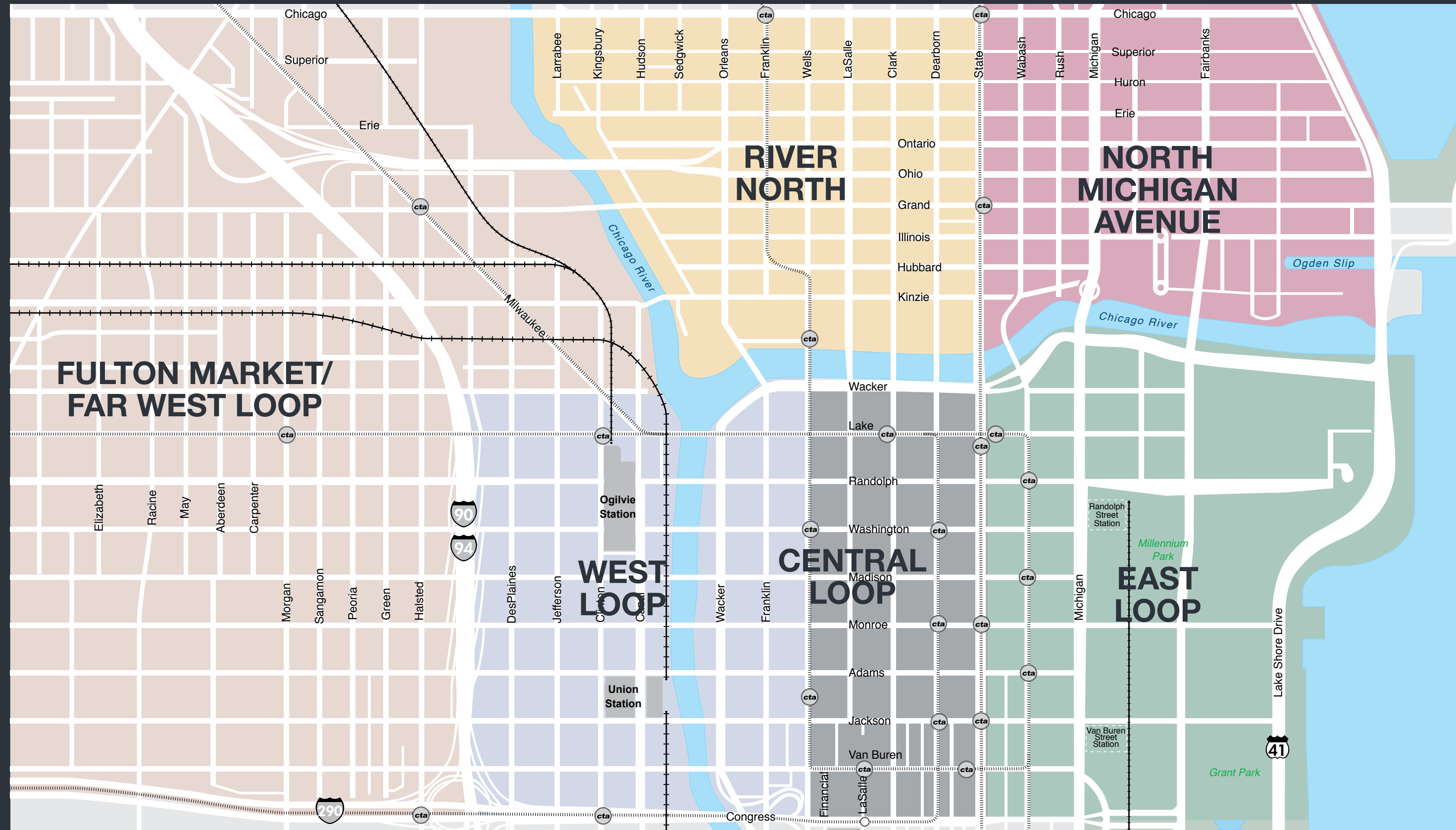


CHICAGO MARKET OVERVIEW

CBRE

DOWNTOWN CHICAGO RETAIL STATISTICS YTD 2015

RETAIL



FULTON MARKET

TOTAL SF	Leasing Statistics		Sales Statistics	
	# OF PROPS	VACANCY RATE	AVERAGE CAP RATE	AVERAGE PRICE PSF
2,751,513	216	32.00%	5.00%	\$406

