

# ST. LOUIS OFFICE MARKET REPORT

## Intelica Insights

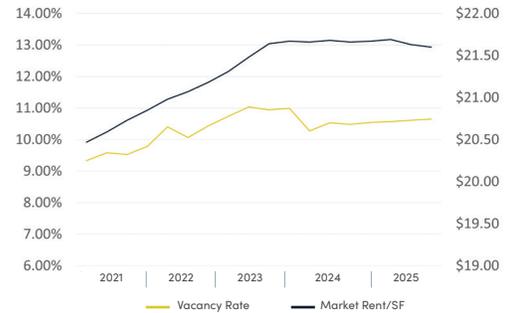
Office tenants in St. Louis are adjusting their space needs downward as leases expire, leading to a decrease in square footage per worker. Concurrently, hiring in office-dependent industries has slowed, resulting in a vacancy rate of 10.4% at the start of 2024, one of the highest in a decade. However, occupancy losses have started to stabilize, with a positive absorption of 830,000 square feet last year, attributed to new developments and a significant occupier's decision to bring employees back to the office.

The sublease market has shown improvement recently, although it's still above the long-term average. There's been a decrease from the peak, which has particularly affected areas like Chesterfield/Highway 40 and Earth City/Riverport due to existing vacant buildings. Despite this, St. Louis maintains a cost-effective office market, with rental rates at \$22.00 per square foot, similar to rates seen in Kansas City and Indianapolis. However, rising rents and high construction costs pose challenges to new office developments, prompting interest in repurposing existing buildings. Notably, there's a divergence in market segments, with properties in Clayton experiencing increased rates, while the CBD faces softening demand and receivership of large towers.

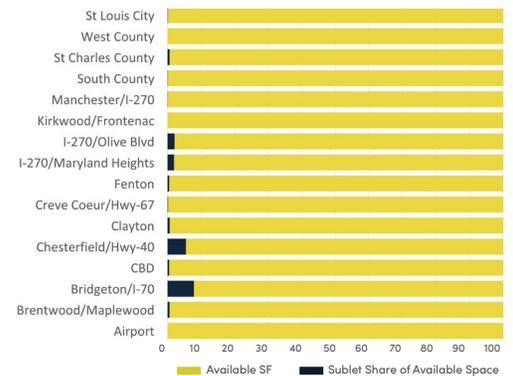
Investor activity has slowed significantly over the past year, with total investments of \$156 million, contrasting sharply with previous peaks of \$795 million in Q1 2022. Weak fundamentals and higher borrowing costs are expected to keep the investment market subdued, with the office market recovery likely to lag due to lingering demand uncertainties.

