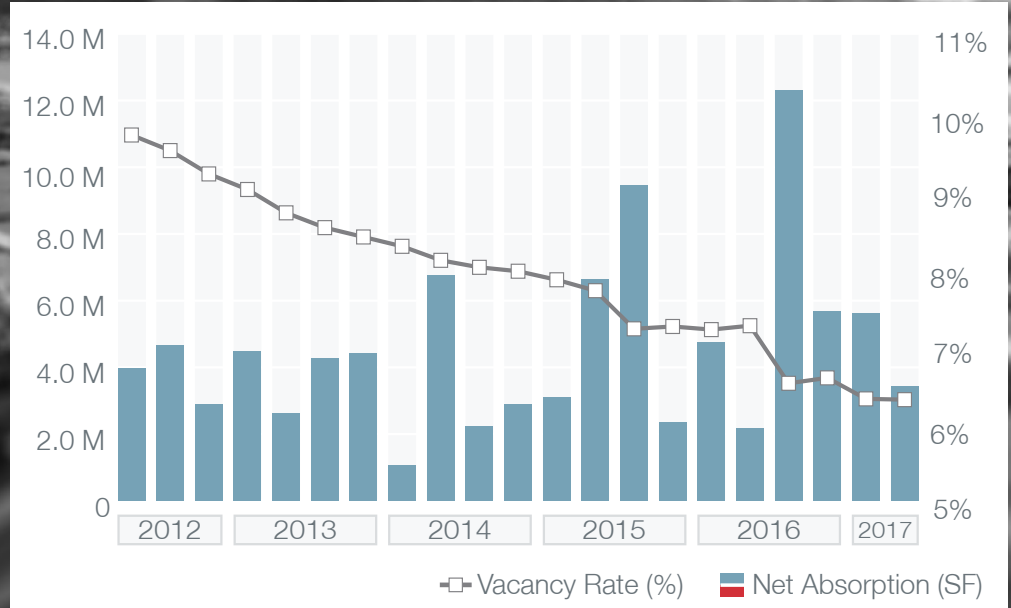


Industrial Market

The Chicago industrial market is on pace to record another year of robust net absorption, as 9.1 million square feet has been absorbed at mid-year.



Arrows indicate change from previous quarter.

