

The CoStar Industrial Report

Year-End 2016

St. Louis Industrial Market



CoStarTM
The knowledge market

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Methodology

The CoStar Industrial Statistics calculates Industrial statistics using CoStar Group's base of existing, under construction and under renovation Industrial buildings in each given metropolitan area. All Industrial building types are included, including warehouse, flex / research & development, distribution, manufacturing, industrial showroom, and service buildings, in both single-tenant and multi-tenant buildings, including owner-occupied buildings. CoStar Group's global database includes approximately 95.6 billion square feet of coverage in 4.4 million properties. All rental rates reported in the CoStar Industrial Report are calculated using the quoted rental rate for each property.

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CoStar Group, Inc.

1331 L ST NW • Washington, DC 20005 • (800) 204-5960 • www.costar.com • NASDAQ: CSGP

Terms & Definitions

Availability Rate: The ratio of available space to total rentable space, calculated by dividing the total available square feet by the total rentable square feet.

Available Space: The total amount of space that is currently being marketed as available for lease in a given time period. It includes any space that is available, regardless of whether the space is vacant, occupied, available for sublease, or available at a future date.

Build-to-Suit: A term describing a particular property, developed specifically for a certain tenant to occupy, with structural features, systems, or improvement work designed specifically for the needs of that tenant. A build-to-suit can be leased or owned by the tenant. In a leased build-to-suit, a tenant will usually have a long term lease on the space.

Buyer: The individual, group, company, or entity that has purchased a commercial real estate asset.

Cap Rate: Short for capitalization rate. The Cap Rate is a calculation that reflects the relationship between one year's net operating income and the current market value of a particular property. The Cap Rate is calculated by dividing the annual net operating income by the sales price (or asking sales price).

CBD: Abbreviation for Central Business District. (See also: Central Business District)

Central Business District: The designations of Central Business District (CBD) and Suburban refer to a particular geographic area within a metropolitan statistical area (MSA) describing the level of real estate development found there. The CBD is characterized by a high density, well organized core within the largest city of a given MSA.

Class A: A classification used to describe buildings that generally qualify as extremely desirable investment-grade properties and command the highest rents or sale prices compared to other buildings in the same market. Such buildings are well located and provide efficient tenant layouts as well as high quality, and in some buildings, one-of-a-kind floor plans. They can be an architectural or historical landmark designed by prominent architects. These buildings contain a modern mechanical system, and have above-average maintenance and management as well as the best quality materials and workmanship in their trim and interior fittings. They are generally the most attractive and eagerly sought by investors willing to pay a premium for quality.

Class B: A classification used to describe buildings that generally qualify as a more speculative investment, and as such, command lower rents or sale prices compared to Class A properties. Such buildings offer utilitarian space without special attractions, and have ordinary design, if new or fairly new; good to excellent design if an older non-landmark building. These buildings typically have average to good maintenance, management and tenants. They are less appealing to tenants than Class A properties, and may be deficient in a number of respects including floor plans, condition and facilities. They lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Class C: A classification used to describe buildings that generally qualify as no-frills, older buildings that offer basic space and command lower rents or sale prices compared to other buildings in the same market. Such buildings typically have below-average maintenance and management, and could have mixed or low tenant prestige, inferior elevators, and/or mechanical/electrical systems. These buildings lack prestige and must depend chiefly on a lower price to attract tenants and investors.

Construction Starts: Buildings that began construction during a specific period of time. (See also: Deliveries)

Contiguous Blocks of Space: Space within a building that is, or is able to be joined together into a single contiguous space.

Deliveries: Buildings that complete construction during a specified period of time. In order for space to be considered delivered, a certi-

cate of occupancy must have been issued for the property.

Delivery Date: The date a building completes construction and receives a certificate of occupancy.

Developer: The company, entity or individual that transforms raw land to improved property by use of labor, capital and entrepreneurial efforts.

Direct Space: Space that is being offered for lease directly from the landlord or owner of a building, as opposed to space being offered in a building by another tenant (or broker of a tenant) trying to sublet a space that has already been leased.

Existing Inventory: The square footage of buildings that have received a certificate of occupancy and are able to be occupied by tenants. It does not include space in buildings that are either planned, under construction or under renovation.

Flex Building: A type of building designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. A typical flex building will be one or two stories with at least half of the rentable area being used as office space, have ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off.

Full Service Rental Rate: Rental rates that include all operating expenses such as utilities, electricity, janitorial services, taxes and insurance.

Gross Absorption: The total change in occupied space over a given period of time, counting space that is occupied but not space that is vacated by tenants. Gross absorption differs from leasing activity, which is the sum of all space leased over a certain period of time. Unless otherwise noted Gross Absorption includes direct and sublease space.

Growth in Inventory: The change in size of the existing square footage in a given area over a given period of time, generally due to the construction of new buildings.

Industrial Building: A type of building adapted for such uses as the assemblage, processing, and/or manufacturing of products from raw materials or fabricated parts. Additional uses include warehousing, distribution, and maintenance facilities. The primary purpose of the space is for storing, producing, assembling, or distributing product.

Landlord Rep: (Landlord Representative) In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the owner/landlord is referred to as the Landlord Rep.

Leased Space: All the space that has a financial lease obligation. It includes all leased space, regardless of whether the space is currently occupied by a tenant. Leased space also includes space being offered for sublease.

Leasing Activity: The volume of square footage that is committed to and signed under a lease obligation for a specific building or market in a given period of time. It includes direct leases, subleases and renewals of existing leases. It also includes any pre-leasing activity in planned, under construction, or under renovation buildings.

Market: Geographic boundaries that serve to delineate core areas that are competitive with each other and constitute a generally accepted primary competitive set of areas. Markets are building-type specific, and are non-overlapping contiguous geographic designations having a cumulative sum that matches the boundaries of the entire Region (See also: Region). Markets can be further subdivided into Submarkets. (See also: Submarkets)

Multi-Tenant: Buildings that house more than one tenant at a given time. Usually, multi-tenant buildings were designed and built to accommodate many different floor plans and designs for different

tenant needs. (See also: Tenancy).

Net Absorption: The net change in occupied space over a given period of time. Unless otherwise noted Net Absorption includes direct and sublease space.

Net Rental Rate: A rental rate that excludes certain expenses that a tenant could incur in occupying office space. Such expenses are expected to be paid directly by the tenant and may include janitorial costs, electricity, utilities, taxes, insurance and other related costs.

New Space: Sometimes called first generation space, refers to space that has never been occupied and/or leased by a tenant.

Occupied Space: Space that is physically occupied by a tenant. It does not include leased space that is not currently occupied by a tenant.

Office Building: A type of commercial building used exclusively or primarily for office use (business), as opposed to manufacturing, warehousing, or other uses. Office buildings may sometimes have other associated uses within part of the building, i.e., retail sales, financial, or restaurant, usually on the ground floor.

Owner: The company, entity, or individual that holds title on a given building or property.

Planned/Proposed: The status of a building that has been announced for future development but not yet started construction.

Preleased Space: The amount of space in a building that has been leased prior to its construction completion date, or certificate of occupancy date.

Price/SF: Calculated by dividing the price of a building (either sales price or asking sales price) by the Rentable Building Area (RBA).

Property Manager: The company and/or person responsible for the day-to-day operations of a building, such as cleaning, trash removal, etc. The property manager also makes sure that the various systems within the building, such as the elevators, HVAC, and electrical systems, are functioning properly.

Quoted Rental Rate: The asking rate per square foot for a particular building or unit of space by a broker or property owner. Quoted rental rates may differ from the actual rates paid by tenants following the negotiation of all terms and conditions in a specific lease.

RBA: Abbreviation for Rentable Building Area. (See also: Rentable Building Area)

Region: Core areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Regions are further divided into market areas, called Markets. (See also: Markets)

Relet Space: Sometimes called second generation or direct space, refers to existing space that has previously been occupied by another tenant.

Rentable Building Area: (RBA) The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant's rental obligation. Generally RBA includes a percentage of common areas including all hallways, main lobbies, bathrooms, and telephone closets.

Rental Rates: The annual costs of occupancy for a particular space quoted on a per square foot basis.

Sales Price: The total dollar amount paid for a particular property at a particular point in time.

Sales Volume: The sum of sales prices for a given group of buildings in a given time period.

Seller: The individual, group, company, or entity that sells a particular commercial real estate asset.

SF: Abbreviation for Square Feet.

Single-Tenant: Buildings that are occupied, or intended to be occupied by a single tenant. (See also: Build-to-suit and Tenancy)

Sublease Space: Space that has been leased by a tenant and is being offered for lease back to the market by the tenant with the lease obligation. Sublease space is sometimes referred to as sublet space.

Submarkets: Specific geographic boundaries that serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted primary competitive set, or peer group. Submarkets are building type specific (office, industrial, retail, etc.), with distinct boundaries dependent on different factors relevant to each building type. Submarkets are non-overlapping, contiguous geographic designations having a cumulative sum that matches the boundaries of the Market they are located within (See also: Market).

Suburban: The Suburban and Central Business District (CBD) designations refer to a particular geographic area within a metropolitan statistical area (MSA). Suburban is defined as including all office inventory not located in the CBD. (See also: CBD)

Tenancy: A term used to indicate whether or not a building is occupied by multiple tenants (See also: Multi-tenant) or a single tenant. (See also: Single-tenant)

Tenant Rep: Tenant Rep stands for Tenant Representative. In a typical lease transaction between an owner/landlord and tenant, the broker that represents the interests of the tenant is referred to as a Tenant Rep.

Time On Market: A measure of how long a currently available space has been marketed for lease, regardless of whether it is vacant or occupied.

Under Construction: Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place. Abbreviated UC.

Vacancy Rate: A measurement expressed as a percentage of the total amount of physically vacant space divided by the total amount of existing inventory. Under construction space generally is not included in vacancy calculations.

Vacant Space: Space that is not currently occupied by a tenant, regardless of any lease obligation that may be on the space. Vacant space could be space that is either available or not available. For example, sublease space that is currently being paid for by a tenant but not occupied by that tenant, would be considered vacant space. Likewise, space that has been leased but not yet occupied because of finish work being done, would also be considered vacant space.

Weighted Average Rental Rate: Rental rates that are calculated by factoring in, or weighting, the square footage associated with each particular rental rate. This has the effect of causing rental rates on larger spaces to affect the average more than that of smaller spaces. The weighted average rental rate is calculated by taking the ratio of the square footage associated with the rental rate on each individual available space to the square footage associated with rental rates on all available spaces, multiplying the rental rate by that ratio, and then adding together all the resulting numbers. Unless specifically specified otherwise, rental rate averages include both Direct and Sublet available spaces.

Year Built: The year in which a building completed construction and was issued a certificate of occupancy.

YTD: Abbreviation for Year-to-Date. Describes statistics that are cumulative from the beginning of a calendar year through whatever time period is being studied.

St. Louis's Vacancy Stays at 6.0%

Net Absorption Positive 1,011,295 SF in the Quarter

The St. Louis Industrial market ended the fourth quarter 2016 with a vacancy rate of 6.0%. The vacancy rate was unchanged over the previous quarter, with net absorption totaling positive 1,011,295 square feet in the fourth quarter. Vacant sublease space increased in the quarter, ending the quarter at 511,451 square feet. Rental rates ended the fourth quarter at \$4.34, an increase over the previous quarter. A total of three buildings delivered to the market in the quarter totaling 860,800 square feet, with 5,794,863 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall St. Louis Industrial market was positive 1,011,295 square feet in the fourth quarter 2016. That compares to positive 1,321,654 square feet in the third quarter 2016, positive 2,340,171 square feet in the second quarter 2016, and positive 254,002 square feet in the first quarter 2016.

Tenants moving out of large blocks of space in 2016 include: CWC Inventories Inc. moving out of (205,000) square feet at 8000 Hall S and Hilex Poly Co. LLC moving out of (94,500) square feet at 1780 Belt Way Dr.

Tenants moving into large blocks of space in 2016 include: Schnuck's moving into 915,000 square feet on North Hanley Rd., Amazon moving into 769,500 square feet at Lakeview Commerce Center IV, and Amazon moving into 717,250 square feet at Gateway East 717.

The Flex building market recorded net absorption of negative (115,810) square feet in the fourth quarter 2016, compared to positive 94,462 square feet in the third quarter 2016, nega-

tive (58,240) in the second quarter 2016, and positive 2,825 in the first quarter 2016.

The Warehouse building market recorded net absorption of positive 1,127,105 square feet in the fourth quarter 2016 compared to positive 1,227,192 square feet in the third quarter 2016, positive 2,398,411 in the second quarter 2016, and positive 251,177 in the first quarter 2016.

Vacancy

The Industrial vacancy rate in the St. Louis market area remained at 6.0% at the end of the fourth quarter 2016. The vacancy rate was 6.0% at the end of the third quarter 2016, 6.5% at the end of the second quarter 2016, and 6.4% at the end of the first quarter 2016.

