



ST LOUIS REGIONAL  
**FREIGHTWAY**

ST. LOUIS REGIONAL INDUSTRIAL REAL ESTATE

**Market Indicators & Workforce Statistics**



**Q2 2024**



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## THE ST. LOUIS REGIONAL FREIGHTWAY

is proud to present this newsletter as a resource to stay informed about the industrial market in our region. Our goal is to provide valuable insights into recent growth trends, as well as to highlight the many advantages that make the St. Louis area a prime location for logistics and manufacturing businesses looking to expand.

[TheFreightway.com](http://TheFreightway.com)



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# Target Industries



**ONE LOCATION.  
GLOBAL ACCESS.**

The St. Louis region is harnessing its unique assets and building on its strengths by focusing on four key target industry sectors that strategically position our regional economy for smart, sustainable growth.

## TARGET INDUSTRIES:

- **ADVANCED MANUFACTURING**
- **METALS**
- **FOOD & AGTECH**
- **CHEMICALS**

These legacy industry sectors in the bi-state corridor are poised for continued innovation, job creation, and economic diversification.

# Target Industries: ADVANCED MANUFACTURING

## STRATEGIC ADVANTAGES:

The St. Louis region is the gateway to global access with excellent freight infrastructure, transportation access, and shovel-ready industrial real estate availability. With a significant workforce concentration in aerospace, automotive, and machinery and equipment manufacturing, the region has the existing labor pool needed to support growing companies seeking a sustainable location to grow their business. Our unique ecosystem supports manufacturing businesses at every level, from the shop floor to the C-suite.

### AEROSPACE MANUFACTURING

- » The St. Louis region has nearly **4x** more aerospace manufacturing employees than other similar-sized markets, earning the region a ranking among the top 20 metros for aerospace employment.
- » Boeing is planning a **\$1.8-billion, 1 million-sq-ft** advanced aerospace manufacturing facility at St. Louis Lambert International Airport and investing \$200 million in a new production facility at MidAmerica St. Louis Airport, creating a total of 650 new jobs.
- » **Gulfstream Aerospace Corp.** is expanding its operations at the St. Louis Downtown Airport in Cahokia Heights, Illinois, **creating 200 new full-time jobs** and **retaining nearly 500 existing jobs**. The **\$28.5 million** expansion will bring Gulfstream's total footprint at Cahokia Heights's St. Louis Downtown Airport to 642,657 sq ft.
- » **West Star Aviation** is expanding its facilities at St. Louis Regional Airport in East Alton, Illinois, increasing its footprint there to almost 500,000 sq ft and adding an estimated 100 new jobs.

### BUSINESS ENVIRONMENT

- » The St. Louis metro was named the **4th best tax environment** for manufacturers by the Tax Foundation, with the 3rd Lowest Tax Rate and 8th Lowest Property Tax in the U.S.

### SKILLED WORKFORCE

- » Over **56,600 skilled workers** in Advanced Manufacturing with a **9.6% net new job growth rate** over the last decade.

### REVVING UP

- » A recent **\$1.5 Billion** expansion of **General Motors** to begin building the next generation of midsize pickup trucks at the facility resulted in the creation and retention of **4,100 jobs**.



# Target Industries: FOOD & AG TECH

## STRATEGIC ADVANTAGES:

The St. Louis region is a thriving hub for food manufacturing and distribution for some of the world's biggest brands, like AB InBev, Post, and Purina, and much of this industry's strength is rooted in proximity and accessibility to natural goods. The same rich agricultural heritage and strategic location within America's heartland that drives businesses to locate here is driving the region toward AgTech innovation. With leading research institutions like the Donald Danforth Plant Science Center and the Monsanto/Bayer Innovation Center, collaboration is fostered among scientists, entrepreneurs, and investors to pioneer solutions for global agricultural challenges. Supported by a strong network of industry resources including BioSTL, accelerators and venture capital firms, the St. Louis region propels AgTech startups towards success, solidifying its position as a premier destination for agricultural technology innovation and food manufacturing and distribution.

### FOOD & BEVERAGE

- » **AB InBev**, the leader in the adult beverage industry with over a quarter of the global market share, accounts for **4,500 jobs** and a **\$5.6 billion** annual economic impact across the St. Louis region.
- » **Tyson Foods**, one of the world's largest food companies, announced a **\$180 million expansion** of its Caseyville, Illinois, plant, which will entail the retention of **300 existing jobs, creation of 400 additional jobs**, and addition of seven more production lines and 270,000 sq ft.
- » **American Foods Group** is investing **\$800 million** in a new 775,000 sq ft beef processing facility in Warren County, Missouri. The project will create **more than 1,300 new jobs** in the region with an estimated regional impact of about **\$1 billion**.

### RESEARCH ECOSYSTEM

- » **400** Biotech R&D companies encouraging growth and innovation
- » **\$87 million** in National Institutes of Health startup grants
- » **\$142 million** appropriated for new federal commercialization grants
- » **Four major health systems** are headquartered in the St. Louis metro: BJC HealthCare, Mercy, SSM Health, and Ascension, one of the largest nonprofit health systems in the U.S. These health systems drive significant bioscience research and innovation throughout the St. Louis region.

### SPECIALIZED WORKFORCE

- » With more than **1,000 plant scientists** living and working in our region, we are home to one of the highest concentrations of plant scientists in the world.
- » The region has nearly **3.5x more** animal food manufacturing employees than peer metros.

### STRATEGIC LOCATION

- » **50%** of all U.S. crops are produced within a 500-mile radius, or a day's drive, of St. Louis.