WEST LOOP

TOTAL SF	Leasing Statistics		Sales Statistics	
	# OF PROPS	VACANCY RATE	AVERAGE CAP RATE	AVERAGE PRICE PSF
886,274	40	5.80%	5.75%	\$290

CENTRAL LOOP

TOTAL SF	Leasing Statistics		Sales Statistics	
	# OF PROPS	VACANCY RATE	AVERAGE CAP RATE	AVERAGE PRICE PSF
624,314	32	6.70%	4.20%	\$397

RIVER NORTH

TOTAL SF	Leasing Statistics		Sales Statistics	
	# OF PROPS	VACANCY RATE	AVERAGE CAP RATE	AVERAGE PRICE PSF
2,069,599	148	3.40%	6.10%	\$403

NORTH MICHIGAN AVE

TOTAL SF	Leasing Statistics		Sales Statistics	
	# OF PROPS	VACANCY RATE	AVERAGE CAP RATE	AVERAGE PRICE PSF
5,370,127	160	7.70%	4.50%	\$2,216

EAST LOOP

TOTAL SF	Leasing Statistics		Sales Statistics	
	# OF PROPS	VACANCY RATE	AVERAGE CAP RATE	AVERAGE PRICE PSF
2,359,178	27	2.7%	4.50%	\$380

FULTON MARKET

RETAIL MARKET SNAPSHOT YTD 2015

HIGHLIGHTS

RETAIL OVERVIEW

SF	VACANCY	AVG PSF
1,000-5,999	33.00%	\$75.00
6,000-29,000	20.40%	\$55.00
30,000+	40.00%	\$40.00

TOTALS

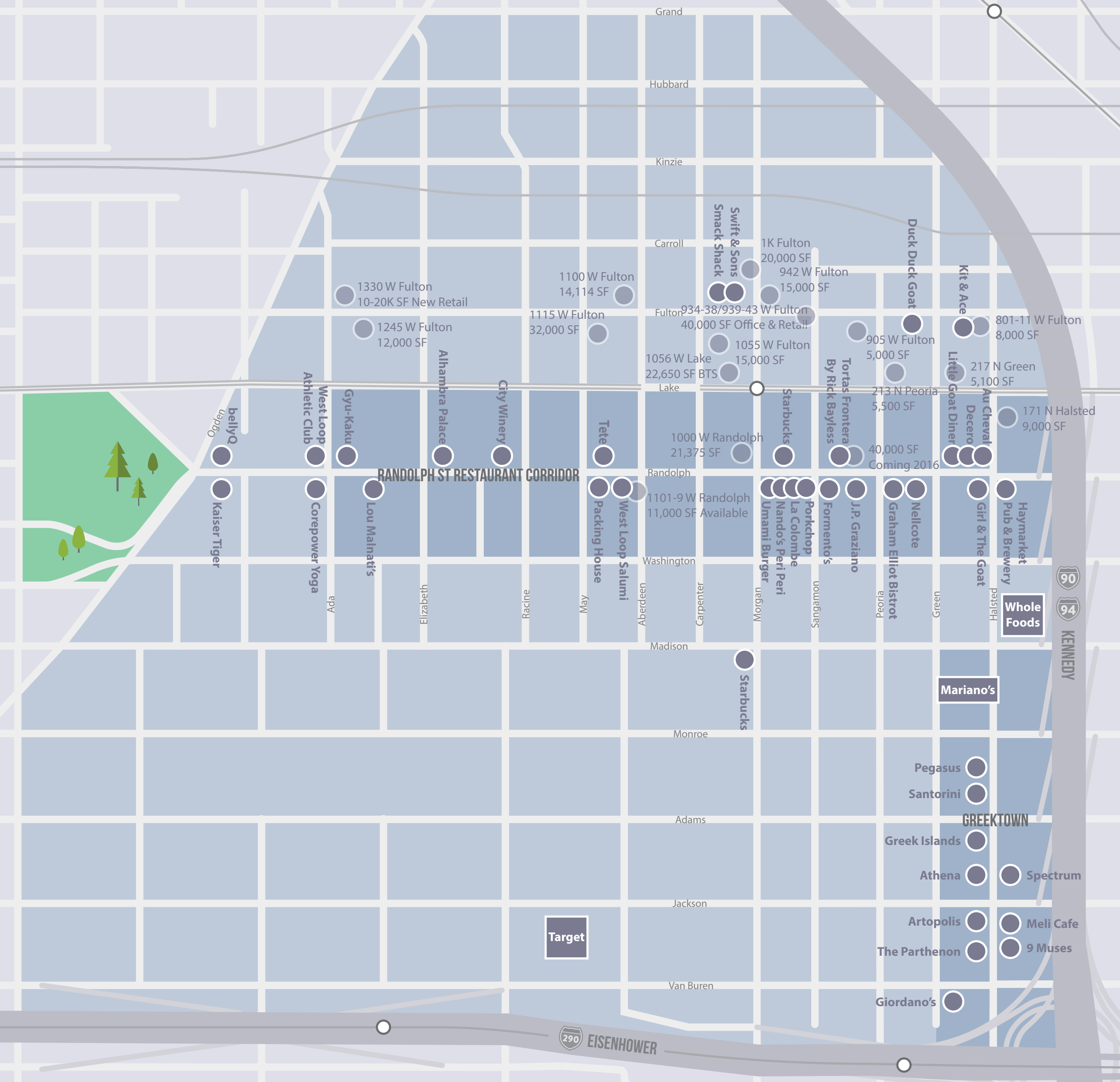
TOTAL SF	Leasing Statistics		Sales Statistics	
	# OF PROPS	VACANCY RATE	AVERAGE CAP RATE	AVERAGE PRICE PSF
2,751,513	216	32.00%	5.00%	\$406

