

# CoStar Industrial Statistics

Third Quarter 2017

## St. Louis Industrial Market



**CoStar**<sup>TM</sup>  
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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## 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 Decreases to 5.2%

### Net Absorption Positive 2,010,616 SF in the Quarter

The St. Louis Industrial market ended the third quarter 2017 with a vacancy rate of 5.2%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 2,010,616 square feet in the third quarter. Vacant sublease space decreased in the quarter, ending the quarter at 164,734 square feet. Rental rates ended the third quarter at \$4.48, an increase over the previous quarter. There was 3,738,968 square feet still under construction at the end of the quarter.

#### Absorption

Net absorption for the overall St. Louis Industrial market was positive 2,010,616 square feet in the third quarter 2017. That compares to positive 1,450,982 square feet in the second quarter 2017, positive 764,758 square feet in the first quarter 2017, and positive 1,447,874 square feet in the fourth quarter 2016.

The Flex building market recorded net absorption of positive 32,120 square feet in the third quarter 2017, compared to positive 189,574 square feet in the second quarter 2017, positive 160,386 in the first quarter 2017, and negative (98,373) in the fourth quarter 2016.

The Warehouse building market recorded net absorption of positive 1,978,496 square feet in the third quarter 2017 compared to positive 1,261,408 square feet in the second quarter 2017, positive 604,372 in the first quarter 2017, and positive 1,546,247 in the fourth quarter 2016.

#### Vacancy

The Industrial vacancy rate in the St. Louis market area decreased to 5.2% at the end of the third quarter 2017. The

vacancy rate was 5.9% at the end of the second quarter 2017, 6.3% at the end of the first quarter 2017, and 5.9% at the end of the fourth quarter 2016.

Flex projects reported a vacancy rate of 8.0% at the end of the third quarter 2017, 8.2% at the end of the second quarter 2017, 9.4% at the end of the first quarter 2017, and 10.4% at the end of the fourth quarter 2016.

Warehouse projects reported a vacancy rate of 5.0% at the end of the third quarter 2017, 5.8% at the end of second quarter 2017, 6.0% at the end of the first quarter 2017, and 5.6% at the end of the fourth quarter 2016.

#### Largest Lease Signings

The largest lease signings occurring in 2017 included: the 624,150-square-foot lease signed by GEODIS at Gateway East 624 in the Illinois market; the 348,480-square-foot deal signed by Amazon at Hazelwood Logistics Center 3 in the North St Louis County market; and the 300,000-square-foot lease signed by Fairfield Manufacturing at North Broadway Distribution Center in the St Louis City market.

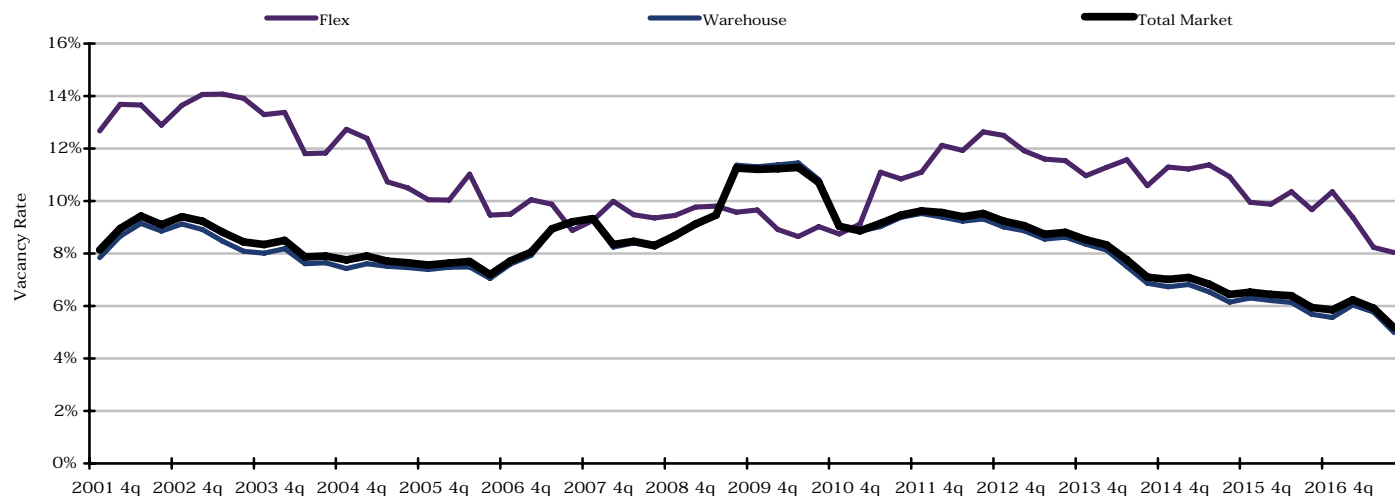
#### Sublease Vacancy

The amount of vacant sublease space in the St. Louis market decreased to 164,734 square feet by the end of the third quarter 2017, from 213,355 square feet at the end of the second quarter 2017. There was 224,109 square feet vacant at the end of the first quarter 2017 and 511,441 square feet at the end of the fourth quarter 2016.

St. Louis's Flex projects reported vacant sublease space of 3,600 square feet at the end of third quarter 2017, down from the 98,000 square feet reported at the end of the second

## Vacancy Rates by Building Type

2000-2017



Source: CoStar Property®



# St. Louis Industrial Market

Overview

quarter 2017. There were 98,000 square feet of sublease space vacant at the end of the first quarter 2017, and 229,000 square feet at the end of the fourth quarter 2016.

Warehouse projects reported increased vacant sublease space from the second quarter 2017 to the third quarter 2017. Sublease vacancy went from 115,355 square feet to 161,134 square feet during that time. There was 126,109 square feet at the end of the first quarter 2017, and 282,441 square feet at the end of the fourth quarter 2016.

## Rental Rates

The average quoted asking rental rate for available Industrial space was \$4.48 per square foot per year at the end of the third quarter 2017 in the St. Louis market area. This represented a 1.6% increase in quoted rental rates from the end of the second quarter 2017, when rents were reported at \$4.41 per square foot.

The average quoted rate within the Flex sector was \$9.44 per square foot at the end of the third quarter 2017, while Warehouse rates stood at \$4.20. At the end of the second quarter 2017, Flex rates were \$9.25 per square foot, and Warehouse rates were \$4.16.

## Deliveries and Construction

During the third quarter 2017, no new space was completed in the St. Louis market area. This compares to five buildings totaling 1,270,721 square feet that were completed in the second quarter 2017, four buildings totaling 1,897,933 square feet

completed in the first quarter 2017, and 1,381,780 square feet in four buildings completed in the fourth quarter 2016.

There were 3,738,968 square feet of Industrial space under construction at the end of the third quarter 2017.

Some of the notable 2017 deliveries include: Premier 370 Bus Park 2001 Reckitt Benckiser, a 714,780-square-foot facility that delivered in first quarter 2017 and is now 100% occupied, and Wentzville Logistics Center, a 629,000-square-foot building that delivered in second quarter 2017 and is now 100% occupied.

The largest projects underway at the end of third quarter 2017 were Gateway Commerce Center E, a 593,940-square-foot building with 0% of its space pre-leased, and Monsanto Expansion - Phase 1, a 590,000-square-foot facility that is 100% pre-leased.

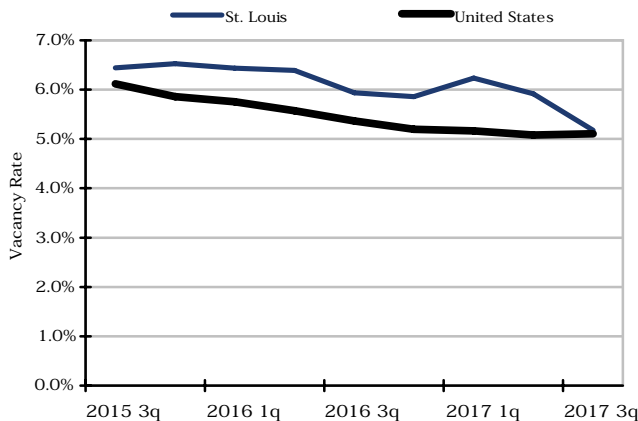
## Inventory

Total Industrial inventory in the St. Louis market area amounted to 271,037,056 square feet in 6,232 buildings as of the end of the third quarter 2017. The Flex sector consisted of 16,488,031 square feet in 581 projects. The Warehouse sector consisted of 254,549,025 square feet in 5,651 buildings. Within the Industrial market there were 1,486 owner-occupied buildings accounting for 79,410,718 square feet of Industrial space.

Reports compiled by: Jeff Warnock, CoStar Research Manager

## U.S. Vacancy Comparison

Past 9 Quarters



Source: CoStar Property®

# St. Louis Industrial Market



Markets

## 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<br>Innerbelt E of 170 Ind<br>Innerbelt W of 170 Ind |
| Illinois Ind              | Illinois Ind   |
| North St Louis County Ind | Airport Ind<br>Earth City Ind<br>North County Ind              |
| South St Louis County Ind | Fenton Ind<br>South County Ind                                 |
| St Charles County Ind     | St Charles County Ind  |
| St Louis City Ind         | St Louis City North Ind<br>St Louis City South Ind             |
| West St Louis County Ind  | Chesterfield/Hwy-40 Ind<br>West County Ind<br>Westport Ind     |



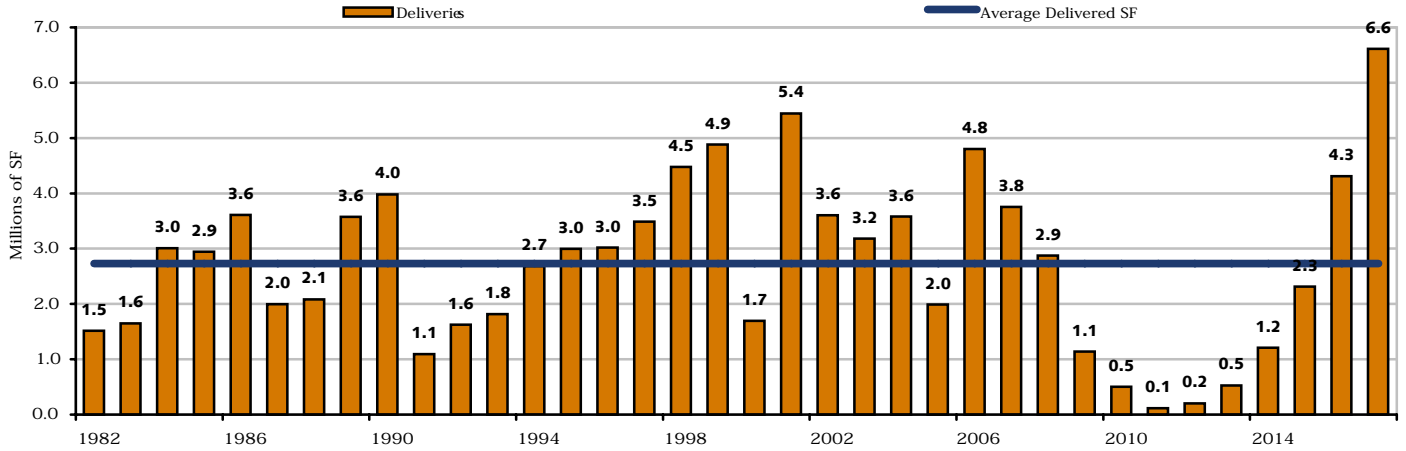


# St. Louis Industrial Market

Inventory & development

## Historical Deliveries

1982 - 2017



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

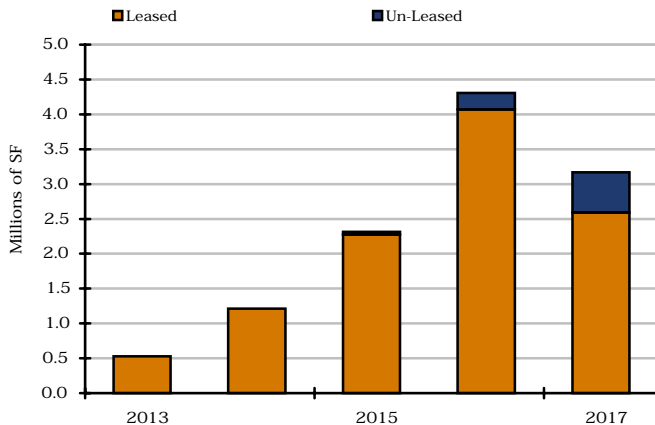
## CONSTRUCTION ACTIVITY Markets Ranked by Under Construction RBA

| Market                    | Under Construction Inventory |                  |                  |              | Average Bldg Size |                |
|---------------------------|------------------------------|------------------|------------------|--------------|-------------------|----------------|
|                           | # Bldgs                      | Total RBA        | Preleased SF     | Preleased %  | All Existing      | U/C            |
| North St Louis County Ind | 4                            | 1,097,278        | 29,900           | 2.7%         | 69,953            | 274,319        |
| St Charles County Ind     | 4                            | 926,750          | 302,400          | 32.6%        | 35,934            | 231,687        |
| West St Louis County Ind  | 3                            | 915,000          | 915,000          | 100.0%       | 36,406            | 305,000        |
| Illinois Ind              | 2                            | 641,540          | 0                | 0.0%         | 57,485            | 320,770        |
| South St Louis County Ind | 1                            | 158,400          | 0                | 0.0%         | 35,843            | 158,400        |
| Central County Ind        | 0                            | 0                | 0                | 0.0%         | 30,878            | 0              |
| St Louis City Ind         | 0                            | 0                | 0                | 0.0%         | 41,706            | 0              |
| <b>Totals</b>             | <b>14</b>                    | <b>3,738,968</b> | <b>1,247,300</b> | <b>33.4%</b> | <b>43,491</b>     | <b>267,069</b> |

