ST LOUIS REGIONAL FREIGHTWAY

ST. LOUIS REGIONAL REAL ESTATE

Market Indicators & Workforce Statistics

SUMMER 2019

ST LOUIS REGIONAL FREIGHTWAY

The St. Louis region has **the industrial space, the available workforce,** and is ready to help you find the space you need.

THE ST. LOUIS REGIONAL FREIGHTWAY has created this newsletter to educate business leaders about the recent growth in the industrial market and how the region is poised for further expansion.

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THEFREIGHTWAY.COM

ST LOUIS REGIONAL FREIGHTWAY

This market report showcases the St. Louis regional industrial landscape and focuses on the freight, logistics, and distribution market. The St. Louis Regional Freightway wants to put a spotlight on the hot spots within the market and highlight the region's capacity to deliver a job-ready workforce.

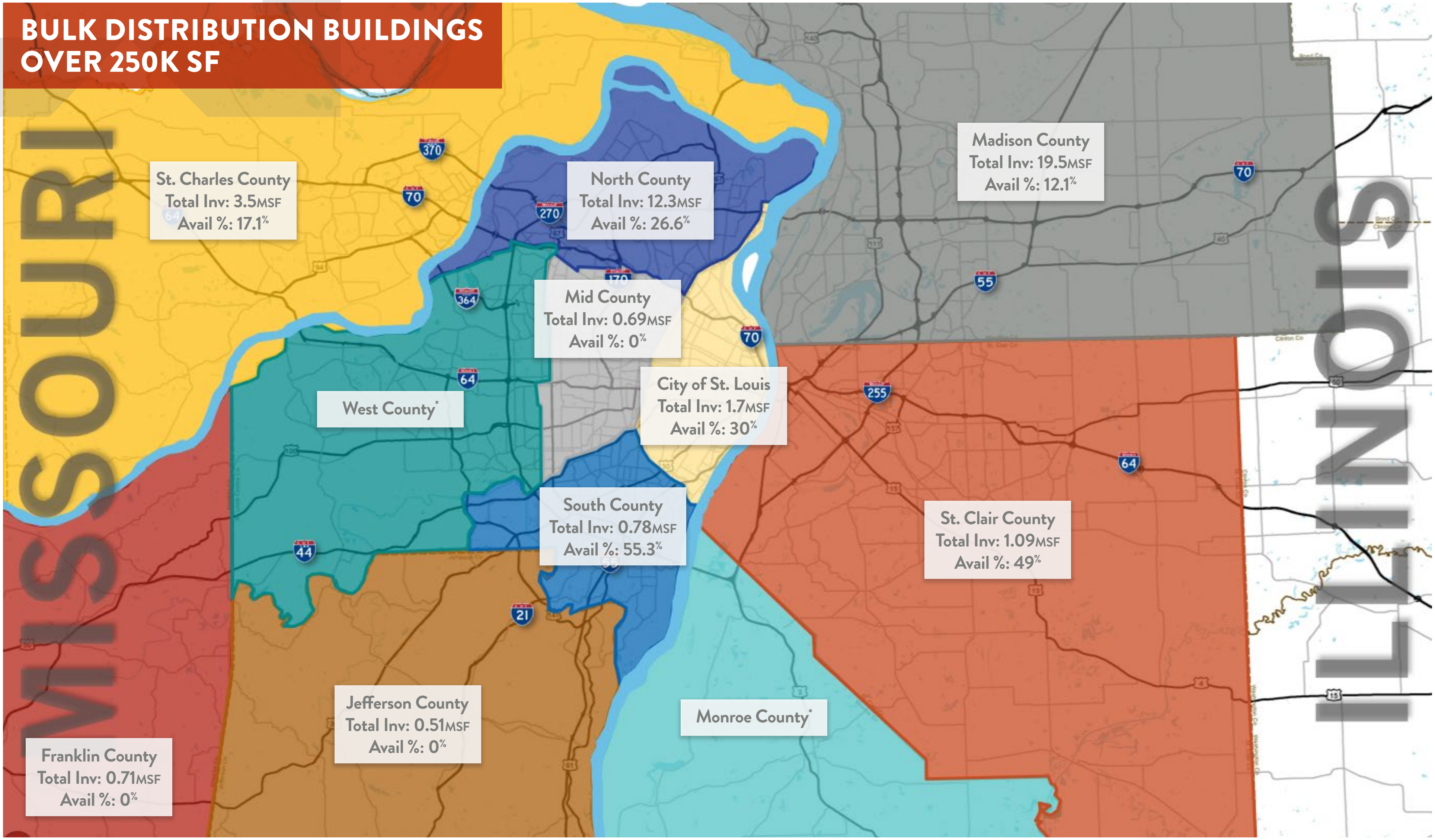
EXPLORE THIS NEWSLETTER
to find out why the St. Louis region industrial market is a prime location for freight operations!

