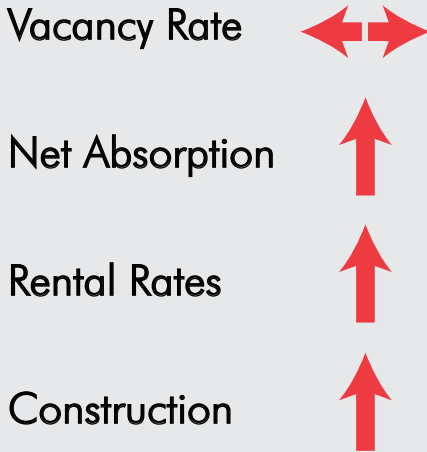




# Q4 2018 Industrial Market Report

## MARKET TRENDS

Compared to Previous Quarter



The overall industrial vacancy rate for the St. Louis market remained flat. The industrial vacancy rate ended the fourth quarter 2018 at 4.3%, compared to 4.2% at the end of the third quarter 2018.

The overall industrial net absorption remained positive throughout 2018. There were positive 1,014,404 square feet absorbed at the end of the fourth quarter 2018. At the end of the third quarter 2018, net absorption was positive 1,782,838 square feet. Tenants moving into blocks of space included Geodis moving into 240,172 square feet at 117 Industrial Dr., and two new tenants moving into 4806 Trade Access Blvd.; Mygrant Glass with 43,000 square feet and Major Custom Assemblies with 40,000 square feet.

The average quoted asking rental rates for available industrial space increased to \$4.80 per square foot at the end of the fourth quarter 2018 in the St. Louis market area, compared to \$4.72 per square foot at the end of the third quarter 2018.

Eight new buildings totaling 1,630,666 square feet were delivered in the St. Louis market in the fourth quarter of 2018, including 3919 Lakeiew Corporate Dr., a 769,500-square-foot industrial building in Edwardsville which is 0% leased; and 310 James S. McDonnell Blvd., a 380,000-square-foot manufacturing building in Hazelwood which is 100% leased. There were still 3,756,811 square feet of industrial space remaining under construction including Amazon's 855,080-square-foot distribution center at 4000 Premier Parkway in the St. Charles County submarket.

## NOTEWORTHY SALE



The Eight Building, 740,253-SF Lambert Pointe / McDonnell Blvd. Portfolio in Hazelwood sold for \$49,200,000. (\$66.46 PSF)

## NOTEWORTHY SALE



9791 S. Green Park Ind. Rd., a 119,680-SF Industrial Distribution Warehouse in South County sold for \$10,000,000. (\$83.56 PSF)

Market	Existing Inventory		Vacancy			YTD		Under	Quoted
	# Bids	Total RBA	Direct SF	Total SF	Vac %	Absorption	Deliveries	Const SF	Rates
Airport	251	20,258,422	1,026,001	1,026,001	5.0%	307,491	595,667	0	\$4.21
Bond County	9	135,180	0	0	0.0%	0	0	0	\$2.75
Chesterfield/Hwy-40	158	6,071,481	161,884	166,480	2.8%	(17,299)	0	905,000	\$6.80
Clinton County	26	852,369	2,230	2,230	0.3%	0	0	0	\$2.82
Crawford County	38	1,390,713	0	0	0.0%	8,700	0	0	-
Earth City	317	23,302,136	1,780,253	1,930,253	8.3%	59,073	0	0	\$4.89
Fenton	225	9,402,798	437,049	437,049	4.6%	60,800	328,188	158,400	\$6.05
Franklin County	285	10,244,727	124,254	124,254	1.2%	(300)	315,000	48,500	\$3.59
Hanley	285	6,376,951	235,480	235,480	3.7%	(64,804)	0	0	\$5.83
Illinois	810	46,258,120	2,232,589	2,232,589	4.8%	(553,415)	179,262	867,500	\$4.08
Innerbelt E of 170	231	9,8790,834	107,298	107,298	1.1%	2,759	0	0	\$4.69
Innerbelt W of 170	383	11,326,851	221,552	221,552	2.0%	27,965	0	0	\$4.84
Jefferson County	295	5,789,140	48,465	48,465	0.8%	(459)	0	0	\$5.53
Jersey County	12	122,747	25,800	25,800	21.0%	(16,000)	0	0	-
Lincoln County	50	1,455,457	0	0	0.0%	0	0	0	-
Macoupin County	29	573,084	2,500	2,500	0.4%	3,700	0	0	-
Monroe County	24	1,652,574	0	0	0.0%	0	0	0	-
North County	164	8,927,237	1,313,558	1,313,558	14.7%	144,934	1,102,000	589,370	\$4.34
South County	288	9,188,026	322,859	386,292	4.2%	(23,815)	10,000	0	\$6.90
St Charles County	844	31,302,864	877,269	877,269	2.8%	76,521	0	1,332,831	\$5.06
St Louis City North	823	39,038,331	1,939,419	1,939,419	5.0%	8,808	0	0	\$4.14
St Louis City South	992	36,107,697	1,003,762	1,015,762	2.8%	35,832	0	0	\$6.14
Warren County	73	2,189,346	11,436	11,436	0.5%	0	0	0	\$4.25
West County	149	4,787,192	0	0	0.0%	11,000	0	0	\$7.67
Westport	424	15,511,088	901,654	1,049,174	6.8%	(4,553)	127,000	0	\$5.09
<b>Totals</b>	<b>7,187</b>	<b>302,429,063</b>	<b>12,775,432</b>	<b>113,152,981</b>	<b>4.3%</b>	<b>1,014,404</b>	<b>3,345,355</b>	<b>3,756,811</b>	<b>\$4.80</b>