# Target Industries:

## METALS

### STRATEGIC ADVANTAGES:

Whether you are sourcing raw materials or manufacturing metals products, the St. Louis region boasts a strategic position in the United States, offering economically viable rare earth elements, unparalleled transportation access, and a skilled workforce cultivated by leading technical institutions. Establishing your metals manufacturing or transportation operation in the St. Louis region ensures efficiency, abundant energy resources, innovation, and sustained growth opportunities within a dynamic industrial landscape.

#### JOB GROWTH

- » The region is home to **16,900 skilled workers** in the Metals Manufacturing industry and has seen a **39.3% increase** in iron and steel mill employment over the past 5 years.

#### DOUBLING DOWN

- » East Alton, Illinois-based copper supplier **Wieland**, which manufactures crucial products for the burgeoning electric vehicle industry, announced in January 2024 a **\$500 million** project that will **retain 800 existing jobs**.

#### RARE EARTH MINERALS

- » Missouri is **one of only 10 states** to have potentially economically viable rare earth element deposits, which are minerals in the Earth's crust that are critical components in a wide range of modern technologies, including smartphones, wind turbines, electric vehicles, and military equipment.

#### EXPORT LEADERSHIP

- » The metro area is ranked **2nd in the U.S.** for minerals and ores exports, which primarily includes metals and metal products. According to the most recent available data from the U.S. International Trade Administration, St. Louis's metro area's largest export category is Minerals and Ores; the region exported more than **\$2.9 billion** in minerals and ores in 2022.

# Target Industries: CHEMICALS

## STRATEGIC ADVANTAGES:

The St. Louis region ranks among the top 25 metro areas in the United States for chemical exports, with significant sub-sector clusters in pharmaceutical, soap and cleaning compounds, petroleum and coal products, and fertilizer and agricultural chemicals. The regional chemical industry benefits from a skilled workforce that can support manufacturing and research and development, with the presence of established chemical companies and research facilities fostering continued innovation, investment, and growth.

### TALENT PIPELINE

- » The region is home to **15,800 professionals** specializing in chemistry, pharmacology, engineering, logistics, and other chemical-related sectors.
- » Organizations like **BioSTL** and proximity to **top-tier universities** foster access to expert collaboration opportunities, cutting-edge research, right-fit talent, and emerging tech.

### CULTURE OF INNOVATION

- » Regional bioscience companies have received **\$1.5 Billion** in venture capital since 2015.

### PHARMACEUTICAL

- » Home to major international corporations such as Pfizer and GlaxoSmithKline and other U.S. corporations like Mallinckrodt.

### EXPORT LEADERSHIP

- » The St. Louis region is ranked among the **Top 25** metro areas in the U.S. for chemical exports.

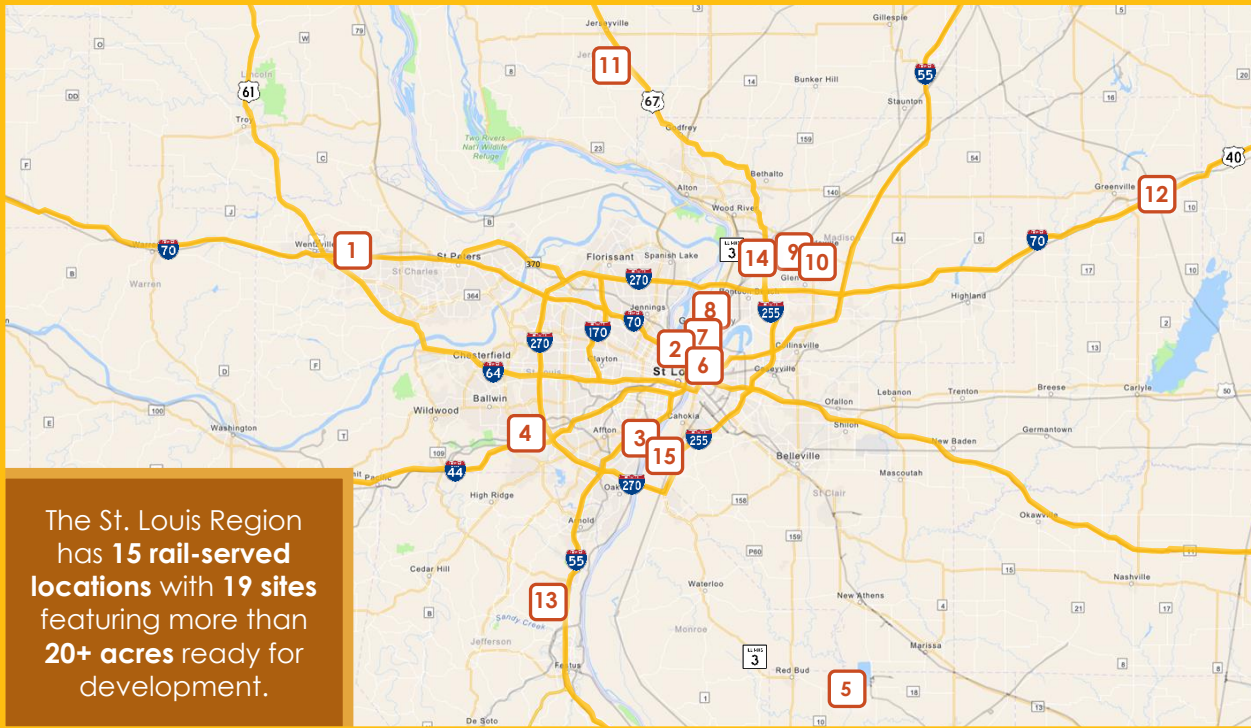
### CRYSTAL-CLEAR ADVANTAGE

- » The region has over **3x** more soap and cleaning compound manufacturing jobs than other similar-sized markets and has seen **12.3%** growth in the industry's jobs over the past five years, supported by major employers in the sector such as Dial/Henkel and Procter & Gamble.



