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### Our Locations

We have offices in:

**St. Louis and 130 markets  
across the U.S.**

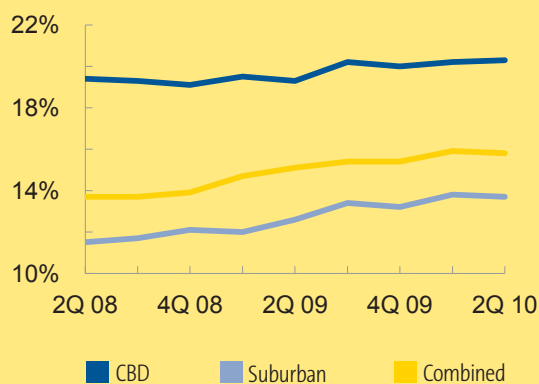
How can I assist you with your  
real estate needs here  
or in other markets?

### 2nd Quarter Market Reports

To view 2nd Quarter St. Louis Market  
Reports, click on the following links:

- [Industrial Trends Report](#)
- [Investment Trends Report](#)
- [Office Trends Report](#)
- [Retail Trends Report](#)

**St. Louis Office Vacancy Rate**  
Quarterly



### Twitter & LinkedIn

If you would like to receive more  
frequent updates and announcements  
about the St. Louis commercial real  
estate market, search for me on  
LinkedIn or follow me on Twitter at  
StLcommercialRE.

### A Quick Overview of Today's Commercial Real Estate Market

My last e-Newsletter was November, 2009. In St. Louis, we've seen modest improvements in almost all sectors of commercial real estate with good activity reported from several major US markets. **Investors** are starting to believe property values are at their lowest level and all-cash buyers are beginning to enter the market. I expect more investors to hit the market and will be attracted to "trash" or "trophy" properties. "Trash" are the properties that have been heavily discounted and should make good returns if bought cheap enough. "Trophy" properties are the well located properties with "good-bones" by sellers who are under stress to sell but at a fair price.

The recovery of the **office market** (recovery meaning vacancies start to drop and rates increase) is tied directly to the rise of employment. For the St. Louis area, I predict we won't see the market begin to recover until the 2nd half of 2011. Until then, it will remain a tenant's market! If you're a business owner/leader, call me if you want to discuss strategies to benefit from these times. We've achieved great results for our tenant rep clients. For landlords, it's a very difficult time. However, with creative strategies, energy and aggressive agents (like us!) you can thrive in today's market

The **retail market** is still sluggish but we're seeing a few retailers jockeying for more strategic locations. Past recoveries started with entrepreneurs and franchise operators. Unfortunately, given the tight lending conditions, it's very difficult for start-ups to obtain financing, which is stalling the retail recovery. The retail market is influenced significantly by consumer confidence which we know is low. Consumers are concerned about job security, personal debt and lack of savings. However, there is a lot of pent up demand since consumers cut back their purchasing over the past 18 months. Products wear out and technology changes so retail is likely to recover sooner rather than later.

The **industrial market** is improving especially in the areas of manufacturing and logistics. Many manufacturers took a conservative approach to filling orders due to the uncertainty of the economy. I think we will find an increase in manufacturing, warehousing and transportation as consumer demand gets stronger (which is happening). Given short supplies, I expect there will be a lot of "out of stock" items in the upcoming holiday season and only those consumers who shop early will they get the products they want.

### The Art of Subleasing

These economic times frequently lead to downsizing or the entire closure of an office. There are many things to consider such as timing, marketing and strategies to ensure a successful transaction. HERE is a link to an article I wrote about a tenant's guide to subleasing.

### Dave's Business Network

Some people on the distribution list of this e-Newsletter have attended "Dave's Martini Club" (now called Dave's Business Network). I coordinate a get together several times a year to bring St. Louis business leaders (usually 30-40) together in an informal environment to share drinks and experiences. It has been a great way to expand my professional and personal network and the connections for those who attend. Please let me know if you would like to be included in my fall get together by emailing me at [dmorris@gundakercommercial.com](mailto:dmorris@gundakercommercial.com)

### What's Your Plan?

The 9/11 disaster occurred 9 years ago. One of the service areas we've helped our clients with is Disaster Contingency Planning. What is your plan if a bomb, fire or other casualty shut down your business? It's not fun to think about but doing a little planning today would probably help out a lot if something catastrophic happened. HERE is a link to an article I wrote after the event of 9/11 that might help you think through some of your strategies and think about creating a Recovery Team (engineer, broker to locate new space, contractor, communications, IT, insurance agent, etc...).

### St. Louis Association of Realtors Announcement

I am pleased to announce that I was elected 2011 President of the St. Louis Association of Realtors Commercial Division ([www.stlcr.com](http://www.stlcr.com)). I look forward to serving my colleagues in this capacity. Additionally, in 2012 I will be president of the St. Louis Chapter of SIOR (Society of Industrial and Office Realtors). This does not mean I am too busy to help you with your real estate needs. That's what I am in business to do. Please contact me if I can be of any service....big or small. Have a great fall.