Source: CoStar Property®



## RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
True Manufacturing *	1010 Turner Blvd.	248,635	St. Charles County
Grief Packaging *	401 W South Service Rd.	130,000	Warren County
BASF *	101 Interstate Dr.	68,000	St. Charles County
Green Guard First Aid	3481 Rider Trail S.	48,509	Earth City
Enterprises Inc. *	11445 Moog Dr.	33,047	Westport

\* Renewal

## FEATURED PROPERTY



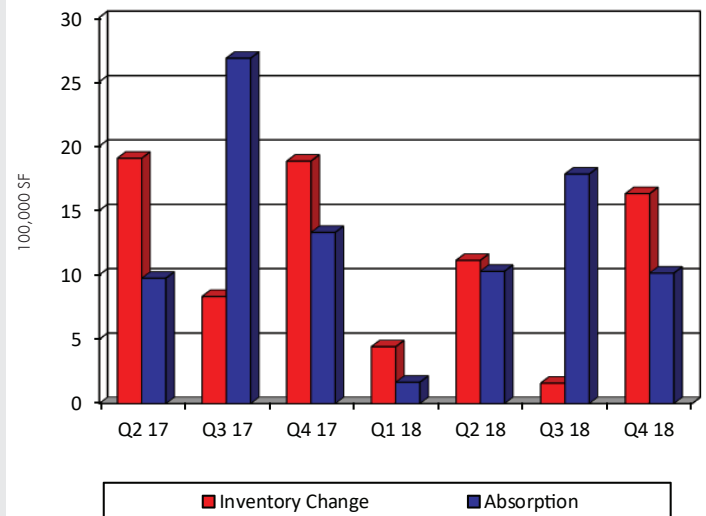
**4161-4181 Shoreline Dr.**  
Earth City, MO 63045

- 5,770 SF & 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: 5,770 SF: \$7.50 PSF, MG  
15,340 SF: \$6.50 PSF, MG

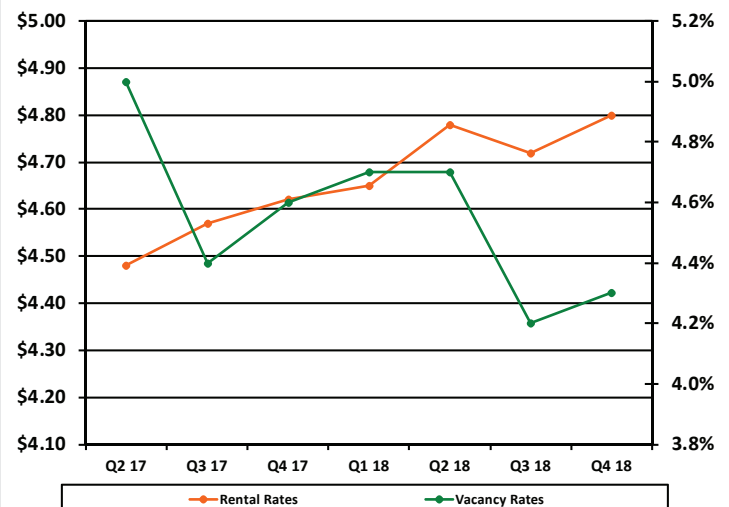
CONTACT: Lou Panopoulos 314-746-1428  
lpanopoulos@gershmancommercial.com



## 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.