Flex projects reported a vacancy rate of 9.5% at the end of the fourth quarter 2016, 8.7% at the end of the third quarter 2016, 9.2% at the end of the second quarter 2016, and 8.2% at the end of the first quarter 2016.

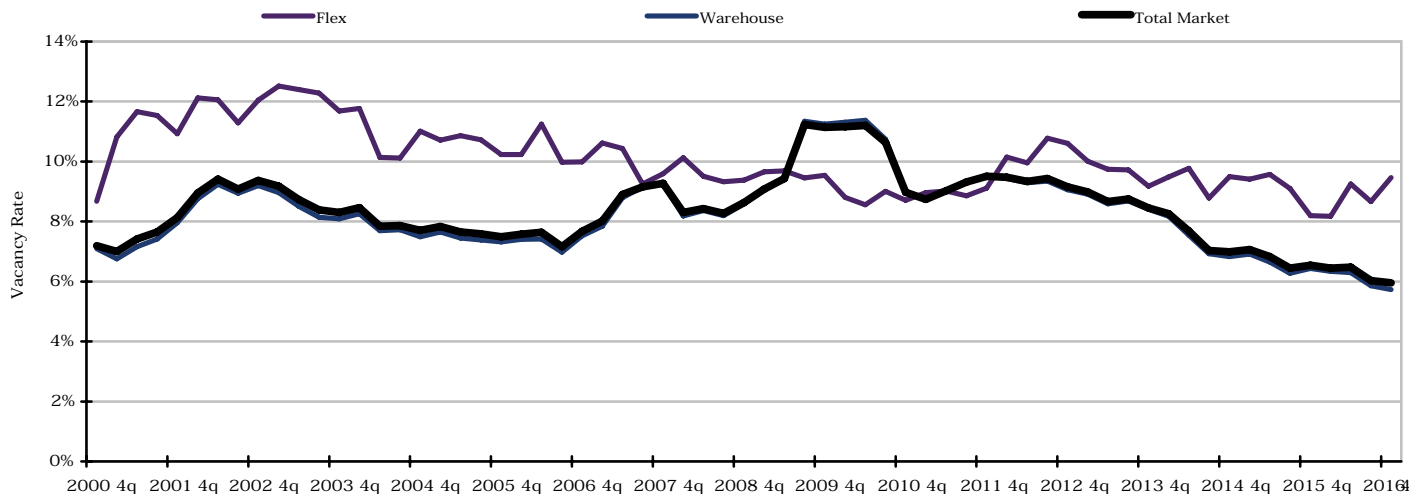
Warehouse projects reported a vacancy rate of 5.7% at the end of the fourth quarter 2016, 5.9% at the end of third quarter 2016, 6.3% at the end of the second quarter 2016, and 6.3% at the end of the first quarter 2016.

Largest Lease Signings

The largest lease signings occurring in 2016 included: the 769,500-square-foot lease signed by Amazon at Lakeview Commerce Center IV in the Illinois market; the 717,250-square-foot deal signed by Amazon at Gateway East 717 in the Illinois market; 240,161-square-foot lease signed by Ozburn-Hessey Logistics, LLC at 305 Rock Industrial Park Dr.

Vacancy Rates by Building Type

2000-2016



Source: CoStar Property®

Sublease Vacancy

The amount of vacant sublease space in the St. Louis market increased to 511,451 square feet by the end of the fourth quarter 2016, from 374,644 square feet at the end of the third quarter 2016. There was 416,380 square feet vacant at the end of the second quarter 2016 and 337,698 square feet at the end of the first quarter 2016.

St. Louis’s Flex projects reported vacant sublease space of 229,000 square feet at the end of fourth quarter 2016, up from the 98,000 square feet reported at the end of the third quarter 2016. There were 103,000 square feet of sublease space vacant at the end of the second quarter 2016, and 11,488 square feet at the end of the first quarter 2016.

Warehouse projects reported increased vacant sublease space from the third quarter 2016 to the fourth quarter 2016. Sublease vacancy went from 276,644 square feet to 282,451 square feet during that time. There was 313,380 square feet at the end of the second quarter 2016, and 326,210 square feet at the end of the first quarter 2016.

Rental Rates

The average quoted asking rental rate for available Industrial space was \$4.34 per square foot per year at the end of the fourth quarter 2016 in the St. Louis market area. This represented a 1.6% increase in quoted rental rates from the end of the third quarter 2016, when rents were reported at \$4.27 per square foot.

The average quoted rate within the Flex sector was \$9.07 per square foot at the end of the fourth quarter 2016, while Warehouse rates stood at \$4.06. At the end of the third quarter 2016, Flex rates were \$9.10 per square foot, and Warehouse rates were \$3.97.

Deliveries and Construction

During the fourth quarter 2016, three buildings totaling 860,800 square feet were completed in the St. Louis market area. This compares to one building totaling 138,000 square feet that were completed in the third quarter 2016, six buildings totaling 2,779,338 square feet completed in the second quarter 2016, and nothing completed in the first quarter 2016.

There were 5,794,863 square feet of Industrial space under construction at the end of the fourth quarter 2016.

Some of the notable 2016 deliveries include: Schnuck’s Distribution, a 915,000-square-foot facility that delivered in second quarter 2016 and is now 100% occupied, and Lakeview Commerce Center IV, a 769,500-square-foot building that delivered in second quarter 2016 and is now 100% occupied.

The largest projects underway at the end of fourth quarter 2016 were Wentzville Logistics Center, a 1,200,000-square-foot building with 100% of its space pre-leased, and Premier 370 Bus Park 2001 Reckitt Benckiser, a 714,780-square-foot facility that is 100% pre-leased.

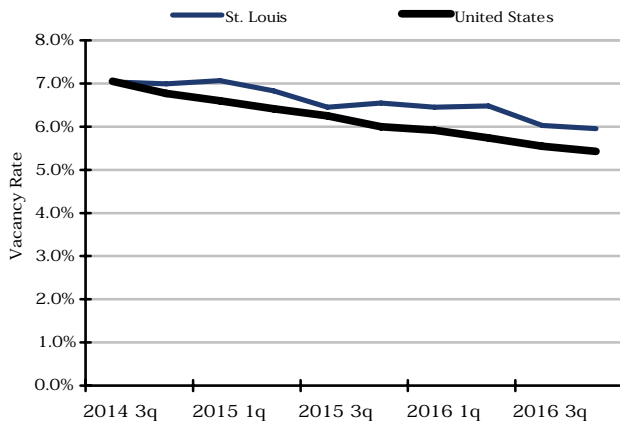
Inventory

Total Industrial inventory in the St. Louis market area amounted to 266,602,995 square feet in 6,164 buildings as of the end of the fourth quarter 2016. The Flex sector consisted of 16,099,294 square feet in 568 projects. The Warehouse sector consisted of 250,503,701 square feet in 5,596 buildings. Within the Industrial market there were 1,499 owner-occupied buildings accounting for 80,673,004 square feet of Industrial space.

Reports compiled by: Alison Panza, CoStar Research Manager

U.S. Vacancy Comparison

Past 10 Quarters



Source: CoStar Property®

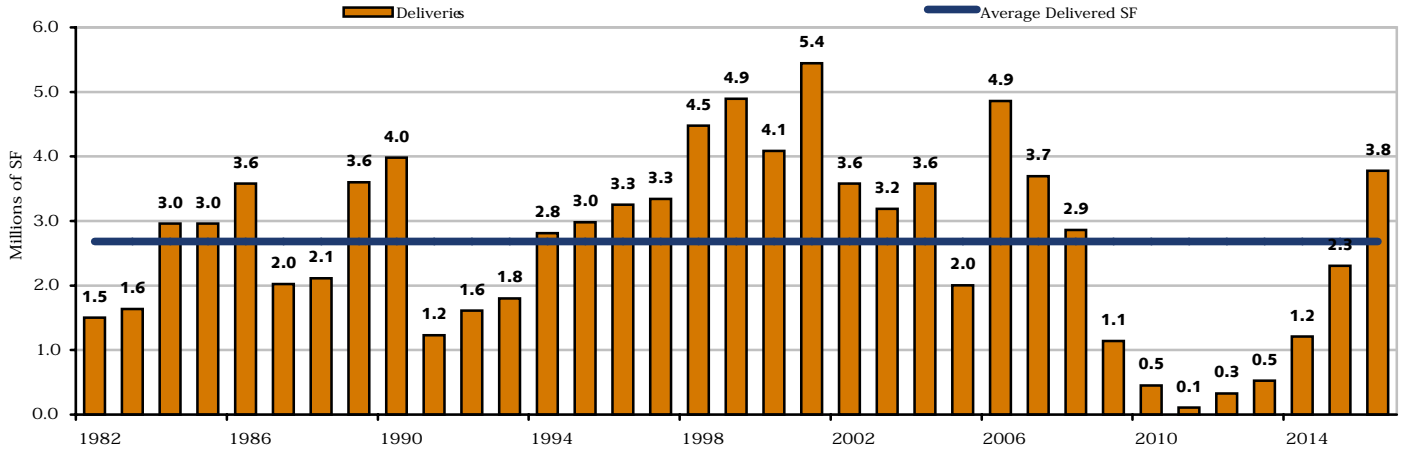
CoStar Submarket Clusters & Submarkets

In analyzing metropolitan areas, CoStar has developed geographic designations to help group properties together, called Markets, Submarket Clusters and Submarkets. Markets are the equivalent of metropolitan areas, or areas containing a large population nucleus, that together with adjacent communities have a high degree of economic and social integration. Markets are then divided into Submarket Clusters, which are core areas within a metropolitan area that are known to be competitive with each other in terms of attracting and keeping tenants. Markets are then further subdivided into smaller units called Submarkets, which serve to delineate a core group of buildings that are competitive with each other and constitute a generally accepted competitive set, or peer group.

Submarket Clusters	Submarkets
Central County Ind	Hanley Ind Innerbelt E of 170 Ind Innerbelt W of 170 Ind
Illinois Ind	Illinois Ind
North St Louis County Ind	Airport Ind Earth City Ind North County Ind
South St Louis County Ind	Fenton Ind South County Ind
St Charles County Ind	St Charles County Ind
St Louis City Ind	St Louis City North Ind St Louis City South Ind
West St Louis County Ind	Chesterfield/Hwy-40 Ind West County Ind Westport Ind

Historical Deliveries

1982 - 2016



Source: CoStar Property® * Future deliveries based on current under construction buildings.

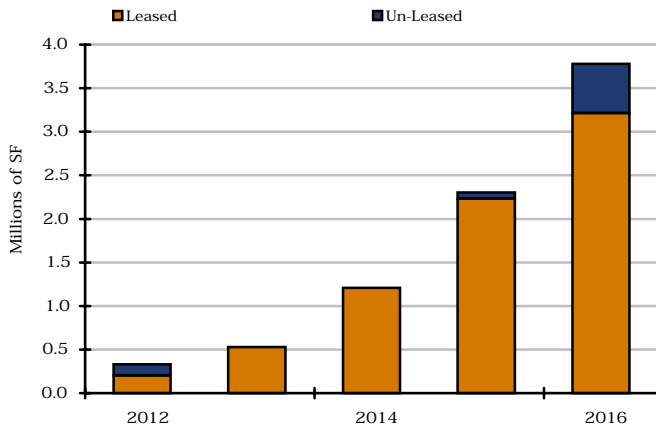
CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U/C
St Charles County Ind	4	2,289,530	1,914,780	83.6%	34,518	572,382
North St Louis County Ind	4	1,677,603	0	0.0%	69,631	419,401
Illinois Ind	3	1,192,730	213,602	17.9%	57,109	397,577
West St Louis County Ind	3	635,000	635,000	100.0%	36,479	211,667
St Louis City Ind	0	0	0	0.0%	41,787	0
Central County Ind	0	0	0	0.0%	31,093	0
South St Louis County Ind	0	0	0	0.0%	36,014	0
Totals	14	5,794,863	2,763,382	47.7%	43,252	413,919

Source: CoStar Property®

Recent Deliveries

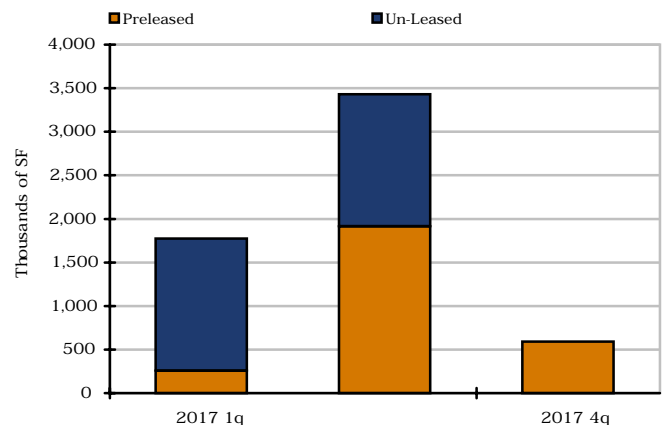
Leased & Un-Leased SF in Deliveries Since 2012