Interactive Newsletter Outline

ST LOUIS REGIONAL FREIGHTWAY

INDUSTRIAL REAL ESTATE MARKET INDICATORS

BULK DISTRIBUTION BUILDINGS OVER 250K SF

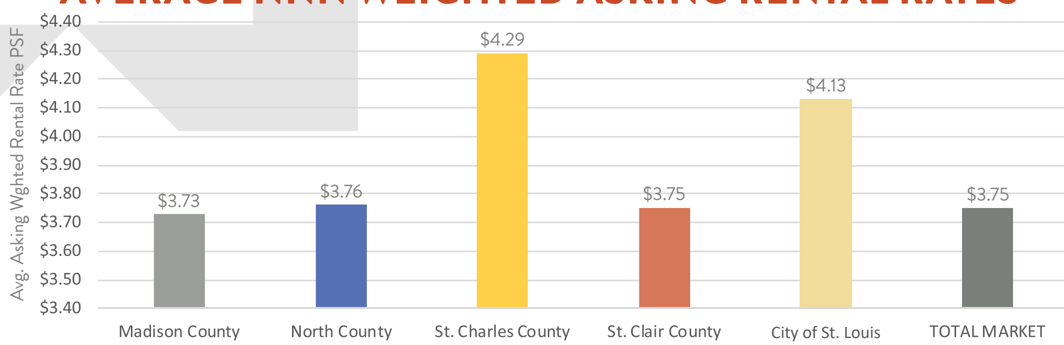


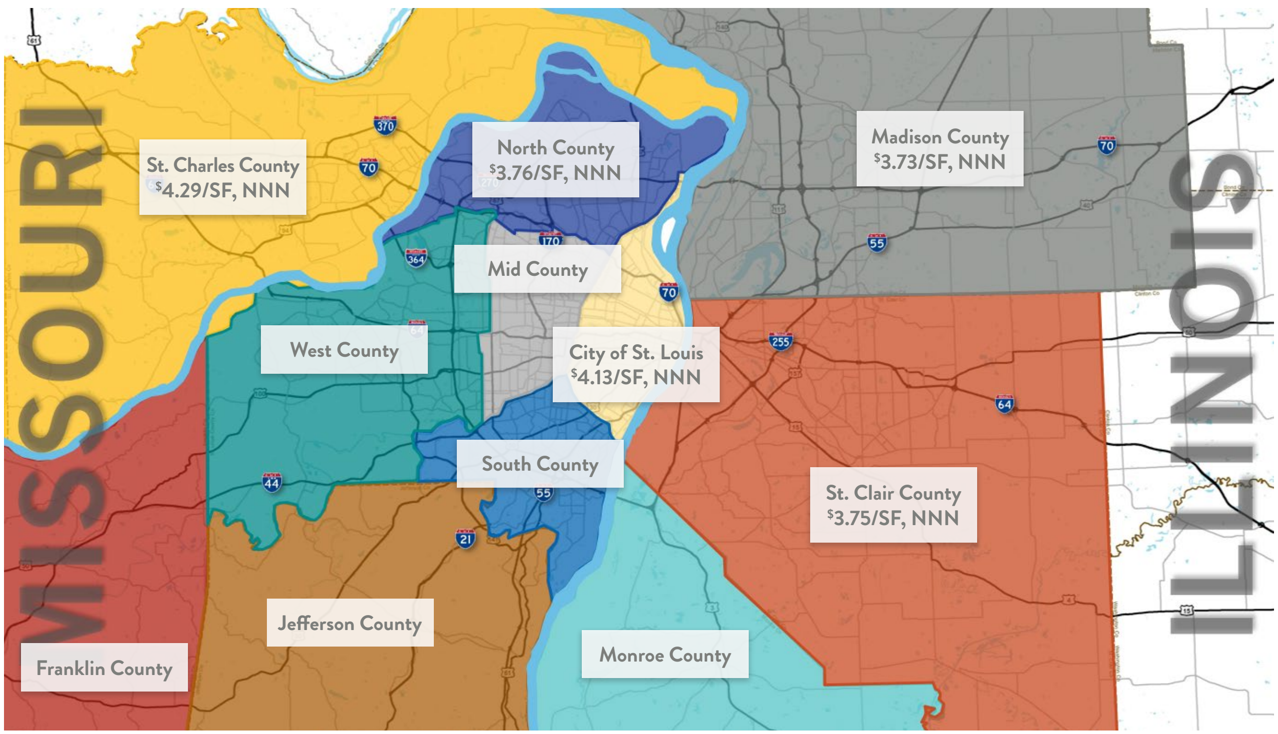
Source: CoStar – St. Louis MSA; Existing industrial buildings over 250,000 SF, over 24' Clear; Single Story
*Monroe Co, IL and West County, MO do not have inventory fitting the parameters on CoStar.

ST LOUIS REGIONAL FREIGHTWAY

INDUSTRIAL REAL ESTATE MARKET INDICATORS

AVERAGE NNN WEIGHTED ASKING RENTAL RATES





Source: CoStar – St. Louis MSA; Existing industrial buildings over 250,000 SF, over 24' Clear; Single Story
*Only reported NNN asking rents were used.

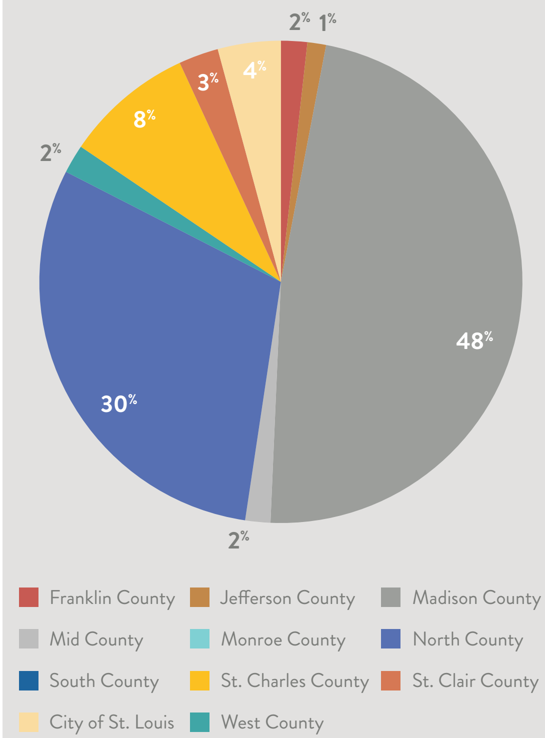
TOTAL INVENTORY SIZE

(BULK DISTRIBUTION OVER 250,000 SF)

±40.8 MSF

INVENTORY BREAKDOWN

(BY BUILDING SF)



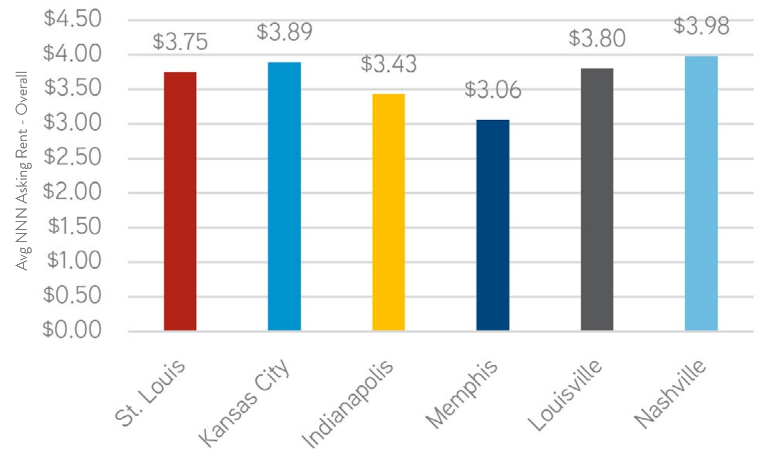
ST LOUIS REGIONAL FREIGHTWAY

ST. LOUIS REGIONAL ADVANTAGES

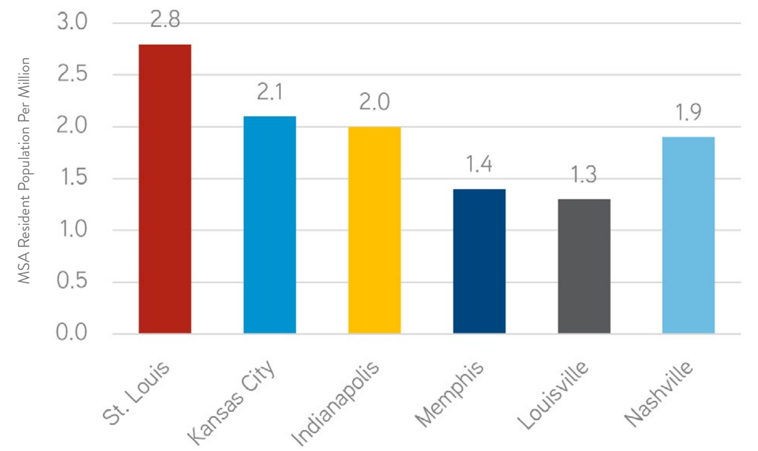
ST. LOUIS COMPARISON

	INVENTORY SIZE (SF)	# OF BLDGS	POPULATION
St. Louis	40.8MSF	80	2.8M
Kansas City	46.6MSF	85	2.1M
Indianapolis	85.3MSF	165	2.0M
Memphis	82.7MSF	149	1.4M
Louisville	35.9MSF	73	1.3M
Nashville	54.7MSF	103	1.9M

