# St. Louis Industrial Market Ends the Year Effectively Flat

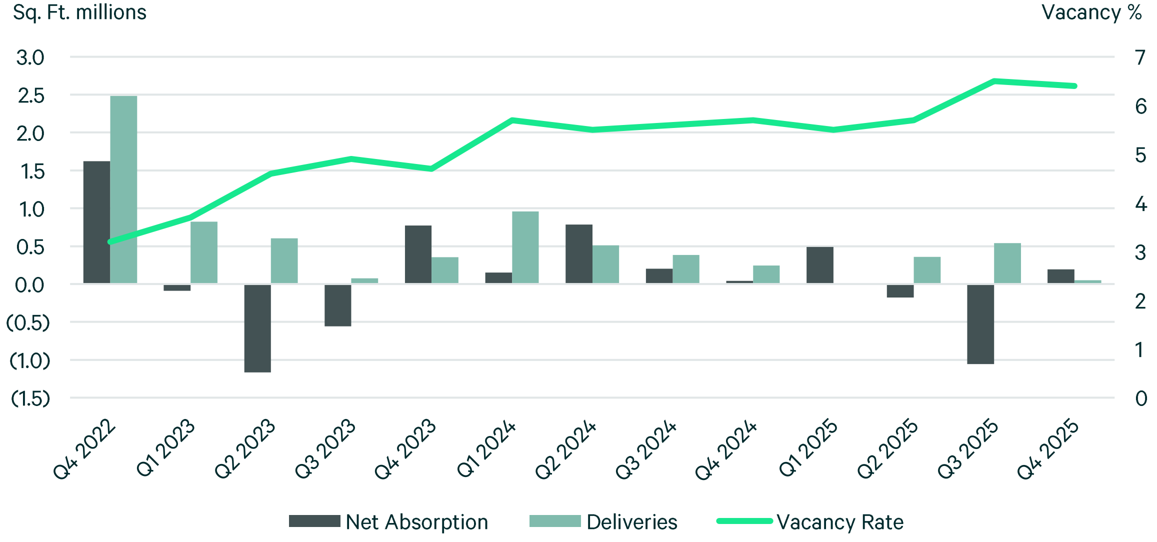
| | | | | | | |
|---|---|---|---|---|---|---|
| ▼6.4% | ▶ 5.9% | ▼ 8.7% | ▲ 193,283 | ▼ 50,000 | ▲ 3.1M | ▼ $5.48 |
| Vacancy Rate | Metro West Vacancy Rate | Metro East Vacancy Rate | SF Net Absorption | SF Construction Delivered | SF Under Construction | NNN/YR Direct Lease Rate |

Note: Arrows indicate change from previous quarter.

## SUMMARY


- Absorption was positive this quarter, but effectively flat at 193,283 sq ft.
- Total vacancy decreased by 10 bps to 6.4% in Q4. Vacancy was flat in the Metro West at 5.9%, activity this quarter was driven by the Maryland Heights and St Charles County submarkets. Conversely, Metro East decreased by 40 bps to 8.7%.
- Overall availability in the region remained flat at 8.2% as activity has remained muted and there has been little to no speculative construction in 2025.
- The total average asking rate was $5.48 NNN at the close of Q4 2025, down 2.8% ($0.20) quarter-over-quarter.
- St. Louis industrial leasing activity in Q4 2025 totaled 2.5 million sq. ft, led by the Metro East and St Charles County.
- The development pipeline in St. Louis continues to primarily consist of built to suit, 88% by SF. There is currently only one speculative asset in the pipeline, Maryland Heights Commerce Center 1, which broke ground in Q4 2025.


