

# CBIZ Gibraltar Rock Report:

Chicago Industrial Mid-Year 2023



## CURRENT INDUSTRIAL STATISTICS

YTD NET ABSORPTION (SF)	23.9M SF
VACANCY RATE	4.6%
INDUSTRIAL INVENTORY (SF)	1.5B SF
UNDER CONSTRUCTION (SF)	28.9M SF
COMPLETED CONSTRUCTION (SF)	8.2M SF
AVERAGE ASKING RENTAL RATE	\$6.95/SF

## LARGEST INDUSTRIAL DEALS COMPLETED



Unilever

New Lease

New Lenox, IL

(1,159,200 SF)



SaddleCreek  
LOGISTICS SERVICES

New Lease

Joliet, IL

(712,380 SF)



Build-to-Suit

Joliet, IL

(677,820 SF)



Pre-Lease

Romeoville, IL

(627,602 SF)

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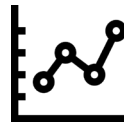
*Chicago Industrial Mid-Year 2023*



Supply is starting to outpace demand as developers are slated to deliver approx. 42 million square feet of space this year, with a vast majority not leased



Rents continue to be on the rise, with averages around \$6.75-\$7.25/SF NNN and even higher for newer developments and flex offerings



Total vacancy is approximately 4.6% in Q2 2023, which represents a slight increase from the end of 2022



Concessions remain minimal in the industrial sector with minimum TIA provided and limited abatement offered on most transactions



Overall, demand continues to be strong for quality, well-located assets



Construction is still ongoing, but has been pulled back from 2021/2022 levels



Construction costs are still at all-time highs with materials, labor and permitting all contributing factors



Going forward, fewer developments will be kicked off in 2023/2024 amid higher interest rates