer's 295,000-square-foot building at 875 Chesterfield Pkwy. W; both in the Chesterfield/Hwy. 40 submarket.

Market	Existing Inventory			Vacancy		Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Total SF	Vac %				
Airport	252	20,707,301	1,054,294	1,054,294	5.1%	7,607	0	0	\$4.33
Bond County	9	135,180	0	0	0.0%	0	0	0	\$2.75
Chesterfield/Hwy-40	163	5,985,335	163,877	168,473	2.8%	8,261	0	885,000	\$7.51
Clinton County	26	852,369	2,230	2,230	0.3%	0	0	0	\$2.82
Crawford County	40	1,395,716	11,700	11,700	0.8%	0	0	0	\$8.21
Earth City	317	23,406,280	1,655,384	1,820,334	7.8%	35,571	0	0	\$4.41
Fenton	225	9,402,798	499,225	499,225	5.3%	(62,176)	0	158,400	\$6.14
Franklin County	286	10,246,687	179,000	179,000	1.2%	(54,746)	0	521,900	\$4.13
Hanley	282	6,324,022	174,932	177,375	2.8%	(18,895)	0	15,958	\$6.19
Illinois	811	46,077,465	2,489,857	2,489,857	5.4%	(295,861)	0	1,294,692	\$3.99
Innerbelt E of 170	231	9,789,420	30,627	30,627	0.3%	(14,618)	0	0	\$3.50
Innerbelt W of 170	384	11,460,720	329,018	329,018	2.9%	(16,177)	0	0	\$5.08
Jefferson County	296	5,801,520	19,285	19,285	0.3%	13,180	0	0	\$5.02
Jersey County	12	122,747	25,800	25,800	21.0%	(16,000)	0	0	-
Lincoln County	49	1,410,150	0	0	0.0%	0	0	0	-
Macoupin County	29	573,084	2,500	2,500	0.4%	0	0	0	-
Monroe County	24	1,652,574	0	0	0.0%	0	0	0	-
North County	164	8,927,887	1,198,433	1,198,433	13.4%	(41,075)	0	368,970	\$4.35
South County	289	9,191,271	336,187	399,620	4.3%	(13,328)	0	0	\$6.40
St Charles County	849	32,267,729	1,262,151	1,268,151	3.9%	28,678	415,160	1,609,043	\$4.85
St Louis City North	824	38,568,006	1,628,931	1,628,931	4.2%	36,174	0	0	\$4.37
St Louis City South	991	35,956,183	929,486	934,886	2.6%	87,476	0	0	\$6.50
Warren County	75	2,199,577	1,936	1,936	0.1%	9,500	0	0	-
West County	150	4,782,854	60,988	60,988	1.3%	(60,868)	0	0	\$8.80
Westport	423	15,464,108	842,758	990,278	6.4%	16,649	0	92,450	\$5.04
Totals	7,202	302,716,730	13,292,941	113,152,981	4.4%	(334,648)	415,160	4,788,013	\$4.72

Source: CoStar Property®



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
Home Delivery Incontinent Supplies*	9383-87 Dielman Industrial Dr.	198,025	Innerbelt W of 170
Trilogy Warehouse Partners	1020 N. 23rd St.	77,369	St. Louis City North
Wayfair	4806 Trade Access Blvd.	58,198	North County
Nexus Solutions	2098 Fenton Logistics Park Blvd.	51,772	Fenton
SCP Distributors *	925 Fairway Park Dr.	32,400	Illinois

* Renewal

FEATURED PROPERTY



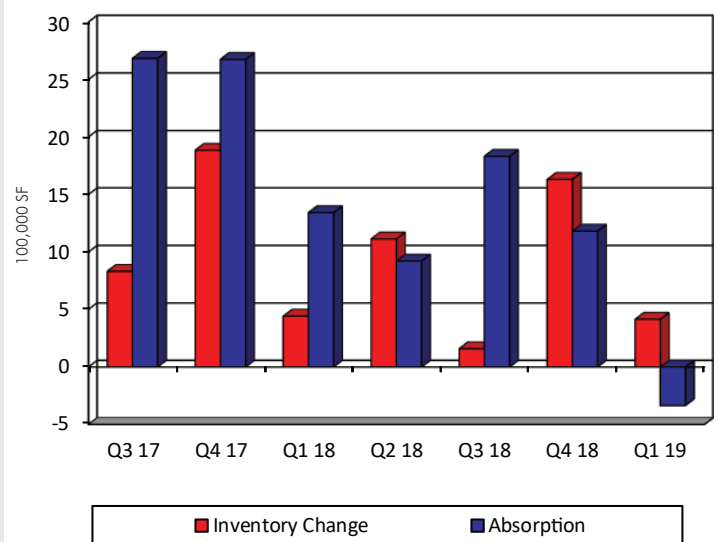
4161-4181 Shoreline Dr.
Earth City, MO 63045

- 15,340 SF Available
- Office Warehouse or Manufacturing Space
- Dock & Drive-In Loading
- 16' Clear Ceiling Height
- Owner Occupied Building
- Prominent Location in Earth City, St. Louis Premiere Business Park
- Easy Access to I-70 & I-270 in NW St. Louis County
- Lease Rates: \$6.50 PSF, MG

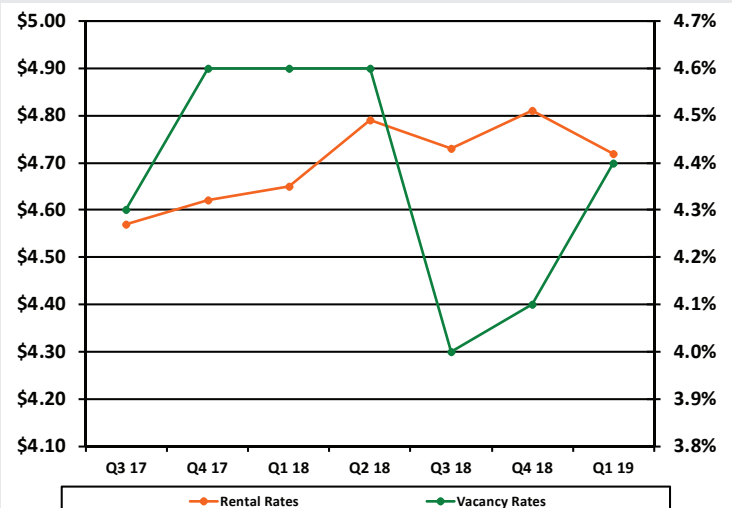
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Overall Industrial Inventory & Absorption



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.