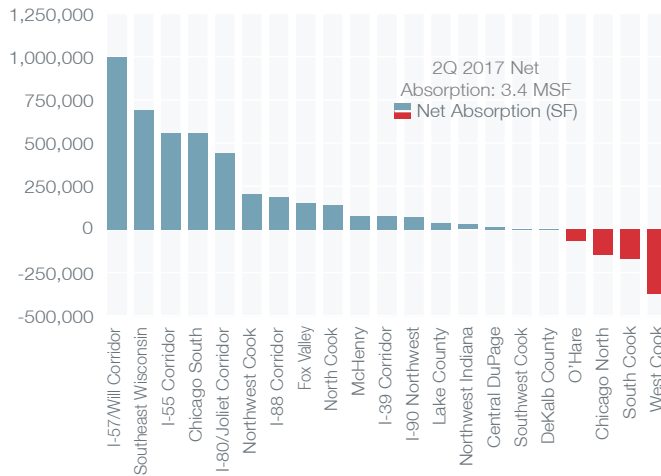
6.30%
VACANCY RATE

9.1 MSF
2017 YTD NET ABSORPTION

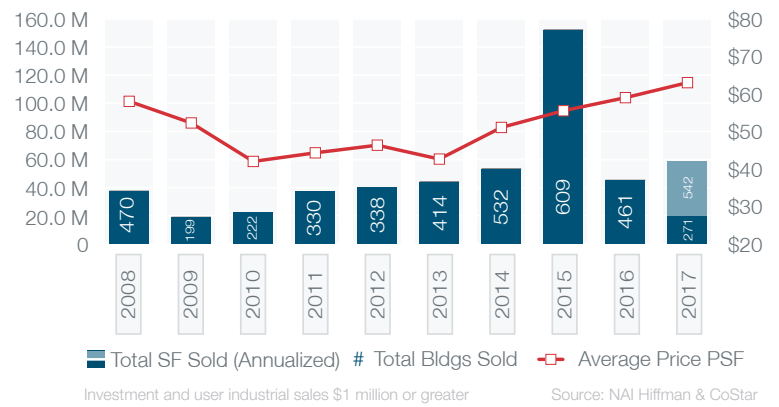
\$4.42
PSF ASKING RENTS

- Positive net absorption of 3.45 million square feet second quarter increased the year-to-date total to 9.07 million square feet, 2.13 million square feet more than the 6.94 million square feet absorbed through the first half of 2016. Five submarkets in the Chicago industrial market recorded positive absorption of more than 400,000 square feet second quarter: I-57/Will Corridor, Southeast Wisconsin, I-55 Corridor, Chicago South, and the I-80/Joliet Corridor. Tenants that contributed to absorption included CDTI moving into its 501,000 square foot space in Joliet; and Geodis moved into 281,000 square feet in Romeoville after signing leases during the first quarter.
- The Chicago industrial market's overall vacancy rate dropped one basis point second quarter from the 6.31 percent recorded first quarter 2017, and is down 96 basis points from the 7.26 percent recorded at this time last year. Amazon.com contributed to the 6.94 million square feet of new leasing activity as the company committed to a 438,000-square-foot building in Crest Hill. The company will occupy the space third quarter.
- Second quarter construction deliveries totaled 5.86 million square feet. Venture One completed the largest project of the quarter, a 1.00-million-square-foot build-to-suit facility for George-Pacific located at 23534 S Central Ave in University Park. Nearly 17.34 million square feet remains under construction, of which 45 percent is being built on a speculative basis. Two buildings larger than one million square feet broke ground in Joliet during second quarter: The Opus Group and AEW's 1.22-million-square-foot speculative facility at the Rock Creek Logistics Center, and CenterPoint Properites' 1.05-million-square-foot speculative building located at the CenterPoint Intermodal Center.

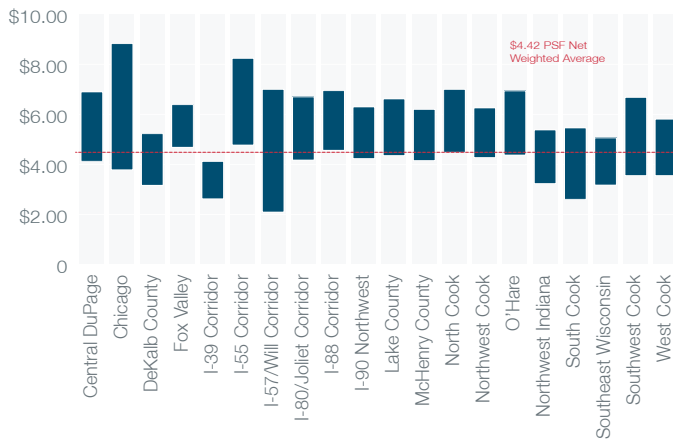
Net Absorption by Submarket



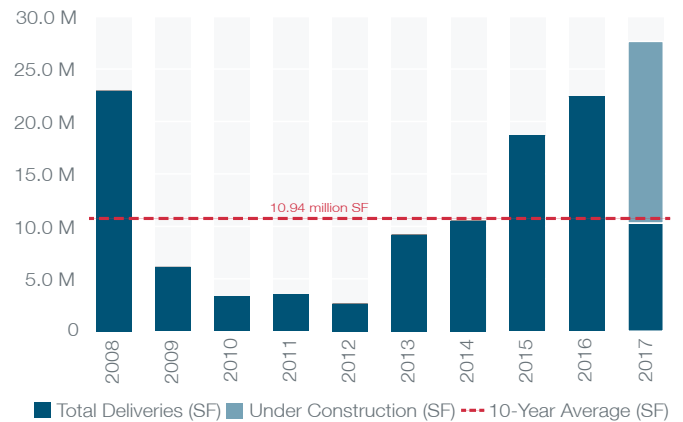
Sale Transactions and Price PSF



Asking Net Rental Rate Range



Construction Deliveries



Significant Sale Transactions

Submarket	Building Address	Sold (SF)	Sale Price PSF	Buyer	Seller
Multiple	17-Property Portfolio, Multiple Cities*	1,396,750	\$117,115,383 \$84	Blackstone RE Income Trust, Inc.	High Street Realty Company
South Cook	8-Property Portfolio, Multiple Cities*	1,186,647	\$31,400,000 \$26	Torchlight Investors	Colony Northstar, Inc.
I-57/Will Corridor	25850 S Ridgeland Ave, Monee	718,709	\$33,800,000 \$47	Ares Commercial Real Estate Mgmt	DRA Advisors/Venture One