FIGURE 1: Historical Absorption, Deliveries, and Vacancy

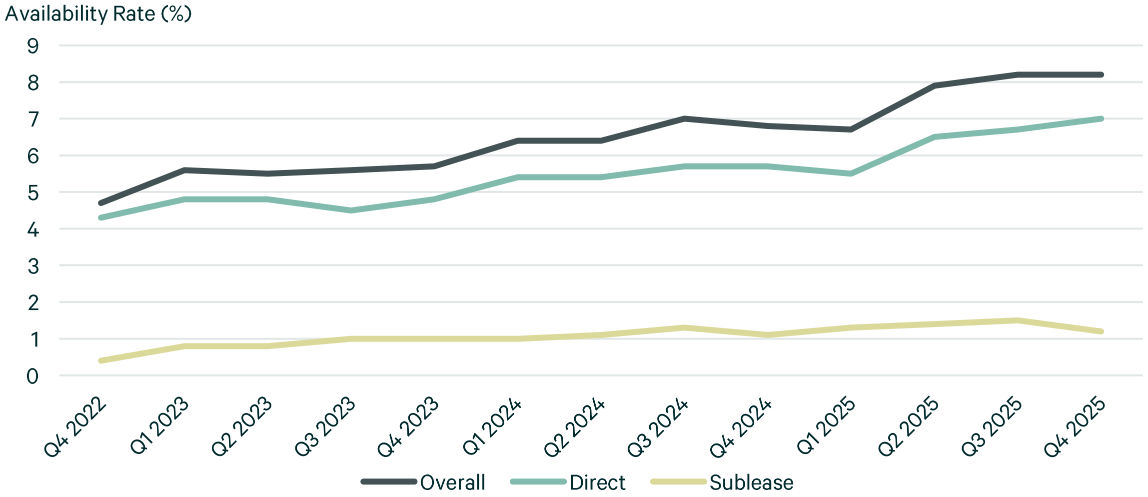



Source: CBRE Research, Q4 2025

## Availability Rate

In Q4 2025 the St. Louis industrial market reported a total availability rate of 8.2%, unchanged quarter-over-quarter and up 140 bps year-over-year. Available sublease space stood at 1.2% in Q4 2025, a decrease of 30 bps quarter-over-quarter and unchanged year-over-year.

FIGURE 2: Availability Rates

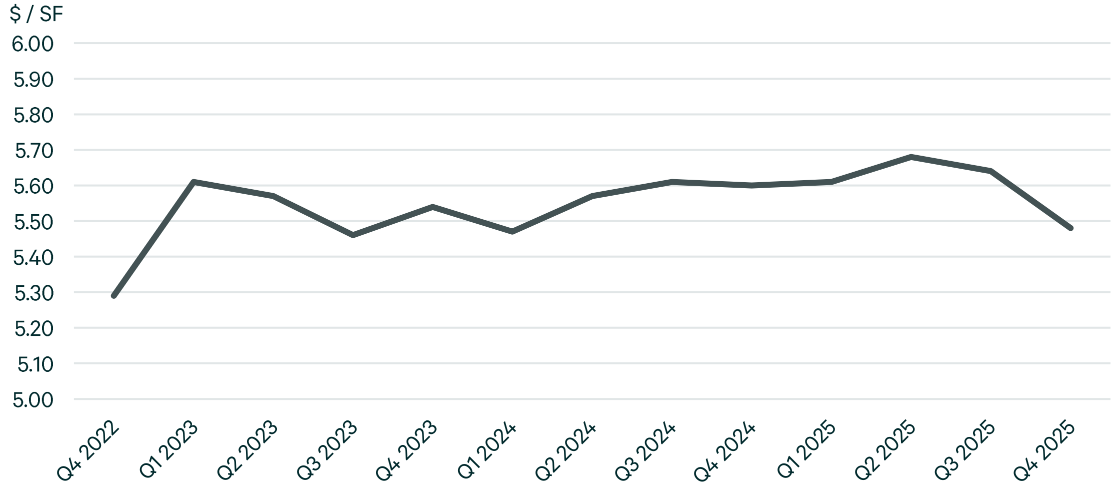



Source: CBRE Research, Q4 2025

## Asking Rent

Average asking rent was $5.48 per sq. ft. year net at the close of Q4 2025, down -2.8% ($-0.16) quarter-over-quarter, and down -2.1%, ($-0.12) year-over-year. As there has been limited new speculative product delivered in the market in the past 24 months, what is remaining has been substantially leased up. As a result of that product coming off the market, the overall average asking rate continues to fall as older generation product remains the bulk of what is available for lease in St. Louis.