# Rail Accessibility

NEW SITES ADDED TO OUR ONLINE DATABASE!



The St. Louis Region has **15 rail-served locations** with **19 sites** featuring more than **20+ acres** ready for development.



Click the map or visit  
**[THEFREIGHTWAY.COM](http://THEFREIGHTWAY.COM)**  
to explore site availability!





# 70 Miles on the 70s Corridor

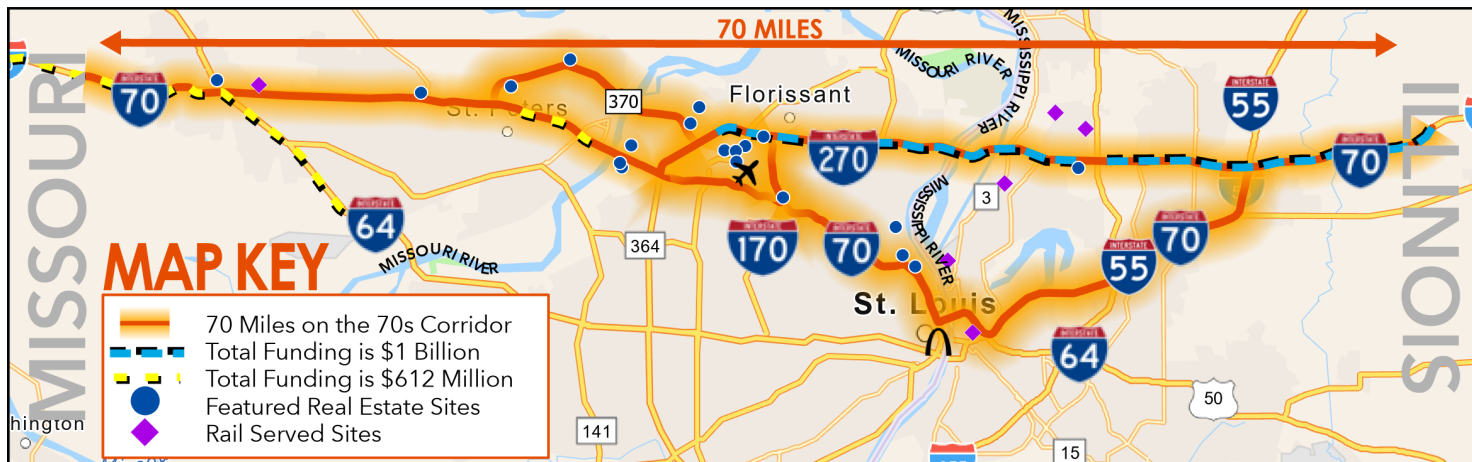


**INTERSTATE 70 REMAINS A VITAL PART OF THE NATIONAL FREIGHT DISTRIBUTION SYSTEM**, spanning more than 2,150 miles from Baltimore, Maryland, to Western Utah, connecting the Midwest to the coasts. It anchors the 70-mile segment of the “70s Corridor” between Foristell, Missouri, and Marine, Illinois in the St. Louis MO-IL MSA (that includes I-70, I-170, I-270, and I-370). The corridor is one of the nation’s most advantageous locations for industrial site selection.

This corridor is home to more than **two dozen** of the St. Louis region’s featured real estate sites that comprise a mix of established industrial parks and development-ready land suitable for all types of industrial and commercial use. Five of these featured sites offer over **20 acres** with active or potential rail service on site, and are suitable to heavy industry, making them ideal for end-users ready to take advantage of the strong rail and manufacturing infrastructure in the St. Louis Missouri-Illinois bi-state region.

The entire region benefits tremendously from this crucial transportation thoroughfare, and the level of **infrastructure investment** occurring along the corridor in the St. Louis area is helping to ensure it remains a strategic location for companies looking to move goods efficiently and cost-effectively. Approximately **\$1 billion** in funding has been allocated for a series of improvements on I-270, including the I-270 North project that was completed in 2023 and the new Chain of Rocks Bridge which is currently under construction.

