

# O'Hare Submarket



## Quick Stats

### 3.3%

As of November 2019, Chicago metro unemployment stood at 3.3%, down 20 basis points (bps) year-over-year.

## Interest Rates

The Federal Reserve decreased interest rates to 1.5%-1.75% in the fourth quarter of 2019.

### 6.8%

O'Hare vacancy was recorded at 6.8% as of the fourth quarter of 2019.

### 4.7 msf

Throughout 2019, there was a total of 4.7 msf leased with an average deal size of 26,445 sf.

## Economic Overview

Chicago's diverse economy continued to grow moderately during the final quarter of 2019. As of November 2019, unemployment stood at 3.3%, down 20 basis points (bps) year-over-year. Both Cook and DuPage Counties recorded the lowest unemployment rates in the region, at 3.3% and 2.5% respectively. The Chicago metropolitan area added over 28,600 jobs, an increase of 0.6% year-over-year when compared to November of 2018.

The Federal Reserve cut interest rates one final time in the fourth quarter of 2019, bringing interest rates into the range of 1.5% to 1.75%. Further decreasing interest rates means yet even better access to funds, encouraging additional consumer spending and the growth of businesses. This is almost a full percentage lower than interest rates were at this time last year, when the range was 2.25% to 2.5%.

The Chicago market is dynamic and evolving to meet the needs of commercial real estate occupiers, landlords and investors heading into 2020. Technology, innovation and flexibility are driving many facets of the market especially industrial building design automation in the warehouse sector and overall space utilization.

Due to the prime location and superlative infrastructure, the Chicago market continues to interest investors and companies alike. As home to six of the Nation's seven Class I North American railroads and access to six major U.S. Interstates, Chicago remains a primary U.S. rail hub and home to top logistics and manufacturing operations.

## O'Hare Submarket

The O'Hare industrial submarket is comprised of 1,400 buildings totaling 106 million square feet (msf). Vacancy was recorded at 6.8% as of the fourth quarter of 2019, up 80 bps from the prior quarter. Throughout 2019, there was a total of 4.7 msf leased with an average deal size of 26,445 sf. Over the same time period there was a total of eight properties delivered to the market totaling 1.3 msf of new inventory. There was a total of 128 properties that traded hands in 2019 with a total of \$371 million in sales volume.

# Market Fundamentals

## Top 2019 Industrial Leases

Tenant	Address	Size (SF)	Type
HD Supply	855 N Wood Dale Rd, Wood Dale, IL	231,629	Renewal
Crane Worldwide Logistics	10801 Irving Park Rd, Chicago, IL	185,000	New
Swissport Cargo Services	514 Express Center Dr, Chicago, IL	185,000	New
Moss	10501 Seymour Ave, Franklin Park, IL	183,000	New

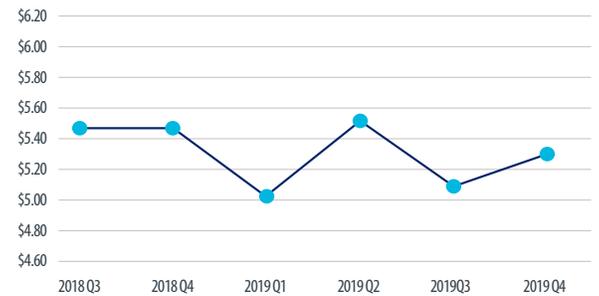
## Top 2019 Sales Transactions

Address	Size (SF)	Buyer	Seller	Sale Price	Price PSF
220 N York Rd, Bensenville, IL	190,226	MetLife	Distribution Realty Group	\$24,920,000	\$131.00
200 E Touhy Ave, Des Plaines, IL	130,000	New Pacific Realty	Perlmutter Investment Co.	\$20,000,000	\$153.85
1500 N Michael Dr, Wood Dale, IL	101,506	MetLife	Distribution Realty Group	\$18,000,000	\$177.33

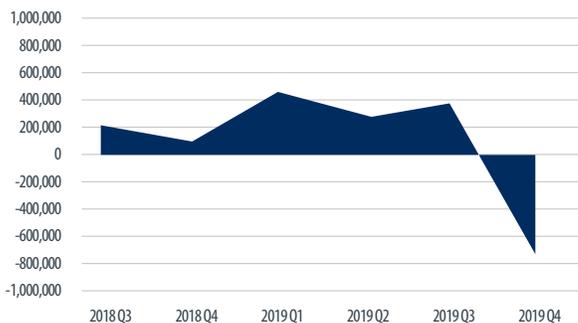
### Vacancy Rate (%)



### NNN Rent Overall



### Net Absorption SF Total



### Leasing Activity



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