FIGURE 3: Avg. Direct Asking Rate (NNN/YR)




Source: CBRE Research, Q4 2025

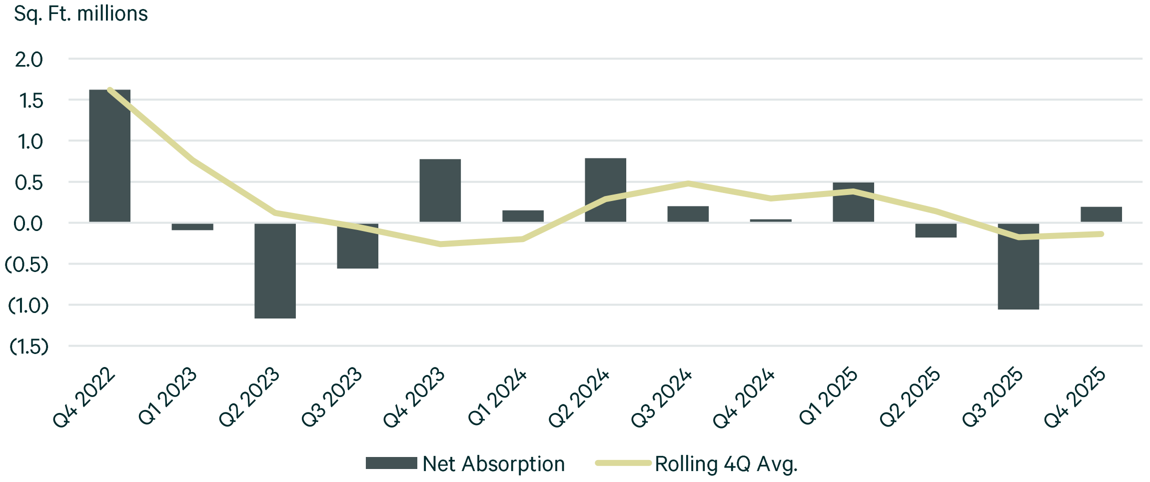
## Net Absorption

Net absorption was positive 193,283 sq. ft in Q4 2025, an increase from negative 1.1 million sq. ft in the previous quarter. 2025 annual net absorption totaled negative 552,117 sq. ft.

The largest move-ins contributing to the positive quarter were Amazon occupying River Valley Logistics Center 2 in Maryland Heights (357,056 sq. ft), Thyssenkrupp Supply occupying a sublease at Gateway Tradeport 2 in the Metro East (325,994 sq. ft.) and True Fitness occupying 1 Glazer Way in St. Charles County (254,458 sq. ft.).

Conversely, the quarter saw negative absorption in the form of Ben Hurr vacating 5319 Shreve Ave. Downtown (362,874 sq. ft.), Geodis Vacating Connections Commerce Center in the Metro East (111,061 sq. ft.) and Production Support Services vacating 827 Koehln Ave Downtown (80,000 sq. ft.)

