

# COMMERCIAL REAL ESTATE REPORT Q4 2023

## Bloomington, IL Metro Area

Select a Metro Area  
Bloomington, IL Metro Area

### Demographics and Economy

#### Demographics

0.1%	35.7%	-0.8%	Net Migration in Illinois
population growth (2022)	share of renters (2022)	renter household formation (2022)	-43,347 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-111,179 (2022)

#### Economy

6.3%	0	0.0%	-13.2%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$46,150	4.3%	20.6%	International Migration in Illinois
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	40,492 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	31,224 (2022)

### Commercial Real Estate by Sector

#### 1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	20,501	51,006	1.3%	\$17	1.6%
2022 Q4	-1,823	27,766	4.4%	\$17	2.3%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	7,718,216	0	0	\$1.02M	11.7%
2022 Q4	7,718,216	0	7,342	\$35.41M	11.1%

#### 2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	7	-27	7.2%	\$1,066	\$1,061	4.0%
2022 Q4	-54	-94	8.3%	\$995	\$991	3.2%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	9,694	50	50		7.9%	
2022 Q4	9,644	0	12		7.3%	

#### 3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-23,146	114,027	2.3%	\$15	6.9%
2022 Q4	-49,895	-85,497	2.9%	\$15	8.1%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	9,743,855	7.5%	\$3.49M	\$32	
2022 Q4	9,743,855	7.4%	\$6.62M	\$127	

#### 4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	25,700	315,367	4.0%	\$7	4.9%
2022 Q4	178,876	-62,348	7.2%	\$7	3.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	13,455,458	0	500,000	9.3%	\$0.00M
2022 Q4	12,955,458	0	0	8.5%	\$3.00M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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# COMMERCIAL REAL ESTATE REPORT Q4 2023

## Champaign-Urbana, IL Metro Area

Select a Metro Area  
Champaign-Urbana, IL Metro Area

### Demographics and Economy

#### Demographics

0.3%	43.7%	0.0%	Net Migration in Illinois
population growth (2022)	share of renters (2022)	renter household formation (2022)	-43,347 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-111,179 (2022)

#### Economy

8.5%	900	0.8%	0.6%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$49,900	4.5%	16.6%	International Migration in Illinois
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	40,492 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	31,224 (2022)

### Commercial Real Estate by Sector

#### 1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-28,650	103,390	1.6%	\$22	4.9%
2022 Q4	36,672	50,600	3.6%	\$22	6.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	5,708,013	0	0	\$1.25M	11.2%
2022 Q4	5,708,013	0	0	\$0.73M	10.6%

#### 2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	1	79	6.2%	\$1,065	\$1,061	5.8%
2022 Q4	-87	-130	6.2%	\$1,002	\$997	5.3%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo			Market Cap Rate
2023 Q4	16,599	0	172			7.6%
2022 Q4	16,427	0	0			7.0%

#### 3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	100,746	130,233	2.6%	\$16	2.9%
2022 Q4	16,152	-29,998	2.9%	\$16	3.8%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	13,730,690	7.8%	\$8.20M	\$95	
2022 Q4	13,724,405	7.9%	\$16.22M	\$134	

#### 4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-129,354	-248,489	5.2%	\$7	3.5%
2022 Q4	-5,064	574,406	7.8%	\$6	1.8%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	14,825,514	0	0	9.8%	\$1.10M
2022 Q4	14,825,514	0	0	9.0%	\$6.86M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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# COMMERCIAL REAL ESTATE REPORT Q4 2023

## Chicago-Naperville-Elgin, IL-IN-WI Metro Area

Select a Metro Area  
Chicago-Naperville-Elgin, IL-IN-WI

### Demographics and Economy

#### Demographics

-0.7%	34.6%	3.0%	Net Migration in Illinois
population growth (2022)	share of renters (2022)	renter household formation (2022)	-43,347 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-111,179 (2022)

#### Economy

8.3%	30,200	0.6%	-0.4%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$59,460	4.7%	17.4%	International Migration in Illinois
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	40,492 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	31,224 (2022)

### Commercial Real Estate by Sector

#### 1. Office

Demand for office space is **weaker than nationwide** as this area has a slower absorption of office space. Despite weak conditions, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-506,929	-5,526,754	0.8%	\$30	16.4%
2022 Q4	-1,358,068	-2,937,225	0.7%	\$30	15.2%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	511,463,623	206,479	824,121	\$117.59M	9.0%
2022 Q4	510,639,502	-202,281	1,131,344	\$391.68M	8.4%