Source: CoStar Property®

## Recent Deliveries

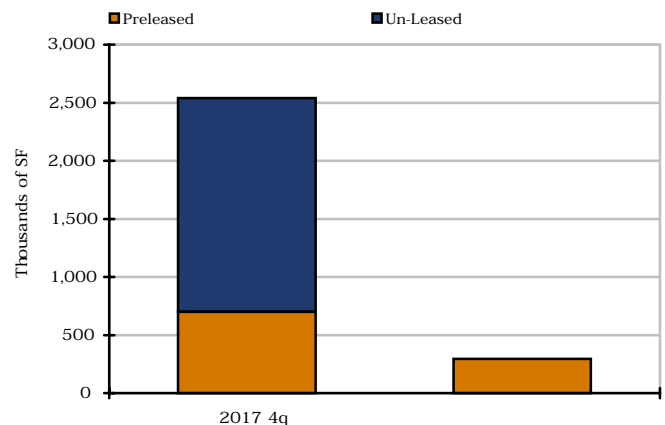
Leased & Un-Leased SF in Deliveries Since 2013



Source: CoStar Property®

## Future Deliveries

Preleased & Un-Leased SF in Properties Scheduled to Deliver



Source: CoStar Property®

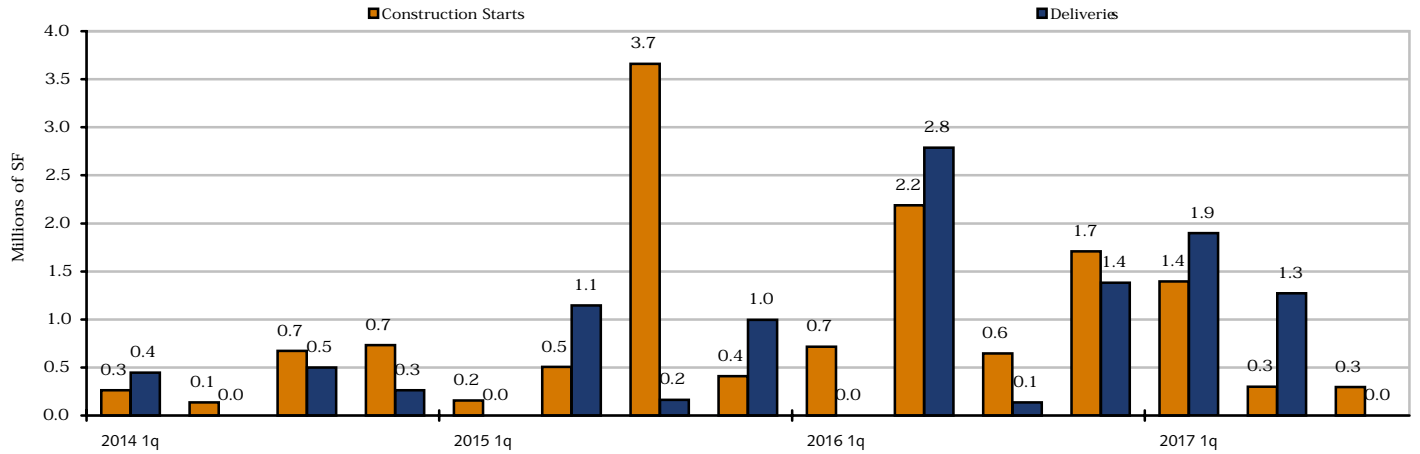
# St. Louis Industrial Market



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             | 3       | 71,250    | 29,400    | 41.3%    | \$7.75   | 0             | 71,250       |
| 50,000 SF - 99,999 SF   | 0       | 0         | 0         | 0.0%     | \$0.00   | 0             | 0            |
| 100,000 SF - 249,999 SF | 1       | 243,241   | 243,241   | 100.0%   | \$0.00   | 0             | 243,241      |
| 250,000 SF - 499,999 SF | 1       | 348,480   | 348,480   | 100.0%   | \$0.00   | 0             | 348,480      |
| >= 500,000 SF           | 4       | 2,505,683 | 1,967,930 | 78.5%    | \$4.50   | 629,000       | 1,876,683    |

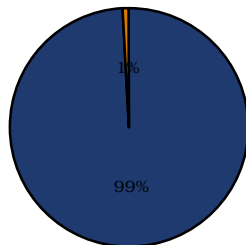
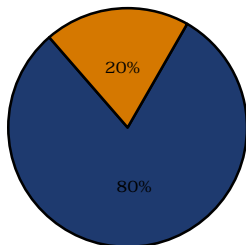
Source: CoStar Property®

## Recent Development by Tenancy

Based on RBA Developed for Single & Multi-Tenant Use

2017 Deliveries

Currently Under Construction



■ Multi ■ Single

■ Multi ■ Single

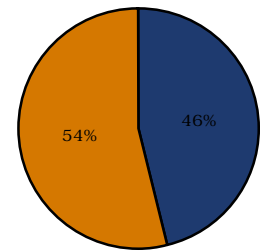
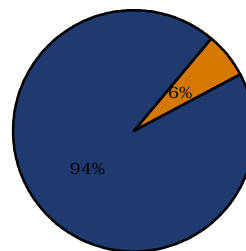
Source: CoStar Property®

## 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

|   |  |   |
|---|--|---|
| <p><b>1. Premier 370 - Reckitt Benckiser</b></p> <p>Submarket: <b>St Charles County Industrial Market</b><br/> RBA: <b>714,780</b><br/> Occupied: <b>100%</b><br/> Quoted Rate: <b>N/A</b><br/> Grnd Brk Date: <b>First Quarter 2016</b><br/> Deliv Date: <b>First Quarter 2017</b><br/> Leasing Co: <b>Duke Realty Corporation</b><br/> Developer: <b>N/A</b></p>                    | <p><b>2. Wentzville Logistics Center</b></p> <p>Submarket: <b>St Charles County Industrial Market</b><br/> RBA: <b>629,000</b><br/> Occupied: <b>100%</b><br/> Quoted Rate: <b>N/A</b><br/> Grnd Brk Date: <b>Second Quarter 2016</b><br/> Deliv Date: <b>Second Quarter 2017</b><br/> Leasing Co: <b>NorthPoint Development</b><br/> Developer: <b>N/A</b></p>      | <p><b>3. Gateway East 624</b></p> <p>Submarket: <b>Illinois Industrial Market</b><br/> RBA: <b>624,150</b><br/> Occupied: <b>100%</b><br/> Quoted Rate: <b>N/A</b><br/> Grnd Brk Date: <b>Third Quarter 2016</b><br/> Deliv Date: <b>First Quarter 2017</b><br/> Leasing Co: <b>Cushman &amp; Wakefield</b><br/> Developer: <b>N/A</b></p>                          |
| <p><b>4. NorthPark DC I</b></p> <p>Submarket: <b>North St Louis County Industrial Market</b><br/> RBA: <b>537,753</b><br/> Occupied: <b>0%</b><br/> Quoted Rate: <b>\$4.50</b><br/> Grnd Brk Date: <b>Second Quarter 2016</b><br/> Deliv Date: <b>First Quarter 2017</b><br/> Leasing Co: <b>JLL</b><br/> Developer: <b>N/A</b></p>   | <p><b>5. Hazelwood Logistics Center 3</b></p> <p>Submarket: <b>North St Louis County Industrial Market</b><br/> RBA: <b>348,480</b><br/> Occupied: <b>100%</b><br/> Quoted Rate: <b>N/A</b><br/> Grnd Brk Date: <b>Fourth Quarter 2016</b><br/> Deliv Date: <b>Second Quarter 2017</b><br/> Leasing Co: <b>JLL</b><br/> Developer: <b>NorthPoint Development</b></p> | <p><b>6. Hazelwood Logistics 4</b></p> <p>Submarket: <b>North St Louis County Industrial Market</b><br/> RBA: <b>243,241</b><br/> Occupied: <b>100%</b><br/> Quoted Rate: <b>N/A</b><br/> Grnd Brk Date: <b>Fourth Quarter 2016</b><br/> Deliv Date: <b>Second Quarter 2017</b><br/> Leasing Co: <b>JLL</b><br/> Developer: <b>NorthPoint Development</b></p>       |
| <p><b>7. 633 Spirit Valley Central Dr</b></p> <p>Submarket: <b>West St Louis County Industrial Market</b><br/> RBA: <b>35,000</b><br/> Occupied: <b>29%</b><br/> Quoted Rate: <b>Negotiable</b><br/> Grnd Brk Date: <b>Fourth Quarter 2016</b><br/> Deliv Date: <b>Second Quarter 2017</b><br/> Leasing Co: <b>NAI DESCO</b><br/> Developer: <b>Spirit Valley Development LLC</b></p> | <p><b>8. 371 Transpoint Drive</b></p> <p>Submarket: <b>Illinois Industrial Market</b><br/> RBA: <b>21,250</b><br/> Occupied: <b>20%</b><br/> Quoted Rate: <b>\$7.75</b><br/> Grnd Brk Date: <b>N/A</b><br/> Deliv Date: <b>2017</b><br/> Leasing Co: <b>Wrubel Construction Company</b><br/> Developer: <b>N/A</b></p>   | <p><b>9. Bobcat of St. Louis Valley Park</b></p> <p>Submarket: <b>West St Louis County Industrial Market</b><br/> RBA: <b>15,000</b><br/> Occupied: <b>100%</b><br/> Quoted Rate: <b>N/A</b><br/> Grnd Brk Date: <b>Second Quarter 2016</b><br/> Deliv Date: <b>Second Quarter 2017</b><br/> Leasing Co: <b>E K D Properties Llc</b><br/> Developer: <b>N/A</b></p> |

# St. Louis Industrial Market



Inventory &amp; development

## Select Top Under Construction Properties

Based on Project Square Footage

- |  |  |   |
|--|--|---|
| <p><b>1. Gateway Commerce Center E</b></p> <p>Submarket: <b>Illinois Industrial Market</b><br/>           RBA: <b>593,940</b><br/>           Preleased: <b>0%</b><br/>           Quoted Rate: <b>Negotiable</b><br/>           Grnd Brk Date: <b>First Quarter 2017</b><br/>           Deliv Date: <b>Fourth Quarter 2017</b><br/>           Leasing Co: <b>Cushman &amp; Wakefield</b><br/>           Developer: <b>N/A</b></p>   | <p><b>2. Monsanto Expansion - Phase 1</b></p> <p>Submarket: <b>West St Louis County Industrial Market</b><br/>           RBA: <b>590,000</b><br/>           Preleased: <b>100%</b><br/>           Quoted Rate: <b>N/A</b><br/>           Grnd Brk Date: <b>Third Quarter 2015</b><br/>           Deliv Date: <b>Fourth Quarter 2017</b><br/>           Leasing Co: <b>Monsanto Company</b><br/>           Developer: <b>N/A</b></p>  | <p><b>3. Aviator Business Park - Lot 10</b></p> <p>Submarket: <b>North St Louis County Industrial Market</b><br/>           RBA: <b>548,850</b><br/>           Preleased: <b>0%</b><br/>           Quoted Rate: <b>\$4.50</b><br/>           Grnd Brk Date: <b>Fourth Quarter 2016</b><br/>           Deliv Date: <b>Fourth Quarter 2017</b><br/>           Leasing Co: <b>CBRE, Inc.</b><br/>           Developer: <b>N/A</b></p>                                  |
| <p><b>4. Premier 370 1000</b></p> <p>Submarket: <b>St Charles County Industrial Market</b><br/>           RBA: <b>300,000</b><br/>           Preleased: <b>0%</b><br/>           Quoted Rate: <b>\$4.40</b><br/>           Grnd Brk Date: <b>Second Quarter 2017</b><br/>           Deliv Date: <b>Third Quarter 2017</b><br/>           Leasing Co: <b>Colliers International</b><br/>           Developer: <b>N/A</b></p>  | <p><b>5. 875 Chesterfield Pky W - Pfizer</b></p> <p>Submarket: <b>West St Louis County Industrial Market</b><br/>           RBA: <b>295,000</b><br/>           Preleased: <b>100%</b><br/>           Quoted Rate: <b>N/A</b><br/>           Grnd Brk Date: <b>Third Quarter 2017</b><br/>           Deliv Date: <b>Second Quarter 2019</b><br/>           Leasing Co: <b>N/A</b><br/>           Developer: <b>Clayco Inc.</b></p>  | <p><b>6. Hazelwood Logistics Center 6</b></p> <p>Submarket: <b>North St Louis County Industrial Market</b><br/>           RBA: <b>269,545</b><br/>           Preleased: <b>0%</b><br/>           Quoted Rate: <b>\$4.95</b><br/>           Grnd Brk Date: <b>First Quarter 2017</b><br/>           Deliv Date: <b>Fourth Quarter 2017</b><br/>           Leasing Co: <b>JLL</b><br/>           Developer: <b>N/A</b></p>  |
| <p><b>7. Premier 370 - Best Buy</b></p> <p>Submarket: <b>St Charles County Industrial Market</b><br/>           RBA: <b>252,000</b><br/>           Preleased: <b>100%</b><br/>           Quoted Rate: <b>N/A</b><br/>           Grnd Brk Date: <b>First Quarter 2017</b><br/>           Deliv Date: <b>Third Quarter 2017</b><br/>           Leasing Co: <b>Duke Realty Corporation</b><br/>           Developer: <b>N/A</b></p>   | <p><b>8. Fountain Lakes Commerce Center West</b></p> <p>Submarket: <b>St Charles County Industrial Market</b><br/>           RBA: <b>194,750</b><br/>           Preleased: <b>0%</b><br/>           Quoted Rate: <b>\$4.85</b><br/>           Grnd Brk Date: <b>Fourth Quarter 2016</b><br/>           Deliv Date: <b>Third Quarter 2017</b><br/>           Leasing Co: <b>Cushman &amp; Wakefield</b><br/>           Developer: <b>Jones Development Company, LLC</b></p> | <p><b>9. Elm St. &amp; Hwy 370 East</b></p> <p>Submarket: <b>St Charles County Industrial Market</b><br/>           RBA: <b>180,000</b><br/>           Preleased: <b>28%</b><br/>           Quoted Rate: <b>\$4.85</b><br/>           Grnd Brk Date: <b>Fourth Quarter 2016</b><br/>           Deliv Date: <b>Fourth Quarter 2017</b><br/>           Leasing Co: <b>Cushman &amp; Wakefield</b><br/>           Developer: <b>Jones Development Company, LLC</b></p> |
| <p><b>10. 2055 Fenton Logistics Pky</b></p> <p>Submarket: <b>South St Louis County Industrial Market</b><br/>           RBA: <b>158,400</b><br/>           Preleased: <b>0%</b><br/>           Quoted Rate: <b>\$5.95</b><br/>           Grnd Brk Date: <b>Fourth Quarter 2016</b><br/>           Deliv Date: <b>Third Quarter 2017</b><br/>           Leasing Co: <b>CBRE, Inc.</b><br/>           Developer: <b>KP Development</b></p>                                 | <p><b>11. Hazelwood Logistics Center 5</b></p> <p>Submarket: <b>North St Louis County Industrial Market</b><br/>           RBA: <b>148,883</b><br/>           Preleased: <b>0%</b><br/>           Quoted Rate: <b>\$5.25</b><br/>           Grnd Brk Date: <b>First Quarter 2017</b><br/>           Deliv Date: <b>Fourth Quarter 2017</b><br/>           Leasing Co: <b>JLL</b><br/>           Developer: <b>N/A</b></p>  | <p><b>12. 4227 Earth City Expy</b></p> <p>Submarket: <b>North St Louis County Industrial Market</b><br/>           RBA: <b>130,000</b><br/>           Preleased: <b>23%</b><br/>           Quoted Rate: <b>\$6.95</b><br/>           Grnd Brk Date: <b>First Quarter 2017</b><br/>           Deliv Date: <b>Fourth Quarter 2017</b><br/>           Leasing Co: <b>Block Hawley Commercial Real Estate</b><br/>           Developer: <b>N/A</b></p>                  |
| <p><b>13. 900 Fairway Park Dr</b></p> <p>Submarket: <b>Illinois Industrial Market</b><br/>           RBA: <b>47,600</b><br/>           Preleased: <b>0%</b><br/>           Quoted Rate: <b>\$3.95</b><br/>           Grnd Brk Date: <b>Second Quarter 2016</b><br/>           Deliv Date: <b>Fourth Quarter 2017</b><br/>           Leasing Co: <b>Lee &amp; Associates</b><br/>           Developer: <b>Commercial Real Es</b><br/>           Developer: <b>N/A</b></p> | <p><b>14. 12001 Lackland Rd</b></p> <p>Submarket: <b>West St Louis County Industrial Market</b><br/>           RBA: <b>30,000</b><br/>           Preleased: <b>100%</b><br/>           Quoted Rate: <b>N/A</b><br/>           Grnd Brk Date: <b>First Quarter 2015</b><br/>           Deliv Date: <b>Fourth Quarter 2017</b><br/>           Leasing Co: <b>Watlow St Louis Inc A</b><br/>           Developer: <b>Mocorp</b><br/>           Developer: <b>N/A</b></p>      |   |



