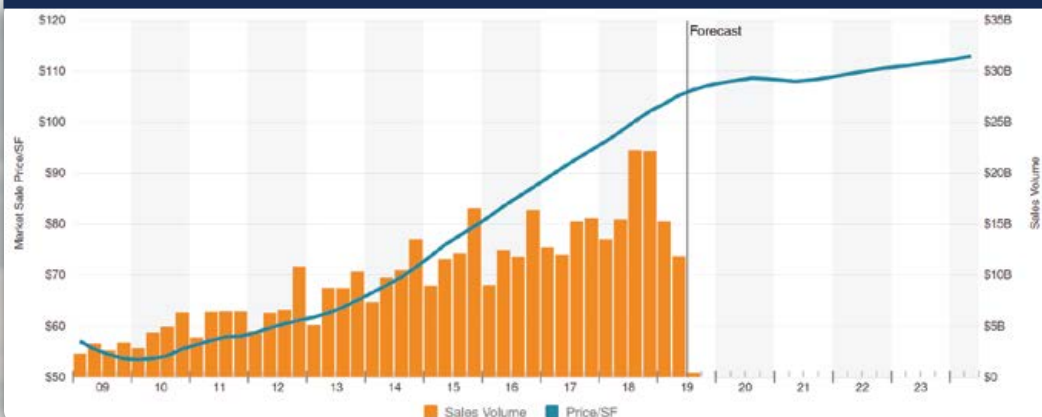


PW Quarterly Market Review

SALES VOLUME MARKET SALES PRICE PER SF

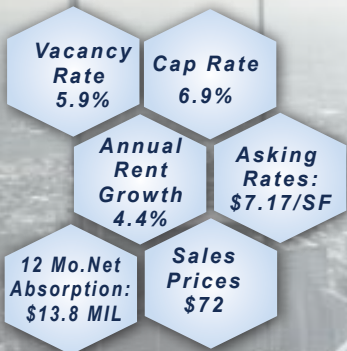


CHICAGO INDUSTRIAL OVERVIEW

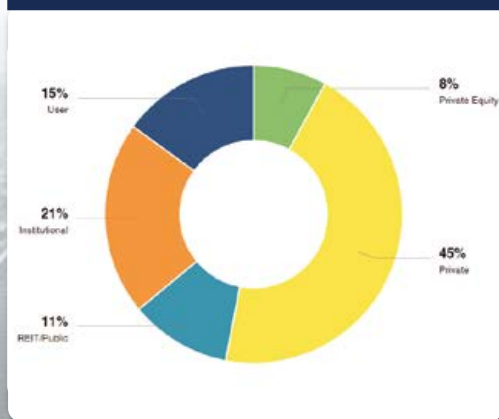
The second quarter of 2019 continues to show that the market favors the landlord. Vacancy rates held steady in Q2, while asking rents rose from \$7.09 in the first quarter, to \$7.17 in Q2. Cap rates remained at 6.9% on average. Net Absorption was 2.23 million square feet for the quarter, which is the worst quarter since Q2/16. Sale prices remained unchanged at an average price of \$72 per square foot. One significant change is that 12 month sales volume growth is down 19.8%. While this volume reduction is significant, it is easily attributable to the abundance of portfolio sales taking place at this time last year.

Looking ahead at the second half of 2019, we anticipate a very modest increase in cap rates, asking sale prices and rents. We expect the vacancy rate to rise slightly as 3rd quarter deliveries are completed. We are optimistic that our previous estimates of a modest but healthy 2019 will prove accurate.

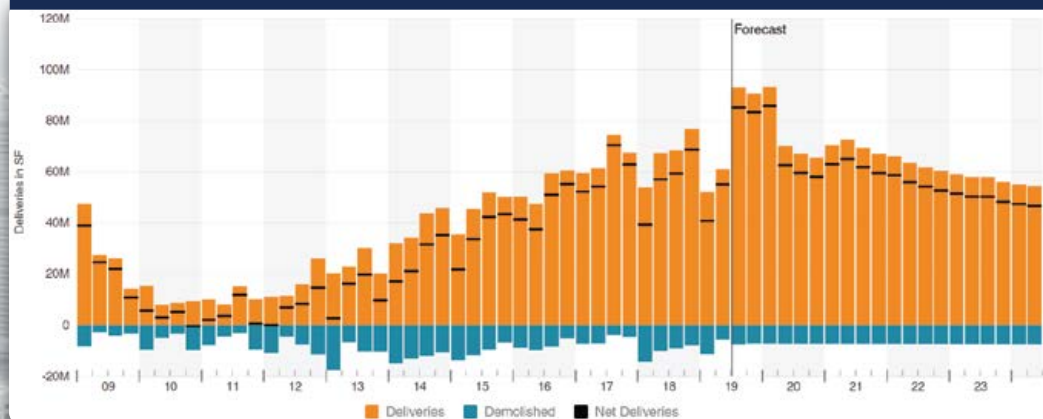
CHICAGO STATS



SALES VOLUME BY BUYER TYPE



DELIVERIES & DEMOLITIONS



NATIONAL STATS



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Paine Wetzel • 8725 W. Higgins Rd. • Ste 800
Chicago, IL • 773.714.9300 • www.painewetzel.com