FIGURE 4: Net Absorption Trend




Source: CBRE Research, Q4 2025

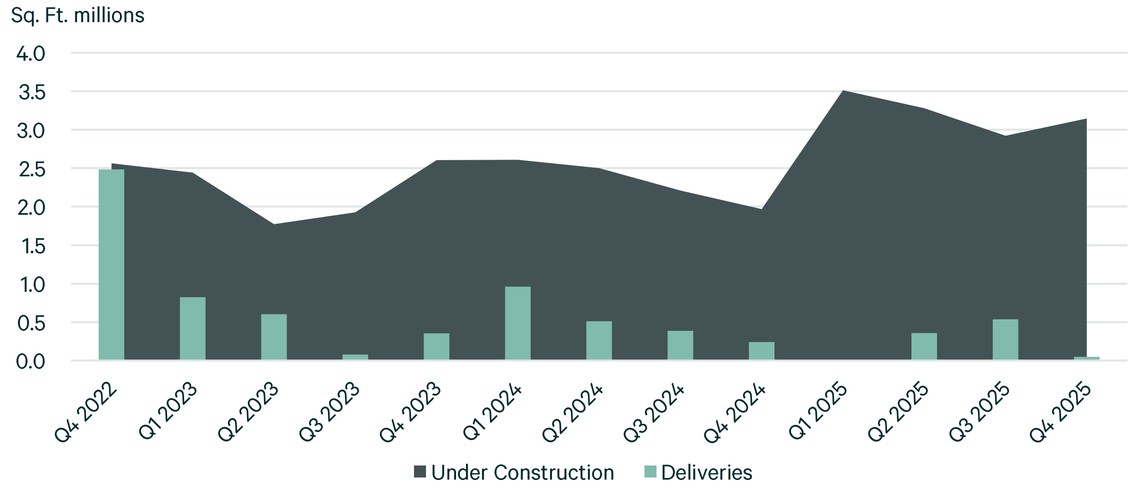
## Construction Activity

The development pipeline in St. Louis continues to primarily consist of built-to-suit projects, 88% by sq. ft. There is currently only one speculative asset in the pipeline, Maryland Heights Commerce Center 1 (369,534 sq. ft.), which broke ground this quarter. Maryland Heights Commerce Center 1 is the first speculative building to begin construction in St. Louis since River Valley Logistics Center 2 (357,056 sq. ft.) broke ground in Q2 2024.

All other projects which started in Q4 were built-to-suit. They included LKQ Corporation's new building in the Metro East (134,234 sq. ft.) and Sun Belt Rentals in North County (35,000 sq. ft.).

Its is likely that in 2026 we will begin to see developer interest in speculative projects increase as the supply of existing modern bulk product dwindles.