# St. Louis Industrial Market

Figures at a Glance

## Flex Market Statistics

Third Quarter 2017

| 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                 | 2,017,148         | 201,007          | 201,007          | 10.0%       | 36,001             | 0              | 0              | \$8.27        |
| Illinois Ind              | 55                 | 924,331           | 29,211           | 29,211           | 3.2%        | 115,489            | 0              | 0              | \$10.06       |
| North St Louis County Inc | 71                 | 3,104,980         | 622,564          | 622,564          | 20.1%       | 157,206            | 0              | 0              | \$10.34       |
| South St Louis County Inc | 49                 | 1,071,978         | 66,597           | 66,597           | 6.2%        | 1,280              | 0              | 0              | \$11.71       |
| St Charles County Ind     | 85                 | 2,319,781         | 56,400           | 56,400           | 2.4%        | 48,931             | 0              | 0              | \$7.49        |
| St Louis City Ind         | 94                 | 2,003,277         | 99,607           | 99,607           | 5.0%        | 705                | 0              | 0              | \$8.88        |
| West St Louis County Ind  | 144                | 5,046,536         | 245,640          | 249,240          | 4.9%        | 22,468             | 0              | 885,000        | \$8.87        |
| <b>Totals</b>             | <b>581</b>         | <b>16,488,031</b> | <b>1,321,026</b> | <b>1,324,626</b> | <b>8.0%</b> | <b>382,080</b>     | <b>0</b>       | <b>885,000</b> | <b>\$9.44</b> |

Source: CoStar Property®

## Warehouse Market Statistics

Third Quarter 2017

| 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        | 811                | 25,587,848         | 855,238           | 855,238           | 3.3%        | (253,188)          | 0                | 0                | \$5.56        |
| Illinois Ind              | 710                | 43,051,544         | 1,104,710         | 1,154,710         | 2.7%        | 726,934            | 645,400          | 641,540          | \$3.89        |
| North St Louis County Inc | 647                | 47,121,034         | 3,265,265         | 3,265,265         | 6.9%        | 1,552,065          | 1,129,474        | 1,097,278        | \$4.30        |
| South St Louis County Inc | 456                | 17,028,635         | 548,240           | 598,240           | 3.5%        | 98,682             | 0                | 158,400          | \$5.81        |
| St Charles County Ind     | 734                | 27,110,263         | 622,760           | 680,808           | 2.5%        | 1,071,636          | 1,343,780        | 926,750          | \$5.12        |
| St Louis City Ind         | 1,709              | 73,192,488         | 5,417,543         | 5,417,543         | 7.4%        | 759,668            | 0                | 0                | \$2.89        |
| West St Louis County Ind  | 584                | 21,457,213         | 725,040           | 728,126           | 3.4%        | (111,521)          | 50,000           | 30,000           | \$6.34        |
| <b>Totals</b>             | <b>5,651</b>       | <b>254,549,025</b> | <b>12,538,796</b> | <b>12,699,930</b> | <b>5.0%</b> | <b>3,844,276</b>   | <b>3,168,654</b> | <b>2,853,968</b> | <b>\$4.20</b> |

Source: CoStar Property®

## Total Industrial Market Statistics

Third Quarter 2017

| 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        | 894                | 27,604,996         | 1,056,245         | 1,056,245         | 3.8%        | (217,187)          | 0                | 0                | \$5.85        |
| Illinois Ind              | 765                | 43,975,875         | 1,133,921         | 1,183,921         | 2.7%        | 842,423            | 645,400          | 641,540          | \$4.06        |
| North St Louis County Inc | 718                | 50,226,014         | 3,887,829         | 3,887,829         | 7.7%        | 1,709,271          | 1,129,474        | 1,097,278        | \$4.61        |
| South St Louis County Inc | 505                | 18,100,613         | 614,837           | 664,837           | 3.7%        | 99,962             | 0                | 158,400          | \$6.10        |
| St Charles County Ind     | 819                | 29,430,044         | 679,160           | 737,208           | 2.5%        | 1,120,567          | 1,343,780        | 926,750          | \$5.21        |
| St Louis City Ind         | 1,803              | 75,195,765         | 5,517,150         | 5,517,150         | 7.3%        | 760,373            | 0                | 0                | \$3.02        |
| West St Louis County Ind  | 728                | 26,503,749         | 970,680           | 977,366           | 3.7%        | (89,053)           | 50,000           | 915,000          | \$6.84        |
| <b>Totals</b>             | <b>6,232</b>       | <b>271,037,056</b> | <b>13,859,822</b> | <b>14,024,556</b> | <b>5.2%</b> | <b>4,226,356</b>   | <b>3,168,654</b> | <b>3,738,968</b> | <b>\$4.48</b> |

Source: CoStar Property®

## St. Louis Industrial Market



Figures at a Glance

## Flex Submarket Statistics

Third Quarter 2017

| Market                  | Existing Inventory |                   | Vacancy          |                  |             | YTD Net Absorption | YTD Deliveries | Under Const SF | Quoted Rates  |
|-------------------------|--------------------|-------------------|------------------|------------------|-------------|--------------------|----------------|----------------|---------------|
|                         | # Blds             | Total RBA         | Direct SF        | Total SF         | Vac %       |                    |                |                |               |
| Airport Ind             | 20                 | 757,887           | 89,202           | 89,202           | 11.8%       | 1,872              | 0              | 0              | \$7.09        |
| Chesterfield/Hwy-40 Ind | 37                 | 2,133,457         | 19,367           | 22,967           | 1.1%        | (10,722)           | 0              | 885,000        | \$9.25        |
| Earth City Ind          | 44                 | 1,993,982         | 533,362          | 533,362          | 26.7%       | 155,334            | 0              | 0              | \$10.97       |
| Fenton Ind              | 24                 | 795,329           | 63,297           | 63,297           | 8.0%        | (920)              | 0              | 0              | \$12.05       |
| Hanley Ind              | 32                 | 575,239           | 6,624            | 6,624            | 1.2%        | 5,662              | 0              | 0              | \$10.14       |
| Illinois Ind            | 55                 | 924,331           | 29,211           | 29,211           | 3.2%        | 115,489            | 0              | 0              | \$10.06       |
| Innerbelt E of 170 Ind  | 17                 | 531,261           | 160,932          | 160,932          | 30.3%       | 5,400              | 0              | 0              | \$8.76        |
| Innerbelt W of 170 Ind  | 34                 | 910,648           | 33,451           | 33,451           | 3.7%        | 24,939             | 0              | 0              | \$7.16        |
| North County Ind        | 7                  | 353,111           | 0                | 0                | 0.0%        | 0                  | 0              | 0              | \$0.00        |
| South County Ind        | 25                 | 276,649           | 3,300            | 3,300            | 1.2%        | 2,200              | 0              | 0              | \$9.74        |
| St Charles County Ind   | 85                 | 2,319,781         | 56,400           | 56,400           | 2.4%        | 48,931             | 0              | 0              | \$7.49        |
| St Louis City North Ind | 32                 | 644,644           | 0                | 0                | 0.0%        | 2,200              | 0              | 0              | \$4.00        |
| St Louis City South Ind | 62                 | 1,358,633         | 99,607           | 99,607           | 7.3%        | (1,495)            | 0              | 0              | \$9.50        |
| West County Ind         | 28                 | 633,827           | 1,318            | 1,318            | 0.2%        | 500                | 0              | 0              | \$9.29        |
| Westport Ind            | 79                 | 2,279,252         | 224,955          | 224,955          | 9.9%        | 32,690             | 0              | 0              | \$8.73        |
| <b>Totals</b>           | <b>581</b>         | <b>16,488,031</b> | <b>1,321,026</b> | <b>1,324,626</b> | <b>8.0%</b> | <b>382,080</b>     | <b>0</b>       | <b>885,000</b> | <b>\$9.44</b> |

Source: CoStar Property®

## Warehouse Submarket Statistics

Third Quarter 2017

| Market                  | Existing Inventory |                    | Vacancy           |                   |             | YTD Net Absorption | YTD Deliveries   | Under Const SF   | Quoted Rates  |
|-------------------------|--------------------|--------------------|-------------------|-------------------|-------------|--------------------|------------------|------------------|---------------|
|                         | # Blds             | Total RBA          | Direct SF         | Total SF          | Vac %       |                    |                  |                  |               |
| Airport Ind             | 225                | 18,473,508         | 548,599           | 548,599           | 3.0%        | 1,683,119          | 591,721          | 967,278          | \$4.23        |
| Chesterfield/Hwy-40 Ind | 121                | 3,812,070          | 185,019           | 185,019           | 4.9%        | (65,359)           | 35,000           | 0                | \$8.74        |
| Earth City Ind          | 271                | 21,213,316         | 1,702,608         | 1,702,608         | 8.0%        | (12,494)           | 0                | 130,000          | \$4.39        |
| Fenton Ind              | 199                | 8,165,331          | 246,576           | 246,576           | 3.0%        | 79,444             | 0                | 158,400          | \$5.59        |
| Hanley Ind              | 253                | 5,799,363          | 245,450           | 245,450           | 4.2%        | (158,044)          | 0                | 0                | \$6.54        |
| Illinois Ind            | 710                | 43,051,544         | 1,104,710         | 1,154,710         | 2.7%        | 726,934            | 645,400          | 641,540          | \$3.89        |
| Innerbelt E of 170 Ind  | 213                | 9,399,806          | 85,907            | 85,907            | 0.9%        | (13,236)           | 0                | 0                | \$5.73        |
| Innerbelt W of 170 Ind  | 345                | 10,388,679         | 523,881           | 523,881           | 5.0%        | (81,908)           | 0                | 0                | \$4.85        |
| North County Ind        | 151                | 7,434,210          | 1,014,058         | 1,014,058         | 13.6%       | (118,560)          | 537,753          | 0                | \$4.25        |
| South County Ind        | 257                | 8,863,304          | 301,664           | 351,664           | 4.0%        | 19,238             | 0                | 0                | \$6.27        |
| St Charles County Ind   | 734                | 27,110,263         | 622,760           | 680,808           | 2.5%        | 1,071,636          | 1,343,780        | 926,750          | \$5.12        |
| St Louis City North Ind | 788                | 38,763,341         | 3,372,291         | 3,372,291         | 8.7%        | 729,170            | 0                | 0                | \$2.86        |
| St Louis City South Ind | 921                | 34,429,147         | 2,045,252         | 2,045,252         | 5.9%        | 30,498             | 0                | 0                | \$2.95        |
| West County Ind         | 119                | 4,108,792          | 10,526            | 10,526            | 0.3%        | 26,962             | 15,000           | 0                | \$6.85        |
| Westport Ind            | 344                | 13,536,351         | 529,495           | 532,581           | 3.9%        | (73,124)           | 0                | 30,000           | \$5.65        |
| <b>Totals</b>           | <b>5,651</b>       | <b>254,549,025</b> | <b>12,538,796</b> | <b>12,699,930</b> | <b>5.0%</b> | <b>3,844,276</b>   | <b>3,168,654</b> | <b>2,853,968</b> | <b>\$4.20</b> |