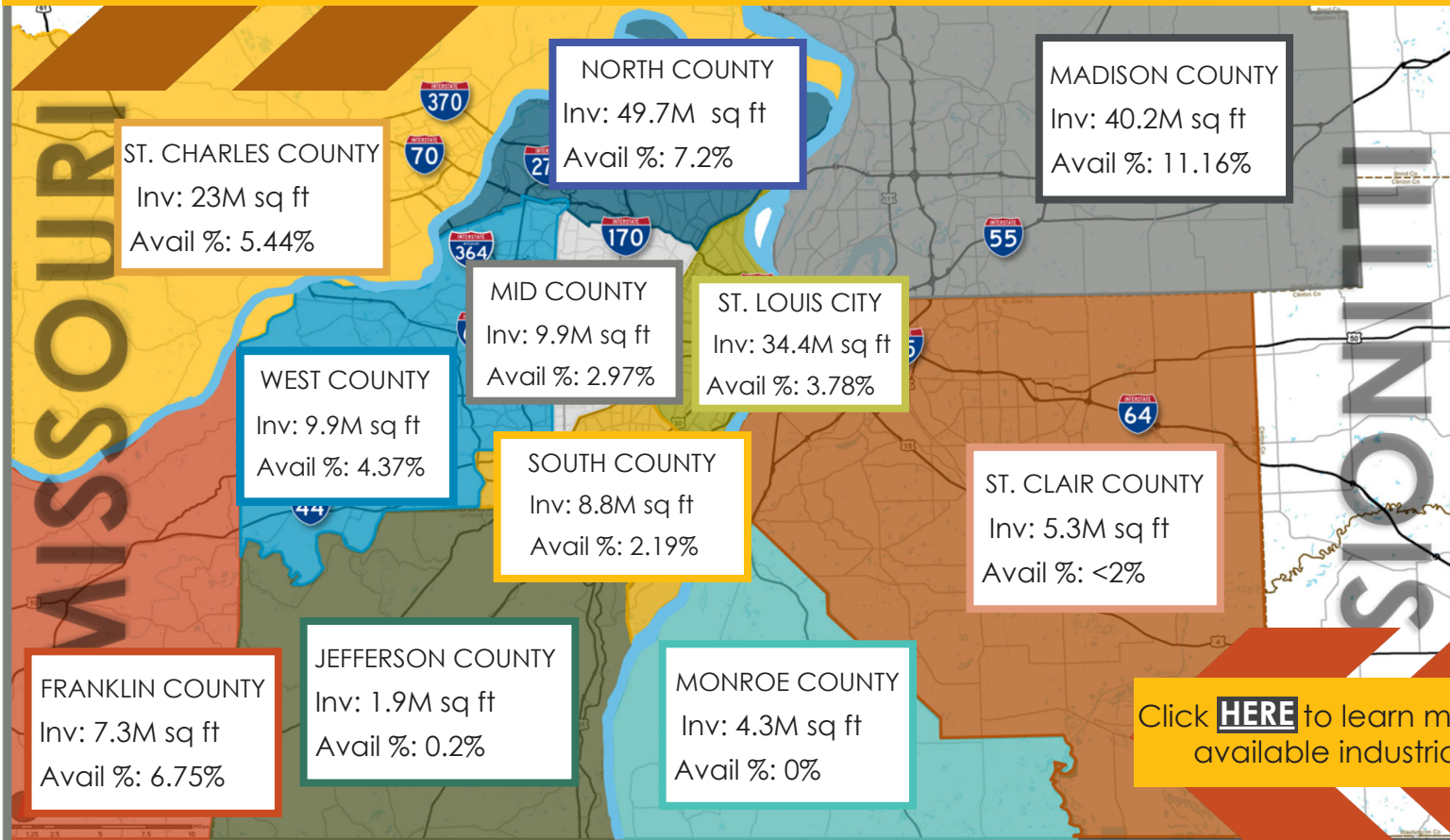
An additional **\$612 million** has been committed to improvements on I-70 from Wentzville Parkway in St. Charles County to Warren County, Missouri, This expansion includes associated improvements to key interchanges and I-64, further unlocking industrial development sites for businesses seeking to grow and expand. It is part of a **\$2.8 billion** widening and expansion of I-70 in Missouri.



# Industrial Real Estate Market Indicators

Q2 2024 | ALL INDUSTRIAL TYPES BUILDINGS OVER 100,000 SQ FT

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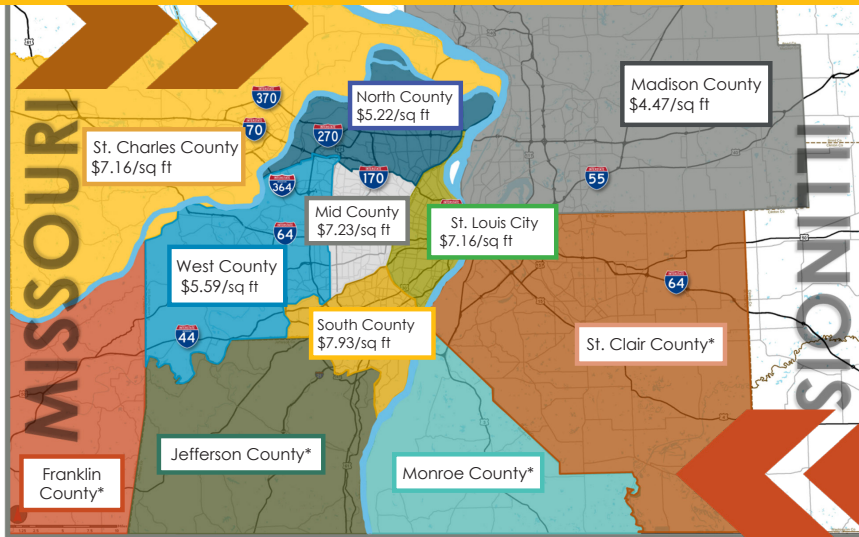
Click [HERE](#) to learn more about available industrial sites!

Source: CoStar – St. Louis MSA; Existing industrial buildings over 100,000 Sq ft

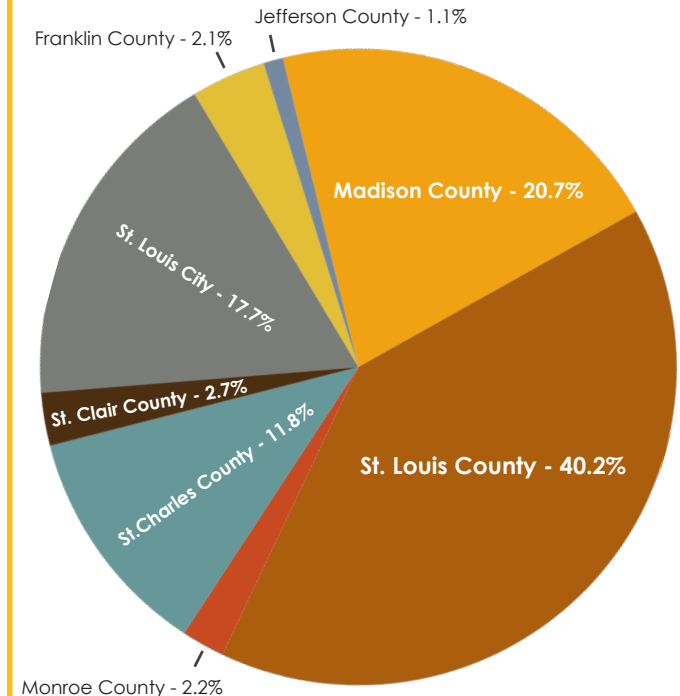
# Industrial Real Estate Market Indicators