FIGURE 5: Construction Activity




Source: CBRE Research, Q4 2025

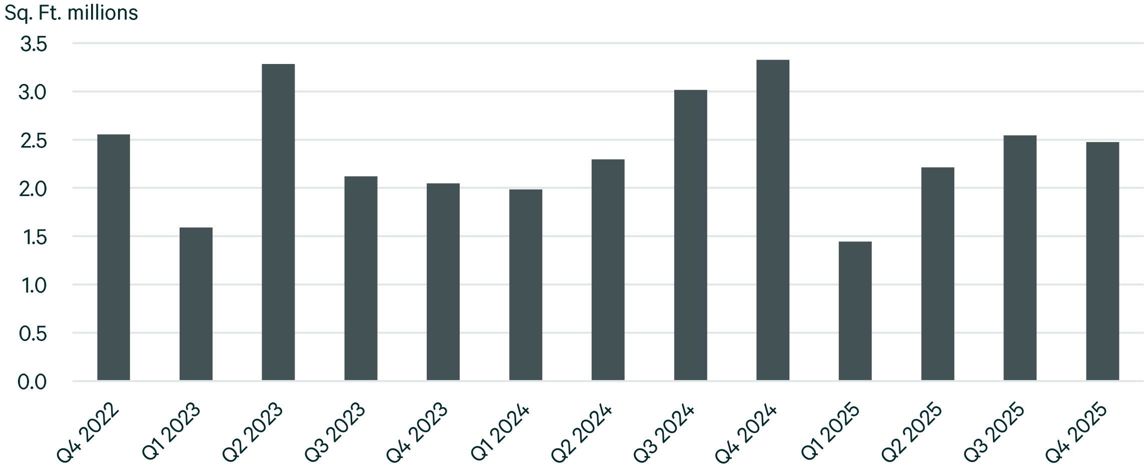
 

## Leasing Activity

Leasing activity in the St. Louis industrial in Q4 2025 totaled 2.5 million sq. ft leased. The largest new deals that drove leasing activity in the third quarter were the Unilever's renewal at 9 Gateway Commerce Center Dr E in the Metro East (513,474 sq. ft.), Thyssenkrupp Supply Chain's sublease at Gateway Tradeport 2 in the Metro East (325,994 sq. ft.) and True Fitness' new lease at 1 Glazer Way in St Charles County (254,458 sq. ft.)

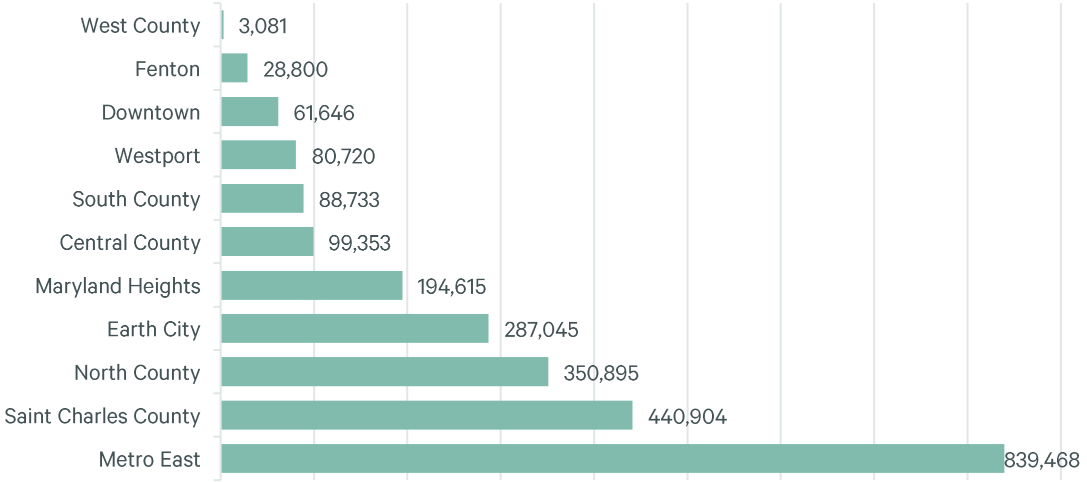
The Metro East led the market in leasing velocity during Q4 primarily driven by Unilever's 513,000 sq. ft. renewal. St Charles County came in second with True Fitness' (254,458 sq. ft.) at 1 Glazer Way being the largest transaction in that submarket followed by ADS Logistics renewing at 21-31 Commerce Center Dr. (101,341 sq. ft).

FIGURE 6: Leasing Activity Trend – Leases 0 sq. ft. and up




Source: CBRE Research, Q4 2025

FIGURE 7: Leasing Activity by Submarket – Leases 0 sq. ft. and up




Source: CBRE Research, Q4 2025

FIGURE 8: Key Lease Transactions

| Tenant | Sq. Ft. Leased | Transaction Type | Address | Submarket |
|---|---|---|---|---|
| Unilever North America Supply | 513,474 | Renewal | 9 Gateway Commerce Center Dr E | Metro East |
| Thyssenkrupp Supply Chain | 325,994 | New Lease | 1201 Tradeport Pkwy | Metro East |
| True Fitness | 254,458 | New Lease | 1 Glazer Way | Saint Charles County |
| AIT Worldwide Logistics | 228,255 | New Lease | 13201-13213 Corporate Exchange Dr | Earth City |
| Graybar Electric Company | 216,200 | Renewal | 6202-6222 Aviator Dr | North County |
| CL Smith Co. | 194,615 | New Lease | 15712 Westport Commerce Dr | Maryland Heights |
| ADS Logistics | 101,341 | Renewal | 21-31 Commerce Dr | Saint Charles County |
| MCC Manufacturing, Inc. c/o Multi-Color | 87,500 | Renewal | 6880 Heege Rd | South County |
| 5 Horizons Group | 74,219 | Renewal | 11425-11445 Moog Dr | Westport |
| US Pack | 67,600 | New Lease | 6202-6222 Aviator Dr | North County |

