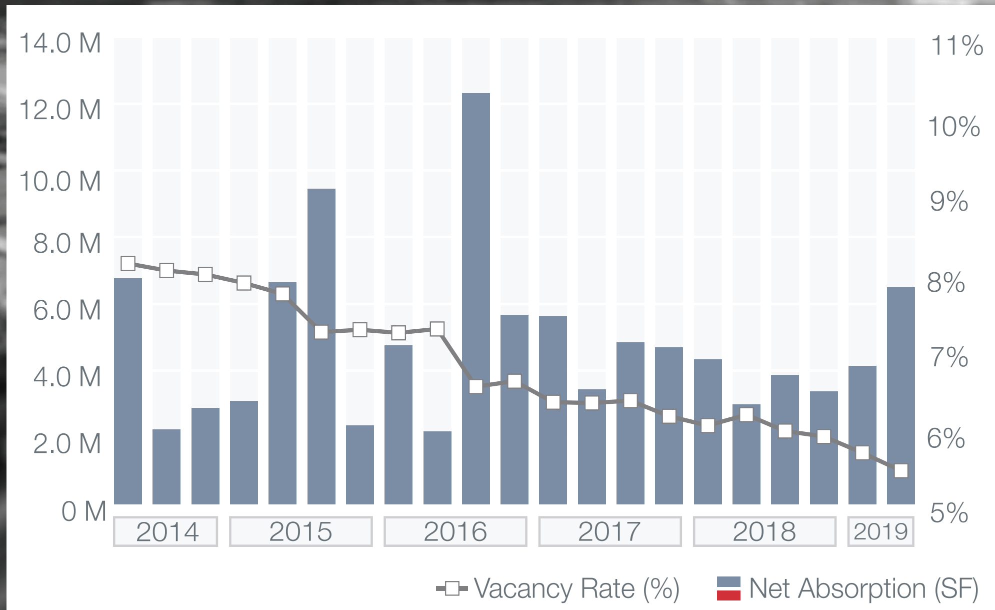
Second Quarter 2019

Industrial Market

Year-over-year net absorption in the Chicago industrial market increased 45.5 percent over mid-year 2018, supported by year-to-date new leasing activity of nearly 19.4 million square feet.



Arrows indicate change from previous quarter.

