

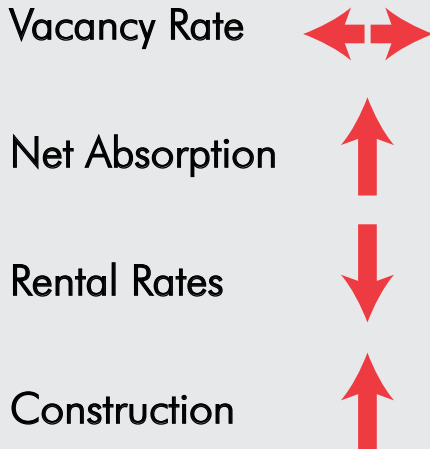


Q2 2019

Industrial Market Report

MARKET TRENDS

Compared to Previous Quarter



NOTEWORTHY SALE



9441-45 Dielman Rock Island Dr., a 21,000-SF flex building located in Olivette sold for \$2,800,000. (\$133.33 PSF)

NOTEWORTHY SALE



84 Hubble Dr., a 37,000-SF warehouse located in Dardenne Prairie sold in a 2-property portfolio for \$2,963,713. (\$80.10 PSF)

The overall industrial vacancy rate for the St. Louis market showed little change this quarter. The industrial vacancy rate ended the second quarter 2019 at 5.0%, compared to 4.9% at the end of the first quarter 2019.

There was positive 1,232,786 square feet absorbed at the end of the second quarter 2019. Eagle Fence Distribution moved into 227,550 square feet in Hazelwood; Nexus moved into 51,772 square feet in Fenton; and Amazon moved into their new 855,000-square-foot fulfillment center in St. Charles County, which is expected to be open in time for the holiday rush.

The average quoted asking rental rates for available industrial space decreased to \$4.63 per square foot at the end of the second quarter 2019 in the St. Louis market area, compared to \$4.71 per square foot at the end of the first quarter 2019.

Seven new buildings totaling 1,941,491 square feet were delivered in the St. Louis market in the second quarter of 2019, including Amazon's new 855,000-square-foot building; Bayer's 590,000-square-foot expansion; Pfizer's 295,000-square-foot building at 875 Chesterfield Parkway W; and the new 158,400-square-foot Building IV at Fenton Logistics Park. There were still 3,025,347 square feet of industrial space remaining under construction, including the 674,752 square feet at 100 Inner Park Dr. in Illinois, which is currently 100% available for lease, and 491,000 square feet at 10000 Elm Point Rd. at Premier 370 in St. Peters.

	Existing Inventory		Vacancy			YTD		Under	Quoted
Market	# Bids	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
Airport	251	20,933,078	961,049	961,049	4.6%	39,644	0	222,715	\$4.24
Bond County	11	151,180	10,000	10,000	6.6%	(10,000)	0	0	\$2.75
Chesterfield/Hwy-40	164	6,575,333	161,897	166,493	2.5%	591,980	885,000	0	\$7.36
Clinton County	26	852,369	0	0	0.0%	2,230	0	0	\$3.00
Crawford County	40	1,395,713	11,700	11,700	0.8%	0	0	0	\$8.21
Earth City	317	23,406,720	1,669,468	1,844,562	7.9%	290,822	0	0	\$4.11
Fenton	226	9,561,998	429,125	457,525	4.8%	200,100	158,400	71,280	\$6.12
Franklin County	287	10,261,884	243,299	243,299	2.4%	12,061	0	373,500	\$3.72
Hanley	282	6,320,022	186,432	188,875	3.0%	(11,500)	0	15,958	\$6.16
Illinois	818	45,675,418	3,198,752	3,198,752	7.0%	(776,570)	0	1,298,092	\$4.02
Innerbelt E of I70	230	9,758,811	95,153	95,153	1.0%	(19,386)	0	0	\$3.45
Innerbelt W of I70	385	11,478,916	385,256	385,256	3.4%	(55,738)	0	0	\$5.06
Jefferson County	298	5,837,752	20,517	20,517	0.4%	23,056	0	0	\$5.05
Jersey County	12	122,747	16,000	16,000	13.0%	0	0	0	-
Lincoln County	50	1,420,150	30,500	30,500	2.1%	(30,500)	0	0	\$4.25
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	167	9,647,352	1,509,873	1,509,873	15.7%	80,330	713,645	220,400	\$4.44
South County	288	9,178,933	161,019	224,452	2.4%	164,715	0	0	\$6.23
St Charles County	855	33,259,246	1,363,749	1,369,749	3.9%	782,793	1,293,251	730,952	\$5.13
St Louis City North	824	38,512,533	2,635,349	2,635,349	6.8%	(73,849)	0	0	\$4.26
St Louis City South	993	36,014,238	866,530	931,930	2.6%	(93,351)	0	0	\$5.81
Warren County	75	2,199,577	11,436	11,436	0.5%	(9,500)	0	0	-
West County	151	4,804,598	69,636	69,636	1.4%	11,352	20,000	0	\$8.80
Westport	424	15,479,939	723,376	876,181	5.7%	114,097	0	92,450	\$5.06
Totals	7,227	305,074,165	14,762,616	15,260,787	5.0%	1,232,786	3,070,296	3,025,347	\$4.63