## Market Statistics by Size

| | Net Rentable Area | Total Vacancy | Total Availability | Direct Availability | Sublease Availability | Avg. Direct Asking Rate (NNN/YR) | Current Quarter Net Absorption | YTD Net Absorption | Deliveries | Under Construction |
|---|---|---|---|---|---|---|---|---|---|---|
| Under 100,000 sq. ft. | 61,474,855 | 2.7 | 3.8 | 3.5 | 0.4 | 7.83 | (154,353) | (328,420) | 50,000 | 185,451 |
| 100,000-199,999 sq. ft. | 42,785,287 | 6.3 | 7.8 | 5.8 | 2.0 | 5.97 | (74,642) | (946,109) | 0 | 134,234 |
| 200,000-299,999 sq. ft. | 24,763,689 | 9.4 | 10.5 | 9.7 | 0.8 | 5.49 | 200,258 | (606,091) | 0 | 0 |
| 300,000-499,999 sq. ft. | 30,579,371 | 9.8 | 10.4 | 8.8 | 1.6 | 4.90 | (103,974) | 172,269 | 0 | 369,534 |
| 500,000-749,999 sq. ft. | 16,678,631 | 4.6 | 15.3 | 10.6 | 4.7 | 4.76 | 325,994 | 1,068,834 | 0 | 544,672 |
| 750,000 sq. ft. | 36,058,898 | 8.7 | 9.3 | 9.2 | 0.1 | 4.43 | 0 | 87,400 | 0 | 1,912,000 |
| **Total** | **212,340,731** | **6.4** | **8.2** | **7.0** | **1.2** | **5.48** | **193,283** | **(552,117)** | **50,000** | **3,145,891** |

## Market Statistics by Product Type

| | Net Rentable Area | Total Vacancy | Total Availability | Direct Availability | Sublease Availability | Avg. Direct Asking Rate (NNN/YR) | Current Quarter Net Absorption | YTD Net Absorption | Deliveries | Under Construction |
|---|---|---|---|---|---|---|---|---|---|---|
| Distribution / Logistics | 164,928,304 | 6.9 | 9.0 | 7.4 | 1.5 | 5.49 | 585,559 | 140,805 | 50,000 | 2,075,685 |
| Manufacturing | 36,887,264 | 4.5 | 5.2 | 5.2 | 0.0 | 4.60 | (401,283) | (795,047) | 0 | 1,022,000 |
| R&D / Flex | 10,412,663 | 6.1 | 6.4 | 5.9 | 0.5 | 8.71 | 9,007 | 102,125 | 0 | 0 |
| Other Industrial | 112,500 | 0.0 | 0.0 | 0.0 | 0.0 | 0.00 | 0 | 0 | 0 | 48,206 |
| **Total** | **212,340,731** | **6.4** | **8.2** | **7.0** | **1.2** | **5.48** | **193,283** | **(552,117)** | **50,000** | **3,145,891** |