NNN ASKING RATE*



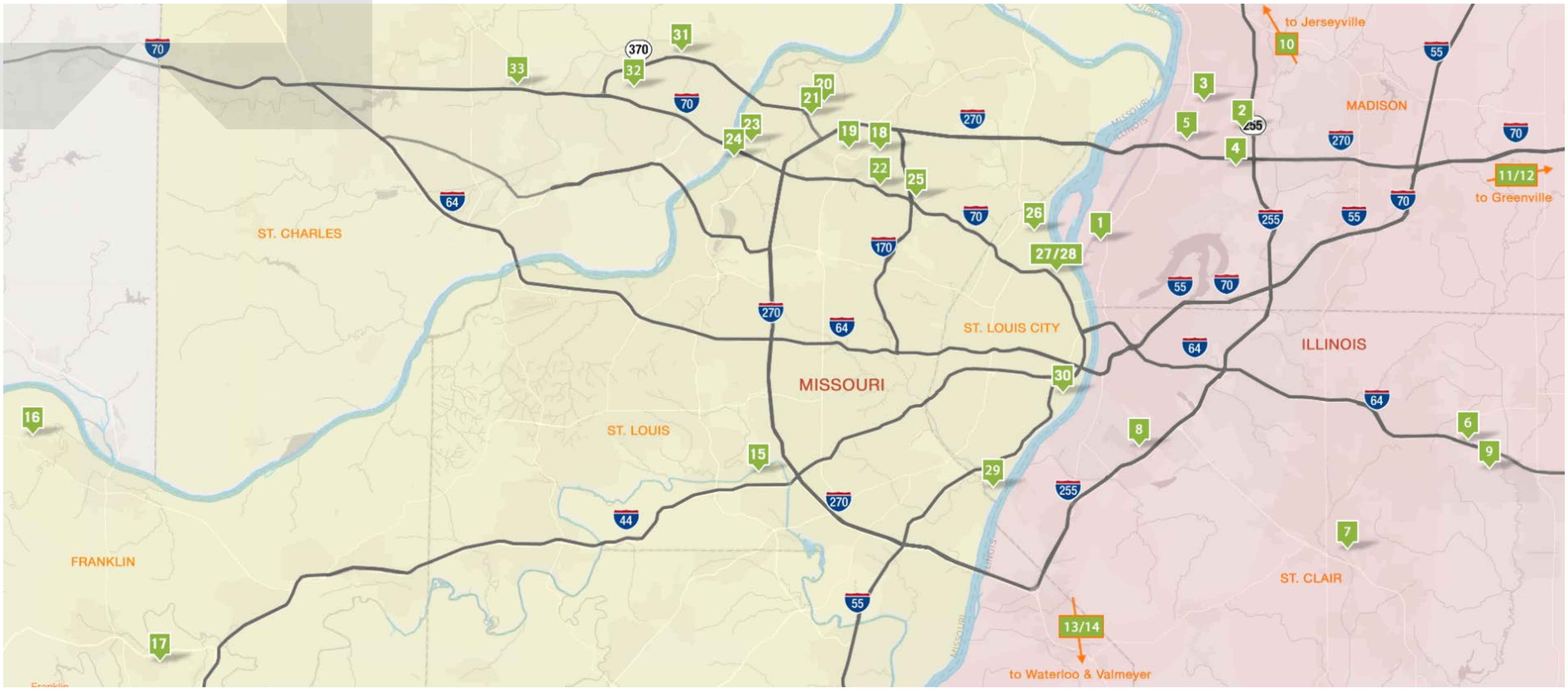
REGIONAL RESIDENT POPULATION**



Source: *CoStar Regional MSA; Existing industrial buildings over 250,000 SF, over 24' Clear; Single Story;
**Resident Population – U.S. Census Bureau, Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2018

ST LOUIS REGIONAL
FREIGHTWAY

INDUSTRIAL REAL ESTATE MARKET INDICATORS



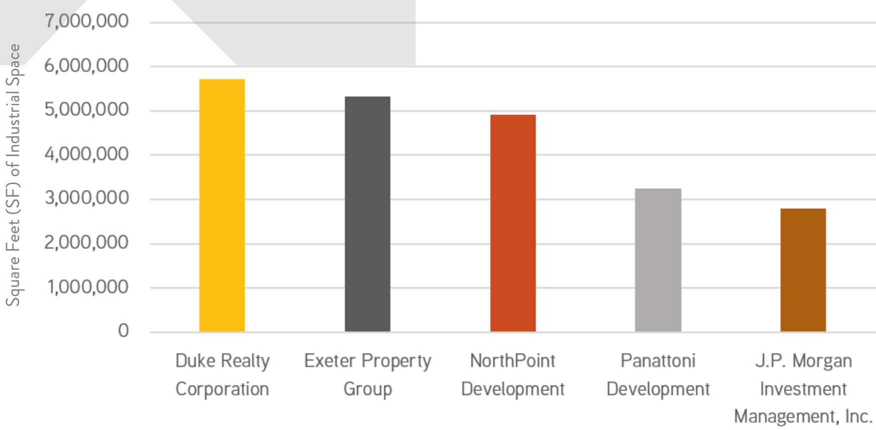
CLICK ON THE MAP OR VISIT THEFREIGHTWAY.COM TO GET CONNECTED with the St. Louis Regional Freightway. The site highlights the industrial real estate sites in locations that are ready for you and your business.