Source: CoStar Property®

Future Deliveries

Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

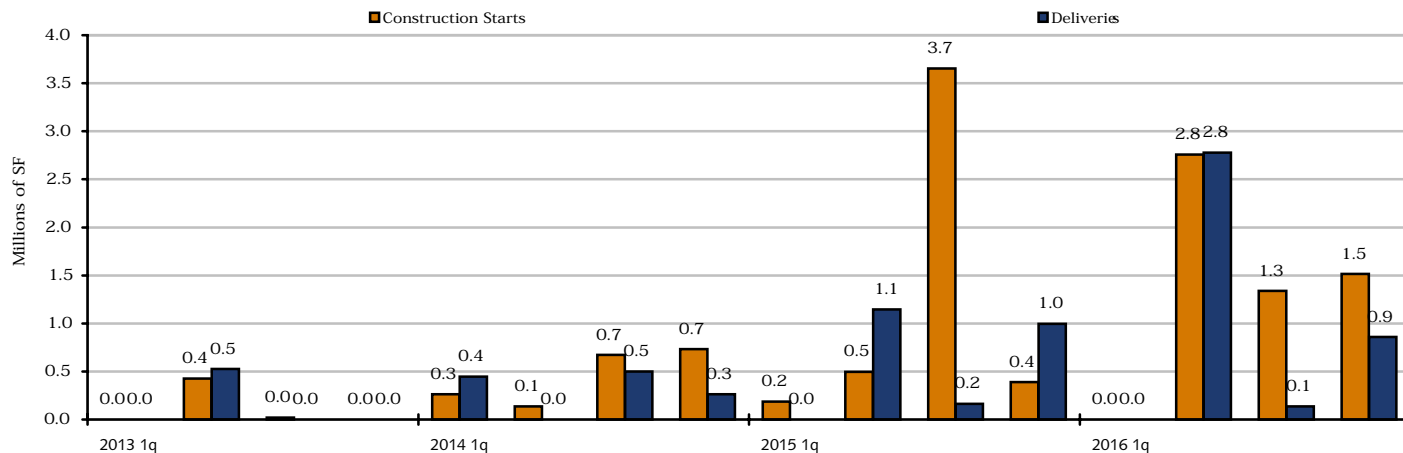
St. Louis Industrial Market



Inventory & development

Historical Construction Starts & Deliveries

Square Footage Per Quarter Starting and Completing Construction



Source: CoStar Property®

RECENT DELIVERIES BY PROJECT SIZE Breakdown of Year-to-Date Development Based on RBA of Project

Building Size	# Bldgs	RBA	SF Leased	% Leased	Avg Rate	Single-Tenant	Multi-Tenant
< 50,000 SF	1	15,000	15,000	100.0%	\$0.00	0	15,000
50,000 SF - 99,999 SF	1	53,300	47,970	90.0%	\$8.25	0	53,300
100,000 SF - 249,999 SF	3	462,288	173,381	37.5%	\$6.31	0	462,288
250,000 SF - 499,999 SF	2	845,800	575,848	68.1%	\$4.45	424,000	421,800
>= 500,000 SF	3	2,401,750	2,401,750	100.0%	\$0.00	1,632,250	769,500

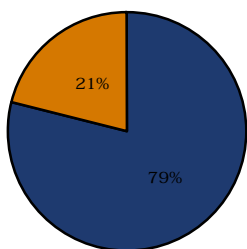
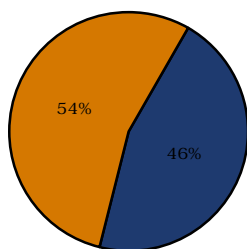
Source: CoStar Property®

Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2016 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

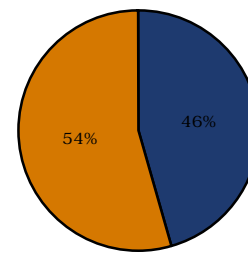
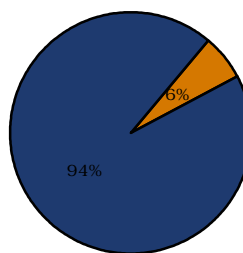
Source: CoStar Property®

Existing Inventory Comparison

Based on Total RBA

By Building Type

By Tenancy Type



■ Flex ■ Warehouse

■ Multi ■ Single

Source: CoStar Property®

Select Year-to-Date Deliveries

Based on Project Square Footage

1. Schnuck's Distribution Submarket: North St Louis County Industrial Market RBA: 915,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: Northpark Partners LLC Developer: Clayco Inc.	2. Lakeview Commerce Center IV Submarket: Illinois Industrial Market RBA: 769,500 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: N/A Developer: Panattoni Development Company	3. Gateway East 717 Submarket: Illinois Industrial Market RBA: 717,250 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Third Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: N/A Developer: TriStar Properties
4. Boeing 777X Build-to-Suit Submarket: North St Louis County Industrial Market RBA: 424,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2015 Deliv Date: Fourth Quarter 2016 Leasing Co: The Boeing Company Developer: The Boeing Company	5. Hazelwood Logistics Center 2 Submarket: North St Louis County Industrial Market RBA: 421,800 Occupied: 36% Quoted Rate: \$4.45 Grnd Brk Date: Second Quarter 2016 Deliv Date: Fourth Quarter 2016 Leasing Co: JLL Developer: N/A	6. Hazelwood Logistics Center 1 Submarket: North St Louis County Industrial Market RBA: 199,288 Occupied: 87% Quoted Rate: \$4.95 Grnd Brk Date: Fourth Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: JLL Developer: NorthPoint Development
7. Fountain Lakes Pointe II Submarket: St Charles County Industrial Market RBA: 138,000 Occupied: 0% Quoted Rate: \$5.95 Grnd Brk Date: Fourth Quarter 2015 Deliv Date: Third Quarter 2016 Leasing Co: Block Hawley Commercial Real Estate Developer: N/A	8. River City Business Park - Building 1 Submarket: St Louis City Industrial Market RBA: 125,000 Occupied: 0% Quoted Rate: \$7.00 Grnd Brk Date: Third Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: JLL Developer: Green Street Development	9. Eastport Center III Submarket: Illinois Industrial Market RBA: 53,300 Occupied: 90% Quoted Rate: \$8.25 Grnd Brk Date: Fourth Quarter 2015 Deliv Date: Second Quarter 2016 Leasing Co: Barber/Murphy Group Developer: N/A
10. Laclede Gas Service Center Submarket: St Louis City Industrial Market RBA: 15,000 Occupied: 100% Quoted Rate: N/A Grnd Brk Date: Second Quarter 2016 Deliv Date: Fourth Quarter 2016 Leasing Co: Laclede Gas Company Developer: Tarlton Corporation		

St. Louis Industrial Market



Inventory & development

Select Top Under Construction Properties

Based on Project Square Footage

- | | | |
|--|---|---|
| <p>1. Wentzville Logistics Center</p> <hr/> <p>Submarket: St Charles County Industrial Market
 RBA: 1,200,000
 Preleased: 100%
 Quoted Rate: N/A
 Grnd Brk Date: Second Quarter 2016
 Deliv Date: Second Quarter 2017
 Leasing Co: NorthPoint Development
 Developer: N/A</p> | <p>2. Premier 370 Bus Park 2001</p> <hr/> <p>Reckitt Benckiser</p> <p>Submarket: St Charles County Industrial Market
 RBA: 714,780
 Preleased: 100%
 Quoted Rate: N/A
 Grnd Brk Date: Third Quarter 2016
 Deliv Date: Second Quarter 2017
 Leasing Co: Duke Realty Corporation
 Developer: N/A</p> | <p>3. Gateway East 624</p> <hr/> <p>Submarket: Illinois Industrial Market
 RBA: 624,150
 Preleased: 0%
 Quoted Rate: Negotiable
 Grnd Brk Date: Third Quarter 2016
 Deliv Date: First Quarter 2017
 Leasing Co: Cushman & Wakefield
 Developer: N/A</p> |
| <p>4. Monsanto Expansion - Phase 1</p> <hr/> <p>Submarket: West St Louis County Industrial Market
 RBA: 590,000
 Preleased: 100%
 Quoted Rate: N/A
 Grnd Brk Date: Third Quarter 2015
 Deliv Date: Fourth Quarter 2017
 Leasing Co: Monsanto Company
 Developer: N/A</p> | <p>5. Aviator Business park - Lot 10</p> <hr/> <p>Submarket: North St Louis County Industrial Market
 RBA: 548,850
 Preleased: 0%
 Quoted Rate: \$4.50
 Grnd Brk Date: Fourth Quarter 2016
 Deliv Date: Second Quarter 2017
 Leasing Co: CBRE, Inc.
 Developer: N/A</p> | <p>6. NorthPark DC I</p> <hr/> <p>Submarket: North St Louis County Industrial Market
 RBA: 537,753
 Preleased: 0%
 Quoted Rate: \$4.50
 Grnd Brk Date: Second Quarter 2016
 Deliv Date: First Quarter 2017
 Leasing Co: JLL
 Developer: N/A</p> |
| <p>7. Gateway East 520</p> <hr/> <p>Submarket: Illinois Industrial Market
 RBA: 520,980
 Preleased: 41%
 Quoted Rate: Negotiable
 Grnd Brk Date: Second Quarter 2016
 Deliv Date: First Quarter 2017
 Leasing Co: Cushman & Wakefield
 Developer: N/A</p> | <p>8. Hazelwood Logistics Center 3</p> <hr/> <p>Submarket: North St Louis County Industrial Market
 RBA: 348,000
 Preleased: 0%
 Quoted Rate: Negotiable
 Grnd Brk Date: Fourth Quarter 2016
 Deliv Date: Second Quarter 2017
 Leasing Co: JLL
 Developer: NorthPoint Development</p> | <p>9. Hazelwood Logistics 4</p> <hr/> <p>Submarket: North St Louis County Industrial Market
 RBA: 243,000
 Preleased: 0%
 Quoted Rate: Negotiable
 Grnd Brk Date: Fourth Quarter 2016
 Deliv Date: Second Quarter 2017
 Leasing Co: JLL
 Developer: NorthPoint Development</p> |
| <p>10. Fountain Lakes Commerce Center West</p> <hr/> <p>Submarket: St Charles County Industrial Market
 RBA: 194,750
 Preleased: 0%
 Quoted Rate: Negotiable
 Grnd Brk Date: Fourth Quarter 2016
 Deliv Date: Second Quarter 2017
 Leasing Co: Cushman & Wakefield
 Developer: Jones Development Company, LLC</p> | <p>11. Elm St. and Hwy 370 East</p> <hr/> <p>Submarket: St Charles County Industrial Market
 RBA: 180,000
 Preleased: 0%
 Quoted Rate: Negotiable
 Grnd Brk Date: Fourth Quarter 2016
 Deliv Date: Second Quarter 2017
 Leasing Co: Cushman & Wakefield
 Developer: Jones Development Company, LLC</p> | <p>12. 900 Fairway Park Dr</p> <hr/> <p>Submarket: Illinois Industrial Market
 RBA: 47,600
 Preleased: 0%
 Quoted Rate: \$3.95
 Grnd Brk Date: Second Quarter 2016
 Deliv Date: First Quarter 2017
 Leasing Co: Lee & Associates Commercial Real Es
 Developer: N/A</p> |
| <p>13. 12001 Lackland Rd</p> <hr/> <p>Submarket: West St Louis County Industrial Market
 RBA: 30,000
 Preleased: 100%
 Quoted Rate: N/A
 Grnd Brk Date: First Quarter 2015
 Deliv Date: First Quarter 2017
 Leasing Co: Watlow St Louis Inc A
 Developer: Mocorp
 Developer: N/A</p> | <p>14. Bobcat of St. Louis Valley Park</p> <hr/> <p>Submarket: West St Louis County Industrial Market
 RBA: 15,000
 Preleased: 100%
 Quoted Rate: N/A
 Grnd Brk Date: Second Quarter 2016
 Deliv Date: First Quarter 2017
 Leasing Co: E K D Properties Llc
 Developer: N/A</p> | |



St. Louis Industrial Market

Figures at a Glance

Flex Market Statistics

Year-End 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Central County Ind	83	2,019,240	149,106	247,106	12.2%	(146,190)	0	0	\$8.09
Illinois Ind	52	901,491	123,100	123,100	13.7%	214	0	0	\$11.49
North St Louis County Inc	71	2,808,388	350,770	469,770	16.7%	(109,687)	0	0	\$10.93
South St Louis County Inc	48	1,061,978	67,877	67,877	6.4%	5,076	0	0	\$11.43
St Charles County Ind	82	2,265,960	105,255	117,255	5.2%	49,973	0	0	\$7.12
St Louis City Ind	91	2,036,384	210,840	210,840	10.4%	47,589	140,000	0	\$7.64
West St Louis County Ind	141	5,005,853	288,038	288,038	5.8%	76,262	0	590,000	\$8.74
Totals	568	16,099,294	1,294,986	1,523,986	9.5%	(76,763)	140,000	590,000	\$9.07