Source: CoStar Property®



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
CircleLink	13201-21 Corporate Exchange Dr.	104,556	North County
Picnic Gift	10520-38 Ambassador Blvd.	30,620	Innerbelt W of 170
Halycon Shades	6282 Olive Blvd.	24,036	Innerbelt E of 170
PolyOne	430 Industrial Dr.	19,200	West County
Shoe Cover Magic *	161-65 Compass Point Dr.	16,800	St. Charles County

* Sublease

FEATURED PROPERTY



4181 Shoreline Dr.

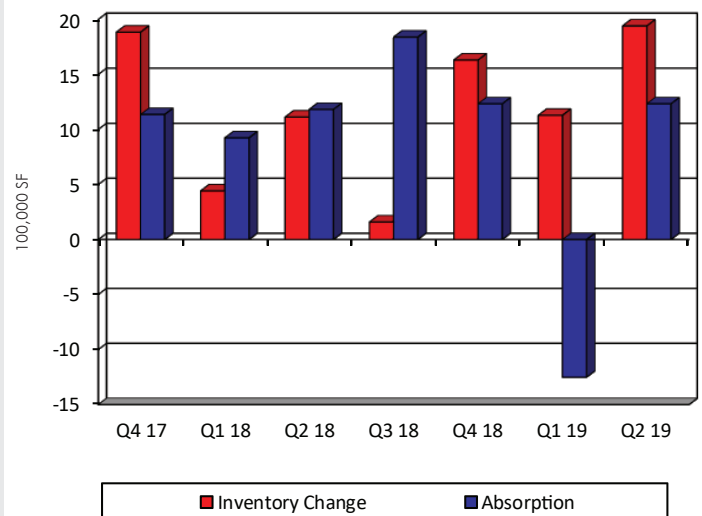
Earth City, MO 63045

- 10,150 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: \$7.50 PSF, MG

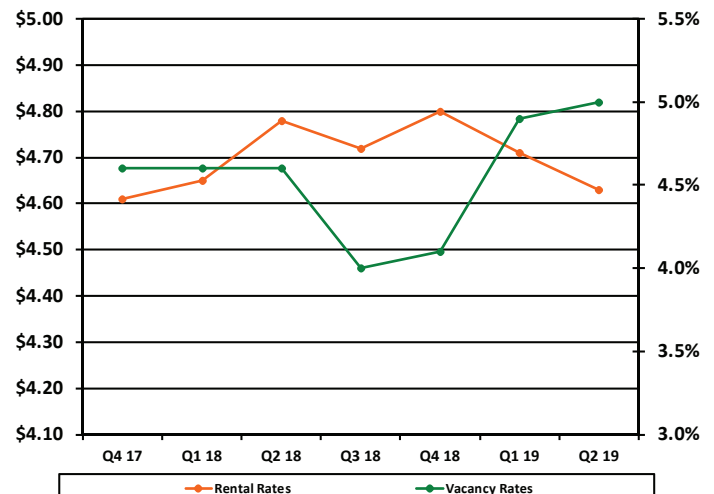
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Overall Industrial Inventory & Absorption



Overall Industrial Rental Rates & Vacancy Rates



*Disclaimer: All information is collected from CoStar Group at the end of 2nd Quarter. All information is subject to change. Updated numbers for past quarters reflect CoStar's ongoing research for the most accurate market information.