Source: CoStar Property®

## Total Industrial Submarket Statistics

Third Quarter 2017

| Market                  | Existing Inventory |                    | Vacancy           |                   |             | YTD Net Absorption | YTD Deliveries   | Under Const SF   | Quoted Rates  |
|-------------------------|--------------------|--------------------|-------------------|-------------------|-------------|--------------------|------------------|------------------|---------------|
|                         | # Blds             | Total RBA          | Direct SF         | Total SF          | Vac %       |                    |                  |                  |               |
| Airport Ind             | 245                | 19,231,395         | 637,801           | 637,801           | 3.3%        | 1,684,991          | 591,721          | 967,278          | \$4.29        |
| Chesterfield/Hwy-40 Ind | 158                | 5,945,527          | 204,386           | 207,986           | 3.5%        | (76,081)           | 35,000           | 885,000          | \$8.87        |
| Earth City Ind          | 315                | 23,207,298         | 2,235,970         | 2,235,970         | 9.6%        | 142,840            | 0                | 130,000          | \$5.03        |
| Fenton Ind              | 223                | 8,960,660          | 309,873           | 309,873           | 3.5%        | 78,524             | 0                | 158,400          | \$5.98        |
| Hanley Ind              | 285                | 6,374,602          | 252,074           | 252,074           | 4.0%        | (152,382)          | 0                | 0                | \$6.84        |
| Illinois Ind            | 765                | 43,975,875         | 1,133,921         | 1,183,921         | 2.7%        | 842,423            | 645,400          | 641,540          | \$4.06        |
| Innerbelt E of 170 Ind  | 230                | 9,931,067          | 246,839           | 246,839           | 2.5%        | (7,836)            | 0                | 0                | \$6.18        |
| Innerbelt W of 170 Ind  | 379                | 11,299,327         | 557,332           | 557,332           | 4.9%        | (56,969)           | 0                | 0                | \$5.10        |
| North County Ind        | 158                | 7,787,321          | 1,014,058         | 1,014,058         | 13.0%       | (118,560)          | 537,753          | 0                | \$4.25        |
| South County Ind        | 282                | 9,139,953          | 304,964           | 354,964           | 3.9%        | 21,438             | 0                | 0                | \$6.35        |
| St Charles County Ind   | 819                | 29,430,044         | 679,160           | 737,208           | 2.5%        | 1,120,567          | 1,343,780        | 926,750          | \$5.21        |
| St Louis City North Ind | 820                | 39,407,985         | 3,372,291         | 3,372,291         | 8.6%        | 731,370            | 0                | 0                | \$2.86        |
| St Louis City South Ind | 983                | 35,787,780         | 2,144,859         | 2,144,859         | 6.0%        | 29,003             | 0                | 0                | \$3.33        |
| West County Ind         | 147                | 4,742,619          | 11,844            | 11,844            | 0.2%        | 27,462             | 15,000           | 0                | \$7.00        |
| Westport Ind            | 423                | 15,815,603         | 754,450           | 757,536           | 4.8%        | (40,434)           | 0                | 30,000           | \$6.28        |
| <b>Totals</b>           | <b>6,232</b>       | <b>271,037,056</b> | <b>13,859,822</b> | <b>14,024,556</b> | <b>5.2%</b> | <b>4,226,356</b>   | <b>3,168,654</b> | <b>3,738,968</b> | <b>\$4.48</b> |

Source: CoStar Property®



# St. Louis Industrial Market

Figures at a Glance

## Flex Market Statistics

Third Quarter 2017

| 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 |              |
| 2017 3q | 581                | 16,488,031 | 1,321,026 | 1,324,626 | 8.0%  | 32,120         | 0          | 0         | 2            | 885,000   | \$9.44       |
| 2017 2q | 581                | 16,488,031 | 1,258,746 | 1,356,746 | 8.2%  | 189,574        | 0          | 0         | 1            | 590,000   | \$9.25       |
| 2017 1q | 581                | 16,488,031 | 1,448,320 | 1,546,320 | 9.4%  | 160,386        | 0          | 0         | 1            | 590,000   | \$9.26       |
| 2016 4q | 581                | 16,488,031 | 1,477,706 | 1,706,706 | 10.4% | (98,373)       | 1          | 15,000    | 1            | 590,000   | \$9.30       |
| 2016 3q | 580                | 16,473,031 | 1,495,333 | 1,593,333 | 9.7%  | 112,105        | 0          | 0         | 2            | 605,000   | \$9.32       |
| 2016 2q | 580                | 16,473,031 | 1,602,438 | 1,705,438 | 10.4% | (78,940)       | 0          | 0         | 2            | 605,000   | \$9.35       |
| 2016 1q | 580                | 16,473,031 | 1,615,010 | 1,626,498 | 9.9%  | 12,268         | 0          | 0         | 1            | 590,000   | \$8.92       |
| 2015    | 580                | 16,473,031 | 1,617,278 | 1,638,766 | 9.9%  | 291,041        | 1          | 79,000    | 1            | 590,000   | \$8.91       |
| 2014    | 579                | 16,394,031 | 1,825,807 | 1,850,807 | 11.3% | (53,324)       | 0          | 0         | 1            | 79,000    | \$8.80       |
| 2013    | 579                | 16,394,031 | 1,729,083 | 1,797,483 | 11.0% | 217,082        | 0          | 0         | 0            | 0         | \$8.64       |
| 2012    | 580                | 16,432,781 | 1,983,561 | 2,053,315 | 12.5% | (92,460)       | 1          | 96,023    | 0            | 0         | \$8.00       |
| 2011    | 578                | 16,279,334 | 1,776,137 | 1,807,408 | 11.1% | (380,794)      | 1          | 9,500     | 1            | 96,023    | \$9.21       |
| 2010    | 578                | 16,275,434 | 1,391,209 | 1,422,714 | 8.7%  | 202,244        | 1          | 19,042    | 1            | 9,500     | \$10.00      |
| 2009    | 576                | 16,216,392 | 1,535,899 | 1,565,916 | 9.7%  | 118,768        | 3          | 132,735   | 2            | 59,042    | \$10.24      |
| 2008    | 572                | 16,048,657 | 1,482,575 | 1,516,949 | 9.5%  | (14,541)       | 1          | 19,588    | 3            | 132,735   | \$9.97       |
| 2007    | 571                | 16,029,069 | 1,469,640 | 1,482,820 | 9.3%  | 94,907         | 3          | 37,061    | 1            | 19,588    | \$9.96       |

Source: CoStar Property®

## Warehouse Market Statistics

Third Quarter 2017

| 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 |              |
| 2017 3q | 5,651              | 254,549,025 | 12,538,796 | 12,699,930 | 5.0%  | 1,978,496      | 0          | 0         | 12           | 2,853,968 | \$4.20       |
| 2017 2q | 5,651              | 254,549,025 | 14,563,071 | 14,678,426 | 5.8%  | 1,261,408      | 5          | 1,270,721 | 12           | 2,853,968 | \$4.16       |
| 2017 1q | 5,648              | 253,925,760 | 15,190,460 | 15,316,569 | 6.0%  | 604,372        | 4          | 1,897,933 | 16           | 3,824,689 | \$4.12       |
| 2016 4q | 5,644              | 252,027,827 | 13,740,567 | 14,023,008 | 5.6%  | 1,546,247      | 3          | 1,366,780 | 15           | 4,328,254 | \$4.08       |
| 2016 3q | 5,642              | 250,721,047 | 13,985,841 | 14,262,475 | 5.7%  | 1,243,801      | 1          | 138,000   | 11           | 3,986,313 | \$3.99       |
| 2016 2q | 5,641              | 250,583,047 | 15,054,906 | 15,368,276 | 6.1%  | 2,622,474      | 6          | 2,788,328 | 10           | 3,478,913 | \$3.95       |
| 2016 1q | 5,636              | 247,987,648 | 15,069,151 | 15,395,351 | 6.2%  | 229,892        | 0          | 0         | 10           | 4,095,108 | \$3.91       |
| 2015    | 5,636              | 247,987,648 | 15,249,003 | 15,625,243 | 6.3%  | 2,114,474      | 9          | 2,225,782 | 9            | 3,380,328 | \$3.92       |
| 2014    | 5,643              | 246,857,708 | 16,440,927 | 16,609,777 | 6.7%  | 4,885,835      | 6          | 1,209,917 | 5            | 1,462,923 | \$3.71       |
| 2013    | 5,649              | 245,916,522 | 20,452,004 | 20,554,426 | 8.4%  | 1,913,884      | 2          | 527,094   | 4            | 947,073   | \$3.76       |
| 2012    | 5,653              | 245,589,767 | 21,838,663 | 22,141,555 | 9.0%  | 1,065,366      | 1          | 35,000    | 3            | 1,027,094 | \$3.79       |
| 2011    | 5,654              | 245,806,347 | 23,130,676 | 23,423,501 | 9.5%  | (1,019,028)    | 6          | 90,533    | 1            | 35,000    | \$3.79       |
| 2010    | 5,646              | 245,654,959 | 21,695,148 | 22,253,085 | 9.1%  | 1,276,300      | 6          | 446,179   | 6            | 88,733    | \$3.86       |
| 2009    | 5,645              | 250,448,160 | 27,964,705 | 28,322,586 | 11.3% | (5,981,292)    | 12         | 846,024   | 6            | 446,179   | \$3.92       |
| 2008    | 5,632              | 249,652,033 | 21,082,347 | 21,545,167 | 8.6%  | 2,690,387      | 23         | 2,793,706 | 13           | 883,907   | \$4.06       |
| 2007    | 5,607              | 248,619,768 | 22,677,280 | 23,203,289 | 9.3%  | (1,284,236)    | 31         | 3,316,394 | 22           | 2,215,246 | \$4.39       |

Source: CoStar Property®

## Total Industrial Market Statistics

Third Quarter 2017

| 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 |              |
| 2017 3q | 6,232              | 271,037,056 | 13,859,822 | 14,024,556 | 5.2%  | 2,010,616      | 0          | 0         | 14           | 3,738,968 | \$4.48       |
| 2017 2q | 6,232              | 271,037,056 | 15,821,817 | 16,035,172 | 5.9%  | 1,450,982      | 5          | 1,270,721 | 13           | 3,443,968 | \$4.41       |
| 2017 1q | 6,229              | 270,413,791 | 16,638,780 | 16,862,889 | 6.2%  | 764,758        | 4          | 1,897,933 | 17           | 4,414,689 | \$4.39       |
| 2016 4q | 6,225              | 268,515,858 | 15,218,273 | 15,729,714 | 5.9%  | 1,447,874      | 4          | 1,381,780 | 16           | 4,918,254 | \$4.36       |
| 2016 3q | 6,222              | 267,194,078 | 15,481,174 | 15,855,808 | 5.9%  | 1,355,906      | 1          | 138,000   | 13           | 4,591,313 | \$4.27       |
| 2016 2q | 6,221              | 267,056,078 | 16,657,344 | 17,073,714 | 6.4%  | 2,543,534      | 6          | 2,788,328 | 12           | 4,083,913 | \$4.23       |
| 2016 1q | 6,216              | 264,460,679 | 16,684,161 | 17,021,849 | 6.4%  | 242,160        | 0          | 0         | 11           | 4,685,108 | \$4.17       |
| 2015    | 6,216              | 264,460,679 | 16,866,281 | 17,264,009 | 6.5%  | 2,405,515      | 10         | 2,304,782 | 10           | 3,970,328 | \$4.19       |
| 2014    | 6,222              | 263,251,739 | 18,266,734 | 18,460,584 | 7.0%  | 4,832,511      | 6          | 1,209,917 | 6            | 1,541,923 | \$4.01       |
| 2013    | 6,228              | 262,310,553 | 22,181,087 | 22,351,909 | 8.5%  | 2,130,966      | 2          | 527,094   | 4            | 947,073   | \$4.02       |
| 2012    | 6,233              | 262,022,548 | 23,822,224 | 24,194,870 | 9.2%  | 972,906        | 2          | 131,023   | 3            | 1,027,094 | \$4.02       |
| 2011    | 6,232              | 262,085,681 | 24,906,813 | 25,230,909 | 9.6%  | (1,399,822)    | 7          | 100,033   | 2            | 131,023   | \$4.07       |
| 2010    | 6,224              | 261,930,393 | 23,086,357 | 23,675,799 | 9.0%  | 1,478,544      | 7          | 465,221   | 7            | 98,233    | \$4.14       |
| 2009    | 6,221              | 266,664,552 | 29,500,604 | 29,888,502 | 11.2% | (5,862,524)    | 15         | 978,759   | 8            | 505,221   | \$4.20       |
| 2008    | 6,204              | 265,700,690 | 22,564,922 | 23,062,116 | 8.7%  | 2,675,846      | 24         | 2,813,294 | 16           | 1,016,642 | \$4.29       |
| 2007    | 6,178              | 264,648,837 | 24,146,920 | 24,686,109 | 9.3%  | (1,189,329)    | 34         | 3,353,455 | 23           | 2,234,834 | \$4.64       |