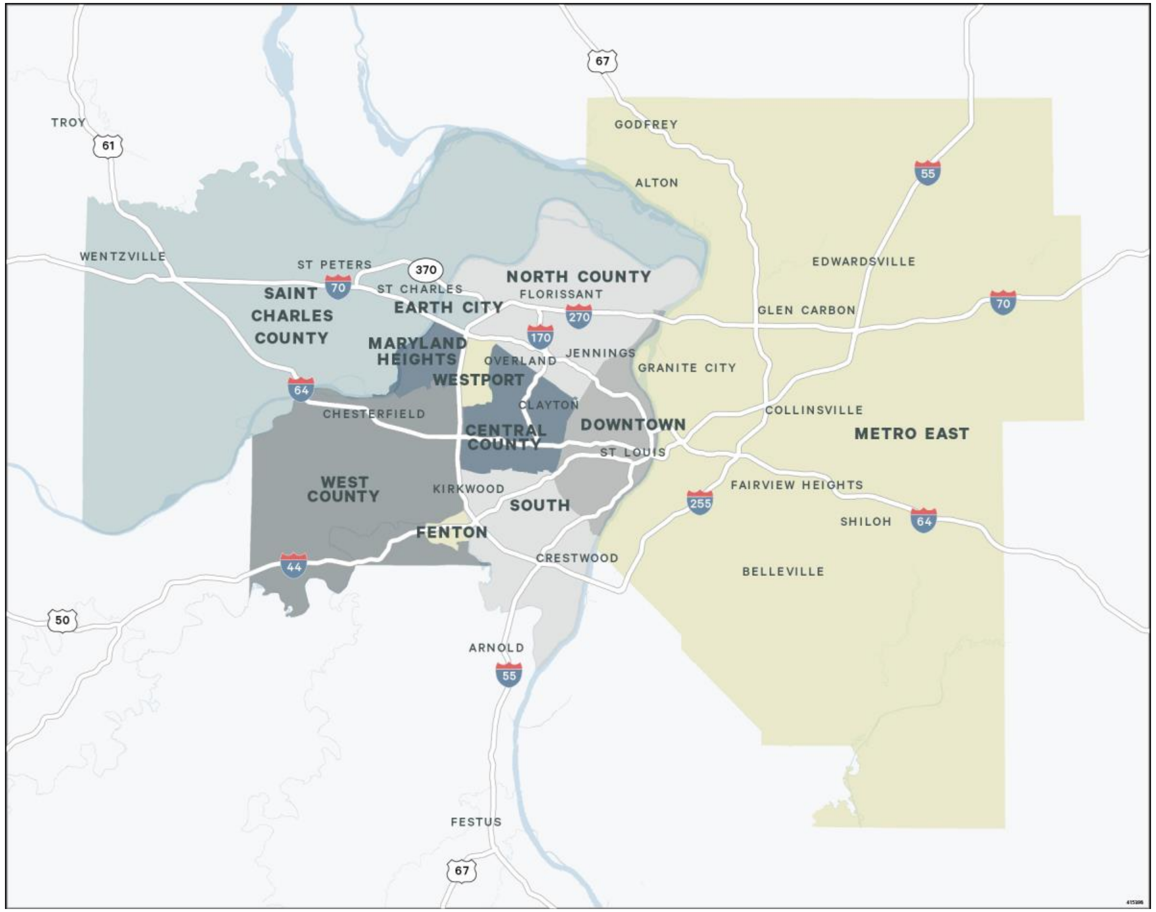
## Market Statistics by Class

| | Net Rentable Area | Total Vacancy | Total Availability | Direct Availability | Sublease Availability | Avg. Direct Asking Rate (NNN/YR) | Current Quarter Net Absorption | YTD Net Absorption | Deliveries | Under Construction |
|---|---|---|---|---|---|---|---|---|---|---|
| Class A | 29,077,563 | 8.2 | 10.0 | 5.5 | 4.5 | 5.54 | 357,056 | 2,462,541 | 0 | 1,442,779 |
| All Other Buildings | 183,263,168 | 6.1 | 7.9 | 7.2 | 0.7 | 5.48 | (163,773) | (3,014,658) | 50,000 | 1,703,112 |
| **Total** | **212,340,731** | **6.4** | **8.2** | **7.0** | **1.2** | **5.48** | **193,283** | **(552,117)** | **50,000** | **3,145,891** |