- **15M SF OFFICE** planned or under construction
- 1,200 new **MULTIFAMILY UNITS**
- 1,238 **HOTEL ROOMS**
- Over 200,000 SF of **RETAIL**
- Approximately 1.5M SF office, 500,000 SF apartments and 200,000 SF retail in **SIX LARGE PROJECTS**
- **BILLY REID & KIT & ACE** open first Chicago locations
- **10 RETAIL TRADES;** 9 under contract

FULTON MARKET RETAIL

RETAIL







909 W. Bliss

934 N. North Branch

TRUMP

THE MERCHANDISE MART

OGILVIE STATION

Willis Tower

UNION STATION

1330 W. Fulton

ACE HOTEL

KIT ACE

DINER

SRAM

thePUBLICAN

PUBLICAN QUALITY MEATS

BROOKLYN BOWL

ARMOUR & SWIFT

UBER

CITY WINERY

WAC

1K Fulton Google

next moto

Axiary NG

La Colombe

WEST LOOP SALUMI

corepower YOGA

STARBUCKS

La Colombe

HARPOSTUDIOS

Fermento's

J.P. GRAZIANO

NOBU

MAUDE'S LIQUOR BAR

GREEN STREET SMOKED MEATS

MARIANO'S

ULTA

GNC

BILLY REID

WHOLE FOODS

GIRL & THE GOAT

Blackbird

avec

AU CHEVAL

Nellcote

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RETAIL OVERVIEW

SF	VACANCY	AVG PSF
1,000-5,900	2.90%	\$110.00
6,000-29,000	6.30%	\$35.00
30,000+	5.20%	\$25.00

TOTALS

TOTAL SF	Leasing Statistics		Sales Statistics	
	# OF PROPS	VACANCY RATE	AVERAGE CAP RATE	AVERAGE PRICE PSF
886,274	40	5.80%	5.75%	\$290

- **UNION STATION** plans include up to 25,000 SF of potentially **STUNNING RETAIL RENTAL SPACES**, according to Amtrak, which owns the building
- **OGILVIE TRANSPORTATION CENTER** has over 78,000 SF of retail
- The retail at Ogilvie and Union Station make up **14.6% OF ALL RETAIL** in the West Loop market
- Amazing restaurants, for example Avec and Embaya, just outside the **BOILING HOT FULTON MARKET DISTRICT**
- Only **FOUR RETAIL TRADES** in 2015

WEST LOOP RETAIL

RETAIL



CENTRAL LOOP

RETAIL MARKET SNAPSHOT YTD 2015

HIGHLIGHTS

RETAIL OVERVIEW

SF	VACANCY	AVG PSF
1,000-5,900	3.90%	\$175.00
6,000-29,000	8.40%	\$55.00
30+	10.5%	\$45.00

TOTALS

TOTAL SF	Leasing Statistics		Sales Statistics	
	# OF PROPS	VACANCY RATE	AVERAGE CAP RATE	AVERAGE PRICE PSF
624,314	32	6.70%	4.20%	\$397