SOURCE: CoStar (St. Louis, MO Market) | Data as of 4/2024

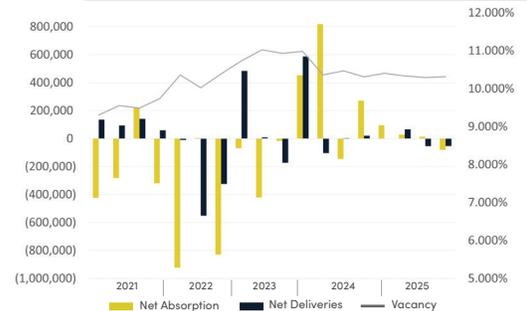
### Total Vacancy vs. Rent



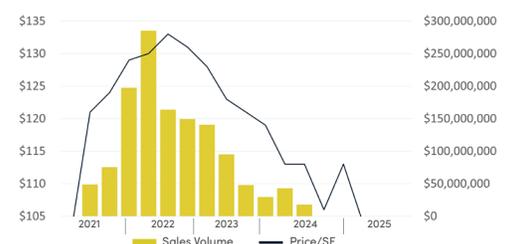
### Submarket Subleasing Availability %



### Total Net Absorption



### Sales Volume and Sale Price PSF



## Q1 2024 STATS

**11.2%**  
Direct Market  
Vacancy

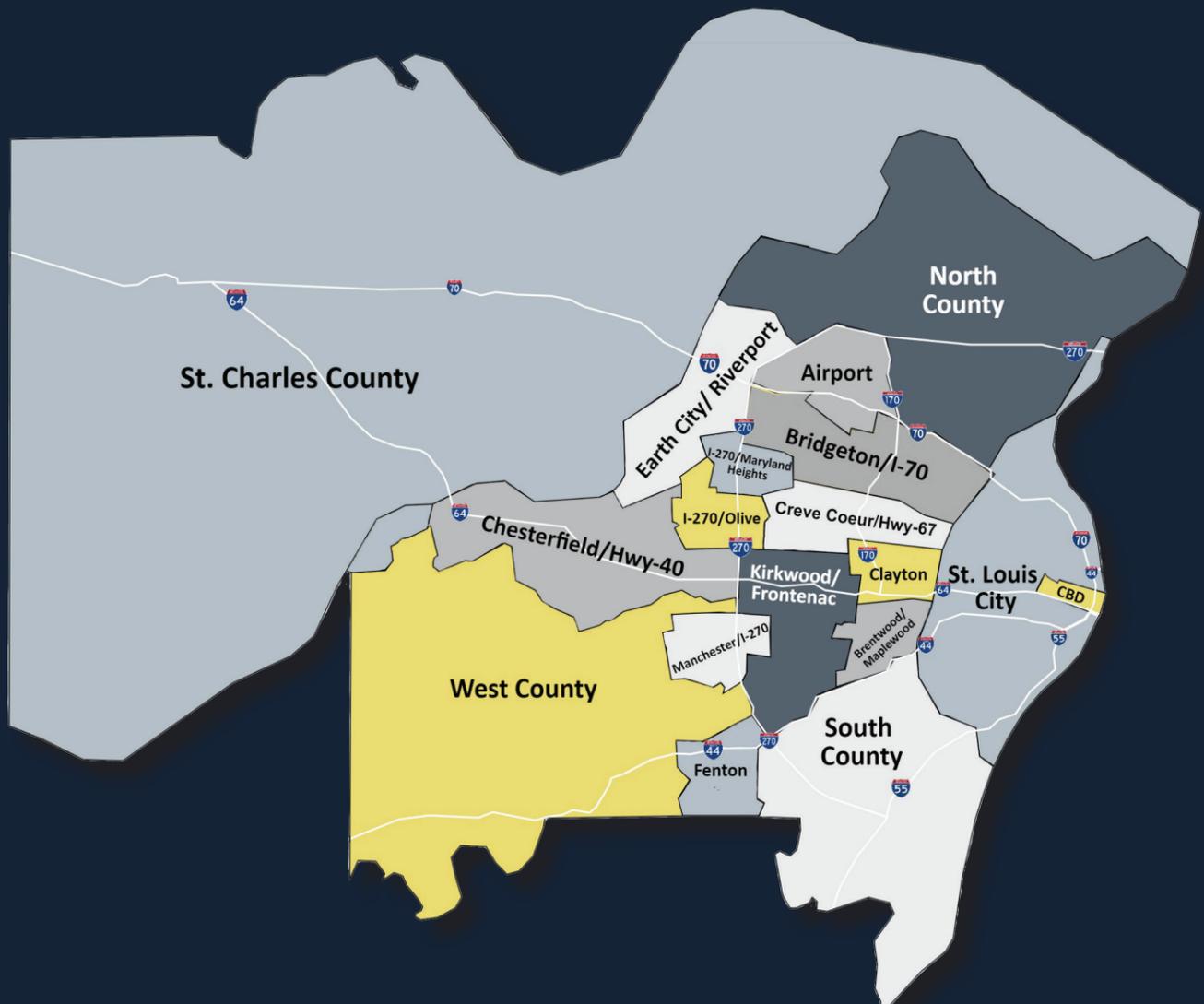
**\$24.12**  
Average Market  
Rental Rate/SF