Source: CoStar Property®

Warehouse Market Statistics

Year-End 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Central County Ind	808	25,684,929	635,862	635,862	2.5%	305,253	0	0	\$4.42
Illinois Ind	687	41,301,724	756,219	966,391	2.3%	1,749,039	1,540,050	1,192,730	\$3.66
North St Louis County Inc	642	46,838,421	3,857,740	3,867,740	8.3%	2,196,348	1,960,088	1,677,603	\$4.23
South St Louis County Inc	454	17,017,276	752,524	756,745	4.4%	153,248	0	0	\$6.35
St Charles County Ind	729	25,728,217	455,559	513,617	2.0%	110,691	138,000	2,289,530	\$5.03
St Louis City Ind	1,696	72,637,706	7,058,974	7,058,974	9.7%	132,207	0	0	\$2.92
West St Louis County Ind	580	21,295,428	547,476	547,476	2.6%	357,099	0	45,000	\$5.99
Totals	5,596	250,503,701	14,064,354	14,346,805	5.7%	5,003,885	3,638,138	5,204,863	\$4.06

Source: CoStar Property®

Total Industrial Market Statistics

Year-End 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Central County Ind	891	27,704,169	784,968	882,968	3.2%	159,063	0	0	\$4.70
Illinois Ind	739	42,203,215	879,319	1,089,491	2.6%	1,749,253	1,540,050	1,192,730	\$3.85
North St Louis County Inc	713	49,646,809	4,208,510	4,337,510	8.7%	2,086,661	1,960,088	1,677,603	\$4.50
South St Louis County Inc	502	18,079,254	820,401	824,622	4.6%	158,324	0	0	\$6.63
St Charles County Ind	811	27,994,177	560,814	630,872	2.3%	160,664	138,000	2,289,530	\$5.31
St Louis City Ind	1,787	74,674,090	7,269,814	7,269,814	9.7%	179,796	140,000	0	\$3.05
West St Louis County Ind	721	26,301,281	835,514	835,514	3.2%	433,361	0	635,000	\$6.58
Totals	6,164	266,602,995	15,359,340	15,870,791	6.0%	4,927,122	3,778,138	5,794,863	\$4.34

Source: CoStar Property®

St. Louis Industrial Market



Figures at a Glance

Flex Submarket Statistics

Year-End 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Airport Ind	21	779,695	96,074	96,074	12.3%	(4,670)	0	0	\$8.40
Chesterfield/Hwy-40 Ind	38	2,197,843	19,588	19,588	0.9%	(3,956)	0	590,000	\$9.65
Earth City Ind	43	1,675,582	254,696	373,696	22.3%	(105,017)	0	0	\$12.16
Fenton Ind	24	795,329	62,377	62,377	7.8%	7,176	0	0	\$11.44
Hanley Ind	32	575,239	12,286	12,286	2.1%	482	0	0	\$9.99
Illinois Ind	52	901,491	123,100	123,100	13.7%	214	0	0	\$11.49
Innerbelt E of 170 Ind	17	531,161	70,937	168,937	31.8%	(147,220)	0	0	\$8.86
Innerbelt W of 170 Ind	34	912,840	65,883	65,883	7.2%	548	0	0	\$6.96
North County Ind	7	353,111	0	0	0.0%	0	0	0	\$0.00
South County Ind	24	266,649	5,500	5,500	2.1%	(2,100)	0	0	\$11.21
St Charles County Ind	82	2,265,960	105,255	117,255	5.2%	49,973	0	0	\$7.12
St Louis City North Ind	31	612,276	16,628	16,628	2.7%	23,348	0	0	\$4.00
St Louis City South Ind	60	1,424,108	194,212	194,212	13.6%	24,241	140,000	0	\$7.76
West County Ind	27	622,727	13,355	13,355	2.1%	382	0	0	\$9.29
Westport Ind	76	2,185,283	255,095	255,095	11.7%	79,836	0	0	\$8.46
Totals	568	16,099,294	1,294,986	1,523,986	9.5%	(76,763)	140,000	590,000	\$9.07

Source: CoStar Property®

Warehouse Submarket Statistics

Year-End 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Airport Ind	222	17,903,466	1,780,693	1,780,693	9.9%	629,779	1,045,088	1,139,850	\$4.10
Chesterfield/Hwy-40 Ind	119	3,702,794	84,660	84,660	2.3%	15,520	0	0	\$8.36
Earth City Ind	271	22,054,695	1,720,702	1,730,702	7.8%	557,351	0	0	\$4.37
Fenton Ind	200	8,148,161	354,082	358,303	4.4%	(13,618)	0	0	\$6.59
Hanley Ind	251	5,803,126	86,806	86,806	1.5%	80,434	0	0	\$5.39
Illinois Ind	687	41,301,724	756,219	966,391	2.3%	1,749,039	1,540,050	1,192,730	\$3.66
Innerbelt E of 170 Ind	213	9,505,927	107,083	107,083	1.1%	32,037	0	0	\$3.86
Innerbelt W of 170 Ind	344	10,375,876	441,973	441,973	4.3%	192,782	0	0	\$4.22
North County Ind	149	6,880,260	356,345	356,345	5.2%	1,009,218	915,000	537,753	\$4.20
South County Ind	254	8,869,115	398,442	398,442	4.5%	166,866	0	0	\$6.02
St Charles County Ind	729	25,728,217	455,559	513,617	2.0%	110,691	138,000	2,289,530	\$5.03
St Louis City North Ind	784	38,009,484	4,259,378	4,259,378	11.2%	43,788	0	0	\$2.94
St Louis City South Ind	912	34,628,222	2,799,596	2,799,596	8.1%	88,419	0	0	\$2.88
West County Ind	118	4,091,292	31,513	31,513	0.8%	11,916	0	15,000	\$7.02
Westport Ind	343	13,501,342	431,303	431,303	3.2%	329,663	0	30,000	\$5.30
Totals	5,596	250,503,701	14,064,354	14,346,805	5.7%	5,003,885	3,638,138	5,204,863	\$4.06

Source: CoStar Property®

Total Industrial Submarket Statistics

Year-End 2016

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Airport Ind	243	18,683,161	1,876,767	1,876,767	10.0%	625,109	1,045,088	1,139,850	\$4.24
Chesterfield/Hwy-40 Ind	157	5,900,637	104,248	104,248	1.8%	11,564	0	590,000	\$8.73
Earth City Ind	314	23,730,277	1,975,398	2,104,398	8.9%	452,334	0	0	\$4.88
Fenton Ind	224	8,943,490	416,459	420,680	4.7%	(6,442)	0	0	\$7.01
Hanley Ind	283	6,378,365	99,092	99,092	1.6%	80,916	0	0	\$5.74
Illinois Ind	739	42,203,215	879,319	1,089,491	2.6%	1,749,253	1,540,050	1,192,730	\$3.85
Innerbelt E of 170 Ind	230	10,037,088	178,020	276,020	2.8%	(115,183)	0	0	\$4.07
Innerbelt W of 170 Ind	378	11,288,716	507,856	507,856	4.5%	193,330	0	0	\$4.50
North County Ind	156	7,233,371	356,345	356,345	4.9%	1,009,218	915,000	537,753	\$4.20
South County Ind	278	9,135,764	403,942	403,942	4.4%	164,766	0	0	\$6.07
St Charles County Ind	811	27,994,177	560,814	630,872	2.3%	160,664	138,000	2,289,530	\$5.31
St Louis City North Ind	815	38,621,760	4,276,006	4,276,006	11.1%	67,136	0	0	\$2.94
St Louis City South Ind	972	36,052,330	2,993,808	2,993,808	8.3%	112,660	140,000	0	\$3.24
West County Ind	145	4,714,019	44,868	44,868	1.0%	12,298	0	15,000	\$7.16
Westport Ind	419	15,686,625	686,398	686,398	4.4%	409,499	0	30,000	\$6.01
Totals	6,164	266,602,995	15,359,340	15,870,791	6.0%	4,927,122	3,778,138	5,794,863	\$4.34

Source: CoStar Property®



St. Louis Industrial Market

Figures at a Glance

Flex Market Statistics

Year-End 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 4q	568	16,099,294	1,294,986	1,523,986	9.5%	(115,810)	1	15,000	1	590,000	\$9.07
2016 3q	567	16,084,294	1,295,176	1,393,176	8.7%	94,462	0	0	2	605,000	\$9.10
2016 2q	567	16,084,294	1,384,638	1,487,638	9.2%	(58,240)	1	125,000	2	605,000	\$9.13
2016 1q	566	15,959,294	1,292,910	1,304,398	8.2%	2,825	0	0	2	715,000	\$8.69
2015 4q	566	15,959,294	1,285,735	1,307,223	8.2%	217,172	1	79,000	2	715,000	\$8.68
2015 3q	565	15,880,294	1,421,347	1,445,395	9.1%	74,103	0	0	3	794,000	\$8.62
2015 2q	565	15,880,294	1,498,010	1,519,498	9.6%	(24,979)	0	0	1	79,000	\$9.04
2015 1q	565	15,880,294	1,479,519	1,494,519	9.4%	14,041	0	0	1	79,000	\$8.46
2014	565	15,880,294	1,483,560	1,508,560	9.5%	(51,174)	0	0	1	79,000	\$8.76
2013	565	15,880,294	1,388,986	1,457,386	9.2%	192,036	0	0	0	0	\$8.57
2012	566	15,919,044	1,618,418	1,688,172	10.6%	(97,390)	2	153,447	0	0	\$7.89
2011	564	15,765,597	1,406,064	1,437,335	9.1%	(60,869)	1	9,500	1	96,023	\$9.14
2010	564	15,761,697	1,341,061	1,372,566	8.7%	184,769	2	59,042	1	9,500	\$9.92
2009	562	15,702,655	1,468,276	1,498,293	9.5%	126,952	4	167,735	2	59,042	\$10.13
2008	558	15,534,920	1,423,136	1,457,510	9.4%	50,045	1	19,588	3	132,735	\$9.91
2007	557	15,515,332	1,474,787	1,487,967	9.6%	116,908	5	60,512	1	19,588	\$9.84

Source: CoStar Property®

Warehouse Market Statistics

Year-End 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 4q	5,596	250,503,701	14,064,354	14,346,805	5.7%	1,127,105	2	845,800	13	5,204,863	\$4.06
2016 3q	5,594	249,657,901	14,351,466	14,628,110	5.9%	1,227,192	1	138,000	10	4,536,063	\$3.97
2016 2q	5,593	249,519,901	15,403,922	15,717,302	6.3%	2,398,411	5	2,654,338	9	3,335,133	\$3.94
2016 1q	5,589	247,058,492	15,328,094	15,654,304	6.3%	251,177	0	0	8	3,246,338	\$3.90
2015 4q	5,589	247,058,492	15,529,231	15,905,481	6.4%	427,544	3	918,261	8	3,246,338	\$3.92
2015 3q	5,587	246,178,012	15,179,325	15,452,545	6.3%	544,643	2	162,843	8	3,774,011	\$3.90
2015 2q	5,590	246,577,782	16,120,512	16,396,958	6.6%	1,370,778	4	1,144,680	6	999,604	\$3.85
2015 1q	5,593	245,810,950	16,740,414	17,000,904	6.9%	(338,243)	0	0	8	1,648,509	\$3.81
2014	5,597	245,939,380	16,622,241	16,791,091	6.8%	4,745,228	6	1,209,917	5	1,462,925	\$3.71
2013	5,603	244,998,194	20,492,711	20,595,133	8.4%	1,909,795	2	527,094	4	947,073	\$3.76
2012	5,607	244,671,439	21,875,281	22,178,173	9.1%	1,066,049	3	175,440	3	1,027,094	\$3.79
2011	5,607	244,762,019	23,041,977	23,334,802	9.5%	(1,243,129)	7	99,533	2	161,000	\$3.79
2010	5,600	244,662,486	21,434,203	21,992,140	9.0%	1,218,024	6	393,403	6	88,733	\$3.86
2009	5,599	249,508,463	27,698,260	28,056,141	11.2%	(5,893,179)	16	971,318	6	393,403	\$3.92
2008	5,586	248,711,114	20,902,793	21,365,613	8.6%	2,565,913	26	2,843,792	13	885,129	\$4.06
2007	5,563	247,691,363	22,385,766	22,911,775	9.3%	(1,309,940)	42	3,635,896	21	2,210,232	\$4.39

