



INDUSTRIAL MARKET OVERVIEW

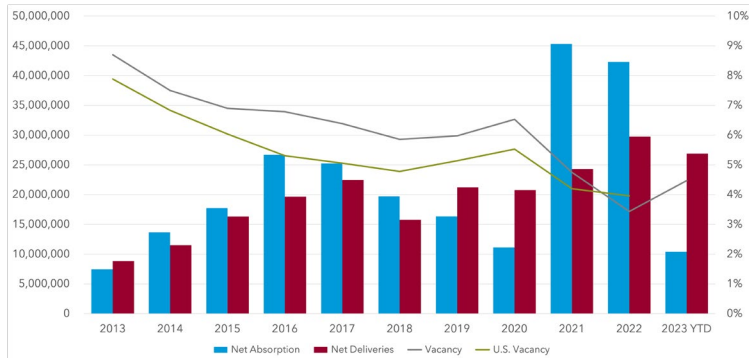
DIANA PEREZ, *Director of Research*

Chicago's vacancy rate rose by 80 basis points during Q3 2023 to 4.47%. Net absorption remained positive, totaling 919,000 square feet. This is the smallest net absorption tally since the second quarter of 2020 and brings the year-to-date net absorption total to 10.4 million square feet. This increase can be attributed to the completion of speculative developments combined with the increase in vacant sublease space totaling 7.4 million square feet. Chicago's industrial vacancy rate will continue to increase over the coming quarters as new speculative completions outpace demand. The pipeline of industrial product under construction will continue to drop and the balance between new supply and demand will return, and vacancy rate will stabilize.

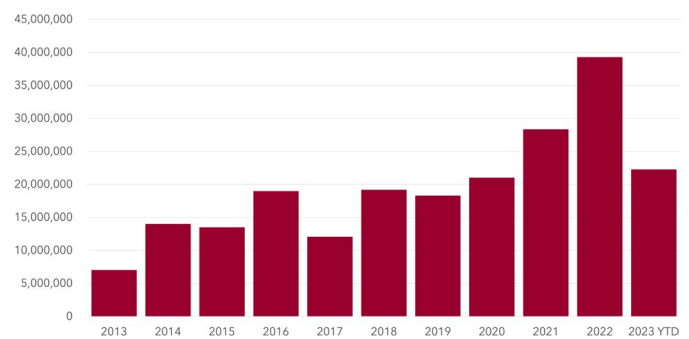
The data contained in this report includes: Chicago, IL, Racine, WI, and Rockford, IL

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ 12 Mo. Net Absorption SF	918,530	3,778,267	5,694,226	6,703,768	10,993,166
▲ Vacancy Rate	4.47%	3.68%	3.50%	3.43%	3.55%
▼ Avg NNN Asking Rate PSF	\$9.02	\$9.17	\$8.42	\$8.36	\$8.13
▼ SF Under Construction	22,277,366	32,941,173	33,862,269	39,279,715	34,635,639
▲ Inventory SF	1,404,909,948	1,392,339,813	1,383,943,717	1,377,061,055	1,371,789,943

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4 Building Portfolio Hodgkins, IL	562,617 SF	\$44,575,000 \$41.94 PSF	Fayez Sarofim & Company UBS Asset Management	Class B
3 Building Portfolio Elgin, Romeoville, Buffalo Grove, IL	541,283 SF	\$53,700,492 \$99.21 PSF	Venture One Real Estate Ares Management Corporation	Class A & B
537 Discovery Drive West Chicago, IL	400,088 SF	\$41,222,500 \$103.03 PSF	STAG Industrial, Inc. Midwest Industrial Funds	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1771 E. Gurler Road Dekalb, IL	775,000 SF	Trammel Crow Company	Kraft Heinz Company	Food
790 W. Taylor Road Romeoville, IL	672,080 SF	Florida State Board of Aministration	Geodis Logistics	Supply Chain
794-854 Golf Lane Bensenville, IL	352,119 SF	Prologis	The Bradford Exchange Ltd.	Wholesaler