The St. Louis region has people ready and excited to work with you to **find the best location!**

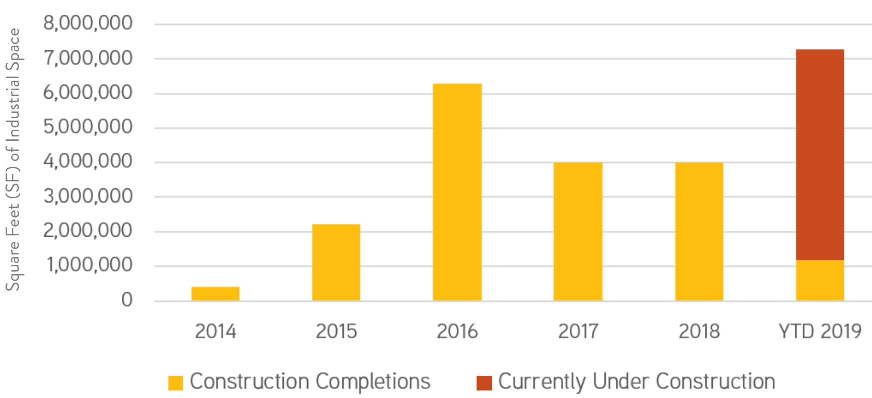
ST LOUIS REGIONAL FREIGHTWAY

CONSTRUCTION & DEVELOPMENT TRENDS

TOP INSTITUTIONAL GRADE OWNERS

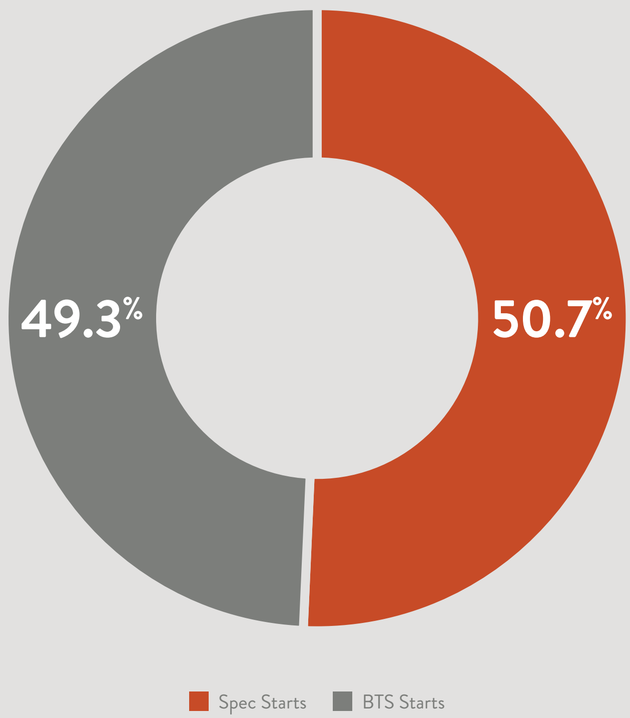


TOTAL CONSTRUCTION



SPECULATIVE DEVELOPMENT

CONSTRUCTION STARTS SINCE 2014
BUILDINGS OVER 250,000 SF

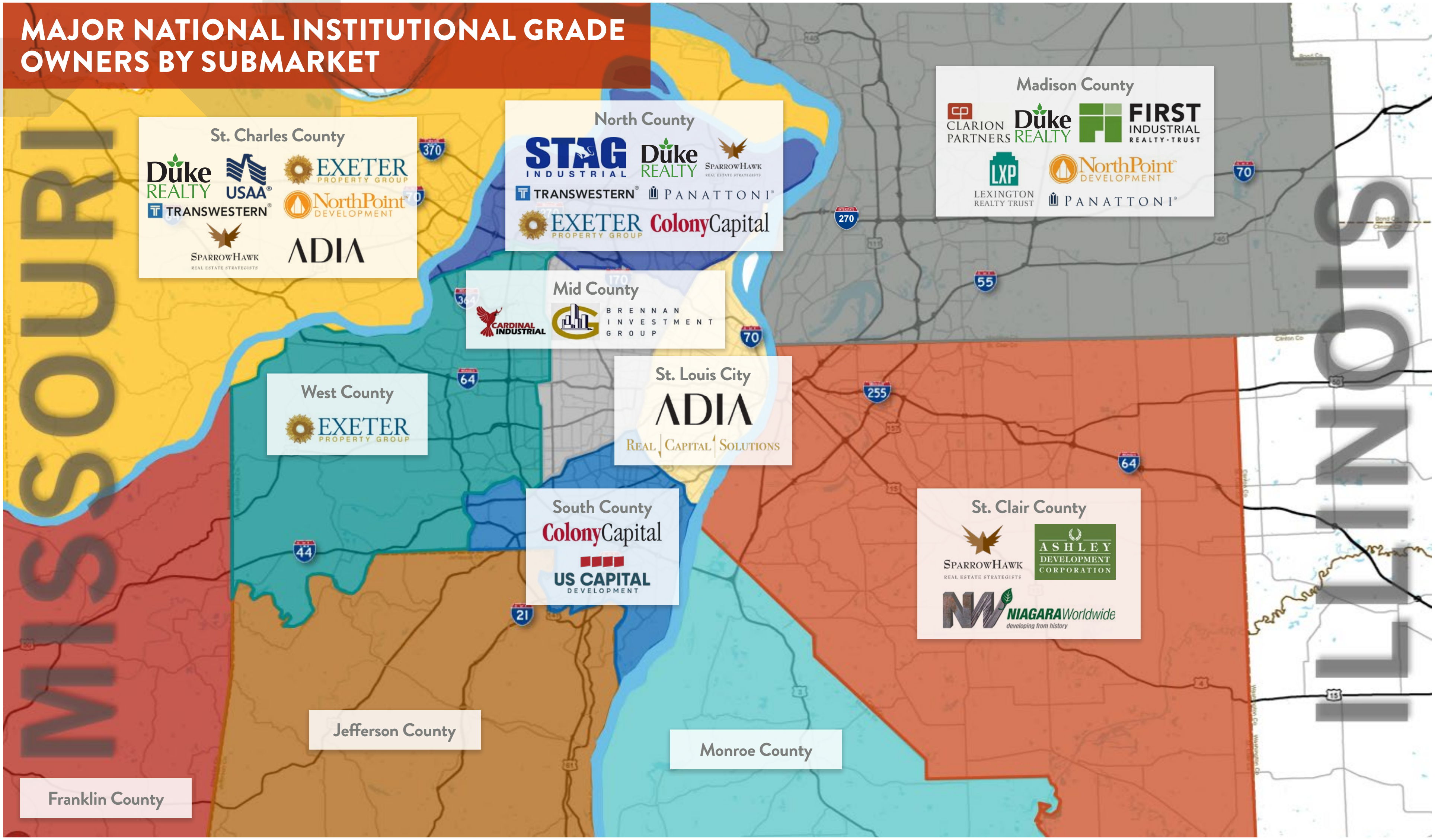


Source: Colliers International; CoStar (Total construction numbers include industrial buildings over 250,000 SF)