# Market Statistics by Submarket

| | Net Rentable Area | Total Vacancy | Total Availability | Direct Availability | Sublease Availability | Avg. Direct Asking Rate (NNN/YR) | Current Quarter Net Absorption | YTD Net Absorption | Deliveries | Under Construction |
|---|---|---|---|---|---|---|---|---|---|---|
| Central County | 15,524,408 | 2.2 | 3.9 | 2.2 | 1.8 | 8.51 | (126,348) | (129,088) | 0 | 0 |
| Downtown | 44,717,293 | 6.3 | 7.1 | 6.5 | 0.6 | 4.89 | (468,772) | (1,003,743) | 0 | 0 |
| Earth City | 19,335,563 | 11.0 | 13.3 | 11.9 | 1.4 | 5.15 | (65,064) | (793,205) | 0 | 0 |
| Fenton | 8,362,527 | 7.0 | 9.3 | 7.1 | 2.2 | 8.05 | (23,000) | (338,136) | 0 | 0 |
| Maryland Heights | 3,944,144 | 10.6 | 6.5 | 5.6 | 0.9 | 6.01 | 357,056 | 671,474 | 0 | 914,206 |
| Metro East | 37,065,666 | 8.7 | 12.6 | 11.1 | 1.5 | 4.36 | 130,842 | 654,325 | 0 | 1,209,685 |
| North County | 34,221,318 | 7.7 | 9.8 | 7.5 | 2.3 | 5.74 | (50,840) | 160,833 | 0 | 979,000 |
| Saint Charles County | 27,275,956 | 3.7 | 3.9 | 3.4 | 0.5 | 6.09 | 333,589 | 341,226 | 0 | 0 |
| South County | 5,811,895 | 1.2 | 3.3 | 3.2 | 0.1 | 8.42 | (30,000) | 6,503 | 0 | 0 |
| West County | 5,642,282 | 1.4 | 3.8 | 3.5 | 0.3 | 9.6 | 76,352 | 46,012 | 50,000 | 0 |
| Westport | 10,439,679 | 2.9 | 4.9 | 4.2 | 0.6 | 7.65 | 59,468 | (168,318) | 0 | 43,000 |

## Market Area Overview




## Definitions

Available Sq. Ft.: Space in a building, ready for occupancy within six months; can be occupied or vacant. Availability Rate: Total Available Sq. Ft. divided by the total building Area. Average Asking Lease Rate: A calculated average that includes net and gross lease rate, weighted by their corresponding available square footage. Building Area: The total floor area sq. ft. of the building, typically taken at the “drip line” of the building. Gross Activity: All sale and lease transactions completed within a specified time period. Excludes investment sale transactions. Gross Lease Rate: Rent typically includes real property taxes, building insurance, and major maintenance. Net Absorption: The change in Occupied Sq. Ft. from one period to the next. Net Lease Rate: Rent excludes one or more of the ”net” costs (real property taxes, building insurance, and major maintenance) typically included in a Gross Lease Rate. Occupied Sq. Ft.: Building Area not considered vacant. Vacancy Rate: Total Vacant Sq. Ft. divided by the total Building Area. Vacant Sq. Ft.: Space that can be occupied within 30 days. Class A industrial are buildings built after 2000, with 32’ or greater clear height and ESFR sprinklers.

## Survey Criteria

Includes all industrial buildings 30,000 sq. ft. and greater. Buildings which have begun construction as evidenced by site excavation or foundation work.

## Updated Tracked Criteria

CBRE has updated the criteria for industrial tracked building sets to reflect buildings with a Net Rentable Area (NRA) of 30,000 square feet or higher. In addition to creating regional consistency, this change will enhance the reporting and depth of data on each market's most competitive buildings. Historical stats have been revised to reflect current industrial thresholds. Building inventories will be evaluated quarterly to ensure they remain the most comprehensive and accurate representation of each market.

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