- Macy's Redevelopment - considering **SELLING TOP FLOORS OF DEPARTMENT STORE** or a sale leaseback of the 1.3M SF building and just leasing the retail portion of the building (111 S. State)
- Saks off Fifth on State has **24,000 SF OPENING** next spring at 6 S. State
- **LATINICITY OCCUPIES 20,000 SF** of Block 37's premier retail
- Thor is putting **32 S STATE ON THE MARKET**, recently completed Flight 23, a 36,000 SF retail store opened in June 2015
- **AMALGAMATED BANK SALE \$35M** for 80,000 SF
- **FIVE TRADES** in 2015 over \$1M

STATE STREET RETAIL



RETAIL OVERVIEW

SF	VACANCY	AVG PSF
1,000-5,900	8.10%	\$300.00
6,000-29,000	12.20%	\$100.00
30+	5.60%	\$55.00

TOTALS

TOTAL SF	Leasing Statistics		Sales Statistics	
	# OF PROPS	VACANCY RATE	AVERAGE CAP RATE	AVERAGE PRICE PSF
2,359,178	27	2.7%	4.50%	\$380

- 5 new major developments that include **122,246 SF OF RETAIL** on S. Michigan between Wacker and Randolph
- **360 N MICHIGAN**(21,000 SF), **333 N MICHIGAN**(20,000 SF), **300 N MICHIGAN**(45,000 SF), **151 N MICHIGAN**(15,000 SF), **200 N MICHIGAN**(24,400 SF)
- Between the **THOMPSON HOTEL** (247 rooms), **HOTEL INDIGO** (165 rooms), **VIRGIN HOTEL** (208 rooms), **LOEWS HOTEL** (556 rooms) and **LONDON HOUSE** (452 rooms) **3256 TOTAL ROOMS**
- **\$475M MILLENIUM PARK**; hundreds of millions being invested on multi-family, hotel and multi-level retail
- **2,167 NEW APARTMENTS** in six towers: Park Monroe, Heritage, Legacy, Aqua, Wanda Group, 200 N Michigan

EAST LOOP RETAIL

RETAIL



NORTH MICHIGAN AVE RETAIL MARKET SNAPSHOT YTD 2015

HIGHLIGHTS

RETAIL OVERVIEW

SF	VACANCY	AVG PSF
1-5999 (1st Floor)	4.20%	\$404.63
1-5999 (2nd Floor)	-	\$79.15
6,000-29,000 (1st Floor)	7.57%	\$343.65
6,000-29,000 (2nd Floor)	-	\$88.87
30,000+	15.70%	\$55.00

TOTALS

TOTAL SF	Leasing Statistics		Sales Statistics	
	# OF PROPS	VACANCY RATE	AVERAGE CAP RATE	AVERAGE PRICE PSF
5,370,127	160	7.70%	4.50%	\$2,216

- **UNIQLO** comes to Chicago
- **NIKE TOWN** building sells for \$295M (\$1,990 PSF)
- **59-65 E. OAK** sells for \$47.4M (\$2,095 PSF)
- **APPLE** relocating to Pioneer Plaza
- **JMB** purchases House of Kahn building for \$13.4M (\$1,180 PSF)
- Three billion in **ANNUAL RETAIL SALES**
- **ESQUIRE THEATER SALE:** \$176M, \$3,450 PSF
- **11 RETAIL SALES TRANSACTIONS** greater than \$1M

NORTH MICHIGAN AVE RETAIL



HIGHLIGHTS

RETAIL OVERVIEW

SF	VACANCY	AVG PSF
1,000-5,900	13.90%	\$29.29
6,000-29,000	45.30%	\$33.87
30+	N/A	N/A

TOTALS

TOTAL SF	Leasing Statistics		Sales Statistics	
	# OF PROPS	VACANCY RATE	AVERAGE CAP RATE	AVERAGE PRICE PSF
2,069,599	148	3.40%	6.10%	\$403

- **ANDREW WEIL'S TRUE FOOD** set to open first location in Chicago
- **STK**, a steakhouse geared towards women, opened a 13,000 SF location at 360 N. State
- European hotel chain, **AC HOTEL**, opens one of the first US locations at 630 N. Rush
- **17 "RETAIL" TRADES IN 2015** - many for redevelopment
- **605 N CLARK:** Rainforest Cafe, 22,000 SF, \$14M
- **167 W ERIE:** Gino's East, 18,746 SF, \$10.5M
- **640 N WELLS:** Ed DeBevics, 32,000 SF, \$17M
- **802-818 N WELLS:** 10,000 SF, \$7.25M