Source: CoStar Property®

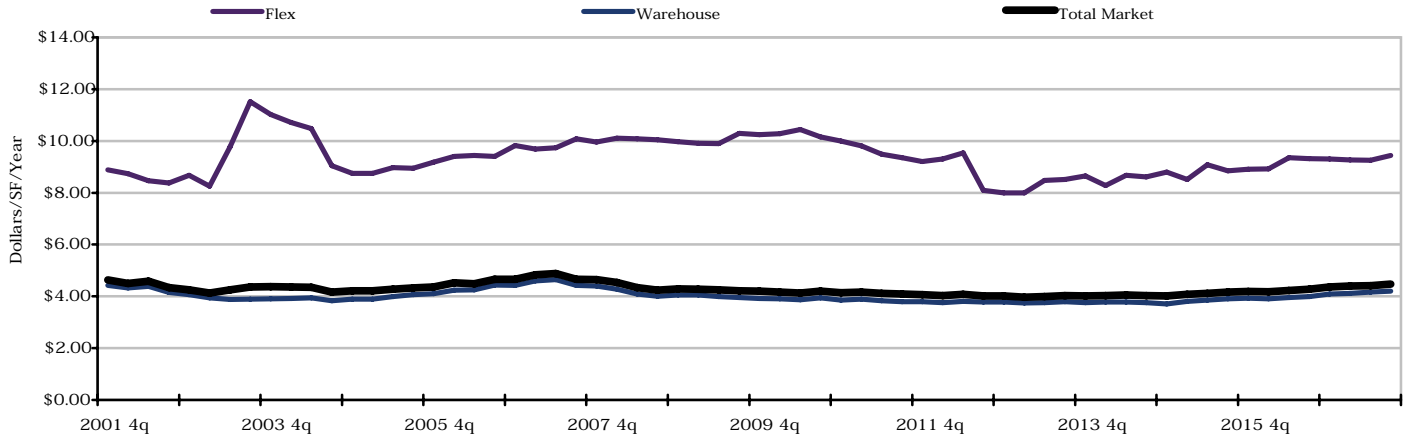
# St. Louis Industrial Market



Leasing Activity

## Historical Rental Rates

Based on Quoted Rental Rates

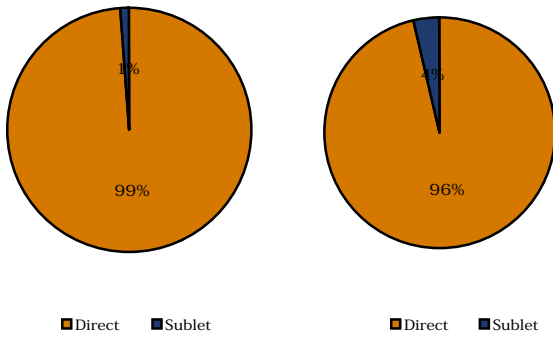


Source: CoStar Property®

## Vacancy by Available Space Type

Percent of All Vacant Space in Direct vs. Sublet

St. Louis      United States

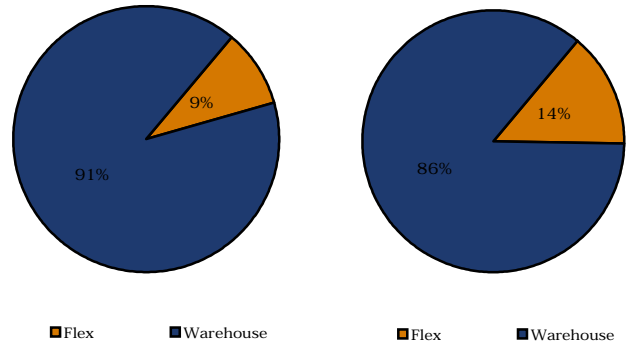


Source: CoStar Property®

## Vacancy by Building Type

Percent of All Vacant Space by Building Type

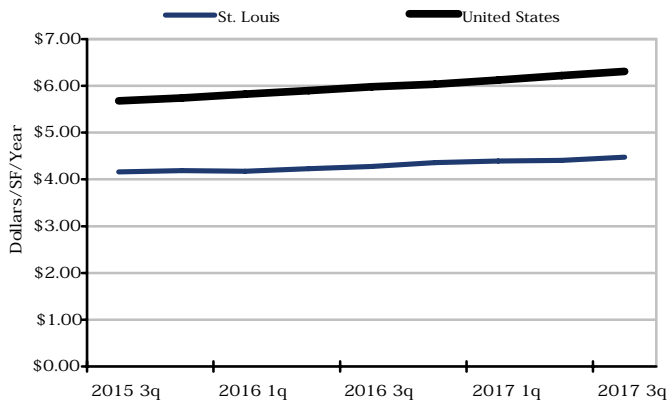
St. Louis      United States



Source: CoStar Property®

## U.S. Rental Rate Comparison

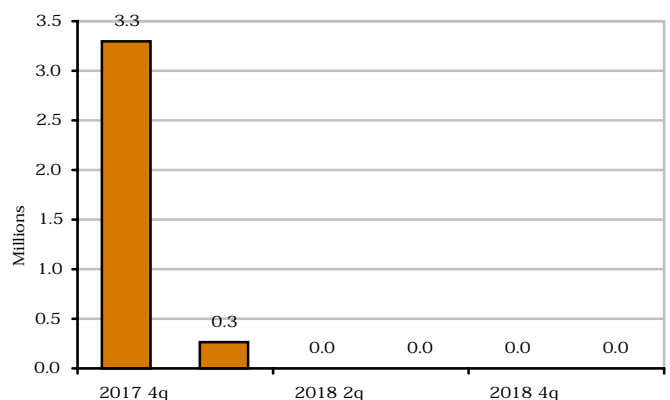
Based on Average Quoted Rental Rates



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 2017

| Building | Submarket                           | SF                      | Qtr     | Tenant Name | Tenant Rep Company                   | Landlord Rep Company  |                                   |
|----------|-------------------------------------|-------------------------|---------|-------------|--------------------------------------|-----------------------|-----------------------------------|
| 1        | Gateway East 624                    | Illinois Ind            | 624,150 | 2nd         | GEODIS                               | ProVenture            | Cushman & Wakefield               |
| 2        | Hazelwood Logistics Center 3        | Airport Ind             | 348,480 | 2nd         | Amazon                               | N/A                   | JLL                               |
| 3        | Gateway East 520                    | Illinois Ind            | 306,090 | 2nd         | Unknown Tenant                       | N/A                   | Cushman & Wakefield               |
| 4        | North Broadway Distribution Center  | St Louis City North Ind | 300,000 | 1st         | Fairfield Manufacturing              | N/A                   | CBRE, Inc.                        |
| 5        | UnionSeventyCenterBusPark-Main      | St Louis City North Ind | 295,142 | 1st         | Triad                                | N/A                   | Hilliker Corporation              |
| 6        | Hazelwood Logistics Center 2        | Airport Ind             | 270,980 | 2nd         | Quiet Logistics                      | N/A                   | JLL                               |
| 7        | Hazelwood Logistics 4               | Airport Ind             | 143,000 | 1st         | Bunzl Distribution                   | N/A                   | JLL                               |
| 8        | 3265 Rider Trail S                  | Earth City Ind          | 142,831 | 1st         | Lou Fusz Soccer Club                 | N/A                   | Sansone Group                     |
| 9        | Hazelwood Logistics 4               | Airport Ind             | 100,241 | 2nd         | Amazon                               | N/A                   | JLL                               |
| 10       | 13600 Shoreline Dr                  | Earth City Ind          | 91,497  | 1st         | Unknown Tenant                       | N/A                   | JLL                               |
| 11       | Earth City Business Park            | Earth City Ind          | 90,045  | 3rd         | UPS                                  | Direct Deal           | CBRE, Inc.                        |
| 12       | 13875 Corporate Woods Trl*          | Earth City Ind          | 67,848  | 3rd         | ADS Logistics Co, LLC                | N/A                   | CBRE, Inc.                        |
| 13       | Buske I                             | Illinois Ind            | 60,000  | 1st         | Unknown Tenant                       | CBRE, Inc.            | CBRE, Inc.                        |
| 14       | DukePort V*                         | Earth City Ind          | 52,000  | 1st         | Merric, Inc.                         | N/A                   | CBRE, Inc.                        |
| 15       | 14290 Manchester Rd                 | West County Ind         | 51,696  | 3rd         | Unknown Tenant                       | N/A                   | Gershman Commercial Real Estate   |
| 16       | Earth City Industrial Center #6     | Earth City Ind          | 51,200  | 1st         | Unknown Tenant                       | N/A                   | Cushman & Wakefield               |
| 17       | Elm St. & Hwy 370 East              | St Charles County Ind   | 50,000  | 2nd         | Unknown Tenant                       | N/A                   | Cushman & Wakefield               |
| 18       | Brown Campus #2                     | Airport Ind             | 43,055  | 1st         | Biomerieux                           | Direct Deal           | JLL                               |
| 19       | 527 Trade Center Blvd               | Chesterfield/Hwy-40 Ind | 40,300  | 3rd         | Unknown Tenant                       | N/A                   | NAI DESCO                         |
| 20       | St. Louis Commerce Center I         | St Louis City North Ind | 40,036  | 3rd         | Unknown Tenant                       | N/A                   | Cushman & Wakefield               |
| 21       | 3728 Market St                      | St Louis City South Ind | 40,000  | 3rd         | Team 3 Group/Global Import Solutions | N/A                   | Hawk Distribution Services, LLC   |
| 22       | Corporate 44 Industrial Park Bldg 2 | Fenton Ind              | 40,000  | 1st         | Unknown Tenant                       | N/A                   | Altus Properties                  |
| 23       | Park 370 Business Center I*         | North County Ind        | 38,018  | 3rd         | Jon Don Super Stores                 | N/A                   | BlockHawleyCommercial Real Estate |
| 24       | Commerce Center at Park 370         | North County Ind        | 32,800  | 2nd         | Unknown Tenant                       | N/A                   | JLL                               |
| 25       | 8921 Frost Ave                      | Airport Ind             | 32,000  | 2nd         | Flat World Logistics Inc.            | Newmark Grubb Zimmer  | Lee&Associates Commercial Real Es |
| 26       | 2609 Rock Hill Industrial Ct        | Hanley Ind              | 31,936  | 2nd         | Parties and Props Event Production   | Schlaflly Corporation | CBRE, Inc.                        |
| 27       | NorthPark Business Center I         | North County Ind        | 30,750  | 2nd         | SNAPP                                | Direct Deal           | JLL                               |
| 28       | Brown Campus #2                     | Airport Ind             | 30,652  | 1st         | Coastal Business Supplies            | N/A                   | JLL                               |
| 29       | 4227 Earth City Expy                | Earth City Ind          | 30,225  | 3rd         | Jon Don, LLC                         | N/A                   | BlockHawleyCommercial Real Estate |
| 30       | Earth City Industrial Center 7      | Earth City Ind          | 30,000  | 1st         | Unknown Tenant                       | N/A                   | Cushman & Wakefield               |
| 31       | 3159 Rider Trail S                  | Earth City Ind          | 30,000  | 3rd         | Unknown Tenant                       | N/A                   | CBRE, Inc.                        |
| 32       | 4410 Hunt Ave                       | St Louis City South Ind | 29,900  | 3rd         | Unknown Tenant                       | N/A                   | Hilliker Corporation              |
| 33       | Lambert Pointe A                    | Airport Ind             | 28,057  | 1st         | Retrievex                            | Direct Deal           | BlockHawleyCommercial Real Estate |
| 34       | 731 Prairie Dupont Dr               | Illinois Ind            | 27,470  | 1st         | Unknown Tenant                       | N/A                   | BarberMurphy Group                |
| 35       | Lambert Pointe D                    | Airport Ind             | 26,460  | 1st         | Stroco Manufacturing                 | N/A                   | BlockHawleyCommercial Real Estate |
| 36       | Commerce Center at Park 370         | North County Ind        | 26,400  | 1st         | ICP                                  | NAI DESCO             | JLL                               |
| 37       | Hazelwood Logistics Center 1        | Airport Ind             | 25,891  | 2nd         | Unknown Tenant                       | N/A                   | JLL                               |
| 38       | Mid County #9                       | Innerbelt E of 170 Ind  | 21,297  | 3rd         | Comfy Sacks                          | Hermann London        | CBRE, Inc.                        |
| 39       | 3808 Weber Rd                       | South County Ind        | 21,166  | 1st         | Unknown Tenant                       | N/A                   | Hilliker Corporation              |
| 40       | Lakefront I                         | Earth City Ind          | 20,028  | 2nd         | Unknown Tenant                       | N/A                   | Cushman & Wakefield               |

Source: CoStar Property®

\* Renewal

# St. Louis Industrial Market

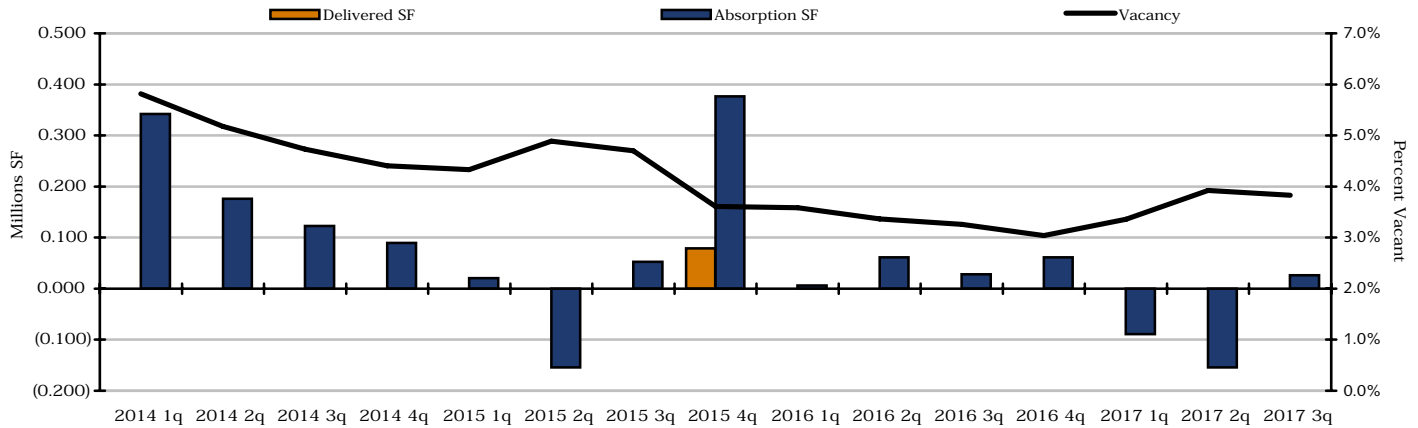


## Central County Market

### MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

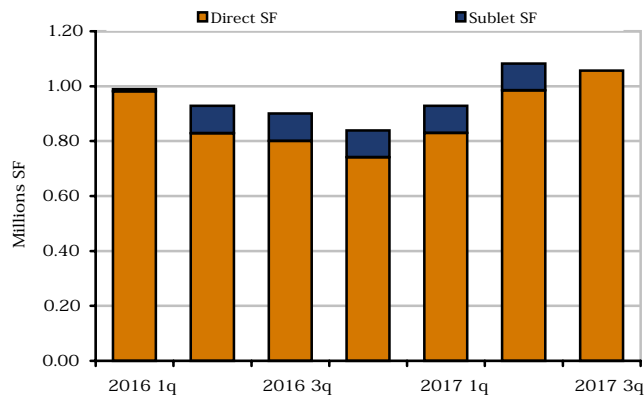
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

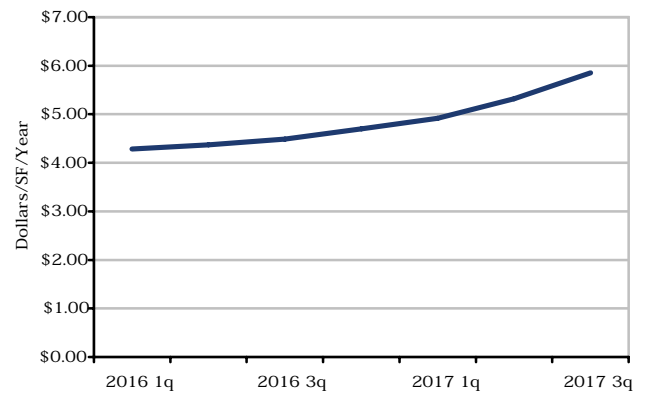
### Historical Analysis, Flex and Warehouse