#### 2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	1,031	7,952	2.9%	\$1,699	\$1,685	5.7%
2022 Q4	251	7,575	4.5%	\$1,650	\$1,638	5.4%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
2023 Q4	555,425	1,777	9,965	6.6%		
2022 Q4	545,460	1,226	6,340	6.0%		

#### 3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	730,333	3,849,614	1.2%	\$21	4.8%
2022 Q4	2,026,442	2,872,342	3.9%	\$21	5.3%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	587,294,845	7.4%	\$640.76M	\$131	
2022 Q4	586,516,163	7.3%	\$882.09M	\$160	

#### 4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	1,076,615	17,760,800	6.5%	\$9	5.0%
2022 Q4	8,461,178	33,932,064	8.6%	\$9	3.8%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	1,402,674,422	10,730,559	35,122,811	7.7%	\$506.70M
2022 Q4	1,367,551,611	3,828,229	21,680,699	7.2%	\$2,597.64M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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# COMMERCIAL REAL ESTATE REPORT Q4 2023

Decatur, IL Metro Area

Select a Metro Area  
Decatur, IL Metro Area

## Demographics and Economy

### Demographics

-0.9%	27.0%	-13.5%	Net Migration in Illinois
population growth (2022)	share of renters (2022)	renter household formation (2022)	-43,347 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-111,179 (2022)

### Economy

7.0%	-600	-1.2%	-4.6%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$44,260	6.4%	8.0%	International Migration in Illinois
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	40,492 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	31,224 (2022)

## Commercial Real Estate by Sector

### 1. Office

Demand for office space is **weaker than nationwide** as this area has a slower absorption of office space. Despite weak conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-12,954	-32,221	1.3%	\$21	4.7%
2022 Q4	-2,886	178,486	4.5%	\$21	3.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	3,348,438	0	0	\$0.12M	11.5%
2022 Q4	3,348,438	0	0	\$110M	11.0%

### 2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	-1.0	2.0	6.8%	\$708	\$704	6.5%
2022 Q4	-4.0	9.0	6.5%	\$663	\$660	6.2%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
2023 Q4	3,491	0	11	8.1%		
2022 Q4	3,480	0	0	7.7%		

### 3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. As a result, rents rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	45,234	24,868	2.1%	\$14	11.5%
2022 Q4	59,033	1,167	2.9%	\$13	11.8%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	7,043,052	7.7%	\$1.20M	\$169	
2022 Q4	7,038,827	7.7%	\$1.37M	\$109	

### 4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. Despite weaker conditions, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	304,926	-404,506	6.7%	\$5	6.6%
2022 Q4	324,412	492,571	8.0%	\$5	3.4%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	12,571,805	0	0	9.8%	\$0.54M
2022 Q4	12,571,805	317,518	317,518	9.1%	\$2.19M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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# COMMERCIAL REAL ESTATE REPORT Q4 2023

## Kankakee, IL Metro Area

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Kankakee, IL Metro Area

### Demographics and Economy

#### Demographics

-0.5%	29.9%	6.1%	Net Migration in Illinois
population growth (2022)	share of renters (2022)	renter household formation (2022)	-43,347 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-111,179 (2022)

#### Economy

10.6%	-700	-1.6%	10.5%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$53,500	6.2%	8.4%	International Migration in Illinois
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	40,492 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	31,224 (2022)

### Commercial Real Estate by Sector

#### 1. Office

Demand for office space is **weaker than nationwide** as this area has a slower absorption of office space. Despite weak conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	-30,368	-18,668	1.0%	\$18	13.4%
2022 Q4	23,174	60,135	3.6%	\$18	12.5%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	2,043,072	0	0	\$0.00M	12.1%
2022 Q4	2,043,072	0	0	\$0.71M	11.4%

#### 2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	0.0	-2.0	3.9%	\$916	\$911	3.3%
2022 Q4	-2.0	-11.0	3.0%	\$882	\$877	3.1%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
2023 Q4	1,466	0	0	8.4%		
2022 Q4	1,466	0	0	7.8%		

#### 3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	42,644	58,386	2.7%	\$16	7.2%
2022 Q4	30,914	205,369	2.9%	\$15	8.0%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	7,261,832	8.8%	\$1.76M	\$463	
2022 Q4	7,259,931	8.5%	\$4.95M	\$118	

#### 4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. As a result, rents rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	-735,628	-1,012,070	5.0%	\$6	10.1%
2022 Q4	1,552,073	1,854,278	7.5%	\$5	2.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	13,566,151	0	0	10.1%	\$138.08M
2022 Q4	13,566,151	0	104,000	9.1%	\$1.31M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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# COMMERCIAL REAL ESTATE REPORT Q4 2023