Source: CoStar Property®

Total Industrial Market Statistics

Year-End 2016

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2016 4q	6,164	266,602,995	15,359,340	15,870,791	6.0%	1,011,295	3	860,800	14	5,794,863	\$4.34
2016 3q	6,161	265,742,195	15,646,642	16,021,286	6.0%	1,321,654	1	138,000	12	5,141,063	\$4.27
2016 2q	6,160	265,604,195	16,788,560	17,204,940	6.5%	2,340,171	6	2,779,338	11	3,940,133	\$4.23
2016 1q	6,155	263,017,786	16,621,004	16,958,702	6.4%	254,002	0	0	10	3,961,338	\$4.17
2015 4q	6,155	263,017,786	16,814,966	17,212,704	6.5%	644,716	4	997,261	10	3,961,338	\$4.19
2015 3q	6,152	262,058,306	16,600,672	16,897,940	6.4%	618,746	2	162,843	11	4,568,011	\$4.16
2015 2q	6,155	262,458,076	17,618,522	17,916,456	6.8%	1,345,799	4	1,144,680	7	1,078,604	\$4.11
2015 1q	6,158	261,691,244	18,219,933	18,495,423	7.1%	(324,202)	0	0	9	1,727,509	\$4.07
2014	6,162	261,819,674	18,105,801	18,299,651	7.0%	4,694,054	6	1,209,917	6	1,541,925	\$4.00
2013	6,168	260,878,488	21,881,697	22,052,519	8.5%	2,101,831	2	527,094	4	947,073	\$4.01
2012	6,173	260,590,483	23,493,699	23,866,345	9.2%	968,659	5	328,887	3	1,027,094	\$4.00
2011	6,171	260,527,616	24,448,041	24,772,137	9.5%	(1,303,998)	8	109,033	3	257,023	\$4.06
2010	6,164	260,424,183	22,775,264	23,364,706	9.0%	1,402,793	8	452,445	7	98,233	\$4.13
2009	6,161	265,211,118	29,166,536	29,554,434	11.1%	(5,766,227)	20	1,139,053	8	452,445	\$4.19
2008	6,144	264,246,034	22,325,929	22,823,123	8.6%	2,615,958	27	2,863,380	16	1,017,864	\$4.28
2007	6,120	263,206,695	23,860,553	24,399,742	9.3%	(1,193,032)	47	3,696,408	22	2,229,820	\$4.64

Source: CoStar Property®

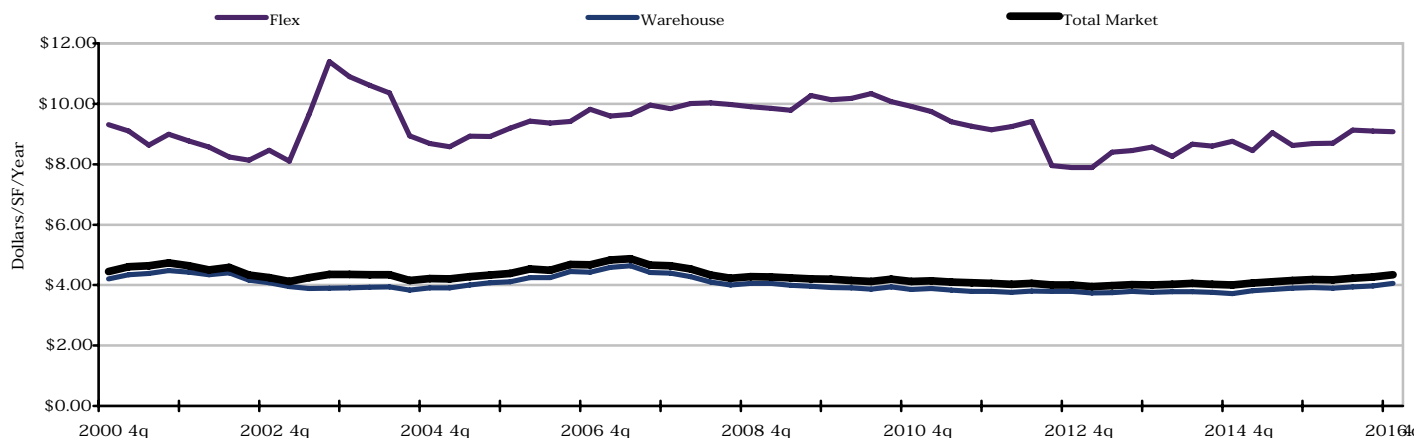
St. Louis Industrial Market



Leasing Activity

Historical Rental Rates

Based on Quoted Rental Rates



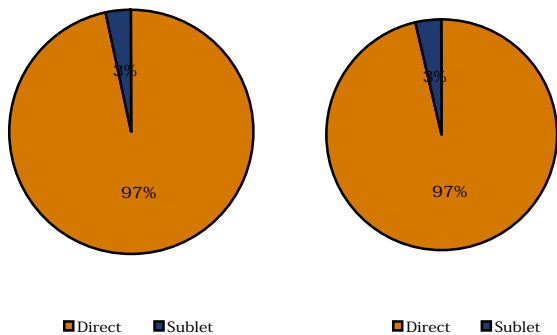
Source: CoStar Property®

Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

St. Louis

United States



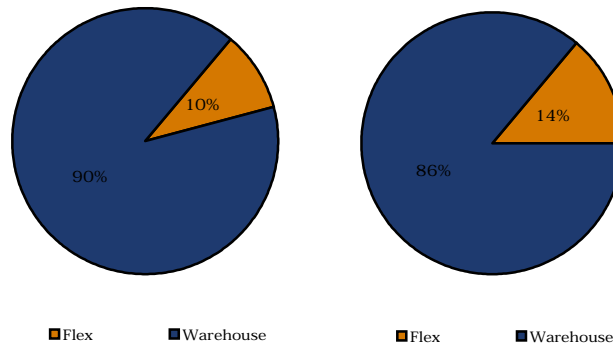
Source: CoStar Property®

Vacancy by Building Type

Percent of All Vacant Space by Building Type

St. Louis

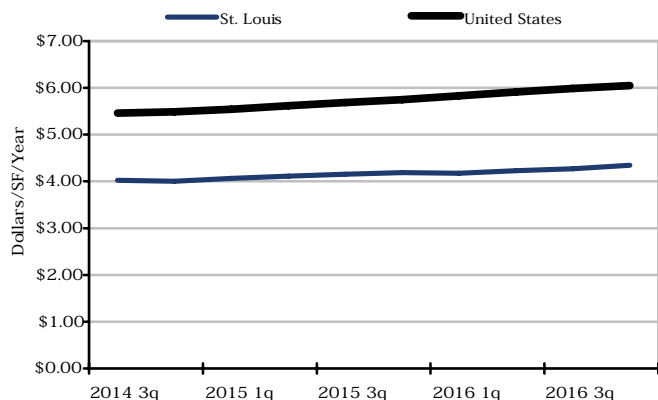
United States



Source: CoStar Property®

U.S. Rental Rate Comparison

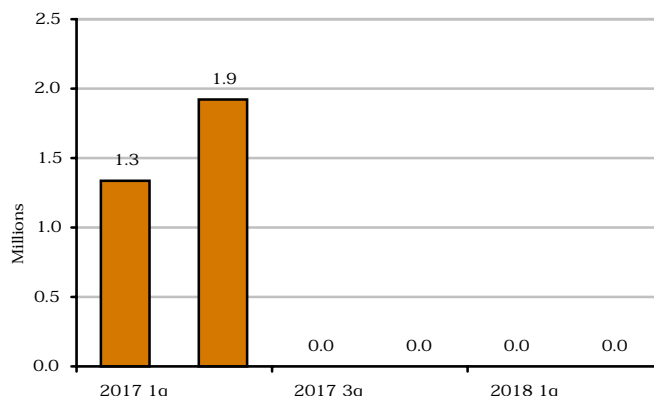
Based on Average Quoted Rental Rates



Source: CoStar Property®

Future Space Available

Space Scheduled to be Available for Occupancy*



Source: CoStar Property®

* Includes Under Construction Space



St. Louis Industrial Market

Leasing Activity

Select Top Industrial Leases Based on Leased Square Footage For Deals Signed in 2016

Building	Submarket	SF	Qtr	Tenant Name	Tenant Rep Company	Landlord Rep Company	
1	Lakeview Commerce Center IV	Illinois Ind	769,500	2nd	Amazon	N/A	JLL
2	Gateway East 717	Illinois Ind	717,250	2nd	Amazon	N/A	Cushman & Wakefield
3	Premier 370 Bus Park 2001	St Charles County Ind	714,780	1st	Reckitt Benckiser	N/A	Duke Realty Corporation
4	65 Corporate Woods Dr*	Earth City Ind	556,287	1st	Whirlpool	JLL	Block Hawley Commercial Real Estate
5	Premier 370 - Best Buy	St Charles County Ind	252,000	4th	Best Buy	N/A	Duke Realty Corporation
6	305 Rock Industrial Park Dr	Earth City Ind	240,161	2nd	Ozburn-Hessey Logistics, LLC	N/A	CBRE, Inc.
7	Gateway East 520	Illinois Ind	214,890	2nd	N/A	N/A	Cushman & Wakefield
8	372 Hazelwood Logistics Ctr Dr*	Airport Ind	198,858	1st	TAGG Logistics	N/A	Block Hawley Commercial Real Estate
9	Lindbergh Distribution Center*	Airport Ind	182,358	4th	Fiserv	N/A	CBRE, Inc.
10	Hazelwood Logistics Center 2	Airport Ind	150,820	3rd	N/A	N/A	JLL
11	1220 N Price Rd	Innerbelt W of 170 Ind	148,416	1st	N/A	Direct Deal	Hawk Distribution Services, LLC
12	117 Industrial Dr	Illinois Ind	140,172	3rd	N/A	N/A	CBRE, Inc.
13	Corporate 44 Business Park - Bldg V	Fenton Ind	129,757	1st	N/A	N/A	Altus Properties
14	Corporate Trail Distribution*	Earth City Ind	124,042	1st	S P Richards Co	N/A	CBRE, Inc.
15	14000 Riverport Dr	Earth City Ind	119,000	3rd	N/A	N/A	CBRE, Inc.
16	411 Bussen Underground Rd	South County Ind	113,350	1st	N/A	Direct Deal	Hawk Distribution Services, LLC
17	13600 Shoreline Dr	Earth City Ind	105,600	3rd	Legacy Pharmaceutical	N/A	JLL
18	Buske I*	Illinois Ind	105,000	2nd	Owens & Minor Dist. Inc.	N/A	JLL
19	Riverview Industrial Center	St Louis City North Ind	84,420	3rd	N/A	N/A	Cushman & Wakefield
20	Lambert Corporate I	Airport Ind	68,000	3rd	N/A	N/A	Colliers International
21	Aviator Business Park - Lot 7	Airport Ind	66,750	3rd	Fair-Play Scoreboards	N/A	CBRE, Inc.
22	Westport Distribution Center A	Westport Ind	63,345	2nd	Sundisc Abrasives USA	CBRE, Inc.	Block Hawley Commercial Real Estate
23	372 Hazelwood Logistics Ctr Dr	Airport Ind	63,000	3rd	TAGG Logistics	N/A	Block Hawley Commercial Real Estate
24	100 Mall Pky	St Charles County Ind	62,100	1st	Elite Printing & Packaging	N/A	Cushman & Wakefield
25	Hazelwood Logistics Center 1	Airport Ind	55,109	3rd	N/A	N/A	JLL
26	Imperial	Illinois Ind	54,000	2nd	Distribution Now	N/A	BarberMurphy Group
27	3159 Rider Trail S	Earth City Ind	53,626	3rd	Johnson Controls, Inc.	CBRE, Inc.	Colony Capital, Inc.; CBRE, Inc.
28	13400 Lakefront Dr	Earth City Ind	51,600	3rd	Motors & Armatures Inc	N/A	Block Hawley Commercial Real Estate
29	5531 Phantom Dr	Airport Ind	50,000	1st	WellFit Parts International Co.	N/A	Intelica Commercial Real Estate
30	Hazelwood Logistics Center 1	Airport Ind	48,249	2nd	N/A	N/A	JLL
31	Hazelwood Logistics Center 1	Airport Ind	48,249	2nd	N/A	N/A	JLL
32	DukePort II*	Earth City Ind	44,855	3rd	Pack Rat	N/A	CBRE, Inc.
33	Brown Campus #2	Airport Ind	43,210	1st	N/A	N/A	JLL
34	DukePort 13269	Earth City Ind	43,200	3rd	CSI Distribution	CBRE, Inc.	Duke Realty Corporation; CBRE, Inc.
35	Cassens Business Center	Fenton Ind	42,449	4th	N/A	N/A	JLL
36	6951 N Hanley Rd	North County Ind	41,539	2nd	OSA	N/A	First Industrial Realty Trust, Inc.
37	Western Building	North County Ind	38,958	2nd	N/A	N/A	G W Van Keppel Co
38	13400 Lakefront Dr	Earth City Ind	38,000	2nd	MMSA Medical Supply Co	N/A	Block Hawley Commercial Real Estate
39	Earth City Industrial Center 5	Earth City Ind	37,963	2nd	N/A	N/A	Cushman & Wakefield
40	Westport Center II	Westport Ind	37,613	1st	N/A	N/A	Exeter Property Group LLC