ST LOUIS REGIONAL FREIGHTWAY

CONSTRUCTION & DEVELOPMENT TRENDS

MAJOR NATIONAL INSTITUTIONAL GRADE OWNERS BY SUBMARKET



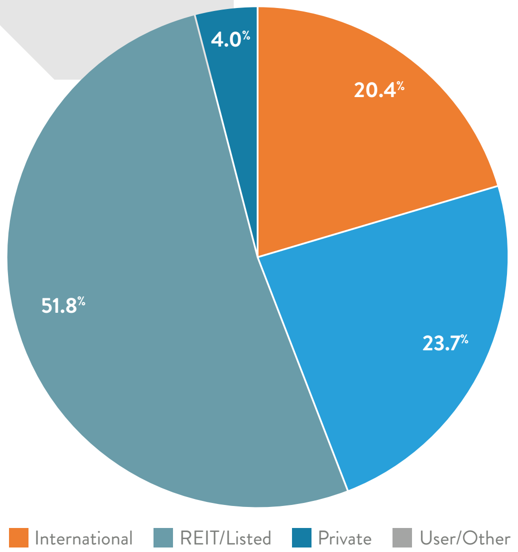
Source: CoStar, Colliers International

ST LOUIS REGIONAL FREIGHTWAY

CONSTRUCTION & DEVELOPMENT TRENDS

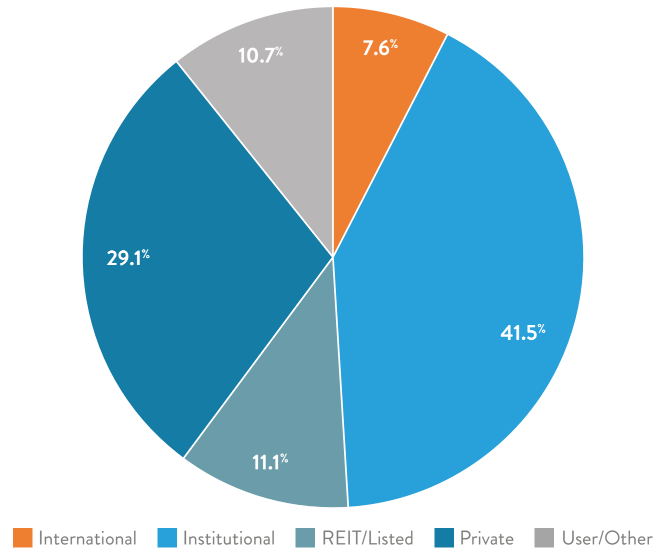
DEVELOPERS

(PAST 24 MONTHS BY $ MARKET INVESTMENT)

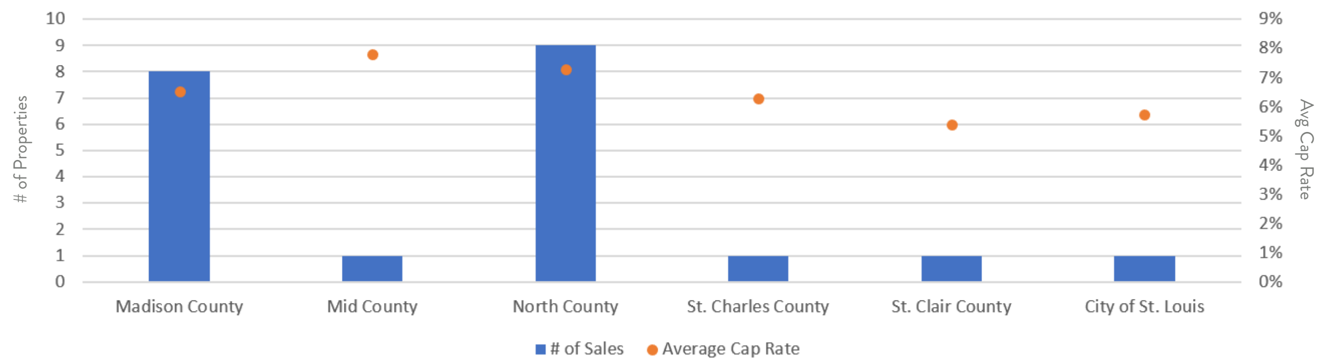


BUYERS

(PAST 24 MONTHS BY $ MARKET INVESTMENT)



ACTIVITY SINCE 2016

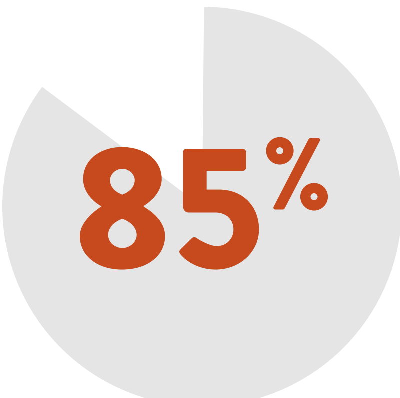


Source: Colliers Comps, Real Capital Analytics, CoStar
Only buildings over 250,000 SF

ST LOUIS REGIONAL FREIGHTWAY

HOT SPOT SPOTLIGHT: NORTH I-270 CORRIDOR

VITAL LINK BETWEEN ILLINOIS & MISSOURI confirmed with continued construction growth along the Northern I-270 Corridor



85% OF ALL INDUSTRIAL CONSTRUCTION since 2014 has been in the North I-270 Corridor

70% OF THE NEW MAJOR INDUSTRIAL PARKS since 2014 has been in the North I-270 Corridor

Source: Colliers International

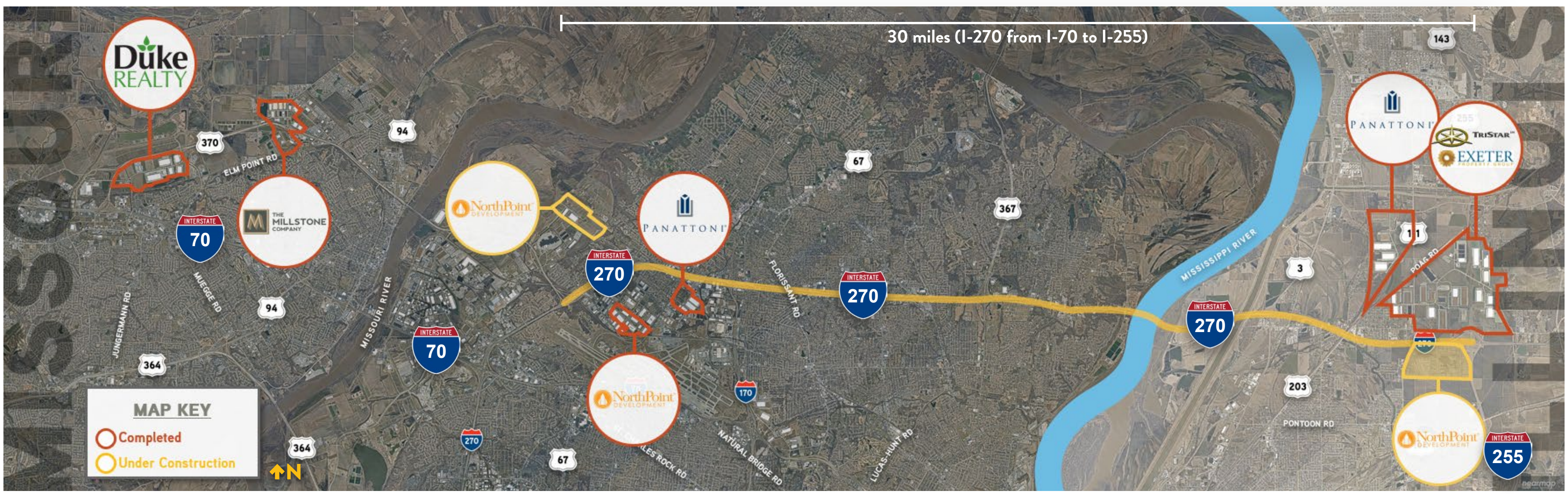
The St. Louis regional industrial market is amid a historic surge in new construction. Speculative buildings continue to be delivered to the market with large blocks of space available for lease, making it the perfect market for companies to expand production or to enter the St. Louis regional market for the first time. **Over 18 million square feet of new industrial space hit the market over the last five years.** The epicenter of this construction boom is the northern I-270 corridor running from Missouri to Illinois. This is a major logistics corridor with national manufacturers, suppliers, and distributors.

