



# Q3 2014

## Industrial Market Report

### MARKET TRENDS

**Vacancy Rate**



**Net Absorption**



**Rental Rates**



**Construction**



The industrial vacancy rate in the St. Louis market area decreased to 7.3% at the end of the third quarter 2014. The vacancy rate was 7.9% at the end of the second quarter 2014.

Net absorption for the overall St. Louis industrial market was positive 2,235,500 square feet in the third quarter 2014. This compares to positive 1,275,567 square feet in the second quarter 2014.

Third quarter 2014 delivered two buildings totaling 681,000 square feet in the St. Louis market. The Gateway RT Distribution Center and Faurecia Automotive Seating remained under construction at the end of third quarter 2014, accounting for 754,979 square feet of the 1,070,979 square feet still under construction.

The average quoted asking rental rate for available industrial space slightly decreased to \$3.99 per square foot per year at the end of the third quarter 2014 in the St. Louis market area. The quoted rental rates were \$4.00 per square foot at the end of the second quarter 2014.

### NOTEWORTHY DELIVERY



The GM Assembly Center delivered 500,000 SF to the St. Charles County Market and is 100% Occupied.

### NOTEWORTHY SALE



240 Sovereign Court, a 29,047 SF industrial building in West County, sold for \$1,600,000 (\$55.08 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	235	17,059,980	875,979	902,329	5.3%	387,011	227,500	0	\$3.59
Chesterfield/Hwy-40	157	5,989,009	200,486	200,486	3.3%	(19,442)	0	0	\$7.73
Earth City	317	23,739,944	1,532,960	1,562,960	6.6%	871,906	0	0	\$4.86
Fenton	223	8,763,773	490,951	490,951	5.6%	516,705	0	0	\$5.22
Hanley	281	63,365,488	173,303	173,303	2.7%	118,465	0	0	\$4.72
Illinois	689	38,831,885	1,702,157	1,722,157	4.4%	1,027,113	181,000	673,135	\$3.54
Innerbelt E of 170	226	9,783,304	425,704	427,360	4.4%	264,374	0	0	\$4.03
Innerbelt W of 170	374	11,176,286	814,958	856,368	7.7%	169,761	0	79,000	\$4.20
North County	149	6,211,436	306,853	306,853	4.9%	28,386	0	0	\$3.59
South County	276	9,097,789	551,178	551,178	6.1%	29,688	0	0	\$6.01
St Charles County	800	27,735,720	704,184	706,684	2.5%	754,071	500,000	81,844	\$4.62
St Louis City North	828	40,247,878	4,696,091	4,816,091	12.0%	(137,737)	0	237,000	\$2.91
St Louis City South	975	36,751,810	4,421,218	4,421,218	12.0%	163,089	0	0	\$3.03
West County	140	4,655,637	131,908	131,908	2.8%	(10,459)	0	0	\$6.89
Westport	423	15,948,321	1,732,934	1,761,846	11.0%	(31,998)	0	0	\$5.53
<b>Totals</b>	<b>6,093</b>	<b>262,358,260</b>	<b>18,760,864</b>	<b>19,031,692</b>	<b>7.3%</b>	<b>4,130,933</b>	<b>908,500</b>	<b>1,070,979</b>	<b>\$3.99</b>

Source: CoStar Property®



## RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
Wainright Industries	DukePort IX	104,556	Earth City
Schnucks	Commerce Center at Park 370	74,448	North County
Milpaws Inc.*	2609 Rock Hill Industrial Ct.	58,265	Hanley
East Coast Metal Distributors*	Lakefront II	42,680	Earth City
ABC Supply Company*	Corporate 44 Building 8	42,450	Fenton

\*Renewal

## FEATURED PROPERTY



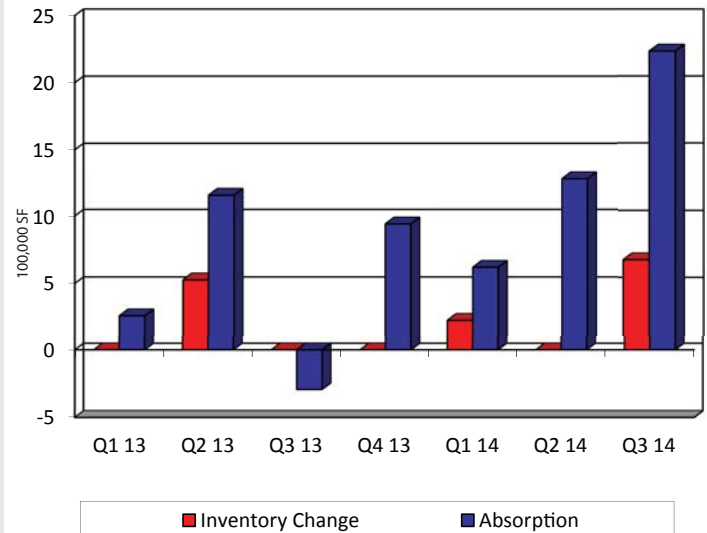
**35 Worthington Access Drive**  
Maryland Heights, MO 63043

- 24,650 SF Available
- Newly Renovated Building Exterior with New Roof, Windows & Entrance
- 2,500 SF BTS Office Finish
- 3 Loading Docks & 2 Drive-In Doors (14'x18')
- 24'x36' Column Spacing
- Building Signage
- Lease Rate: \$5.25 PSF, NNN

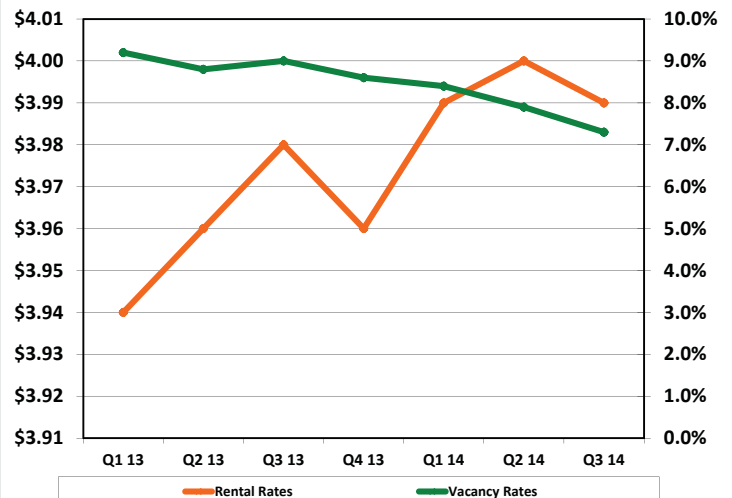
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## Overall Industrial Inventory & Absorption



## Overall Industrial Rental Rates & Vacancy Rates



\*Disclaimer: All information is collected from CoStar Group at the end of 3rd Quarter. All information is subject to change. Updated numbers for past quarters reflect CoStar's ongoing research for the most accurate market information.