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

Significant Lease Transactions

Submarket	Building Address	Leased (SF)	Tenant	Lease Type
South Cook	18801 Oak Park Ave, Tinley Park	915,643	M. Block and Sons, Inc.	Renewal
I-80/Joliet Corridor	21561 Mississippi St, Elwood	624,370	Clearwater Paper	Renewal
I-80/Joliet Corridor	16824 Enterprise Blvd, Crest Hill	438,150	Amazon.com	New lease

Industrial Market Statistics

Second Quarter 2017



Submarket	Total RBA (SF)	Vacancy Rate (%)	Availability Rate (%)	2Q 2017 Net Absorption (SF)	YTD 2017 Net Absorption(SF)	2Q 2017 New Supply (SF)	2Q 2017 Under Constr. (SF)	New Leasing Activity (SF)	Weighted Avg. Net Rental Rates (PSF)
1 Southeast Wisconsin	51,877,726	5.65% ▼	8.24% ▲	520,406	903,458	622,348	1,639,785	88,600	\$5.26
2 Lake County	66,611,688	5.59% ▼	8.25% ▼	36,356	1,621,148	0	571,195	346,732	\$4.92
3 McHenry County	24,508,023	8.08% ▼	10.80% ▼	77,577	735,956	0	0	203,039	\$4.65
4 I-39 Corridor	22,472,613	8.63% ▲	10.38% ▲	76,276	18,338	336,000	0	0	\$3.13
5 DeKalb County	9,940,624	11.74% ▲	12.28% ▼	700	378	0	0	0	\$4.80
6 I-90 Northwest	29,005,919	10.07% ▼	11.48% ▼	73,227	777,905	0	0	17,303	\$2.84
7 Northwest Cook	26,011,497	6.65% ▲	14.74% ▲	204,353	350,097	588,953	50,000	207,406	\$4.66
8 North Cook	44,233,837	3.87% ▼	6.01% ▼	143,016	439,914	0	417,961	136,960	\$3.23
9 Fox Valley	34,861,726	5.96% ▼	10.97% ▲	153,783	17,197	0	413,573	244,666	\$4.24
10 Central DuPage	66,984,090	4.71% ▼	7.25% ▼	12,896	107,249	0	381,600	399,757	\$4.51
11 O'Hare	98,437,802	3.72% ▲	7.87% ▲	-65,197	341,339	175,982	106,097	999,267	\$4.12
12 West Cook	58,036,172	8.26% ▲	10.90% ▼	-373,975	59,020	0	72,825	569,564	\$4.81
13 Chicago North	62,144,809	6.64% ▲	9.48% ▼	-145,764	-202,216	40,700	0	99,140	\$4.32
14 Chicago South	141,766,404	4.26% ▼	6.96% ▼	558,979	960,426	462,249	520,944	475,851	\$5.59
15 I-88 Corridor	68,015,733	5.32% ▼	7.00% ▼	187,710	-181,667	0	954,720	238,169	\$4.98
16 Southwest Cook	36,747,615	5.52% ▼	7.80% ▼	2,858	321,828	0	0	115,460	\$5.43
17 I-55 Corridor	89,395,042	8.74% ▲	11.99% ▼	820,619	1,574,110	2,226,374	2,539,343	674,054	\$4.07
18 South Cook	83,055,618	5.88% ▲	9.58% ◀▶	-169,045	-429,802	0	65,000	336,356	\$3.30
19 I-80/Joliet Corridor	77,404,352	4.35% ▼	5.03% ▼	441,659	708,670	327,200	8,658,573	1,295,783	\$3.69
20 Northwest Indiana	39,127,623	5.42% ▲	6.87% ▼	27,328	214,128	80,000	0	67,340	\$4.73
21 I-57/Will Corridor	15,054,149	7.65% ▼	13.58% ▼	1,000,560	1,000,560	1,000,560	856,605	0	\$4.17
Flex Space Summary									
Total Flex Space	72,602,961	13.44% ▲	15.43% ▼	-138,850	-265,578	0	89,000	425,844	N/A
Total Market									
Totals	1,218,368,023	6.30% ◀▶	9.06% ▼	3,445,472	9,072,458	5,860,366	17,337,221	6,941,291	\$4.42

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