



Q4 2014

Industrial Market Report

MARKET TRENDS

Compared to Previous Quarter

Vacancy Rate



Net Absorption



Rental Rates



Construction



The industrial vacancy rate in the St. Louis market area slightly decreased to 7.2% at the end of the fourth quarter 2014. The vacancy rate was 7.3% at the end of the third quarter 2014.

Net absorption for the overall St. Louis industrial market remained positive with 294,669 square feet absorbed in fourth quarter 2014. Although this compares to a dynamic, positive 2,174,572 square feet absorbed in third quarter 2014.

Fourth quarter 2014 delivered one building totaling 81,844 square feet in the St. Louis market, which is 100% occupied by Faurecia Automotive Seating. Gateway 673 in Illinois remained under construction at the end of fourth quarter 2014, accounting for 673,137 square feet of the 820,939 square feet still under construction.

The average quoted asking rental rate for available industrial space slightly decreased to \$3.97 per square foot per year at the end of the fourth quarter 2014 in the St. Louis market area. The quoted rental rates were \$3.99 per square foot at the end of the third quarter 2014.

NOTEWORTHY DELIVERY



Faurecia Automotive Seating delivered 81,844 SF to the St. Charles County Market and is 100% Occupied.

NOTEWORTHY SALE



2331 Schuetz Rd., a 41,649 SF industrial manufacturing building in Maryland Heights, sold for \$1,700,000 (\$40.82 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	17,064,967	1,047,487	1,073,837	6.3%	215,503	227,500	0	\$3.56
Chesterfield/Hwy-40	157	5,989,009	176,420	176,420	2.9%	4,624	0	12,802	\$7.93
Earth City	317	23,742,719	1,864,275	1,869,275	7.9%	565,591	0	0	\$4.97
Fenton	223	8,770,213	328,060	328,060	3.7%	679,596	0	0	\$5.17
Hanley	281	6,362,843	146,130	146,130	2.3%	145,638	0	0	\$4.88
Illinois	692	38,757,582	1,493,416	1,513,416	3.9%	1,263,934	198,773	673,137	\$3.54
Innerbelt E of 170	226	9,781,319	427,360	427,360	4.4%	264,374	0	0	\$3.84
Innerbelt W of 170	374	11,187,568	707,587	707,587	6.3%	318,542	0	79,000	\$4.18
North County	149	6,212,336	306,853	306,853	4.9%	28,386	0	0	\$3.73
South County	276	9,086,840	527,959	527,959	5.8%	65,841	0	0	\$5.76
St Charles County	804	27,849,237	705,618	708,118	2.5%	847,575	581,844	0	\$5.08
St Louis City North	829	40,275,563	5,035,064	5,155,064	12.8%	(142,142)	0	56,000	\$2.85
St Louis City South	973	36,577,139	4,142,113	4,142,113	11.3%	290,763	0	0	\$2.94
West County	140	4,658,833	114,502	114,502	2.5%	6,947	0	0	\$6.90
Westport	422	15,918,460	1,647,610	1,667,610	10.5%	22,174	0	0	\$5.53
Totals	6,098	262,234,628	18,670,454	18,864,304	7.2%	4,577,346	1,008,117	820,939	\$3.97

Source: CoStar Property®



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
Davidson Surface/Air	1 Corporate Woods Dr.	315,000	North County
Fresh Warehouse	9451-9205 Latty Ave.	216,929	North County
Stellar Manufacturing	1659 Sauget Business Blvd.	202,019	Illinois
Edward Jones	78 Progress Pkwy.	188,500	Westport
Rug Doctor Manufacturing*	415 Axminster Dr.	168,247	Fenton

*Renewal

FEATURED PROPERTY



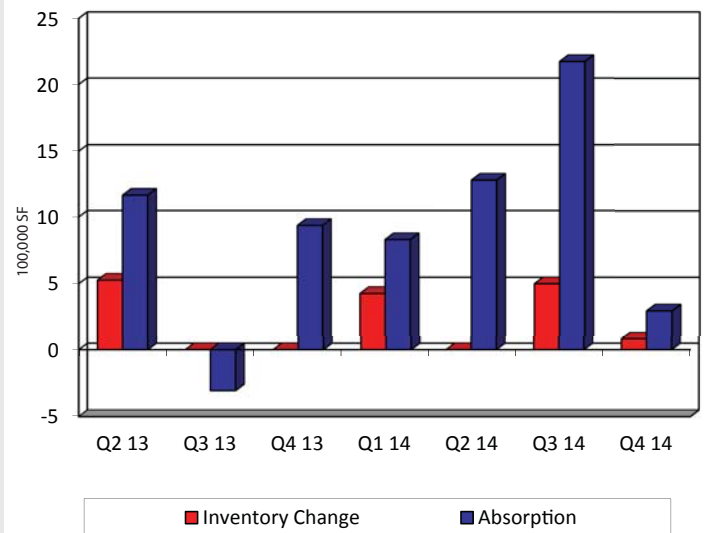
3405 Bent Avenue
St. Louis, MO 63116

- Investment Opportunity
- 294,313 SF on 15.81 Acre Site
- 3,470 - 127,916 SF Available
- Zoned K - Unrestricted
- 3 Cell Tower Leases by Individual Carriers
- Current Tenants Include Guarantee Electrical
- Lease Rate: Contact Broker for Information
- Sale Price: Contact Broker for Information

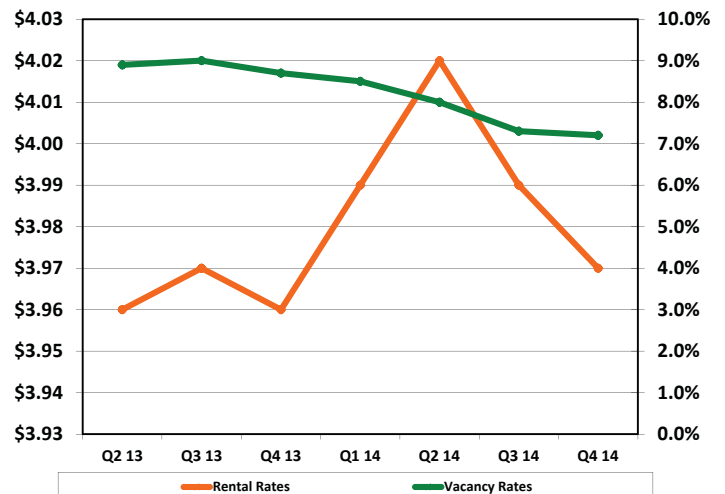
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Overall Industrial Inventory & Absorption



Overall Industrial Rental Rates & Vacancy Rates



*Disclaimer: All information is collected from CoStar Group at the end of 4th Quarter. All information is subject to change. Updated numbers for past quarters reflect CoStar's ongoing research for the most accurate market information.