Source: CoStar Property®

* Renewal

St. Louis Industrial Market

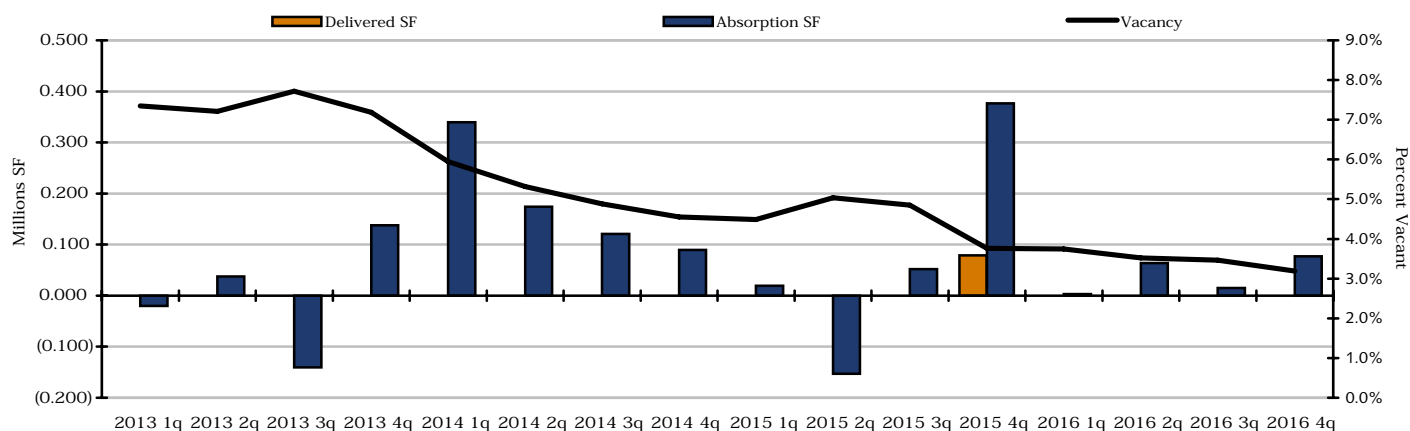


Central County Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

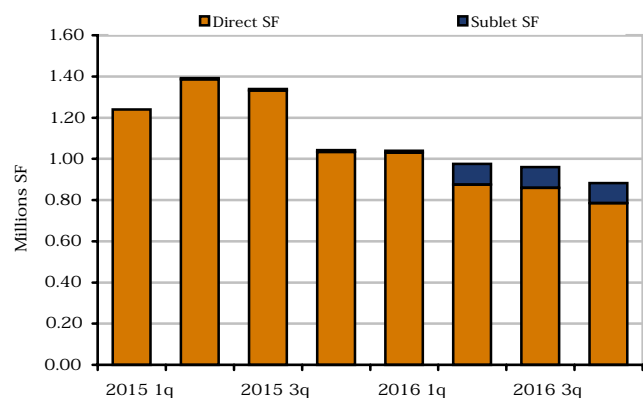
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

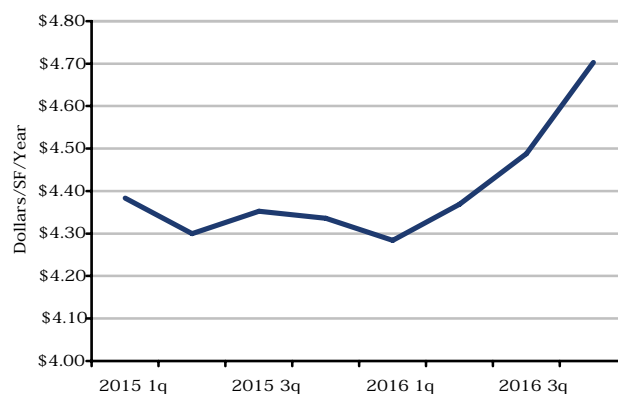
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	891	27,704,169	882,968	3.2%	76,843	0	0	0	0	\$4.70
2016 3q	891	27,704,169	959,811	3.5%	15,034	0	0	0	0	\$4.49
2016 2q	891	27,704,169	974,845	3.5%	64,118	0	0	0	0	\$4.37
2016 1q	891	27,704,169	1,038,963	3.8%	3,068	0	0	0	0	\$4.28
2015 4q	891	27,704,169	1,042,031	3.8%	376,720	1	79,000	0	0	\$4.34
2015 3q	890	27,625,169	1,339,751	4.8%	52,181	0	0	1	79,000	\$4.35
2015 2q	890	27,625,169	1,391,932	5.0%	(152,708)	0	0	1	79,000	\$4.30
2015 1q	890	27,625,169	1,239,224	4.5%	19,326	0	0	1	79,000	\$4.38
2014 4q	890	27,625,169	1,258,550	4.6%	89,474	0	0	1	79,000	\$4.19
2014 3q	890	27,625,169	1,348,024	4.9%	120,953	0	0	1	79,000	\$4.19
2014 2q	890	27,625,169	1,468,977	5.3%	173,992	0	0	1	79,000	\$4.24
2014 1q	890	27,625,169	1,642,969	5.9%	339,362	0	0	0	0	\$4.25
2013 4q	891	27,628,019	1,985,181	7.2%	137,504	0	0	0	0	\$4.29
2013 3q	892	27,639,719	2,134,385	7.7%	(140,725)	0	0	0	0	\$4.15
2013 2q	892	27,639,719	1,993,660	7.2%	37,355	0	0	0	0	\$4.07
2013 1q	892	27,639,719	2,031,015	7.3%	(20,230)	0	0	0	0	\$4.17

Source: CoStar Property®

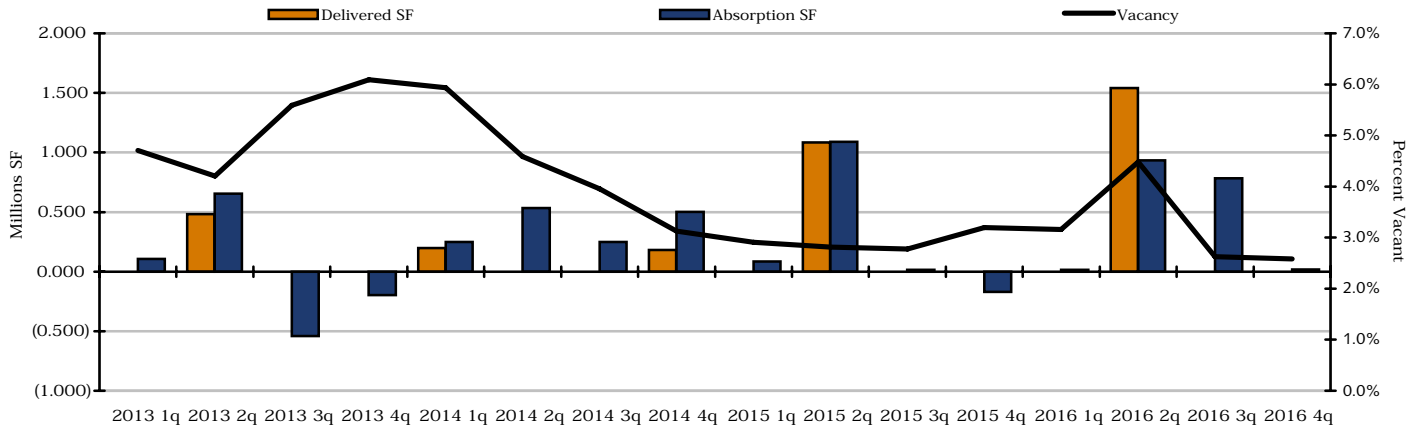


St. Louis Industrial Market

Illinois Market
MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

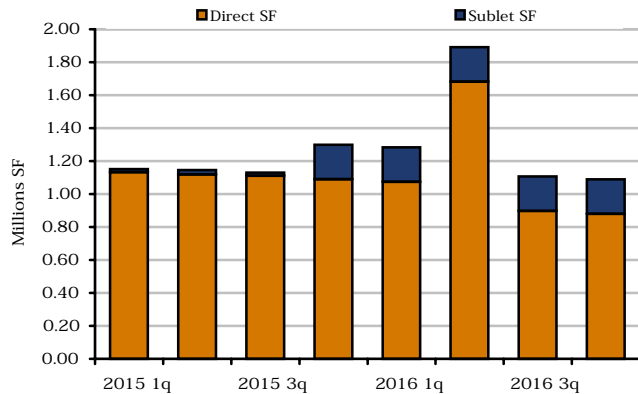
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

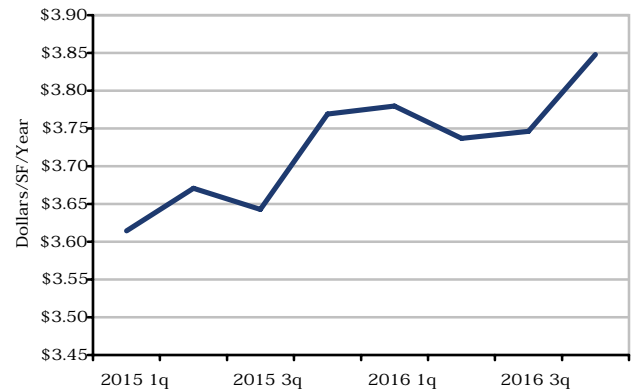
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	739	42,203,215	1,089,491	2.6%	18,202	0	0	3	1,192,730	\$3.85
2016 3q	739	42,203,215	1,107,693	2.6%	783,432	0	0	3	1,192,730	\$3.75
2016 2q	739	42,203,215	1,891,125	4.5%	932,733	3	1,540,050	2	568,580	\$3.74
2016 1q	736	40,663,165	1,283,808	3.2%	14,886	0	0	3	1,540,050	\$3.78
2015 4q	736	40,663,165	1,298,694	3.2%	(168,953)	0	0	3	1,540,050	\$3.77
2015 3q	736	40,663,165	1,129,741	2.8%	15,226	0	0	2	1,486,750	\$3.64
2015 2q	736	40,663,165	1,144,967	2.8%	1,089,734	2	1,083,137	0	0	\$3.67
2015 1q	734	39,580,028	1,151,564	2.9%	85,531	0	0	2	1,083,137	\$3.61
2014 4q	734	39,580,028	1,237,095	3.1%	501,950	1	181,000	2	1,083,137	\$3.59
2014 3q	733	39,399,028	1,558,045	4.0%	248,304	0	0	2	854,137	\$3.64
2014 2q	733	39,399,028	1,806,349	4.6%	532,318	0	0	1	181,000	\$3.78
2014 1q	733	39,399,028	2,338,667	5.9%	247,970	1	198,773	1	181,000	\$3.74
2013 4q	732	39,200,255	2,387,864	6.1%	(197,369)	0	0	1	198,773	\$3.84
2013 3q	732	39,200,255	2,190,495	5.6%	(541,412)	0	0	1	198,773	\$3.80
2013 2q	732	39,200,255	1,649,083	4.2%	654,696	1	482,298	1	198,773	\$3.63
2013 1q	731	38,717,957	1,821,481	4.7%	107,841	0	0	1	482,298	\$3.65

Source: CoStar Property®

St. Louis Industrial Market

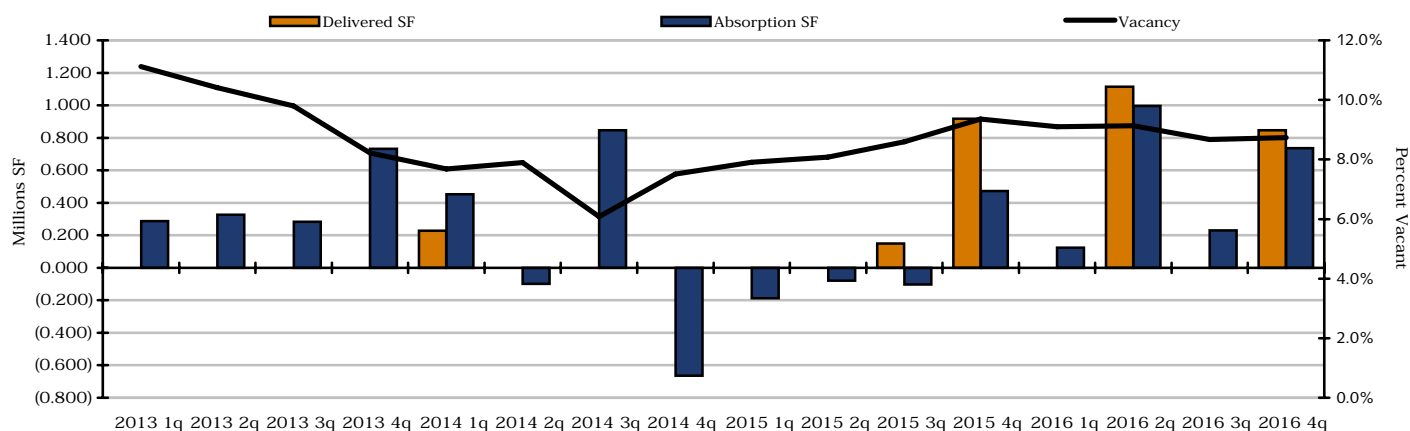


North St. Louis County Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

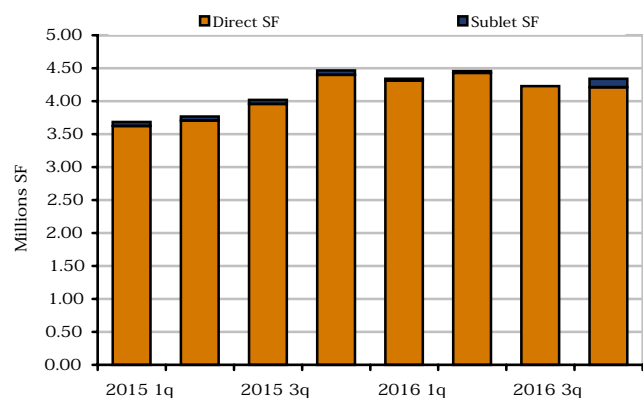
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