ST LOUIS REGIONAL FREIGHTWAY

HOT SPOT SPOTLIGHT: NORTH I-270 CORRIDOR

NEW CONSTRUCTION IN LAST FIVE YEARS

NATIONAL DEVELOPERS

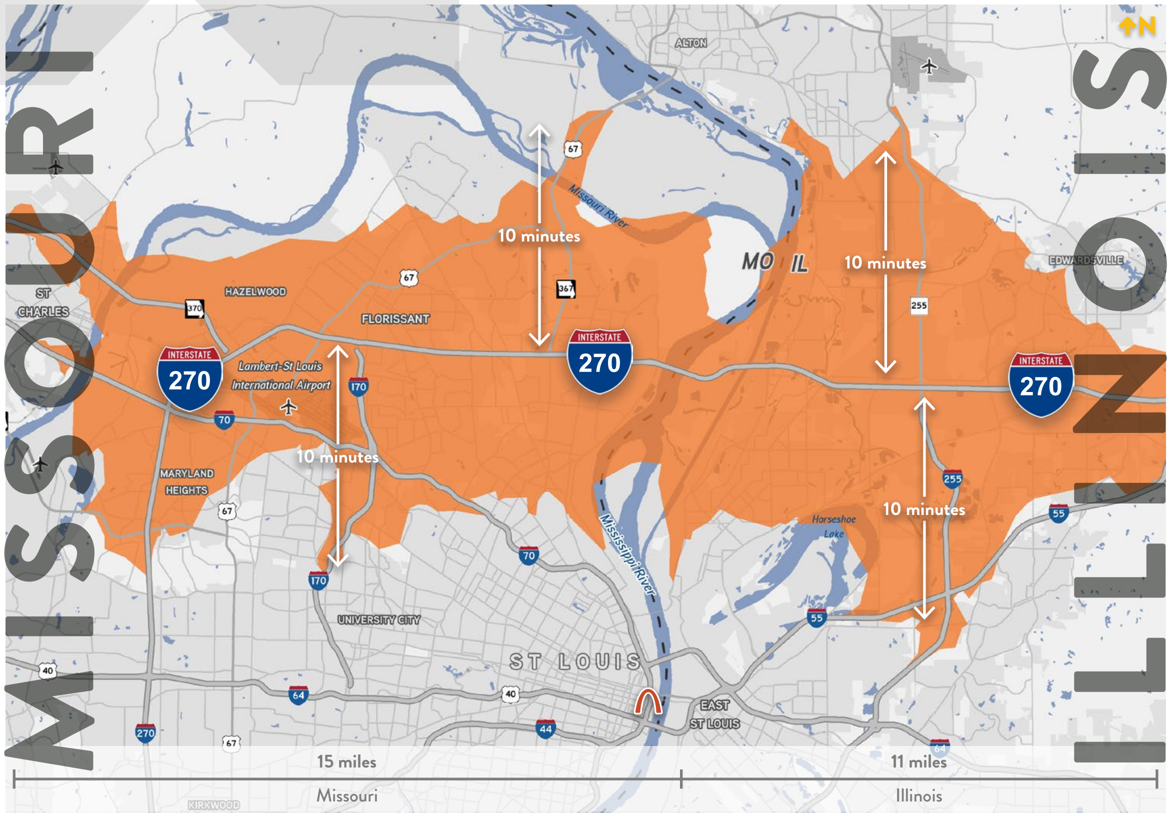


Source: Colliers International

ST LOUIS REGIONAL FREIGHTWAY

HOT SPOT SPOTLIGHT: NORTH I-270 CORRIDOR

10-MINUTE DRIVE TIME



NATIONAL TENANTS WITHIN 10-MINUTE DRIVE TIME

Whirlpool, AB InBev, Dial, Chrysler, P&G, World Wide Technology, Unilever, UPS, Dr Pepper Snapple Group, FedEx, Weekends Only Furniture & Mattress, new balance, Anheuser-Busch, Boeing, Walgreens, Fry-Wagner Relocation & Logistics, True, Trane, Henkel, Boxes Inc., US Venture, amcor, Cabka, Save a lot, GraybaR, CDS, SKF, TAGG logistics, Jon-Don, Davidson Surface / Air, Nu-Calgon, LRO, Laird, Keefe Group, Jost Chemical Co., Legacy, Bunzl, ODW Logistics, nature's bakery, PepsiCo North America Beverages, Geodis, ADM, Cott, Silgan Plastics, Materialogic, ABB, DHL, U. S. Steel, Saddle Creek Logistics Services, Vi-Jon, Quiet Logistics, The Delivery Network inc., Spectrum Brands, Veritiv, Fairfield, XPO Logistics, DB Schenker, Almo