RETAIL

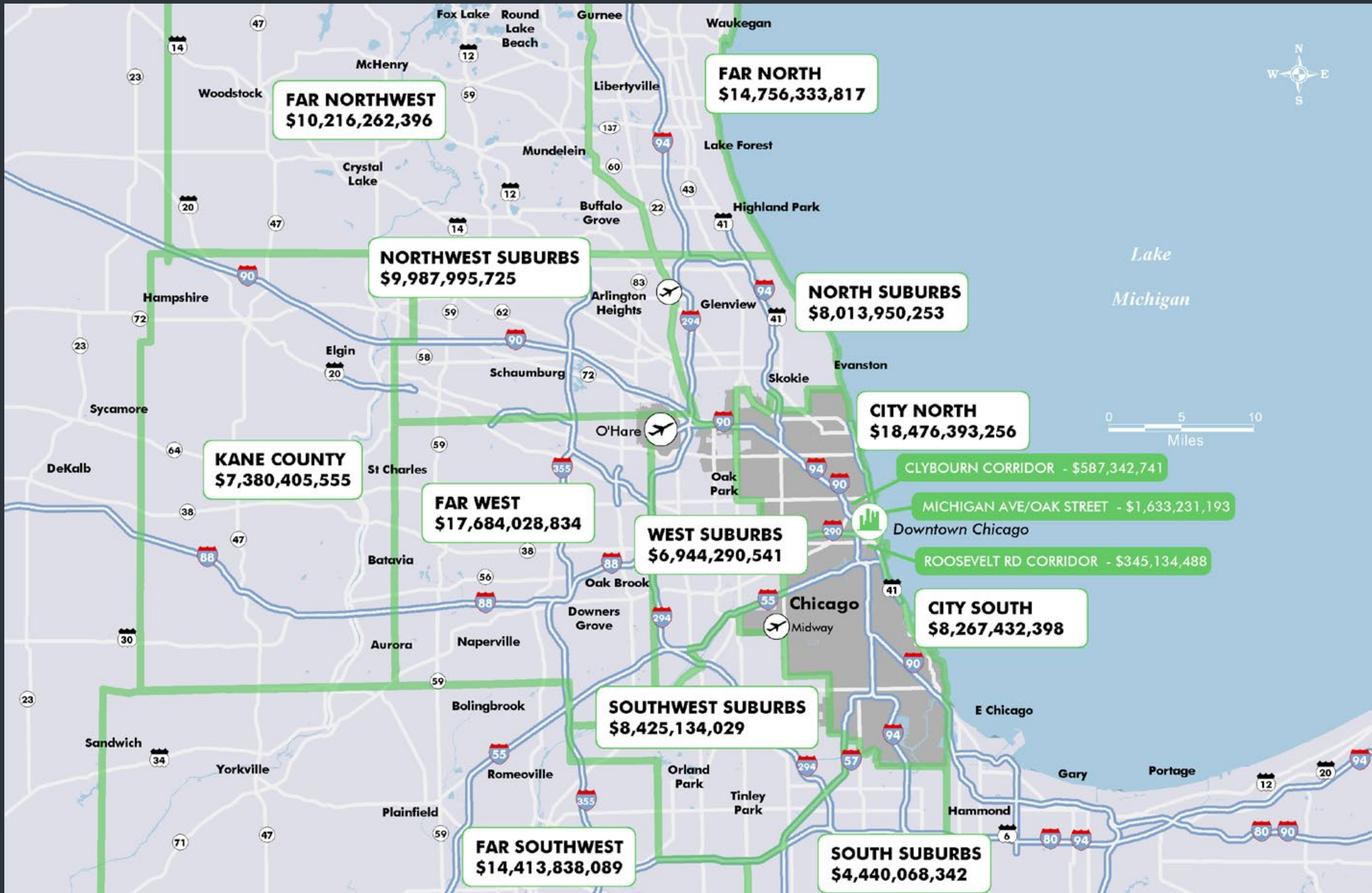


THANK YOU

APPENDIX

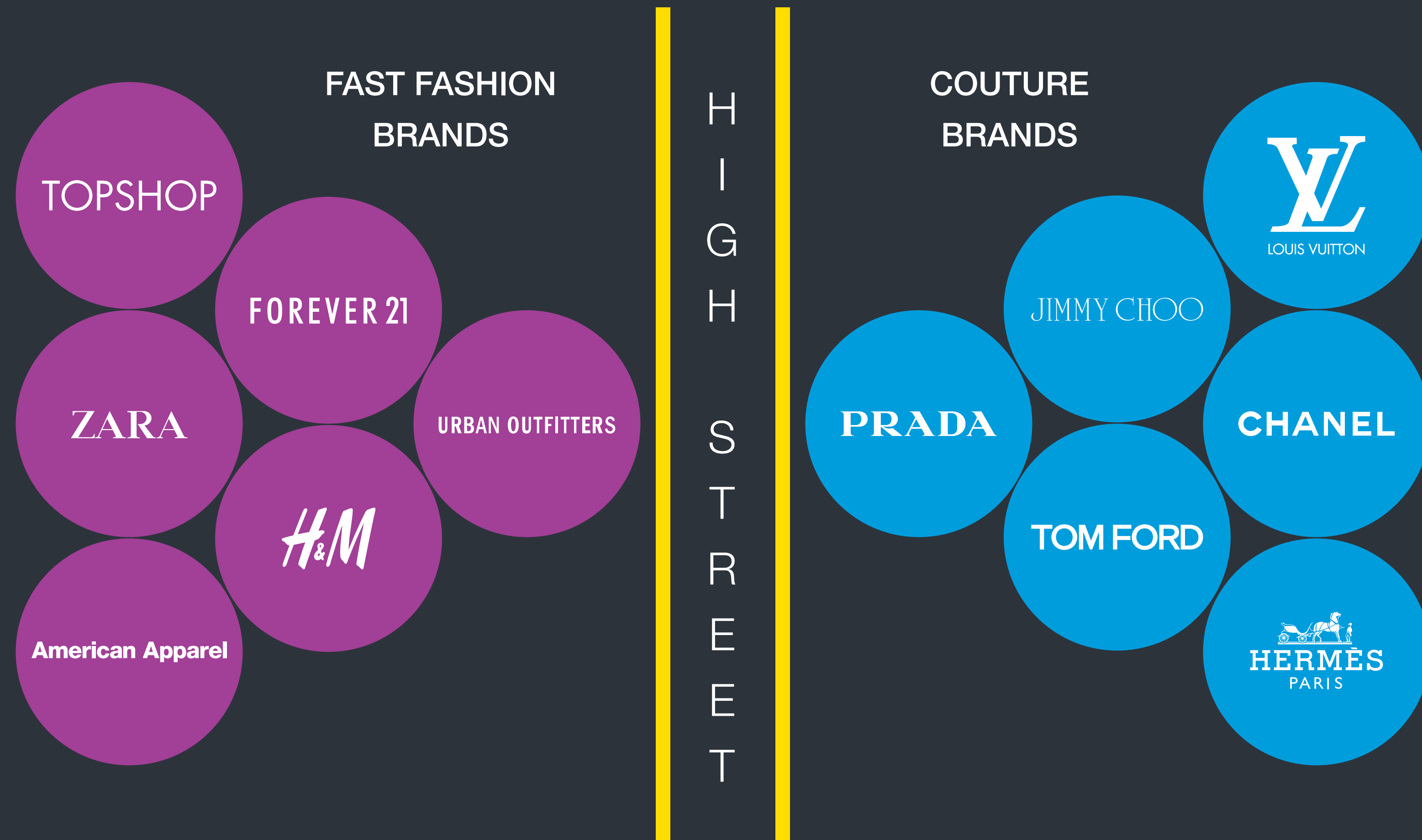
RETAIL

CHICAGO MSA RETAIL SALES VOLUMES MAP



DEFINING THE HIGH STREET

CBD vs High Street | Co-Tenancy | Trends | Environment | Flagship/Showcase



TRAITS & TRENDS

RETAIL



Luxury-only 15,000,000 SF globally



Grocery anchored, under attack from restaurants and online, online encroachment in other categories 7-10%, in grocery only about 1/2%



Urban retail is the next frontier



Industrial and retail getting married;
Due to the internet biggest change is to light industrial in or near urban cores;
Prediction: Major online retail buyers a traditional bricks and mortar retailer