Q2 2024 | ALL INDUSTRIAL TYPES BUILDINGS OVER 100,000 SQ FT

TheFreightway.com



## INVENTORY BREAKDOWN BY TOTAL BUILDING SQ FT



### Tenant Notes:

- » 732 Occupiers with over 100,000 sq ft
- » 218 Occupiers with over 250,000 sq ft
- » 78 Occupiers with over 500,000 sq ft

Source: CoStar – St. Louis MSA; Existing industrial buildings over 100,000 Sq ft  
\*Only reported NNN asking rents were used



# Industrial Real Estate Market Indicators

Q2 2024 | ALL INDUSTRIAL TYPES BUILDINGS OVER 100,000 SQ FT

TheFreightway.com

## St. Louis Regional Industrial Market Total Inventory Size

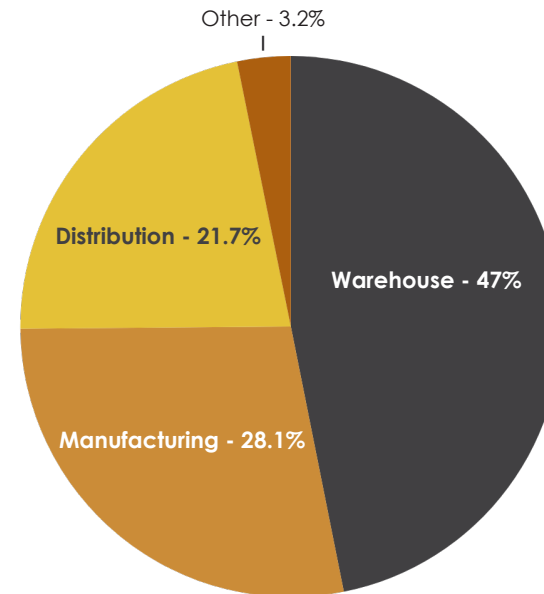
(INDUSTRIAL & FLEX OVER 100,000 SQ FT)

**TOTAL = 194.6MM sq ft**



## BI-STATE EIGHT-COUNTY REGION

OCCUPIERS WITH OVER 100,000 SQ FT BY INDUSTRY



Source: CoStar – St. Louis MSA; Existing industrial buildings over 100,000 sq ft

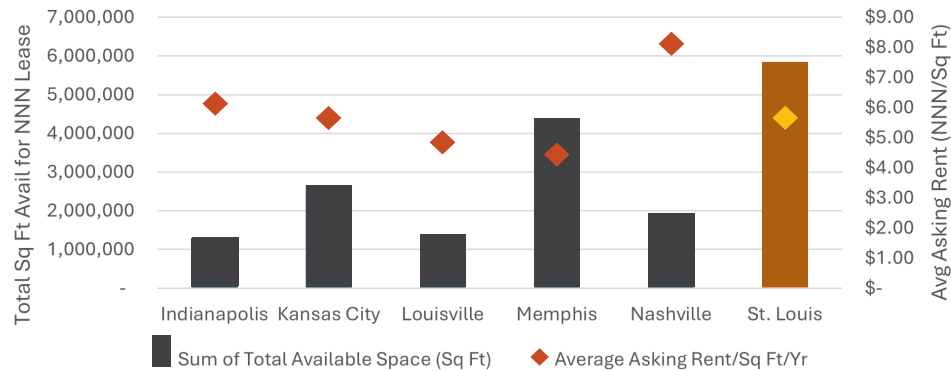
# Industrial Real Estate Market Indicators

**Q2 2024 | MIDWEST COMPARISON**

TheFreightway.com

## NNN Distribution Space Available for Lease

Q2 2024



Among comparable markets in the Midwest, the St. Louis region has the highest square footage available for distribution space (more than 5.8 million square feet) and an average asking rent of \$5.67/sq ft for those spaces.

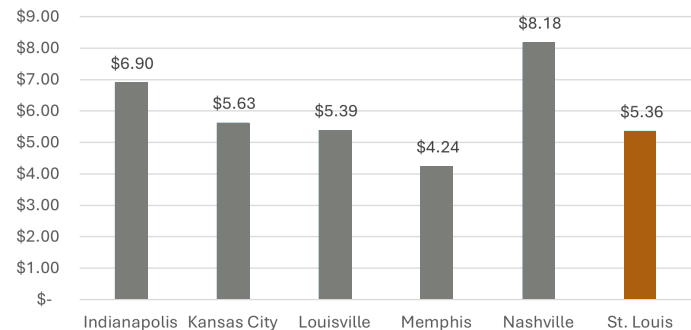


Across all industries, the St. Louis region has one of the most competitive costs per square foot in the Midwest at \$5.36/sq ft, lower than all comparable markets in the region except Memphis.