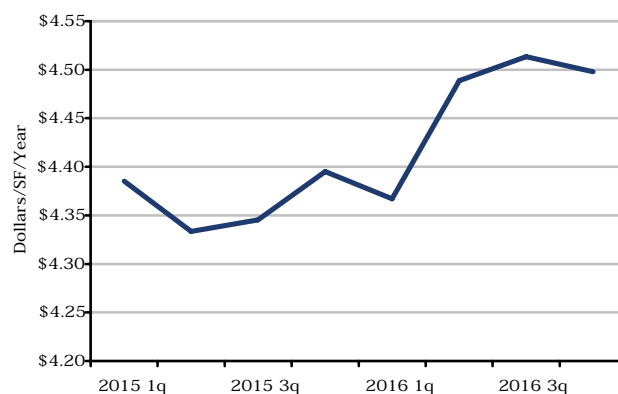
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	713	49,646,809	4,337,510	8.7%	736,578	2	845,800	4	1,677,603	\$4.50
2016 3q	711	48,801,009	4,228,288	8.7%	229,828	0	0	3	1,383,553	\$4.51
2016 2q	711	48,801,009	4,458,116	9.1%	995,919	2	1,114,288	3	1,383,553	\$4.49
2016 1q	709	47,686,721	4,339,747	9.1%	124,336	0	0	3	1,538,288	\$4.37
2015 4q	709	47,686,721	4,464,083	9.4%	472,597	3	918,261	3	1,538,288	\$4.39
2015 3q	706	46,768,460	4,018,419	8.6%	(102,603)	1	150,041	5	2,257,261	\$4.35
2015 2q	705	46,618,419	3,765,775	8.1%	(79,193)	0	0	4	956,802	\$4.33
2015 1q	705	46,618,419	3,686,582	7.9%	(186,687)	0	0	2	461,027	\$4.39
2014 4q	705	46,618,419	3,499,895	7.5%	(664,954)	0	0	1	310,986	\$4.35
2014 3q	705	46,618,419	2,834,941	6.1%	845,944	0	0	0	0	\$4.32
2014 2q	705	46,618,419	3,680,885	7.9%	(98,494)	0	0	0	0	\$4.18
2014 1q	705	46,618,419	3,582,391	7.7%	451,728	1	227,500	0	0	\$4.11
2013 4q	705	46,395,919	3,811,619	8.2%	732,523	0	0	1	227,500	\$3.99
2013 3q	705	46,395,919	4,544,142	9.8%	283,468	0	0	1	227,500	\$4.05
2013 2q	706	46,400,919	4,832,610	10.4%	327,106	0	0	1	227,500	\$4.06
2013 1q	706	46,400,919	5,159,716	11.1%	286,419	0	0	0	0	\$3.86

Source: CoStar Property®



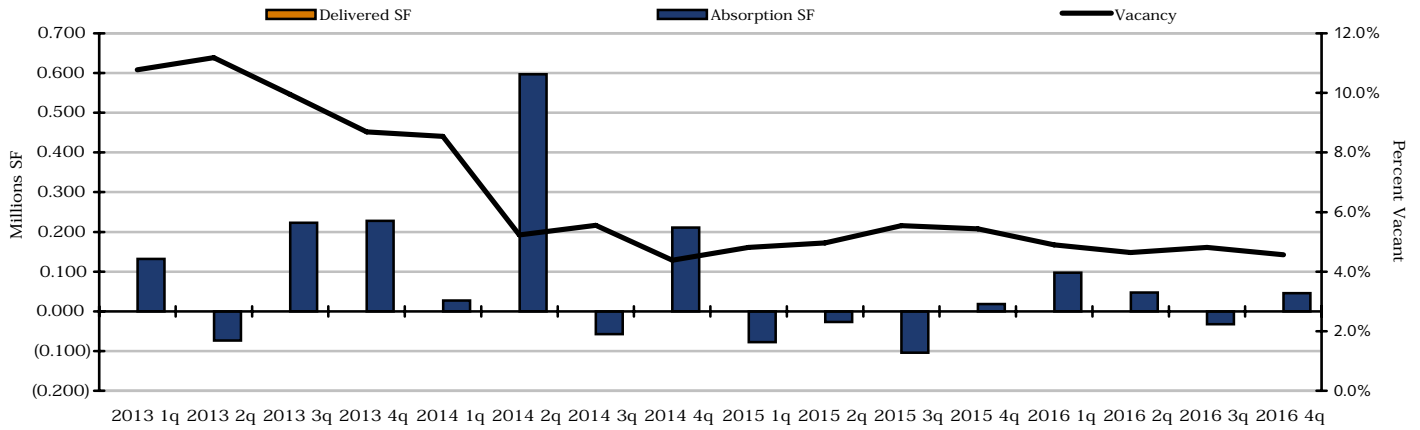
St. Louis Industrial Market

South St. Louis County Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

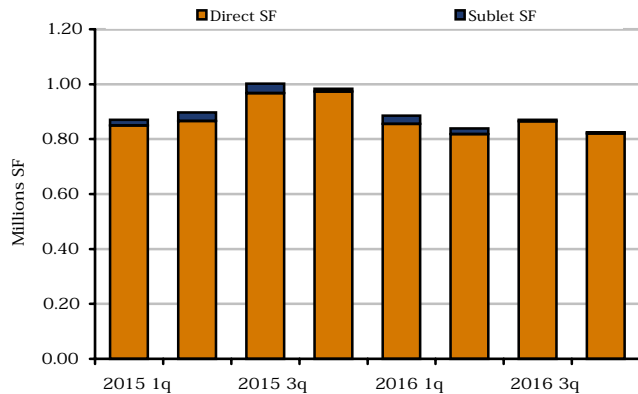
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

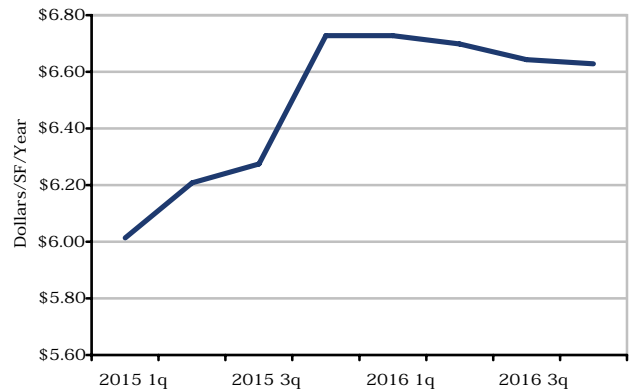
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	502	18,079,254	824,622	4.6%	45,894	0	0	0	0	\$6.63
2016 3q	502	18,079,254	870,516	4.8%	(32,110)	0	0	0	0	\$6.64
2016 2q	502	18,079,254	838,406	4.6%	47,160	0	0	0	0	\$6.70
2016 1q	502	18,079,254	885,566	4.9%	97,380	0	0	0	0	\$6.73
2015 4q	502	18,079,254	982,946	5.4%	18,698	0	0	0	0	\$6.73
2015 3q	502	18,079,254	1,001,644	5.5%	(104,203)	0	0	0	0	\$6.27
2015 2q	502	18,079,254	897,441	5.0%	(26,639)	0	0	0	0	\$6.21
2015 1q	502	18,079,254	870,802	4.8%	(77,518)	0	0	0	0	\$6.01
2014 4q	502	18,079,254	793,284	4.4%	210,999	0	0	0	0	\$5.43
2014 3q	502	18,079,254	1,004,283	5.6%	(57,541)	0	0	0	0	\$5.55
2014 2q	502	18,079,254	946,742	5.2%	596,601	0	0	0	0	\$5.51
2014 1q	502	18,079,254	1,543,343	8.5%	27,133	0	0	0	0	\$5.50
2013 4q	502	18,079,254	1,570,476	8.7%	227,882	0	0	0	0	\$5.27
2013 3q	502	18,079,254	1,798,358	9.9%	222,946	0	0	0	0	\$5.19
2013 2q	502	18,079,254	2,021,304	11.2%	(73,201)	0	0	0	0	\$5.09
2013 1q	502	18,079,254	1,948,103	10.8%	131,606	0	0	0	0	\$5.12

Source: CoStar Property®

St. Louis Industrial Market

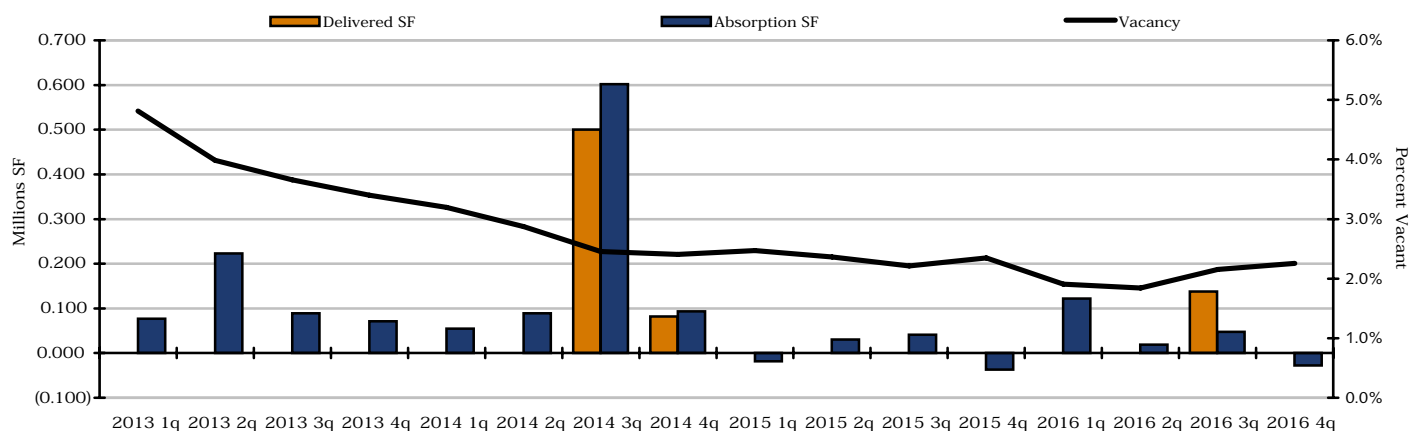


St Charles County Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

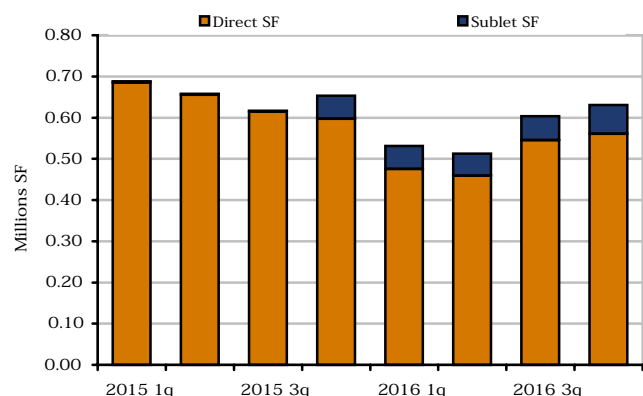
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