**919,500**  
Square Feet Under  
Construction

**861,883**  
Year To Date  
Net Absorption (SF)

# Q1 2024 St. Louis Office Market Statistics

SOURCE: CoStar (St. Louis, MO Market) | Data as of 4/2024



Market	Class	Inventory SF	Q1 Net Absorption SF	Net Absorption SF 12 Mo	Sublease Availability	Direct Vacancy %	Average Asking Rent/SF	Net Delivered SF	Under Construction SF
Airport	Total	3,870,546	10,135	58,965	0.0%	1.0%	\$22.66	-	-
Brentwood/Maplewood	Total	1,281,095	33,873	38,989	0.6%	1.5%	\$27.88	-	-
Bridgeton/I-70	Total	1,903,553	1,200	-3,715	7.9%	13.3%	\$21.60	-	-
CBD	Total	23,559,833	-239,109	-252,448	0.5%	20.7%	\$19.25	-	-
Chesterfield/Hwy-40	Total	8,565,050	-32,061	54,963	5.5%	15.2%	\$24.38	-	13,500
Clayton	Total	10,434,360	139,308	-172,849	0.7%	15.0%	\$28.94	-	-
Creve Coeur/Hwy-67	Total	3,986,932	-104,145	-141,391	0.2%	7.0%	\$26.22	-	-
Fenton	Total	2,533,148	144,771	134,782	0.5%	11.2%	\$23.53	-	-
I-270/Maryland Heights	Total	5,347,858	92,241	159,904	1.9%	13.8%	\$22.53	-	-
I-270/Olive Blvd	Total	5,672,178	-58,494	89,833	2.1%	18.3%	\$24.99	-	87,000
Kirkwood/Frontenac	Total	1,720,036	-6,503	53,654	0.0%	19.0%	\$25.35	-	-
Manchester/I-270	Total	3,002,190	-18,909	28,973	0.1%	15.0%	\$24.61	-	-
South County	Total	3,571,142	30,535	32,801	0.1%	11.6%	\$23.79	-	-
St Charles County	Total	8,049,622	-87,943	148,161	0.6%	9.2%	\$23.39	-	66,000
St Louis City	Total	13,573,781	-5,259	648,453	0.1%	4.7%	\$23.56	-	753,000
West County	Total	1,082,699	-18,096	-17,192	0.0%	2.7%	\$23.22	-	-
<b>Overall Totals</b>		<b>98,154,023</b>	<b>-118,456</b>	<b>861,883</b>	<b>1.3%</b>	<b>11.2%</b>	<b>\$24.12</b>	<b>-</b>	<b>919,500</b>

Airport	Class A	520,415	-	0	-	0.0%	\$23.69	-	-
Brentwood/Maplewood	Class A	113,577	-	0	0.0%	0.0%	\$34.26	-	-
Bridgeton/I-70	Class A	625,887	1,200	-3,715	0.0%	22.9%	\$22.43	-	-
CBD	Class A	13,381,652	-228,213	-207,645	0.3%	24.3%	\$20.35	-	-
Chesterfield/Hwy-40	Class A	5,502,685	-38,685	48,305	10.3%	15.9%	\$27.01	-	-
Clayton	Class A	6,773,453	113,201	-194,346	1.0%	17.0%	\$34.21	-	-
Creve Coeur/Hwy-67	Class A	278,010	-9,494	-7,324	0.0%	5.1%	\$32.11	-	-
Fenton	Class A	715,661	17,297	-3,089	0.0%	16.7%	\$26.47	-	-
I-270/Maryland Heights	Class A	3,059,480	83,070	137,397	0.8%	11.2%	\$25.64	-	-
I-270/Olive Blvd	Class A	2,600,774	-33,304	48,271	1.7%	24.4%	\$28.77	-	87,000
Kirkwood/Frontenac	Class A	148,052	-	0	0.0%	31.6%	\$26.89	-	-
Manchester/I-270	Class A	1,348,520	-8,116	11,100	0.1%	23.0%	\$26.31	-	-
South County	Class A	577,663	6,257	23,341	0.0%	17.7%	\$25.09	-	-
St Charles County	Class A	2,970,471	-90,722	-43,658	1.2%	10.6%	\$23.82	-	-
St Louis City	Class A	2,261,691	-	146	0.0%	5.2%	\$26.52	-	753,000
West County	Class A	236,430	-	0	-	0.0%	\$25.63	-	-
<b>Market Totals</b>	<b>Class A</b>	<b>41,114,421</b>	<b>-187,509</b>	<b>-191,217</b>	<b>1.1%</b>	<b>14.1%</b>	<b>\$26.83</b>	<b>0</b>	<b>840,000</b>