## Avg NNN Rent per Sq Ft

Q2 2024



Source: CoStar – Industrial Buildings Over 100K Sq ft \*Only reported NNN asking rents were used

# Construction & Development Trends

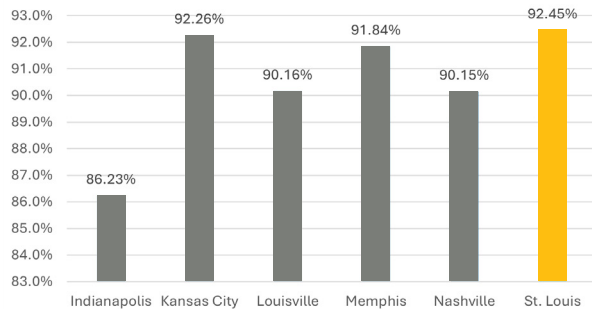
**Q2 2024 | MIDWEST COMPARISON**

TheFreightway.com

THE FREIGHTWAY HAS PARTNERSHIPS WITH DEVELOPERS ACROSS THE ST. LOUIS REGIONAL REAL ESTATE MARKET WHO STAND READY TO PARTNER WITH NEW BUSINESS AND INDUSTRY LOOKING TO INVEST. [CLICK HERE TO CONNECT.](#) \*←

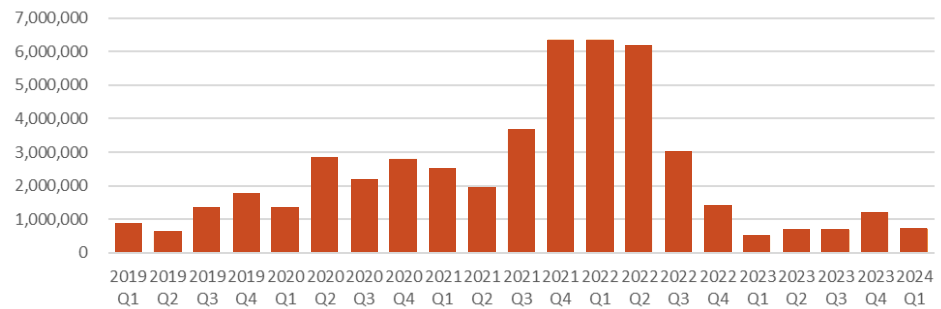
St. Louis ranks highly among comparable communities in terms of the percent of industrial real estate space leased, although new construction has slowed in recent years due to the nationwide trend of high building supply costs and more expensive and restrictive capital markets. Macroeconomic trends are impacting the market as developers must build more selectively despite high demand. Large blocks of space are built and available, especially in the Metro East, which offer immediate opportunities for absorption and growth.

**Average Percent Leased Comparison**



**The St. Louis region's industrial/flex inventory of buildings over 100,000 sq ft is 92.45% leased, which is the highest among comparable markets in the Midwest.**

**St. Louis Regional Industrial Market - Square Footage Under Construction Over 10 Years**



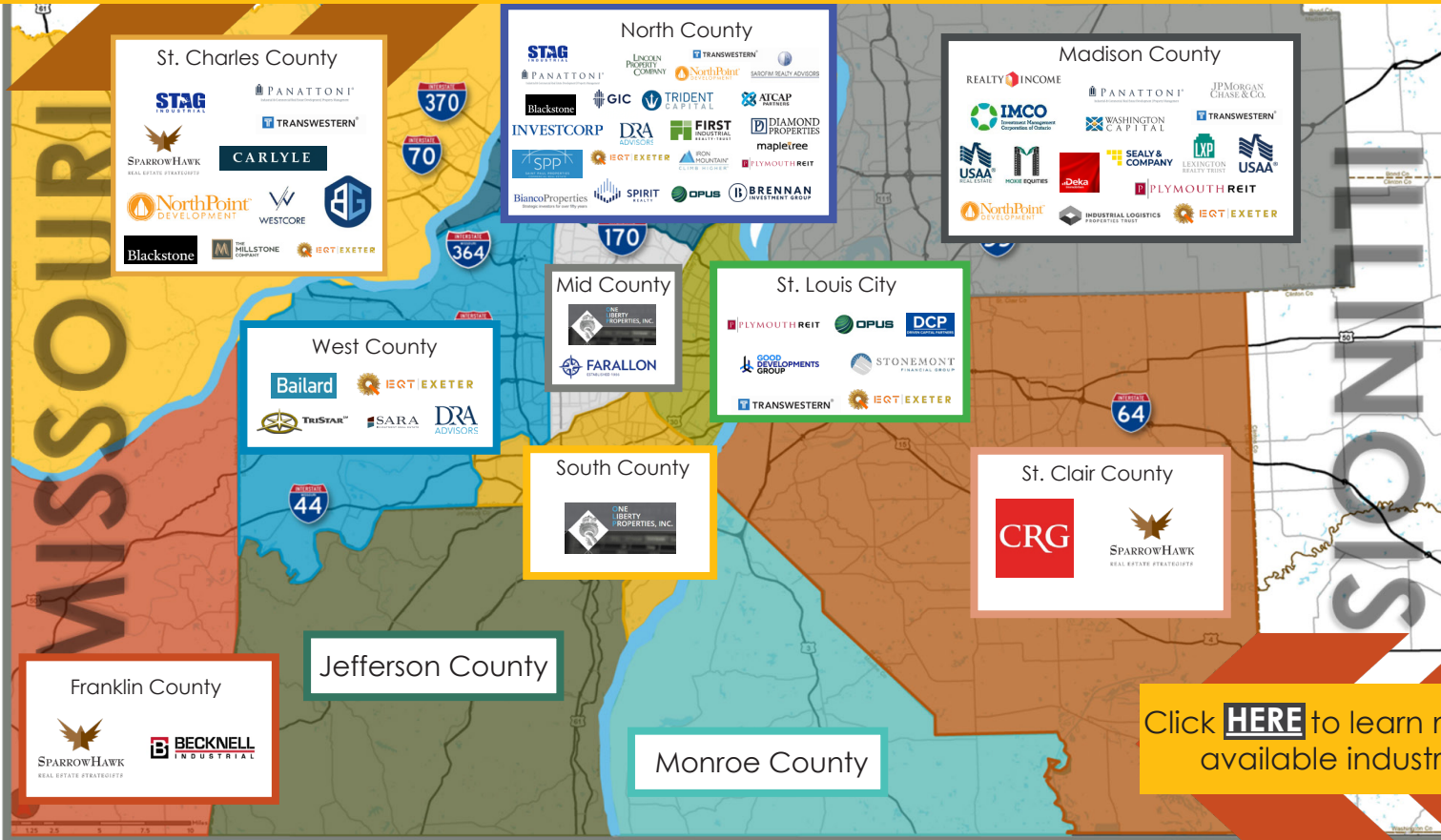
**As of Q1 of 2024, the St. Louis region had over 700,000 sq ft of industrial space under construction.**