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 |              |
| 2017 3q | 894                | 27,604,996 | 1,056,245 | 3.8%      | 26,030         | 0                   | 0         | 0            | 0         | \$5.85       |
| 2017 2q | 894                | 27,604,996 | 1,082,275 | 3.9%      | (154,264)      | 0                   | 0         | 0            | 0         | \$5.32       |
| 2017 1q | 894                | 27,604,996 | 928,011   | 3.4%      | (88,953)       | 0                   | 0         | 0            | 0         | \$4.92       |
| 2016 4q | 894                | 27,604,996 | 839,058   | 3.0%      | 61,283         | 0                   | 0         | 0            | 0         | \$4.70       |
| 2016 3q | 894                | 27,604,996 | 900,341   | 3.3%      | 28,032         | 0                   | 0         | 0            | 0         | \$4.49       |
| 2016 2q | 894                | 27,604,996 | 928,373   | 3.4%      | 61,218         | 0                   | 0         | 0            | 0         | \$4.37       |
| 2016 1q | 894                | 27,604,996 | 989,591   | 3.6%      | 6,368          | 0                   | 0         | 0            | 0         | \$4.28       |
| 2015 4q | 894                | 27,604,996 | 995,959   | 3.6%      | 376,720        | 1                   | 79,000    | 0            | 0         | \$4.33       |
| 2015 3q | 893                | 27,525,996 | 1,293,679 | 4.7%      | 52,281         | 0                   | 0         | 1            | 79,000    | \$4.35       |
| 2015 2q | 893                | 27,525,996 | 1,345,960 | 4.9%      | (154,408)      | 0                   | 0         | 1            | 79,000    | \$4.29       |
| 2015 1q | 893                | 27,525,996 | 1,191,552 | 4.3%      | 20,826         | 0                   | 0         | 1            | 79,000    | \$4.38       |
| 2014 4q | 893                | 27,525,996 | 1,212,378 | 4.4%      | 89,474         | 0                   | 0         | 1            | 79,000    | \$4.18       |
| 2014 3q | 893                | 27,525,996 | 1,301,852 | 4.7%      | 122,653        | 0                   | 0         | 1            | 79,000    | \$4.19       |
| 2014 2q | 893                | 27,525,996 | 1,424,505 | 5.2%      | 175,992        | 0                   | 0         | 1            | 79,000    | \$4.23       |
| 2014 1q | 893                | 27,525,996 | 1,600,497 | 5.8%      | 342,262        | 0                   | 0         | 0            | 0         | \$4.24       |
| 2013 4q | 894                | 27,528,846 | 1,945,609 | 7.1%      | 98,704         | 0                   | 0         | 0            | 0         | \$4.28       |

Source: CoStar Property®

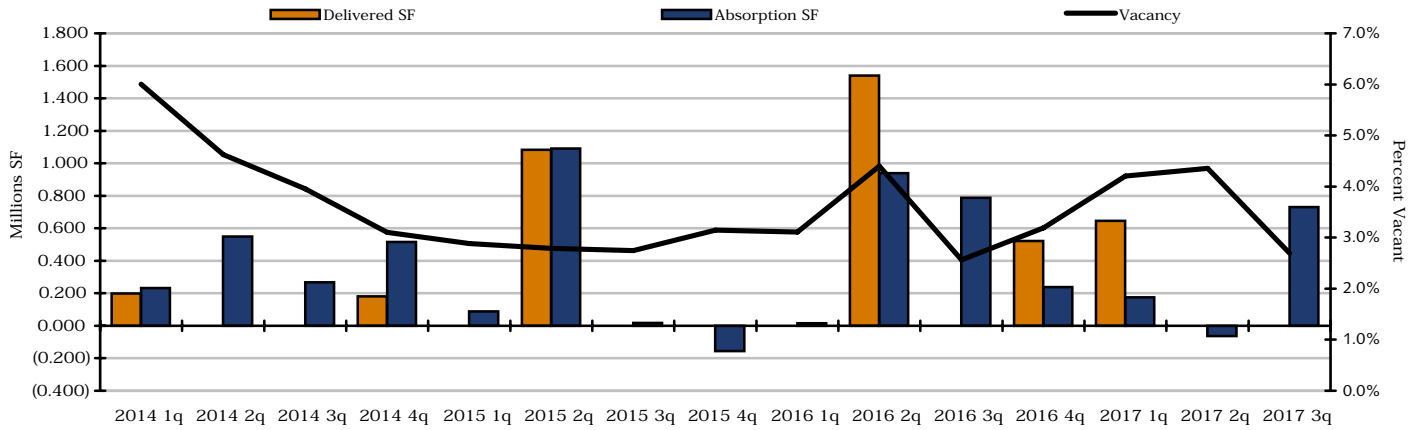


# St. Louis Industrial Market

Illinois Market  
MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

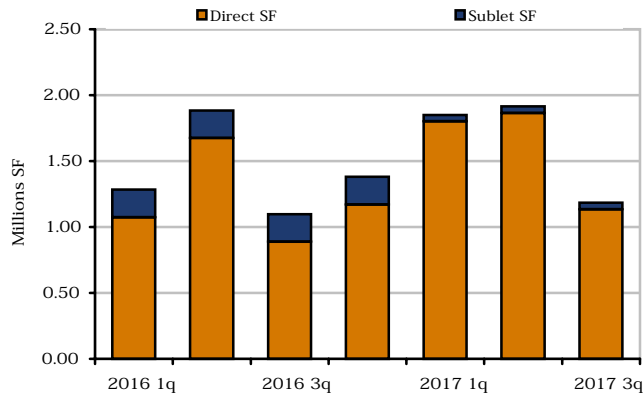
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

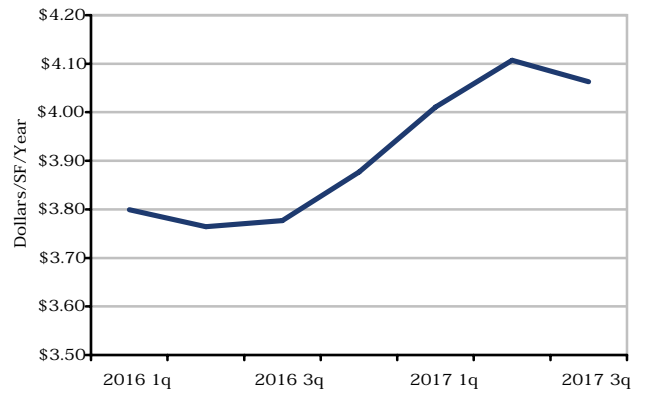
Historical Analysis, Flex and Warehouse



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 |              |
| 2017 3q | 765                | 43,975,875 | 1,183,921 | 2.7%      | 730,501        | 0                   | 0         | 2            | 641,540   | \$4.06       |
| 2017 2q | 765                | 43,975,875 | 1,914,422 | 4.4%      | (64,126)       | 0                   | 0         | 2            | 641,540   | \$4.11       |
| 2017 1q | 765                | 43,975,875 | 1,850,296 | 4.2%      | 176,048        | 2                   | 645,400   | 2            | 641,540   | \$4.01       |
| 2016 4q | 763                | 43,330,475 | 1,380,944 | 3.2%      | 237,592        | 1                   | 520,980   | 3            | 693,000   | \$3.88       |
| 2016 3q | 762                | 42,809,495 | 1,097,556 | 2.6%      | 786,852        | 0                   | 0         | 4            | 1,213,980 | \$3.78       |
| 2016 2q | 762                | 42,809,495 | 1,884,408 | 4.4%      | 939,933        | 3                   | 1,540,550 | 2            | 568,580   | \$3.76       |
| 2016 1q | 759                | 41,268,945 | 1,283,791 | 3.1%      | 15,586         | 0                   | 0         | 3            | 1,540,550 | \$3.80       |
| 2015 4q | 759                | 41,268,945 | 1,299,377 | 3.1%      | (155,923)      | 0                   | 0         | 3            | 1,540,550 | \$3.79       |
| 2015 3q | 758                | 41,258,115 | 1,132,624 | 2.7%      | 17,026         | 0                   | 0         | 3            | 1,498,080 | \$3.66       |
| 2015 2q | 758                | 41,258,115 | 1,149,650 | 2.8%      | 1,091,234      | 2                   | 1,083,137 | 1            | 10,830    | \$3.69       |
| 2015 1q | 756                | 40,174,978 | 1,157,747 | 2.9%      | 88,931         | 0                   | 0         | 2            | 1,083,137 | \$3.63       |
| 2014 4q | 756                | 40,174,978 | 1,246,678 | 3.1%      | 516,035        | 1                   | 181,000   | 2            | 1,083,137 | \$3.61       |
| 2014 3q | 755                | 39,993,978 | 1,581,713 | 4.0%      | 268,392        | 0                   | 0         | 2            | 854,137   | \$3.65       |
| 2014 2q | 755                | 39,993,978 | 1,850,105 | 4.6%      | 550,018        | 0                   | 0         | 1            | 181,000   | \$3.80       |
| 2014 1q | 755                | 39,993,978 | 2,400,123 | 6.0%      | 231,691        | 1                   | 198,773   | 1            | 181,000   | \$3.76       |
| 2013 4q | 754                | 39,795,205 | 2,433,041 | 6.1%      | (203,669)      | 0                   | 0         | 1            | 198,773   | \$3.85       |

Source: CoStar Property®

# St. Louis Industrial Market

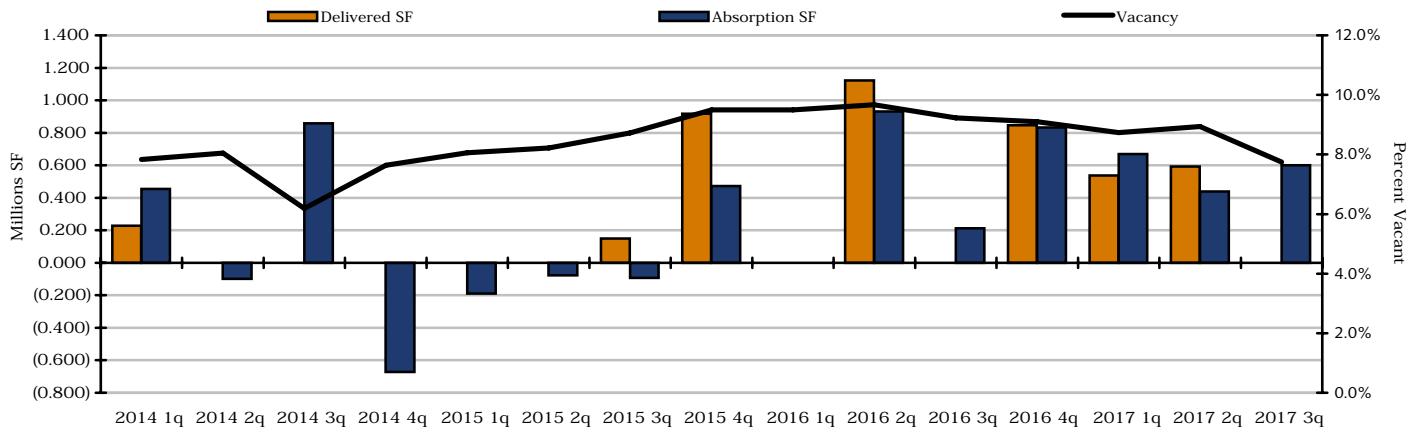


## North St. Louis County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

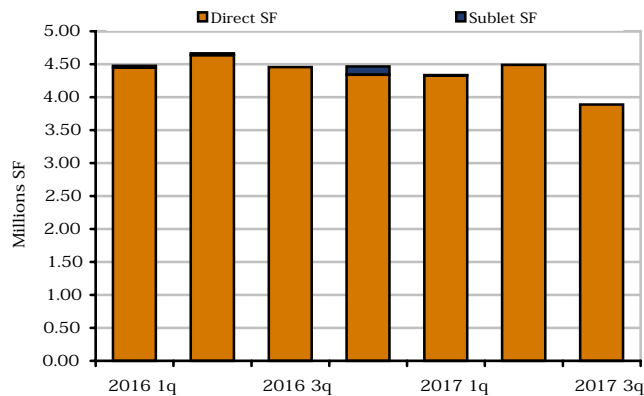
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

