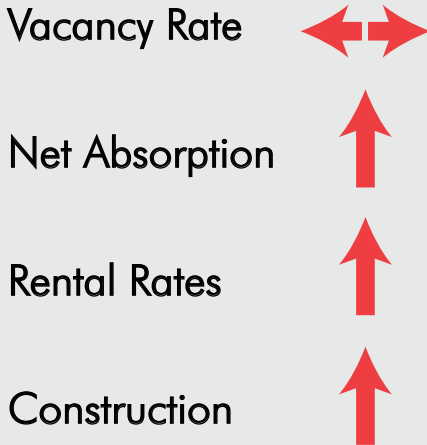




Q2 2017 Industrial Market Report

MARKET TRENDS

Compared to Previous Quarter



The overall industrial vacancy rate had little change at the end of the second quarter 2017. The industrial vacancy rate in the St. Louis market ended the second quarter 2017 at 6.1%, compared to 6.2% at the end of the first quarter 2017.

Net absorption for the overall St. Louis industrial market was positive 1,416,047 square feet absorbed in the second quarter 2017, which includes GMC moving into 1,200,000 square feet at Wentzville Logistics Center. At the end of the first quarter 2017, net absorption was positive 674,308 square feet.

The average quoted asking rental rates for available industrial space slightly increased to \$4.41 per square foot per year at the end of the second quarter 2017 in the St. Louis market area. The quoted rental rates were \$4.39 per square foot at the end of the first quarter 2017.

Second quarter 2017 delivered five buildings totaling 1,841,721 square feet in the St. Louis market, and 2,900,428 square feet of industrial space remained under construction. Buildings remaining under construction include 548,850 square feet at Aviator Business Park - Lot 10 in North County, and 370,000 square feet at Premier 370 -1000 in St. Charles; both of which are 0% preleased.

NOTEWORTHY SALE



20 Central Industrial, a 117,245 SF, Class B, industrial warehouse located in Granite City, Illinois sold for \$6,100,000. (\$52.03 PSF)

NOTEWORTHY SALE



1325 N. Warson Rd., a 105,104 SF, Class B, industrial building located in Creve Coeur sold for \$5,300,000. (\$50.43 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	245	19,230,827	1,329,880	1,329,880	6.9%	1,042,912	591,721	967,278	\$4.31
Chesterfield/Hwy-40	158	5,945,527	146,956	146,956	2.5%	(15,051)	35,000	590,000	\$8.83
Earth City	315	23,206,170	2,176,491	2,176,491	9.4%	162,200	0	130,000	\$4.96
Fenton	223	8,960,660	300,807	305,028	3.4%	83,369	0	158,400	\$6.19
Hanley	285	6,402,097	266,909	266,909	4.2%	(167,217)	0	0	\$6.65
Illinois	757	43,856,593	1,835,322	1,885,322	4.3%	107,872	624,150	98,000	\$4.18
Innerbelt E of 170	229	9,992,219	130,190	228,190	2.3%	10,813	0	0	\$4.33
Innerbelt W of 170	379	11,297,584	586,676	586,676	5.2%	(86,313)	0	0	\$5.01
North County	158	7,787,321	1,035,076	1,035,076	13.3%	(139,578)	537,753	0	\$4.28
South County	281	9,134,673	358,896	358,896	3.9%	17,006	0	0	\$6.04
St Charles County	816	29,988,216	1,197,321	1,255,369	4.2%	1,124,198	1,914,780	926,750	\$5.11
St Louis City North	818	39,209,777	4,227,207	4,227,207	10.8%	(83,569)	0	0	\$2.83
St Louis City South	978	35,706,606	2,180,064	2,180,064	6.1%	(27,602)	0	0	\$3.32
West County	146	4,731,519	9,094	9,094	.2%	29,712	15,000	0	\$7.15
Westport	422	15,788,226	679,313	682,399	4.3%	31,603	0	30,000	\$6.10
Totals	6,210	271,238,015	16,460,202	16,67,557	6.1%	2,090,355	3,718,404	2,900,428	\$4.41

Source: CoStar Property®



RECENT MARKET TRANSACTIONS

Tenant Name	Building	SF	Submarket
GEODIS	Gateway East 624	624,150	Illinois
Amazon	Hazelwood Logistics Center 3	348,480	Airport
DB Schenker*	Gateway East 520	306,090	Illinois
Quiet Logistics	Hazelwood Logistics Center 2	270,980	Airport
Amazon	Hazelwood Logistics Center 4	100,241	Airport

*Expansion

FEATURED PROPERTY



148 Workman Court
Eureka, MO 63025

- 17,500 SF Available (2,500 SF Office)
- Situated on 1.03 Acres
- 20'-24' Clear Ceiling Height
- 3-Phase Power
- 3 Docks, 1 Drive-In
- Fully Sprinklered
- Easy Access to I-44
- Sale Price: \$999,900

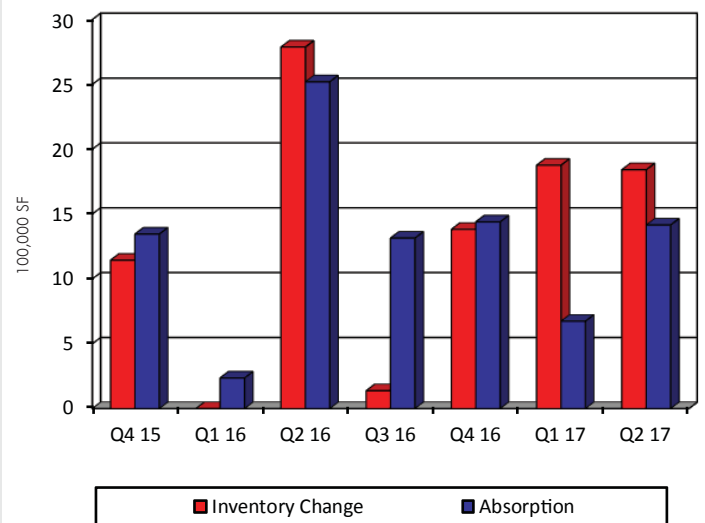
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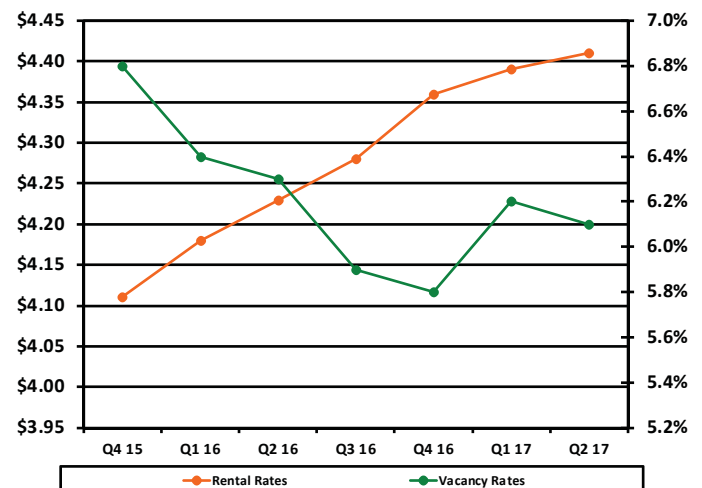
lojile@gershmancommercial.com



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.