Source: Steadfast City; \*CoStar (St. Louis, MO-IL MSA, Industrial buildings over 100,000 Sq ft)



# Construction & Development Trends

**MAJOR NATIONAL INSTITUTIONAL GRADE OWNERS BY SUBMARKET** TheFreightway.com



Click [HERE](#) to learn more about available industrial sites!

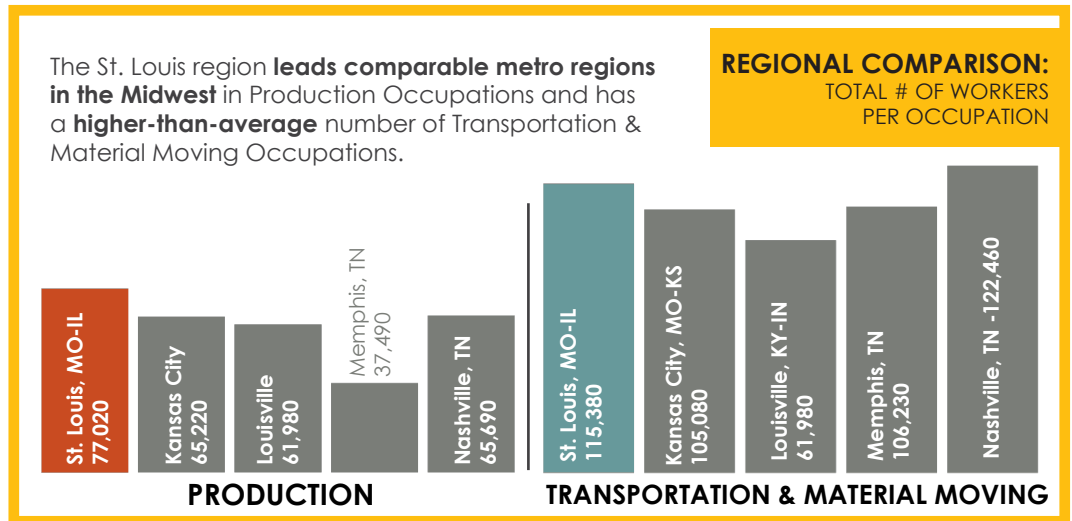
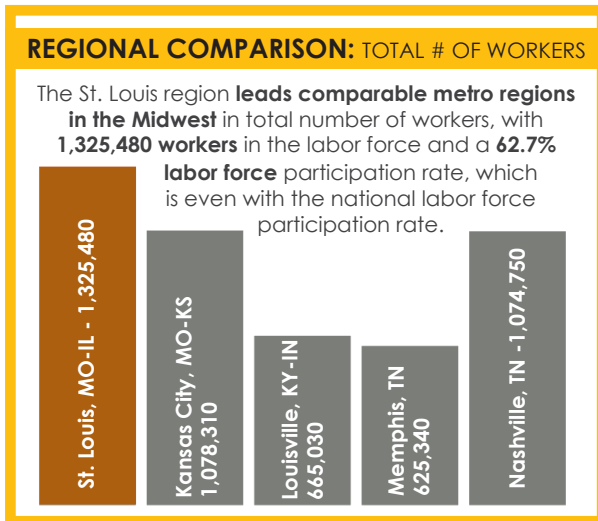
# Industrial Job-Ready Workforce Statistics

The U.S. Bureau of Labor Statistics (BLS) released its annual occupational employment and wage estimates for 2023 in early Q2 2024. BLS is a part of the U.S. Dept. of Labor that tracks and reports on prices, wages, and jobs across the national economy, as well as state and metropolitan economies.

The new data showed that, when looking at the two broad categories of **Production** and **Transportation & Material Moving** occupations in the St. Louis metro area, the fastest-growing occupations from 2021 to 2022 were **Production Workers** (All Other) and **Machinists**, which grew by **51.8%** and **28.1%**, respectively.

Additionally, the occupations with the fastest-growing average annual wages were **Computer Numerically Controlled Tool Programmers** and **Computer Numerically Controlled Tool Operators**, which had wages that grew by **8.4%** and **7.3%**, respectively.

Altogether, there are nearly **200,000 workers** in the greater St. Louis region powering **Production** and **Transportation & Material Moving jobs**, more than other cities in the Midwest like Kansas City, Louisville, Memphis, and Nashville.



Source: May 2023 Metropolitan and Nonmetropolitan Area Occupational Employment and Wage Estimates <https://www.bls.gov/oes/current/oesrcma.htm>

# Regional Advantages

## MODES OF TRANSPORTATION



#1 Most Efficient  
Inland Port

- » One of the nation's largest inland port systems
- » Most strategic, ice-free and lock-free port



Five Airports with  
Capacity

- » 2 international cargo airports with rail access



Six Class I Railroads

- » One of the nation's highest volume rail hubs



Four Interstates with  
National Access

- » Low congestion when accessing our exceptional multimodal offerings
- » Toll free interstate

**THE ST. LOUIS REGIONAL FREIGHTWAY** is working to advance more than \$8 billion in priority infrastructure projects to further strengthen the bi-state region's freight network. More than \$500 million in projects on the list have been completed and almost \$2.3 billion in additional projects are fully funded.