10-MINUTE DRIVE TIME DEMOGRAPHICS

±12,000 BUSINESSES*

±200,000 EMPLOYEES*

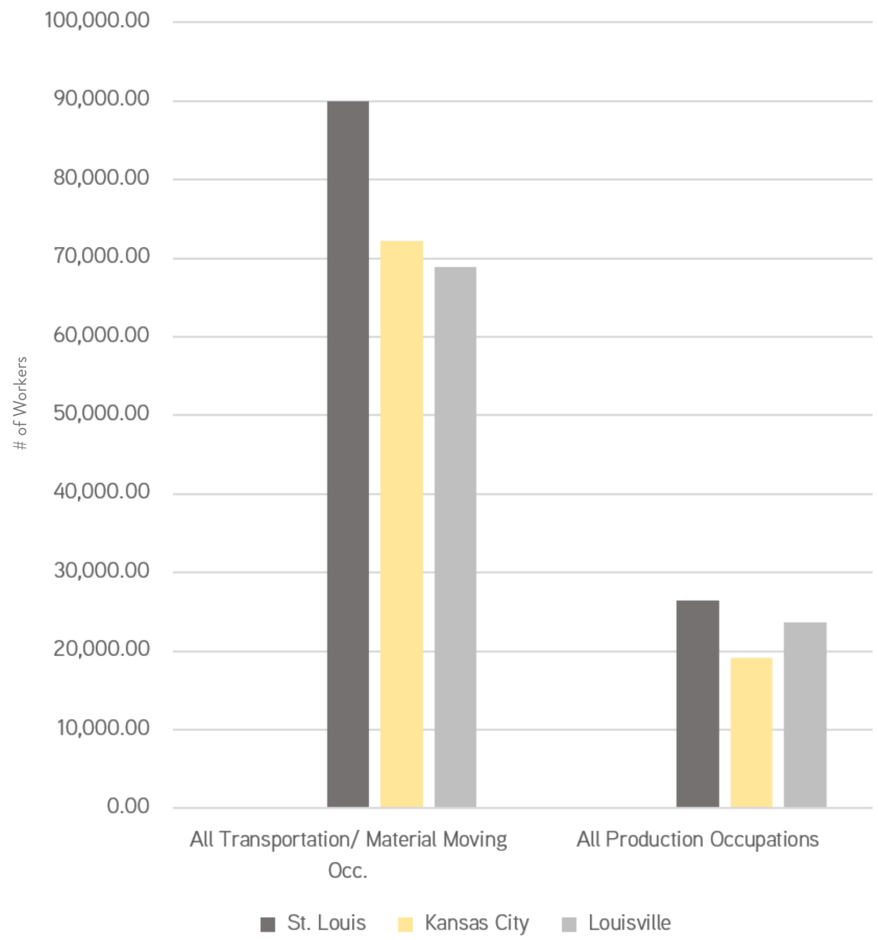
Source: Colliers International; CoStar (Tenants over 100,000 SF); Demographics - ESRI
*Data includes all business types.

ST LOUIS REGIONAL FREIGHTWAY

INDUSTRIAL JOB-READY WORKFORCE STATISTICS

OCCUPATIONAL EMPLOYMENT & WAGE ESTIMATES	ST. LOUIS MSA	
	Annual Mean Wage	# Workers
All Occupations	**$50,250**	**1,363,160**
All Transportation & Material Moving Occupations	**$38,310**	**90,000**
Transportation, Storage, & Distribution Managers	102,540	1,270
Logisticians	79,490	2,360
First Line Supervisors of Helpers, Laborers, & Material Movers	65,010	5,530
Laborers, Freight Stock & Material Movers	57,380	3,380
All Production Occupations	**$34,050**	**26,390**
First Line Supervisor, Production & Operating Worker	40,780	81,540
Assemblers and Fabricators, All Other, Including Team Assemblers	37,700	7,890
CNC Machine Tool Programmers (Metal & Plastic)	64,820	280
CC Machine Tool Operators (Metal & Plastic)	42,540	1,690
Machinists	48,680	3,960
Welders, Cutters, Solderers & Brazers	41,080	2,610
Helpers/Production Workers	31,820	2,030

MSA COMPARISON TOTAL NUMBER OF WORKERS



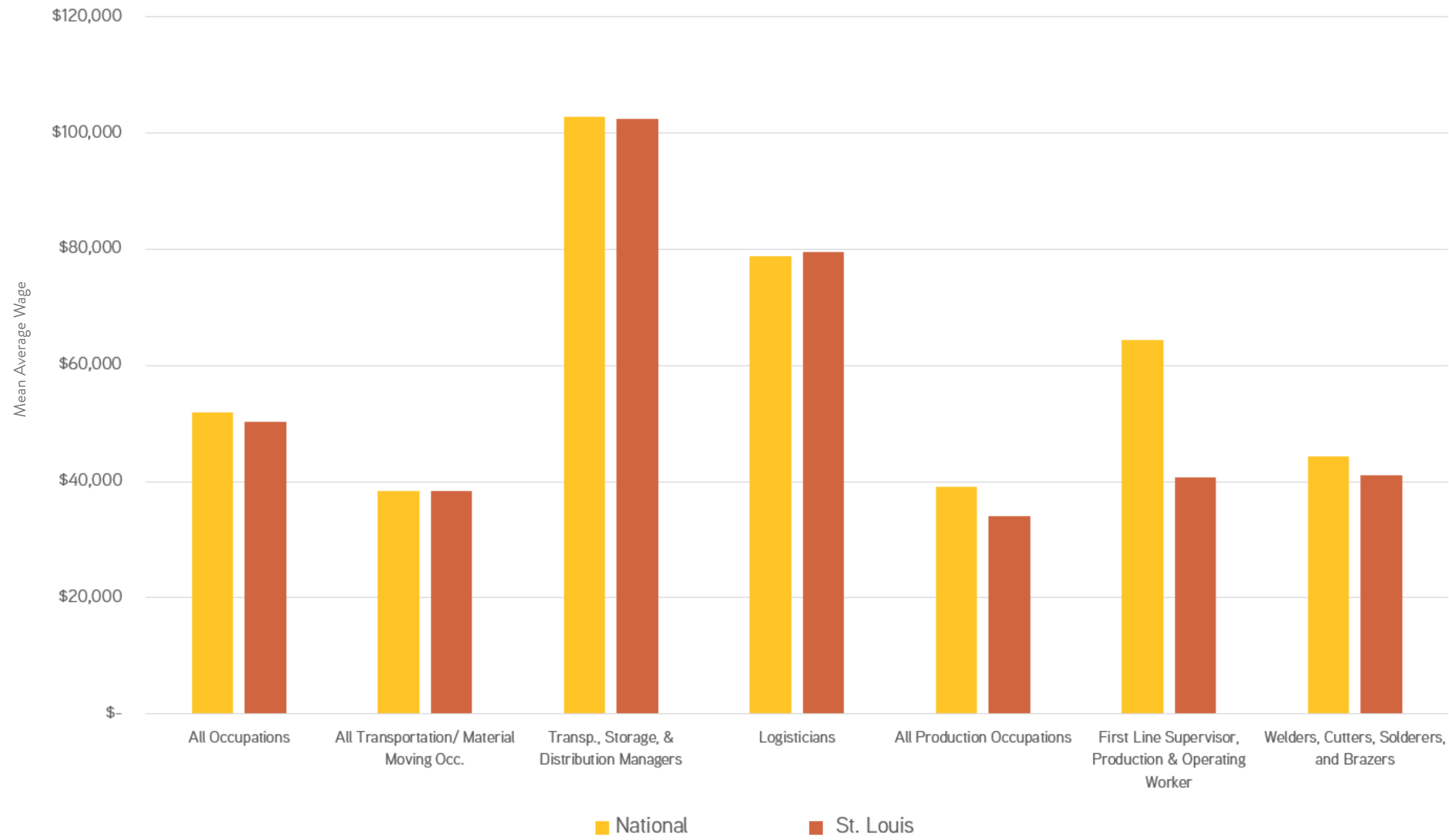
Source: May 2018 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates https://www.bls.gov/oes/current/oessrcma.htm

