

East-West Tollway Office, Q1 2018

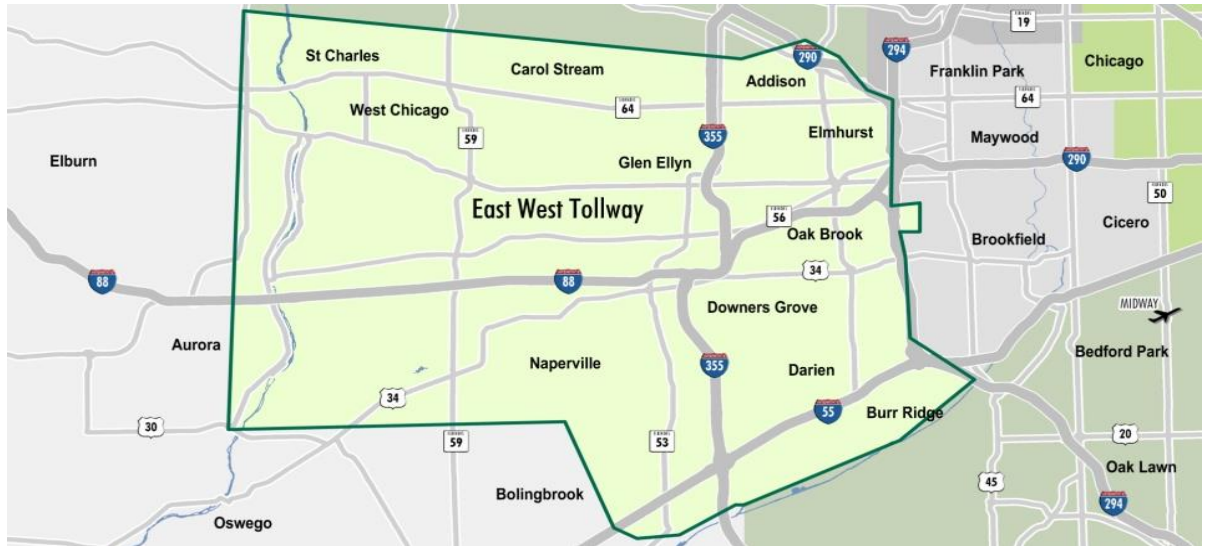
Direct Vacancy
16.6%

Lease Rate
\$23.14 PSF

Net Absorption
-12,934 SF

Under Construction
0 SF

*Arrows indicate change from previous quarter.



QUICK FACTS

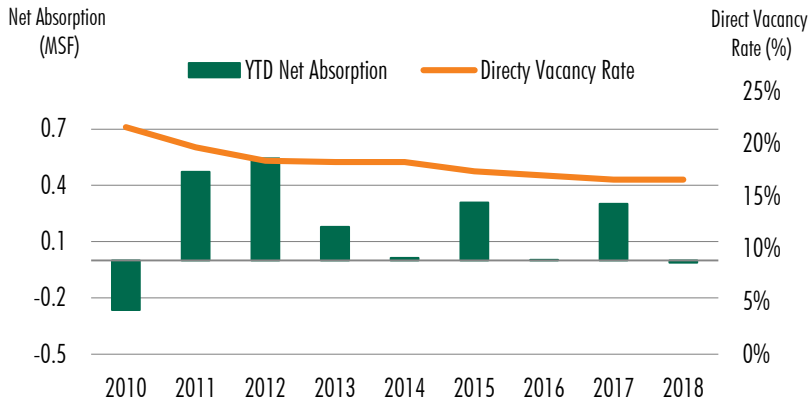
- Comprises 38.2% of the overall suburban market with 39.3 million square feet of office space in 455 buildings.
- Divided into two submarkets: east of I-355 and west of I-355. The west includes the cities of Lisle, Naperville, Aurora, and Warrenville. The east includes the cities of Oak Brook, Oakbrook Terrace, Downers Grove, Westchester, Westmont, Lombard and Hinsdale.
- The major transportation arteries of I-88 (Reagan Memorial Highway), I-294 and I-355 provide easy access to O'Hare International Airport, the north and northwest submarket and downtown Chicago.
- The East-West Tollway is known for its high concentration of corporate headquarters including Navistar and Nicor. These headquarters, along with the highly skilled labor pool and executive housing makes the East-West Corridor a desirable location to live and work.