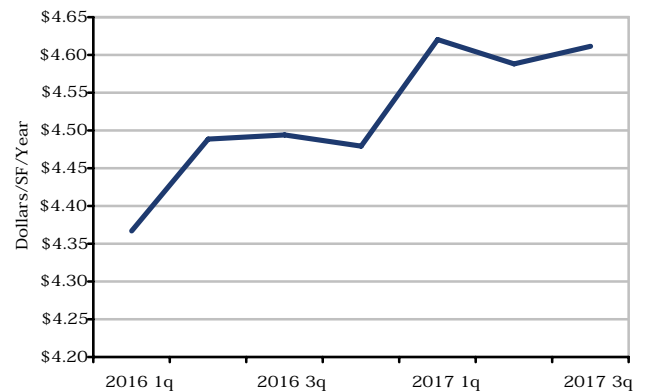
Historical Analysis, Flex and Warehouse



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 |              |
| 2017 3q | 718                | 50,226,014 | 3,887,829 | 7.7%      | 600,682        | 0                   | 0         | 4            | 1,097,278 | \$4.61       |
| 2017 2q | 718                | 50,226,014 | 4,488,511 | 8.9%      | 439,015        | 2                   | 591,721   | 4            | 1,097,278 | \$4.59       |
| 2017 1q | 716                | 49,634,293 | 4,335,805 | 8.7%      | 669,574        | 1                   | 537,753   | 6            | 1,688,999 | \$4.62       |
| 2016 4q | 715                | 49,096,540 | 4,467,626 | 9.1%      | 833,374        | 2                   | 845,800   | 4            | 1,678,324 | \$4.48       |
| 2016 3q | 713                | 48,250,740 | 4,455,200 | 9.2%      | 212,000        | 0                   | 0         | 3            | 1,383,553 | \$4.49       |
| 2016 2q | 713                | 48,250,740 | 4,667,200 | 9.7%      | 931,489        | 2                   | 1,122,778 | 3            | 1,383,553 | \$4.49       |
| 2016 1q | 711                | 47,127,962 | 4,475,911 | 9.5%      | (309)          | 0                   | 0         | 3            | 1,546,778 | \$4.37       |
| 2015 4q | 711                | 47,127,962 | 4,475,602 | 9.5%      | 472,694        | 3                   | 918,261   | 3            | 1,546,778 | \$4.39       |
| 2015 3q | 708                | 46,209,701 | 4,030,035 | 8.7%      | (92,622)       | 1                   | 150,041   | 5            | 2,265,751 | \$4.35       |
| 2015 2q | 707                | 46,059,660 | 3,787,372 | 8.2%      | (77,293)       | 0                   | 0         | 4            | 956,802   | \$4.33       |
| 2015 1q | 707                | 46,059,660 | 3,710,079 | 8.1%      | (189,687)      | 0                   | 0         | 2            | 461,027   | \$4.38       |
| 2014 4q | 707                | 46,059,660 | 3,520,392 | 7.6%      | (672,054)      | 0                   | 0         | 1            | 310,986   | \$4.35       |
| 2014 3q | 707                | 46,059,660 | 2,848,338 | 6.2%      | 859,144        | 0                   | 0         | 0            | 0         | \$4.32       |
| 2014 2q | 707                | 46,059,660 | 3,707,482 | 8.0%      | (99,794)       | 0                   | 0         | 0            | 0         | \$4.18       |
| 2014 1q | 707                | 46,059,660 | 3,607,688 | 7.8%      | 454,528        | 1                   | 227,500   | 0            | 0         | \$4.11       |
| 2013 4q | 707                | 45,837,160 | 3,839,716 | 8.4%      | 736,123        | 0                   | 0         | 1            | 227,500   | \$3.98       |

Source: CoStar Property®



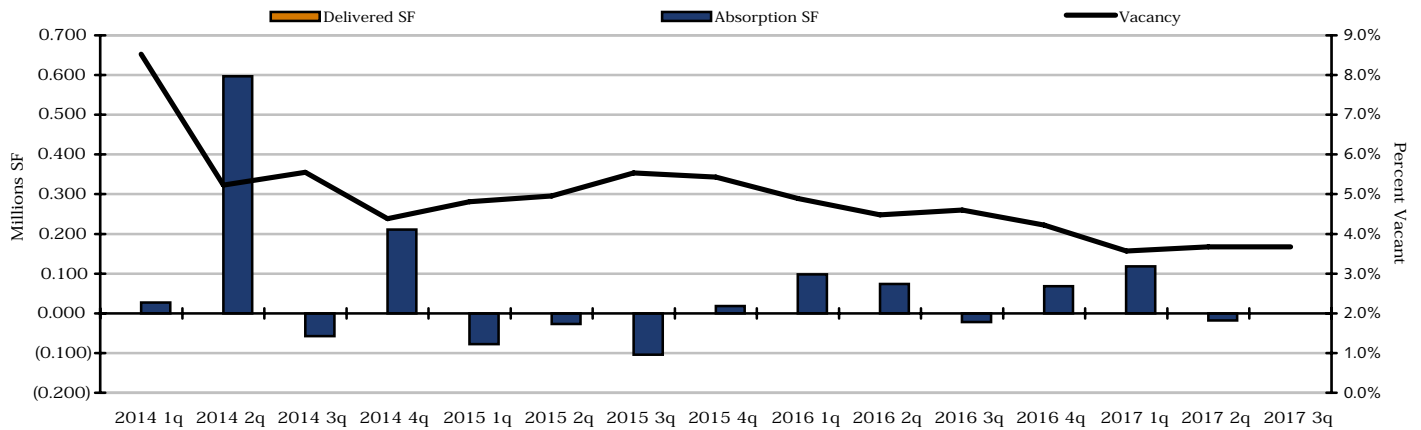
# St. Louis Industrial Market

## South St. Louis County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

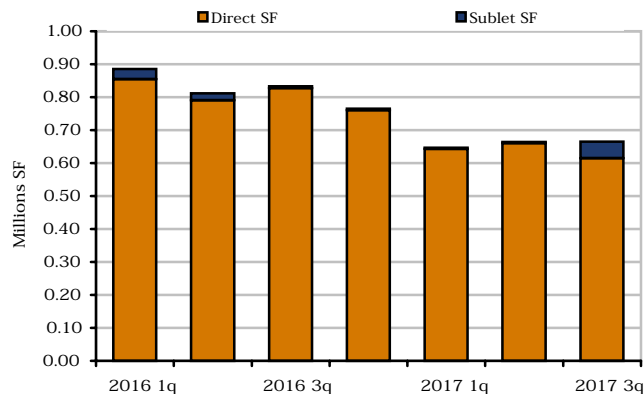
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

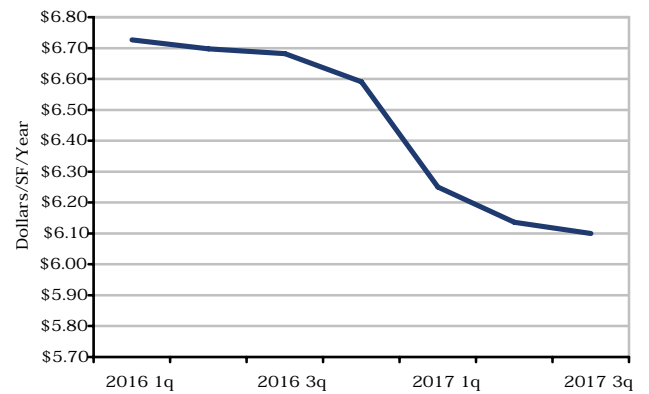
### Historical Analysis, Flex and Warehouse



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 |              |
| 2017 3q | 505                | 18,100,613 | 664,837   | 3.7%      | (413)          | 0                   | 0         | 1            | 158,400   | \$6.10       |
| 2017 2q | 505                | 18,100,613 | 664,424   | 3.7%      | (17,826)       | 0                   | 0         | 1            | 158,400   | \$6.14       |
| 2017 1q | 505                | 18,100,613 | 646,598   | 3.6%      | 118,201        | 0                   | 0         | 1            | 158,400   | \$6.25       |
| 2016 4q | 505                | 18,100,613 | 764,799   | 4.2%      | 68,394         | 0                   | 0         | 1            | 158,400   | \$6.59       |
| 2016 3q | 505                | 18,100,613 | 833,193   | 4.6%      | (22,027)       | 0                   | 0         | 0            | 0         | \$6.68       |
| 2016 2q | 505                | 18,100,613 | 811,166   | 4.5%      | 73,900         | 0                   | 0         | 0            | 0         | \$6.70       |
| 2016 1q | 505                | 18,100,613 | 885,066   | 4.9%      | 97,980         | 0                   | 0         | 0            | 0         | \$6.73       |
| 2015 4q | 505                | 18,100,613 | 983,046   | 5.4%      | 18,698         | 0                   | 0         | 0            | 0         | \$6.73       |
| 2015 3q | 505                | 18,100,613 | 1,001,744 | 5.5%      | (104,103)      | 0                   | 0         | 0            | 0         | \$6.27       |
| 2015 2q | 505                | 18,100,613 | 897,641   | 5.0%      | (26,739)       | 0                   | 0         | 0            | 0         | \$6.21       |
| 2015 1q | 505                | 18,100,613 | 870,902   | 4.8%      | (77,618)       | 0                   | 0         | 0            | 0         | \$6.01       |
| 2014 4q | 505                | 18,100,613 | 793,284   | 4.4%      | 211,099        | 0                   | 0         | 0            | 0         | \$5.43       |
| 2014 3q | 505                | 18,100,613 | 1,004,383 | 5.5%      | (57,541)       | 0                   | 0         | 0            | 0         | \$5.55       |
| 2014 2q | 505                | 18,100,613 | 946,842   | 5.2%      | 596,501        | 0                   | 0         | 0            | 0         | \$5.51       |
| 2014 1q | 505                | 18,100,613 | 1,543,343 | 8.5%      | 27,333         | 0                   | 0         | 0            | 0         | \$5.50       |
| 2013 4q | 505                | 18,100,613 | 1,570,676 | 8.7%      | 227,682        | 0                   | 0         | 0            | 0         | \$5.27       |

Source: CoStar Property®

# St. Louis Industrial Market

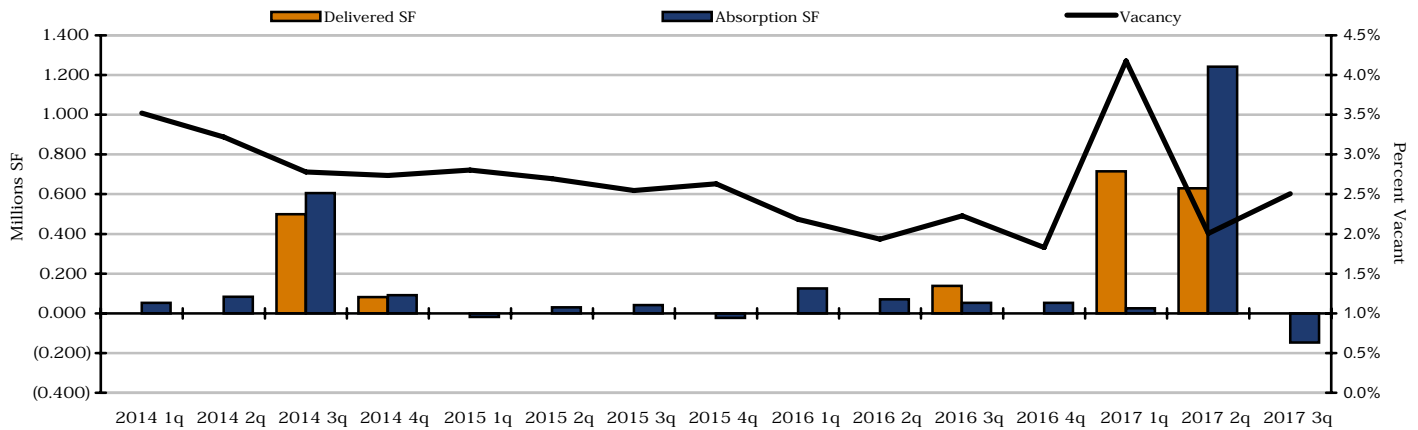


## St Charles County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

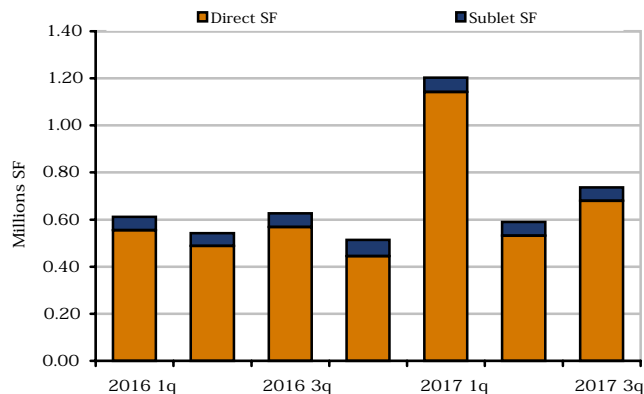
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

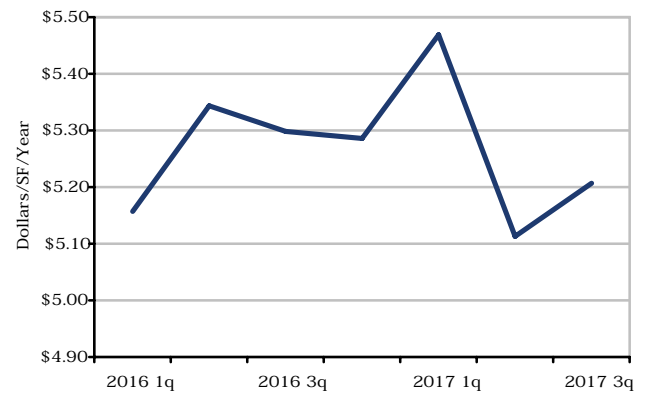
### Historical Analysis, Flex and Warehouse



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 |              |
| 2017 3q | 819                | 29,430,044 | 737,208   | 2.5%      | (147,311)      | 0                   | 0         | 4            | 926,750   | \$5.21       |
| 2017 2q | 819                | 29,430,044 | 589,897   | 2.0%      | 1,242,295      | 1                   | 629,000   | 4            | 926,750   | \$5.11       |
| 2017 1q | 818                | 28,801,044 | 1,203,192 | 4.2%      | 25,583         | 1                   | 714,780   | 4            | 1,255,750 | \$5.47       |
| 2016 4q | 817                | 28,086,264 | 513,995   | 1.8%      | 52,838         | 0                   | 0         | 4            | 1,718,530 | \$5.29       |
| 2016 3q | 818                | 28,146,264 | 626,833   | 2.2%      | 52,935         | 1                   | 138,000   | 2            | 1,343,780 | \$5.30       |
| 2016 2q | 817                | 28,008,264 | 541,768   | 1.9%      | 69,932         | 0                   | 0         | 3            | 1,481,780 | \$5.34       |
| 2016 1q | 817                | 28,008,264 | 611,700   | 2.2%      | 124,655        | 0                   | 0         | 2            | 852,780   | \$5.16       |
| 2015 4q | 817                | 28,008,264 | 736,355   | 2.6%      | (23,113)       | 0                   | 0         | 1            | 138,000   | \$5.12       |
| 2015 3q | 817                | 28,008,264 | 713,242   | 2.5%      | 41,112         | 0                   | 0         | 0            | 0         | \$5.15       |
| 2015 2q | 817                | 28,008,264 | 754,354   | 2.7%      | 30,456         | 0                   | 0         | 0            | 0         | \$5.20       |
| 2015 1q | 817                | 28,008,264 | 784,810   | 2.8%      | (18,677)       | 0                   | 0         | 0            | 0         | \$5.06       |
| 2014 4q | 817                | 28,008,264 | 766,133   | 2.7%      | 92,104         | 1                   | 81,844    | 0            | 0         | \$5.21       |
| 2014 3q | 816                | 27,926,420 | 776,393   | 2.8%      | 606,162        | 1                   | 500,000   | 1            | 81,844    | \$4.76       |
| 2014 2q | 815                | 27,426,420 | 882,555   | 3.2%      | 83,132         | 0                   | 0         | 2            | 581,844   | \$4.85       |
| 2014 1q | 815                | 27,426,420 | 965,687   | 3.5%      | 52,487         | 0                   | 0         | 2            | 581,844   | \$4.55       |
| 2013 4q | 815                | 27,426,420 | 1,018,174 | 3.7%      | 74,759         | 0                   | 0         | 1            | 500,000   | \$4.54       |