INDUSTRIAL JOB-READY WORKFORCE STATISTICS

ST LOUIS REGIONAL FREIGHTWAY

MEAN AVERAGE WAGE COMPARISON

ST. LOUIS, MO-IL VS NATIONAL



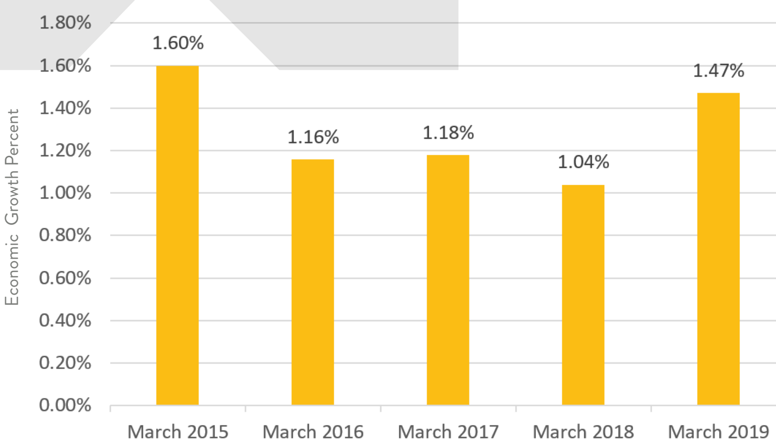
Source: May 2018 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates https://www.bls.gov/oes/current/oessrcma.htm

ST LOUIS REGIONAL FREIGHTWAY

ECONOMIC ACTIVITY IN 8TH FEDERAL RESERVE DISTRICT

FIVE-YEAR ECONOMIC CONDITIONS

INDEX FOR ST. LOUIS, MO-IL



HERE'S A CLOSER LOOK AT THE TOP THREE DRIVERS OF GROWTH from the perspective of private industry representatives with first-hand knowledge of the St. Louis region.

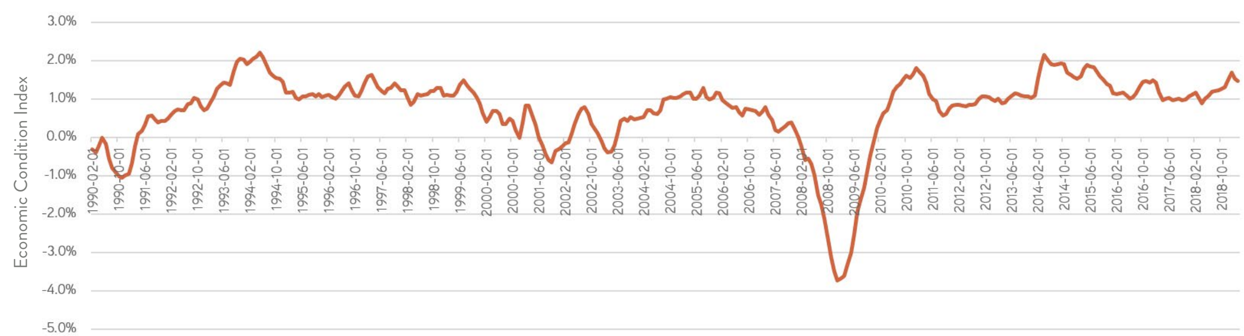
1. **AVAILABILITY OF SPACE & SPEED OF DELIVERY**
2. **AVAILABILITY OF JOB-READY WORKFORCE**
3. **EXCEPTIONAL FREIGHT ASSETS**

ECONOMIC CONDITIONS INDEX

The economic activity index measures average economic growth in the metropolitan area. It is computed using a dynamic factor model that includes 12 variables measuring various aspects of economic activity in the MSA. The index is calibrated to Gross Metropolitan Product (GMP) growth and variance to allow for comparison across metro areas.

HISTORIC ECONOMIC CONDITIONS

INDEX FOR ST. LOUIS, MO-IL



Source: Federal Reserve Bank of St. Louis
https://fredblog.stlouisfed.org/2018/01/metro-area-economic-conditions/?utm_source=series_page&utm_medium=related_content&utm_term=related_resources&utm_campaign=fredblog

ST LOUIS REGIONAL FREIGHTWAY

ST. LOUIS REGIONAL ADVANTAGES

MODES OF TRANSPORTATION

AMERICA'S THIRD LARGEST INLAND PORT

Northernmost lock-free/ice-free access on the Mississippi River to and from the Gulf of Mexico, making the region the 7th largest port for domestic tonnage.

FOUR INTERSTATES WITH NATIONAL ACCESS

The St. Louis region's system of interstates (I-70, I-44, I-55, and I-64) allow for one-day drive or less to major cities such as Chicago, Memphis, Nashville, Kansas City and Columbus.

FIVE AIRPORTS WITH CAPACITY

The region includes two international cargo airports (St. Louis Lambert International Airport and MidAmerica St. Louis Airport) with rail access, foreign trade zones, and developable land.

SIX CLASS I RAILROADS

National railroads providing connection to regional and global markets, including BNSF, CN, KCS, NS, CSX and UP, utilizing a single switching carrier through the Terminal Railroad Association of St. Louis.

RECENTLY FUNDED PROJECTS INCLUDE:

$220 MIL I-270 Mississippi River Bridge (MO/IL)
$250 MIL I-270 improvements along northern corridor (MO)
$23 MIL I-270 interchange at IL Rte 111 (IL)
$53 MIL I-255/Davis Street Ferry Road interchange

RECENTLY FUNDED PROJECTS INCLUDE:

$200 MIL TRRA Merchants Rail Bridge over the Mississippi River (MO/IL)
$72 MIL TRRA MacArthur Rail Bridge over the Mississippi River (MO/IL)

ST LOUIS REGIONAL FREIGHTWAY

ST. LOUIS REGIONAL ADVANTAGES

LEVERAGE

JOB-READY WORKFORCE

The St. Louis region has the largest number of workers employed in manufacturing among comparatively sized Midwestern cities.

SPECIALIZED INDUSTRY

The bi-state area is home to international companies, leaders in aerospace, agriculture, metal manufacturing and recycling, logistics, chemical manufacturing, and the automotive industry.

LOGISTICS & MANUFACTURING

The region features a diverse range of companies such as Amazon, Boeing, AB InBev, Hershey's, Walgreens, Monsanto, ADM, Procter & Gamble, Unilever, World Wide Technology, Dial Corporation and General Motors.

AMPLE UTILITY CAPACITY

Both Missouri and Illinois enjoy competitive supply and access to electricity, water and gas, as well as regulated utility rates often below the national average.

Source: Federal Reserve Bank of St. Louis
https://fredblog.stlouisfed.org/2018/01/metro-area-economic-conditions/?utm_source=series_page&utm_medium=related_content&utm_term=related_resources&utm_campaign=fredblog

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