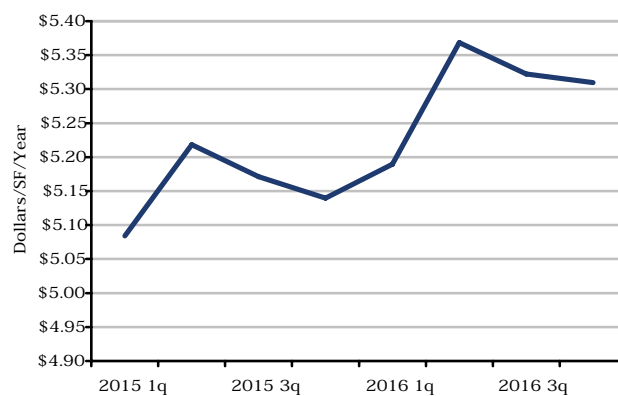
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	811	27,994,177	630,872	2.3%	(27,697)	0	0	4	2,289,530	\$5.31
2016 3q	811	27,994,177	603,175	2.2%	47,591	1	138,000	2	1,914,780	\$5.32
2016 2q	810	27,856,177	512,766	1.8%	18,815	0	0	2	1,338,000	\$5.37
2016 1q	810	27,856,177	531,581	1.9%	121,955	0	0	1	138,000	\$5.19
2015 4q	810	27,856,177	653,536	2.3%	(36,819)	0	0	1	138,000	\$5.14
2015 3q	810	27,856,177	616,717	2.2%	41,112	0	0	0	0	\$5.17
2015 2q	810	27,856,177	657,829	2.4%	30,056	0	0	0	0	\$5.22
2015 1q	810	27,856,177	687,885	2.5%	(18,077)	0	0	0	0	\$5.08
2014 4q	810	27,856,177	669,808	2.4%	93,504	1	81,844	0	0	\$5.23
2014 3q	809	27,774,333	681,468	2.5%	602,062	1	500,000	1	81,844	\$4.79
2014 2q	808	27,274,333	783,530	2.9%	88,732	0	0	2	581,844	\$4.87
2014 1q	808	27,274,333	872,262	3.2%	54,587	0	0	2	581,844	\$4.56
2013 4q	808	27,274,333	926,849	3.4%	71,259	0	0	1	500,000	\$4.54
2013 3q	808	27,274,333	998,108	3.7%	88,724	0	0	1	500,000	\$4.53
2013 2q	808	27,274,333	1,086,832	4.0%	223,066	0	0	1	500,000	\$4.36
2013 1q	809	27,276,805	1,312,370	4.8%	76,711	0	0	1	500,000	\$4.33

Source: CoStar Property®



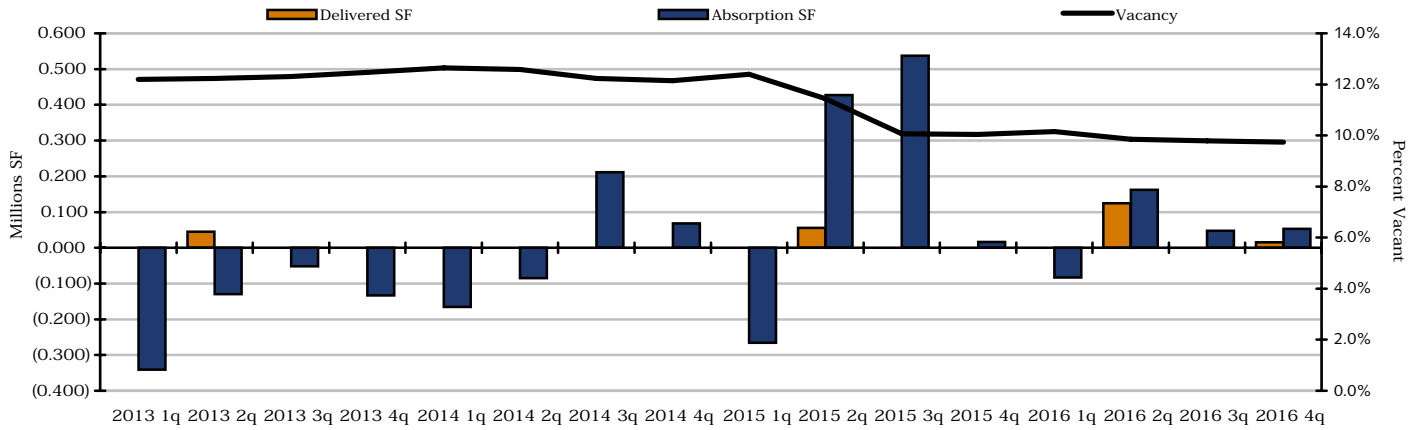
St. Louis Industrial Market

St. Louis City Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

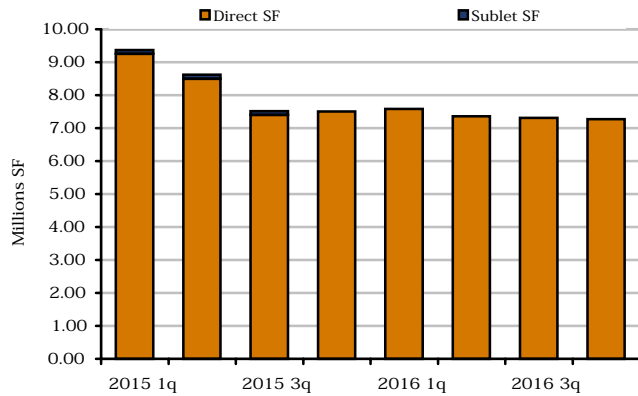
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

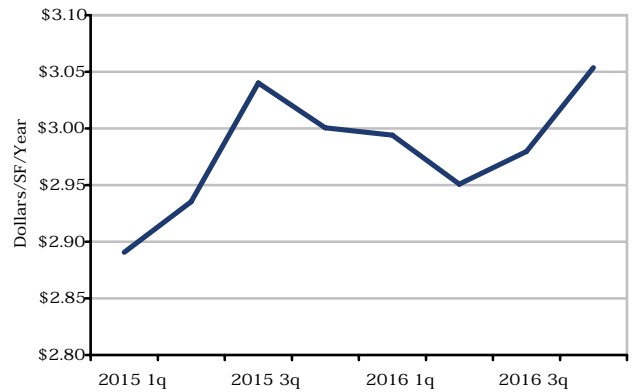
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	1,787	74,674,090	7,269,814	9.7%	53,243	1	15,000	0	0	\$3.05
2016 3q	1,786	74,659,090	7,308,057	9.8%	47,592	0	0	1	15,000	\$2.98
2016 2q	1,786	74,659,090	7,355,649	9.9%	162,285	1	125,000	1	15,000	\$2.95
2016 1q	1,786	74,727,019	7,585,863	10.2%	(83,324)	0	0	1	125,000	\$2.99
2015 4q	1,786	74,727,019	7,502,539	10.0%	16,622	0	0	1	125,000	\$3.00
2015 3q	1,786	74,727,019	7,519,161	10.1%	537,779	0	0	1	125,000	\$3.04
2015 2q	1,791	75,289,632	8,619,553	11.4%	427,404	1	56,000	0	0	\$2.94
2015 1q	1,797	75,611,480	9,368,805	12.4%	(265,753)	0	0	1	56,000	\$2.89
2014 4q	1,799	75,700,049	9,191,621	12.1%	68,283	0	0	1	56,000	\$2.87
2014 3q	1,799	75,700,049	9,259,904	12.2%	211,280	0	0	1	56,000	\$2.95
2014 2q	1,801	75,762,525	9,533,660	12.6%	(84,545)	0	0	1	56,000	\$2.95
2014 1q	1,805	75,908,737	9,595,327	12.6%	(165,307)	0	0	0	0	\$2.90
2013 4q	1,808	75,955,249	9,476,532	12.5%	(132,921)	0	0	0	0	\$2.87
2013 3q	1,809	75,957,249	9,345,611	12.3%	(51,389)	0	0	0	0	\$2.96
2013 2q	1,809	75,957,249	9,294,222	12.2%	(129,696)	1	44,796	0	0	\$3.03
2013 1q	1,810	76,072,370	9,279,647	12.2%	(341,329)	0	0	1	44,796	\$3.02

Source: CoStar Property®

St. Louis Industrial Market

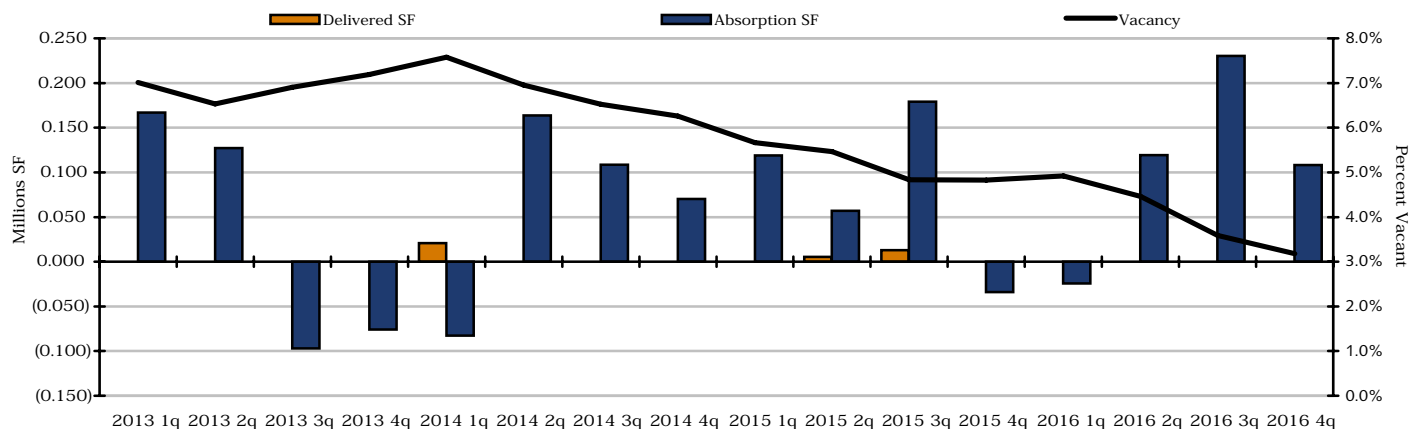


West St Louis County Market

MARKET HIGHLIGHTS - Flex & Warehouse

Deliveries, Absorption & Vacancy

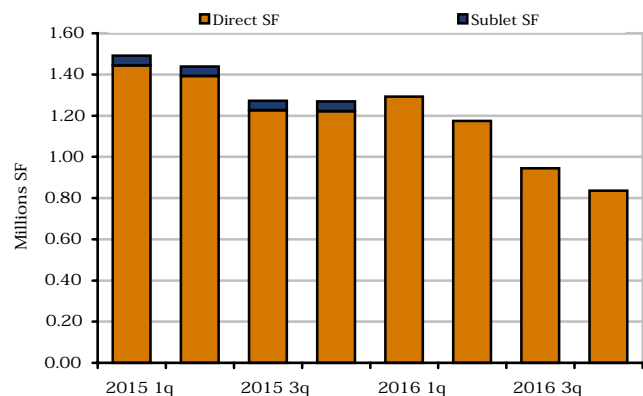
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Vacant Space

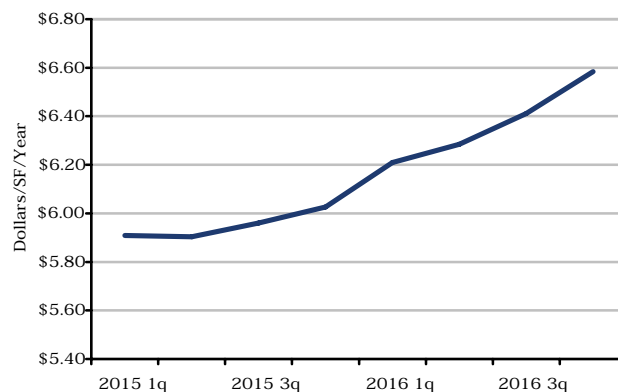
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Quoted Rental Rates

Historical Analysis, Flex and Warehouse



Source: CoStar Property®

Period	Existing Inventory		Vacancy		Net Absorption	Delivered Inventory		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Vacant SF	Vacancy %		# Bldgs	Total RBA	# Bldgs	Total RBA	
2016 4q	721	26,301,281	835,514	3.2%	108,232	0	0	3	635,000	\$6.58
2016 3q	721	26,301,281	943,746	3.6%	230,287	0	0	3	635,000	\$6.41
2016 2q	721	26,301,281	1,174,033	4.5%	119,141	0	0	3	635,000	\$6.29
2016 1q	721	26,301,281	1,293,174	4.9%	(24,299)	0	0	2	620,000	\$6.21
2015 4q	721	26,301,281	1,268,875	4.8%	(34,149)	0	0	2	620,000	\$6.03
2015 3q	722	26,339,062	1,272,507	4.8%	179,254	1	12,802	2	620,000	\$5.96
2015 2q	721	26,326,260	1,438,959	5.5%	57,145	1	5,543	2	42,802	\$5.90
2015 1q	720	26,320,717	1,490,561	5.7%	118,976	0	0	3	48,345	\$5.91
2014 4q	722	26,360,578	1,649,398	6.3%	70,400	0	0	1	12,802	\$5.90
2014 3q	722	26,360,578	1,719,798	6.5%	108,393	0	0	0	0	\$5.91
2014 2q	723	26,366,259	1,833,872	7.0%	163,721	0	0	0	0	\$5.86
2014 1q	723	26,366,259	1,997,593	7.6%	(82,795)	1	20,800	0	0	\$5.74
2013 4q	722	26,345,459	1,893,998	7.2%	(75,928)	0	0	1	20,800	\$5.88
2013 3q	722	26,345,459	1,818,070	6.9%	(96,970)	0	0	1	20,800	\$5.70
2013 2q	722	26,345,459	1,721,100	6.5%	127,000	0	0	0	0	\$5.59
2013 1q	722	26,345,459	1,848,100	7.0%	166,895	0	0	0	0	\$5.56

Source: CoStar Property®