Airport	Class B	3,350,131	10,135	58,965	0.0%	2.0%	\$21.62	-	-
Brentwood/Maplewood	Class B	1,167,518	33,873	38,989	1.2%	3.0%	\$21.50	-	-
Bridgeton/I-70	Class B	1,277,666	-	0	15.7%	3.6%	\$20.76	-	-
CBD	Class B	10,178,181	-10,896	-44,803	0.7%	17.2%	\$18.15	-	-
Chesterfield/Hwy-40	Class B	3,062,365	6,624	6,658	0.7%	14.4%	\$21.75	-	13,500
Clayton	Class B	3,660,907	26,107	21,497	0.3%	13.0%	\$23.67	-	-
Creve Coeur/Hwy-67	Class B	3,708,922	-94,651	-134,067	0.3%	8.9%	\$20.32	-	-
Fenton	Class B	1,817,487	127,474	137,871	1.0%	5.8%	\$20.58	-	-
I-270/Maryland Heights	Class B	2,288,378	9,171	22,507	3.1%	16.5%	\$19.42	-	-
I-270/Olive Blvd	Class B	3,071,404	-25,190	41,562	2.4%	12.2%	\$21.21	-	-
Kirkwood/Frontenac	Class B	1,571,984	-6,503	53,654	0.0%	6.3%	\$23.81	-	-
Manchester/I-270	Class B	1,653,670	-10,793	17,873	0.0%	6.9%	\$22.91	-	-
South County	Class B	2,993,479	24,278	9,460	0.2%	5.4%	\$22.49	-	-
St Charles County	Class B	5,079,151	2,779	191,819	0.0%	7.8%	\$22.95	-	66,000
St Louis City	Class B	11,312,090	-5,259	648,307	0.2%	4.2%	\$20.59	-	-
West County	Class B	846,269	-18,096	-17,192	0.0%	5.4%	\$20.80	-	-
<b>Market Totals</b>	<b>Class B</b>	<b>57,039,602</b>	<b>69,053</b>	<b>1,053,100</b>	<b>1.6%</b>	<b>8.3%</b>	<b>\$21.41</b>	<b>-</b>	<b>79,500</b>



## Sold

**316,541 SF**

1 Express Way  
Submarket | Bridgeton/I-70

**116,277 SF**

3630 S Geyer Rd  
Submarket | South County

**85,449 SF**

227-235 W Lockwood Ave  
Submarket | Brentwood/Maplewood

**19,856 SF**

689 Craig Rd  
Submarket | I-270/Olive Blvd



## Leased

**41,000 SF**

8235 Forsyth Blvd  
Submarket | Clayton  
Tenant | Energizer  
Type | New

**40,000 SF**

6 Cityplace Dr  
Submarket | I-270/Olive Blvd  
Tenant | Armano  
Type | Renewal/Downsize

**28,000 SF**

710 N Tucker Blvd  
Submarket | CBD  
Tenant | Edge Centres  
Type | New

**27,578 SF**

502-514 Earth City Expy (Plaza 1 Office Ctr)  
Submarket | Earth City/Riverport  
Tenant | Client Services  
Type | New

**25,933 SF**

12443 Olive Blvd  
Submarket | I-270/Olive Blvd  
Tenant | Benefit Recovery Group  
Type | New

**19,261 SF**

101 S Hanley Rd (Hanley Corporate Twr)  
Submarket | Clayton  
Tenant | New Ground International  
Type | New



## Crane Watch

**712,000 SF**

National Geospatial Intelligence Agency Headquarters  
Cass Ave  
Submarket | St. Louis City

**90,000 SF**

First Bank Headquarters  
11901 Olive Blvd  
Submarket | I-270/Olive

**66,000 SF**

SSM Health Outpatient Center  
8850 Highway DD  
Submarket | St. Charles County

**16,166 SF**

940 Westport Plaza Dr  
Submarket | I-270/Maryland Heights  
Tenant | Elemental Enzymes AG & Turf  
Type | Sublease

**11,600 SF**

12444 Powerscourt Dr  
Submarket | Manchester/I-270  
Tenant | Chamberlain Group  
Type | Renewal/Expansion

**11,000 SF**

100 N Broadway  
Submarket | CBD  
Tenant | Hennessy & Roach P.C.  
Type | New

# For more market insights and information visit [intelicacre.com](http://intelicacre.com)

## About Us:

Founded in 2010, Intelica was born from a desire to offer services catered specifically to the needs of the St. Louis region, rather than the “dot on a map” approach of national brokerages.

Over the course of 14 years, Intelica has grown service lines in private equity, construction management, occupier services, architecture, and marketing.

The founders and team members remain committed to the economic development of the region through strategic partnerships, philanthropy, and thousands of volunteer hours with local nonprofits every year.

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