Source: CoStar Property®



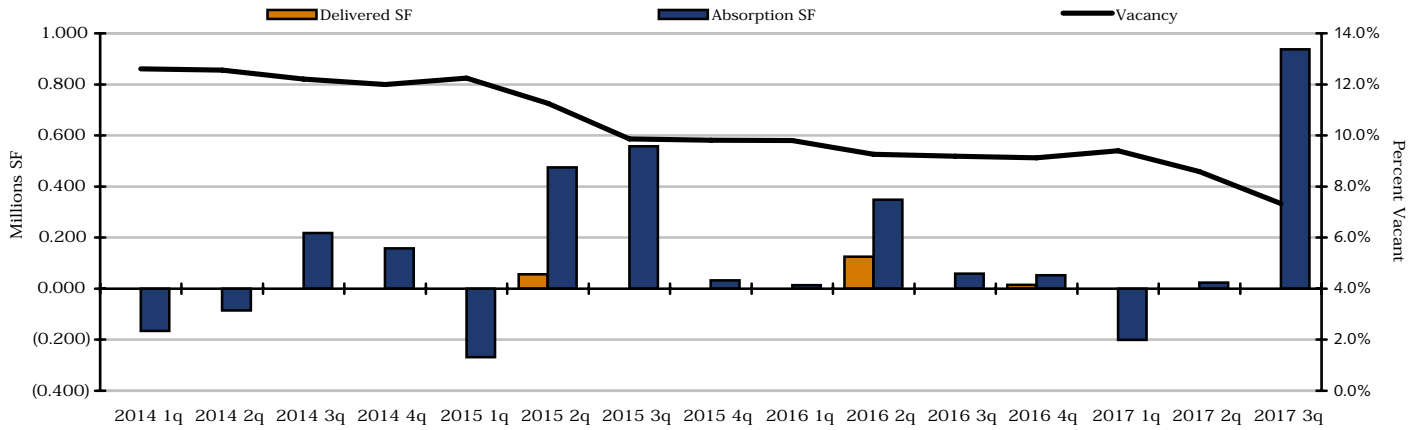
# St. Louis Industrial Market

St. Louis City Market

MARKET HIGHLIGHTS - Flex & Warehouse

## Deliveries, Absorption & Vacancy

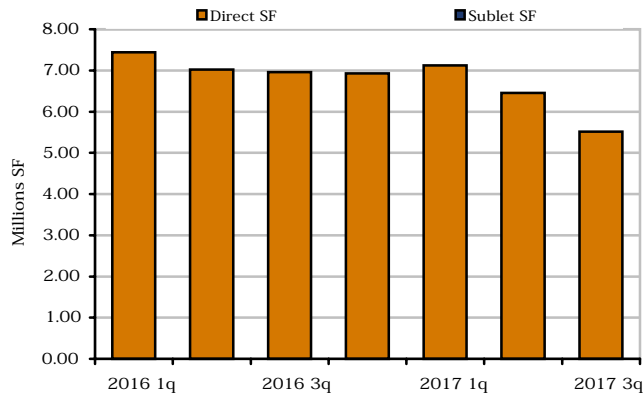
Historical Analysis, Flex and Warehouse



Source: CoStar Property®

## Vacant Space

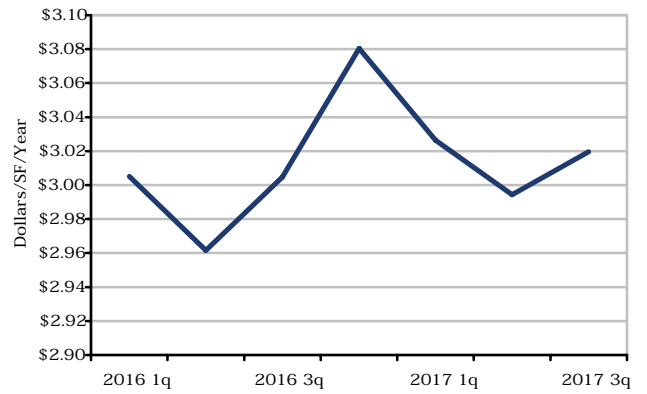
Historical Analysis, Flex and Warehouse



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 |              |
| 2017 3q | 1,803              | 75,195,765 | 5,517,150 | 7.3%      | 936,944        | 0                   | 0         | 0            | 0         | \$3.02       |
| 2017 2q | 1,803              | 75,195,765 | 6,454,094 | 8.6%      | 24,111         | 0                   | 0         | 0            | 0         | \$2.99       |
| 2017 1q | 1,805              | 75,843,221 | 7,125,661 | 9.4%      | (200,682)      | 0                   | 0         | 0            | 0         | \$3.03       |
| 2016 4q | 1,805              | 75,843,221 | 6,924,979 | 9.1%      | 52,844         | 1                   | 15,000    | 0            | 0         | \$3.08       |
| 2016 3q | 1,804              | 75,828,221 | 6,962,823 | 9.2%      | 59,251         | 0                   | 0         | 1            | 15,000    | \$3.00       |
| 2016 2q | 1,804              | 75,828,221 | 7,022,074 | 9.3%      | 348,321        | 1                   | 125,000   | 1            | 15,000    | \$2.96       |
| 2016 1q | 1,804              | 75,896,150 | 7,438,324 | 9.8%      | 13,636         | 0                   | 0         | 1            | 125,000   | \$3.01       |
| 2015 4q | 1,804              | 75,896,150 | 7,451,960 | 9.8%      | 32,150         | 0                   | 0         | 1            | 125,000   | \$3.01       |
| 2015 3q | 1,804              | 75,896,150 | 7,484,110 | 9.9%      | 557,520        | 0                   | 0         | 1            | 125,000   | \$3.05       |
| 2015 2q | 1,809              | 76,458,763 | 8,604,243 | 11.3%     | 475,300        | 1                   | 56,000    | 0            | 0         | \$2.96       |
| 2015 1q | 1,815              | 76,780,611 | 9,401,391 | 12.2%     | (268,753)      | 0                   | 0         | 1            | 56,000    | \$2.92       |
| 2014 4q | 1,817              | 76,869,180 | 9,221,207 | 12.0%     | 158,283        | 0                   | 0         | 1            | 56,000    | \$2.90       |
| 2014 3q | 1,817              | 76,869,180 | 9,379,490 | 12.2%     | 217,969        | 0                   | 0         | 1            | 56,000    | \$2.97       |
| 2014 2q | 1,819              | 76,931,656 | 9,659,935 | 12.6%     | (85,045)       | 0                   | 0         | 1            | 56,000    | \$2.97       |
| 2014 1q | 1,823              | 77,077,868 | 9,721,102 | 12.6%     | (166,183)      | 0                   | 0         | 0            | 0         | \$2.93       |
| 2013 4q | 1,826              | 77,124,380 | 9,601,431 | 12.4%     | (132,421)      | 0                   | 0         | 0            | 0         | \$2.90       |

Source: CoStar Property®

# St. Louis Industrial Market

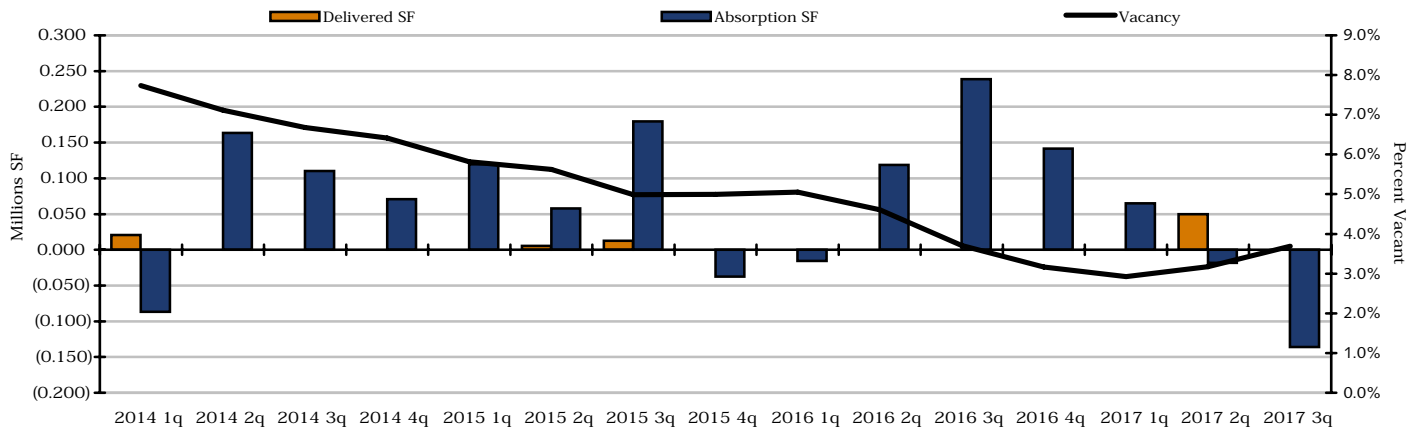


## West St Louis County Market

MARKET HIGHLIGHTS - Flex & Warehouse

### Deliveries, Absorption & Vacancy

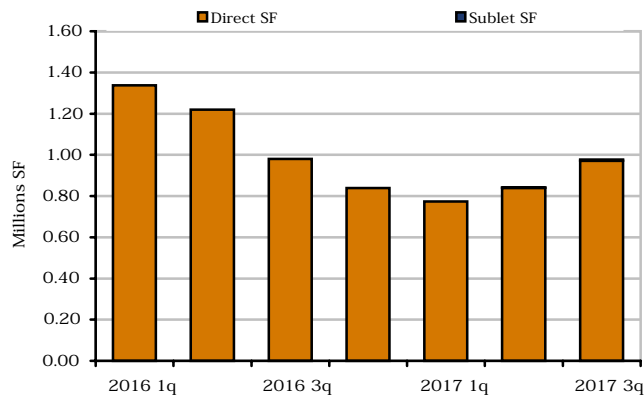
### Historical Analysis, Flex and Warehouse



Source: CoStar Property®

### Vacant Space

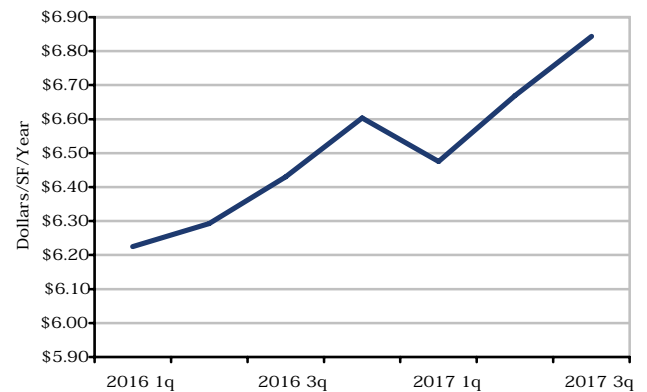
### Historical Analysis, Flex and Warehouse



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 |              |
| 2017 3q | 728                | 26,503,749 | 977,366   | 3.7%      | (135,817)      | 0                   | 0         | 3            | 915,000   | \$6.84       |
| 2017 2q | 728                | 26,503,749 | 841,549   | 3.2%      | (18,223)       | 2                   | 50,000    | 2            | 620,000   | \$6.67       |
| 2017 1q | 726                | 26,453,749 | 773,326   | 2.9%      | 64,987         | 0                   | 0         | 4            | 670,000   | \$6.48       |
| 2016 4q | 726                | 26,453,749 | 838,313   | 3.2%      | 141,549        | 0                   | 0         | 4            | 670,000   | \$6.60       |
| 2016 3q | 726                | 26,453,749 | 979,862   | 3.7%      | 238,863        | 0                   | 0         | 3            | 635,000   | \$6.43       |
| 2016 2q | 726                | 26,453,749 | 1,218,725 | 4.6%      | 118,741        | 0                   | 0         | 3            | 635,000   | \$6.29       |
| 2016 1q | 726                | 26,453,749 | 1,337,466 | 5.1%      | (15,756)       | 0                   | 0         | 2            | 620,000   | \$6.23       |
| 2015 4q | 726                | 26,453,749 | 1,321,710 | 5.0%      | (37,670)       | 0                   | 0         | 2            | 620,000   | \$6.04       |
| 2015 3q | 727                | 26,491,530 | 1,321,821 | 5.0%      | 179,652        | 1                   | 12,800    | 1            | 590,000   | \$5.97       |
| 2015 2q | 726                | 26,478,730 | 1,488,673 | 5.6%      | 57,845         | 1                   | 5,543     | 1            | 12,800    | \$5.91       |
| 2015 1q | 725                | 26,473,187 | 1,540,975 | 5.8%      | 119,676        | 0                   | 0         | 2            | 18,343    | \$5.92       |
| 2014 4q | 727                | 26,513,048 | 1,700,512 | 6.4%      | 70,800         | 0                   | 0         | 1            | 12,800    | \$5.90       |
| 2014 3q | 727                | 26,513,048 | 1,771,312 | 6.7%      | 110,375        | 0                   | 0         | 0            | 0         | \$5.92       |
| 2014 2q | 728                | 26,518,729 | 1,887,368 | 7.1%      | 163,421        | 0                   | 0         | 0            | 0         | \$5.86       |
| 2014 1q | 728                | 26,518,729 | 2,050,789 | 7.7%      | (86,727)       | 1                   | 20,800    | 0            | 0         | \$5.74       |
| 2013 4q | 727                | 26,497,929 | 1,943,262 | 7.3%      | (71,425)       | 0                   | 0         | 1            | 20,800    | \$5.91       |

Source: CoStar Property®