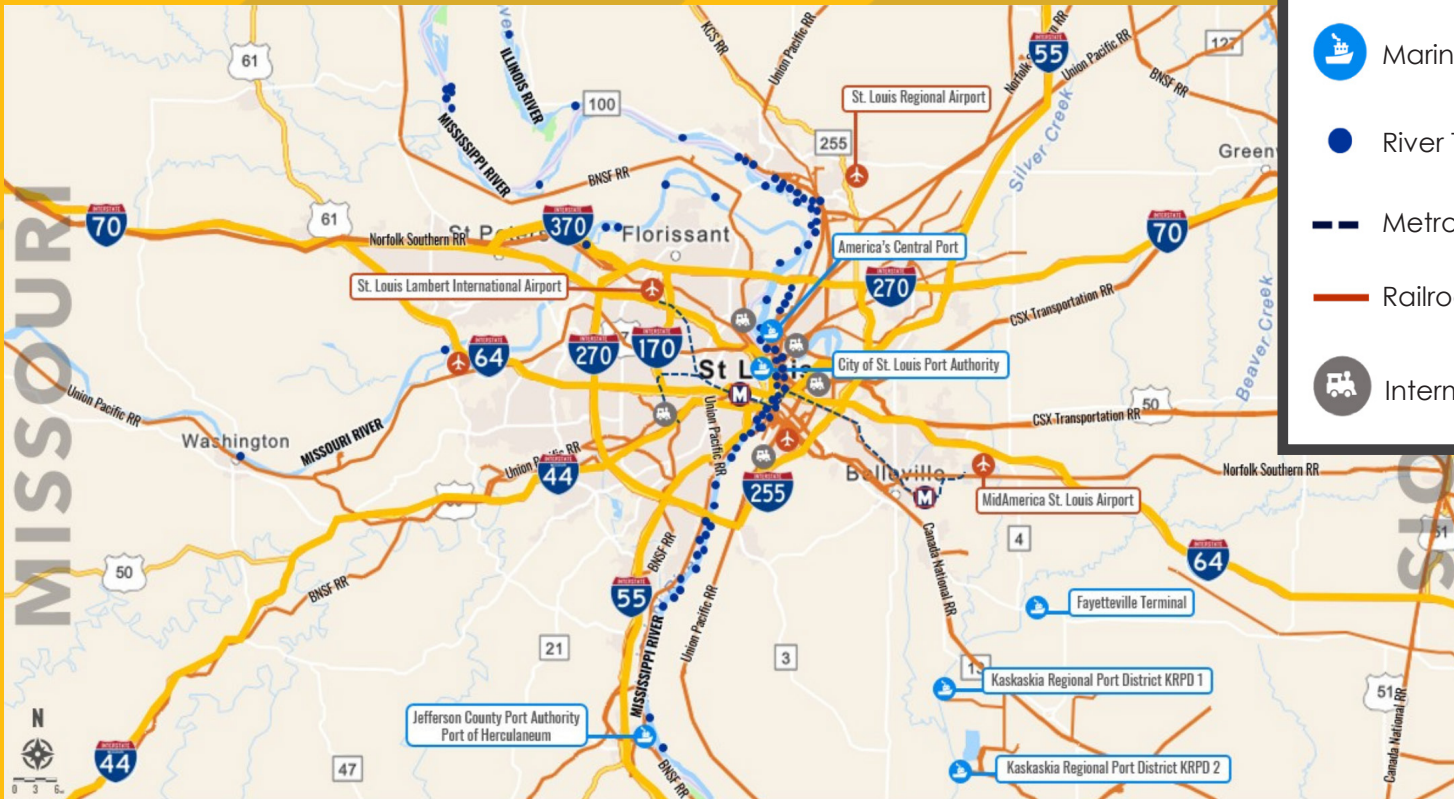
# Regional Advantages



CLICK [HERE](#) TO LEARN MORE ABOUT THE BI-STATE'S REGIONAL ADVANTAGES

## MAP KEY

-  Airports
-  Marine Highway Ports
-  River Terminal Operators
-  MetroLink Light Rail
-  Railroad Lines
-  Intermodal Site



# Summary Conclusions

The St. Louis region, with its availability of recently built spec industrial and select large blocks of space, allows for an ideal market to consolidate locations for occupiers seeking 100,000 sq ft or more. During the pandemic, companies added locations to serve demand. As that demand wanes and firms retrench and consolidate to fewer locations, one can find an attractive market in St. Louis vis-à-vis other regions due to several key advantages.

**Key Advantages of the St. Louis regional market include:**

- » Available low-cost real estate
- » A central location accessible to the world across all the major modes of transportation, including rail and major interstates like I-70, I-55, I-64, and I-44 in Missouri and Illinois
- » A large, available, talented workforce from the shop floor to the C-suite

Investing in multimodal transportation infrastructure, including a new terminal at St. Louis Lambert International Airport, expansion of I-70 in the state of Missouri, light rail expansion to MidAmerica St. Louis Airport in Illinois and improvements to the MacArthur rail bridge over the Mississippi River will drive additional industrial development and jobs. Plans for industrial expansion are already being made in anticipation of these improvements, with multiple developers in early planning phases for projects from St. Louis County to Warren County, Missouri. This planning will bear fruit when capital markets improve and infrastructure investments are complete.

Other regional priority projects including Relocated IL Route 3, the I-255 Davis Street Ferry Rd. interchange in Dupon, Illinois, and improvements at America's Central Port and Kaskaskia Regional Port District are all supporting modal efficiency and reliability providing supply chain flexibility in the industrial market.



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## St. Louis Regional Market Indicators & Workforce Statistics

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