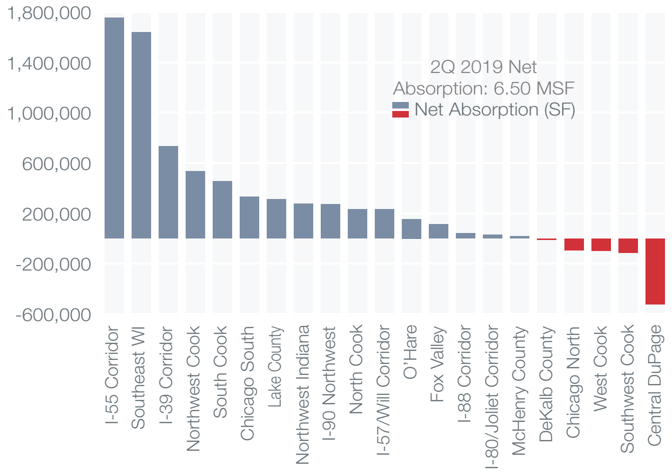
5.43%
VACANCY RATE

6.5 MSF
2Q 2019 NET ABSORPTION

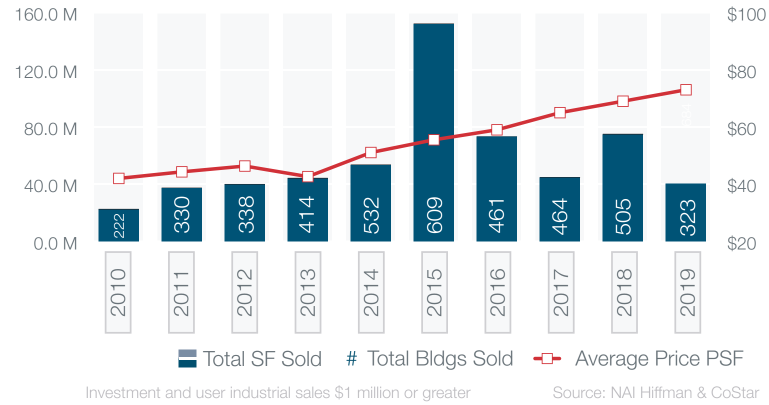
$5.28
PSF ASKING RENTS

- Year-over-year net absorption increased 45.5 percent over mid-year 2018 and totaled nearly 10.7 million square feet year-to-date. Second quarter 2019 absorption of 6.5 million square feet also marks a 56.8 percent increase over the 4.1 million square feet recorded last quarter and the most space absorbed in a single quarter since the third quarter of 2016. 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 and totaled nearly 2.8 million square feet during the quarter. Companies including ULINE in Kenosha, WI (800,000 square feet) and RJW Transport in Romeoville (417,000 square feet) took occupancy during the quarter.
- Nearly 9.6 million square feet of new leasing activity was signed during the second quarter, on par with the 9.8 million square feet 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.
- Construction deliveries totaled nearly 5.0 million square feet during the second quarter, to bring the year-to-date total to 8.2 million square feet. A total of 62.5 percent of speculative deliveries and 37.5 percent of build-to-suit projects were completed during the quarter. These include an 800,000-square-foot build-to-suit facility for ULINE in Kenosha, and a 757,880-square-foot speculative facility at the Heartland Corporate Center in Shorewood.

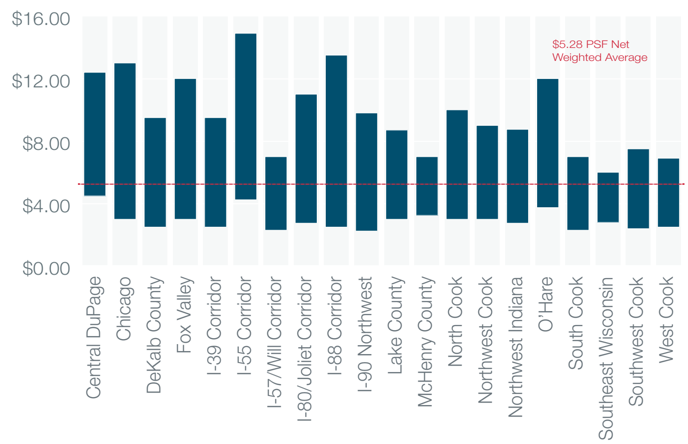
Net Absorption by Submarket



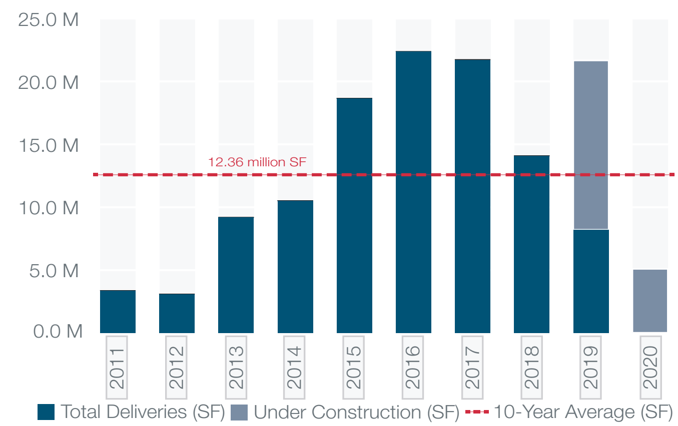
Sale Transactions and Price PSF



Asking Net Rental Rate Range



Construction Deliveries



Significant Sale Transactions

Submarket	Building Address	Sold (SF)	Sale Price | PSF	Buyer	Seller
McHenry County	308 S Division St, Harvard	1,331,727	$26,600,000 | $20	Brennan Investment Group	Industrial Realty Group
I-55 Corridor	3-Property Portfolio, Bolingbrook*	866,808	$66,200,000 | $76	Prologis, Inc.	Sun Life Assurance Company
I-57/Will Corridor	2101 Dralle Rd, University Park	679,900	$23,000,000 | $34	Brennan Investment Group	BlueLinx Corporation

**Sold SF and sale price of all Illinois buildings in portfolio sale*

Significant Lease Transactions

Submarket	Building Address	Leased (SF)	Tenant	Lease Type
I-55 Corridor	160 S Southcreek Pky, Romeoville	648,960	Samsung Electronics Co. Ltd.	Renewal
I-88 Corridor	2805 Duke Pky, Aurora	549,588	Wholesale Interiors, Inc.	Sublease
Southeast Wisconsin	2602 128th St, Kenosha	524,399	Silgan Containers Corporation	New lease

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	764,100	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	1,673,639	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% ▼	10.17% ▼	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
	Flex Space Summary									
	Total Flex Space	66,468,867	7.35% ▲	10.73% ▼	208,393	559,890	0	0	344,837	N/A
	Total Market									
	Totals	1,248,108,548	5.43% ▼	7.64% ▼	6,504,783	10,650,889	4,999,191	18,756,894	9,585,210	$5.28

Weighted average net asking rents are based on buildings 10,000 square feet and greater.