

# Second Quarter 2019 Market Peek

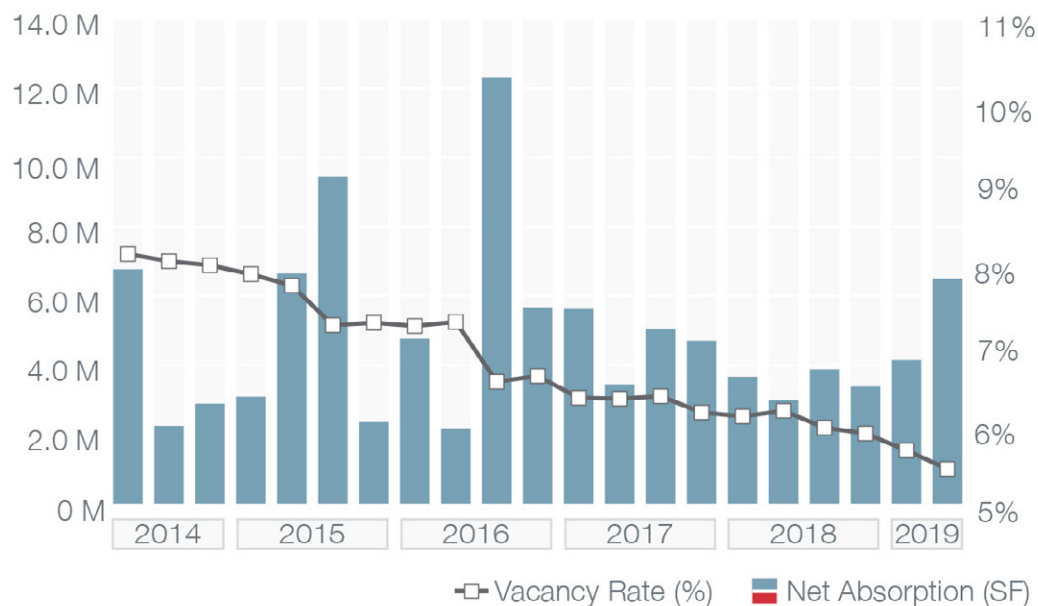
NAI Hiffman is pleased to present the Second Quarter 2019 Market Peek, a first look at the market statistics for the Chicago metropolitan office and industrial real estate markets.



## Industrial: Absorption Increased 45.5 Percent Year-Over-Year

- Year-over-year net absorption increased 45.5 percent over mid-year 2018 and totaled nearly 10.7 million square feet (msf) year-to-date. Second quarter 2019 absorption of 6.5 msf also marks a 56.8 percent increase over the 4.1 msf recorded last quarter. The largest quarterly increases occurred in the I-55 Corridor and Southeast Wisconsin submarkets where nine companies took occupancy of spaces larger than 100,000 square feet (sf) and totaled nearly 2.8 msf during the quarter.
- Nearly 9.6 msf of new leasing activity was signed during the second quarter, on par with the 9.8 msf signed during the previous quarter. A total of 50 new leases were signed greater than 50,000 sf during the second quarter alone, further solidifying forecasts suggesting healthy market fundamentals will continue through the remainder of the year.

### Chicago Industrial Market 2Q 2019 VACANCY & ABSORPTION



# Industrial Market Statistics

## Second Quarter 2019

Submarket	Total RBA (SF)	Vacancy Rate (%)	Availability Rate (%)	Net Absorption (SF)	YTD 2019 Net Absorption(SF)	New Supply (SF)	Under Construction (SF)	New Leasing Activity (SF)	Weighted Avg. Net Rental Rates (PSF)
1 Southeast Wisconsin	58,096,409	6.63% ▼	8.47% ▼	1,640,117	1,786,771	1,324,399	2,109,050	586,449	\$4.64
2 Lake County	70,636,594	3.71% ▼	6.51% ▼	311,117	-7,939	70,000	1,430,554	1,243,627	\$5.39
3 McHenry County	27,518,350	7.04% ▼	6.89% ▼	18,398	50,590	0	0	137,206	\$4.98
4 I-39 Corridor	38,965,392	6.47% ▼	9.71% ▼	734,431	874,871	675,270	0	0	\$3.39
5 DeKalb County	12,855,779	4.97% ▼	6.11% ▼	-9,240	1,315	0	0	9,415	\$3.12
6 I-90 Northwest	30,539,488	3.30% ▼	5.51% ◀	272,859	322,017	28,457	415,020	258,756	\$6.10
7 Northwest Cook	27,444,654	3.92% ▼	6.39% ▼	533,200	454,104	300,000	644,050	206,357	\$5.91
8 North Cook	45,142,708	4.45% ▼	6.64% ▼	233,293	445,711	0	0	411,802	\$6.10
9 Fox Valley	35,259,475	4.11% ▼	6.76% ▼	114,735	30,503	0	2,322,999	586,965	\$4.33
10 Central DuPage	70,791,466	4.31% ▲	7.51% ▲	-520,615	-599,446	265,500	0	595,030	\$6.84
11 O'Hare	100,338,032	4.26% ▼	7.37% ▼	155,079	813,107	248,564	666,713	755,382	\$5.68
12 West Cook	60,452,307	7.28% ▲	9.12% ◀	-99,265	519,647	113,747	623,000	198,834	\$4.29
13 Chicago North	54,824,598	5.83% ◀	8.73% ▼	-93,634	-184,364	0	0	210,332	\$7.53
14 Chicago South	118,865,483	3.60% ▼	5.17% ▼	331,076	733,517	174,536	1,109,900	268,013	\$5.79
15 I-88 Corridor	68,982,108	5.21% ▲	7.05% ▼	40,737	93,578	131,040	716,181	813,042	\$5.07
16 Southwest Cook	36,663,416	2.69% ▲	3.86% ▼	-113,886	203,985	0	575,935	269,761	\$5.36
17 I-55 Corridor	95,006,396	8.30% ▼	10.66% ▼	1,754,967	1,985,665	657,540	4,308,967	1,307,309	\$5.00
18 South Cook	80,724,998	2.75% ▼	5.35% ▼	454,099	402,339	0	308,267	389,416	\$4.07
19 I-80/Joliet Corridor	91,055,535	11.88% ▲	12.63% ▲	28,994	1,419,393	1,010,088	2,406,658	683,159	\$4.70
20 Northwest Indiana	41,490,982	1.98% ▼	4.20% ▼	277,021	771,225	0	320,400	309,518	\$4.43
21 I-57/Will Corridor	15,985,511	1.67% ▼	4.95% ▼	232,907	-25,590	0	1,099,480	0	\$3.30
<b>Flex Space Summary</b>									
Total Flex Space	66,468,867	7.35% ▲	10.73% ▼	208,393	559,890	0	0	344,837	N/A
<b>Total Market</b>									
Totals	1,248,108,548	5.43% ▼	7.68% ▼	6,504,783	10,650,889	4,999,191	19,057,174	9,585,210	\$5.28

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