Figure 1: East-West Tollway Statistics

Submarket	Rentable Building Area (SF)	Direct Vacant (SF)	Direct Vacancy Rate (%)	Sublease Vacancy Rate (%)	2018 Net Absorption	Gross Asking Rates PSF
EW Tollway	39,262,218	6,526,590	16.6%	1.8%	(12,934)	\$23.14
Class A	12,272,961	1,578,327	12.9%	2.5%	97,406	\$28.91
Class B	19,107,524	3,445,097	18.0%	1.8%	(69,430)	\$22.72
Class C	7,881,733	1,503,166	19.1%	0.9%	(40,910)	\$17.13
Eastern E-W	24,164,503	4,004,210	16.6%	1.8%	170,989	\$23.75
Class A	8,488,355	1,101,431	13.0%	1.7%	95,043	\$29.98
Class B	10,392,207	1,908,663	18.4%	2.5%	74,842	\$23.19
Class C	5,283,941	994,116	18.8%	0.7%	1,104	\$17.44
Western E-W	15,097,715	2,522,380	16.7%	1.9%	(183,923)	\$22.25
Class A	3,784,606	476,896	12.6%	4.3%	2,363	\$26.89
Class B	8,715,317	1,536,434	17.6%	1.0%	(144,272)	\$22.16
Class C	2,597,792	509,050	19.6%	1.3%	(42,014)	\$16.51
Suburban	102,909,270	18,636,820	18.1%	1.3%	128,268	\$23.08
Class A	39,323,068	5,611,798	14.3%	2.0%	8,975	\$28.40
Class B	40,824,915	8,370,885	20.5%	1.2%	31,099	\$22.31
Class C	22,761,287	4,654,137	20.4%	0.4%	88,194	\$17.10

Source: CBRE Research, Q1 2018.

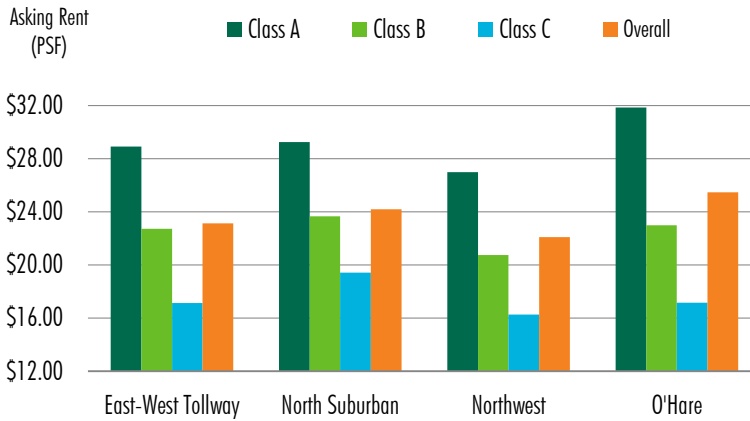
Figure 2: Net Absorption/Direct Vacancy Rate



Source: CBRE Research, Q1 2018.

- The East-West Tollway direct vacancy rate has remained largely consistent year-over-year, showing a decrease of 10 basis points, to 16.6%.
- Class B product saw direct vacancy decrease 100 basis points year-over-year, dropping to 18.0%.

Figure 3: Gross Weighted Asking Rates



Source: CBRE Research, Q1 2018.

- The Eastern East-West Tollway overall gross asking rate has increased by \$0.32 year-over-year, reaching \$23.75 per sq.-ft.
- The East-West Tollway overall gross asking rates have increased \$0.53 year-over-year, reaching \$23.14 per sq.-ft.

Figure 4: Top Lease Transactions – 2018

Tenant	Size (Sq. Ft.)	Address
T-Mobile Central LLC	54,492	1400 Opus Pl, Downers Grove
Edward-Elmhurst Healthcare	29,000	172 Schiller St, Elmhurst
Ocean Network Express (North America), Inc	22,317	377 E Butterfield Rd, Lombard
American Institutes for Research	17,070	1120 E Diehl Rd, Naperville

Source: CBRE Research, Q1 2018.

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