Peoria, IL Metro Area

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Peoria, IL Metro Area

## Demographics and Economy

### Demographics

-0.4%	25.7%	-3.2%	Net Migration in Illinois
population growth (2022)	share of renters (2022)	renter household formation (2022)	-43,347 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-111,179 (2022)

### Economy

13.7%	0	0.0%	-1.7%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%	U.S.: 3.7%	U.S.: 1.7%	U.S.: 3.8%
\$51,430	5.2%	10.9%	International Migration in Illinois
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	40,492 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	31,224 (2022)

## Commercial Real Estate by Sector

### 1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	29,967	58,464	1.4%	\$18	5.2%
2022 Q4	108,283	-165,183	3.9%	\$18	5.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	12,533,974	0	0	\$2.03M	11.8%
2022 Q4	12,533,974	0	7,335	\$4.70M	11.2%

### 2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	-28.0	168.0	5.0%	\$965	\$961	4.4%
2022 Q4	-13.0	78.0	9.1%	\$919	\$916	5.0%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
2023 Q4	12,176	0	107	8.1%		
2022 Q4	12,069	16	236	7.5%		

### 3. Retail

Demand for retail space is **weaker than nationwide** as this area has a slower absorption of retail space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	25,822	65,194	1.9%	\$14	3.8%
2022 Q4	79,932	239,003	3.1%	\$14	4.0%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	26,950,289	9.0%	\$1.25M	\$58	
2022 Q4	26,946,289	8.9%	\$16.28M	\$90	

### 4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. As a result, rents rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	92,432	166,068	4.0%	\$6	1.0%
2022 Q4	138,960	560,416	7.6%	\$6	1.4%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	40,528,254	0	0	9.6%	\$9.31M
2022 Q4	40,528,254	0	0	8.9%	\$16.87M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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# COMMERCIAL REAL ESTATE REPORT Q4 2023

## Rockford, IL Metro Area

Select a Metro Area  
Rockford, IL Metro Area

### Demographics and Economy

#### Demographics

-0.3%	30.8%	-7.5%	Net Migration in Illinois
population growth (2022)	share of renters (2022)	renter household formation (2022)	-43,347 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-111,179 (2022)

#### Economy

10.6%	-1,600	-1.1%	10.2%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$57,330	6.7%	9.7%	International Migration in Illinois
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	40,492 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	31,224 (2022)

### Commercial Real Estate by Sector

#### 1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	32,855	56,474	1.4%	\$18	7.1%
2022 Q4	-120,818	-50,657	3.7%	\$17	7.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	8,931,746	0	0	\$3.16M	12.4%
2022 Q4	8,931,746	10,000	10,000	\$12.27M	11.8%

#### 2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	16.0	21.0	5.9%	\$999	\$996	4.4%
2022 Q4	14.0	1.0	6.1%	\$943	\$940	3.6%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo		Market Cap Rate	
2023 Q4	8,602	0	93		7.9%	
2022 Q4	8,509	0	0		7.4%	

#### 3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. Despite strong conditions, rent prices rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	13,788	410,908	2.7%	\$14	5.9%
2022 Q4	93,157	-238,320	3.2%	\$13	7.6%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	22,662,906	8.8%	\$9.11M	\$80	
2022 Q4	22,625,406	8.6%	\$25.82M	\$102	

#### 4. Industrial

Demand for industrial space is **weaker than nationwide** as this area has a slower absorption of industrial space. As a result, rents rose slower than nationwide and vacancy rate is higher in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	315,533	-291,585	5.2%	\$5	8.0%
2022 Q4	154,678	524,316	7.6%	\$5	4.9%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	49,393,531	1,300,000	1,300,000	10.6%	\$22.25M
2022 Q4	48,093,531	0	160,360	10.1%	\$30.79M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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# COMMERCIAL REAL ESTATE REPORT Q4 2023

## Springfield, IL Metro Area

Select a Metro Area  
Springfield, IL Metro Area

### Demographics and Economy

#### Demographics

-0.8%	25.7%	-10.2%	Net Migration in Illinois
population growth (2022)	share of renters (2022)	renter household formation (2022)	-43,347 (2023)
U.S.: 0.4%	U.S.: 34.8%	U.S.: 2.4%	-111,179 (2022)

#### Economy

8.4%	1,400	1.3%	-2.1%
GDP growth (2022)	12-month job creation (December 2023)	1-year job growth (December 2023)	1-year wage growth (December 2023)
U.S.: 9.1%		U.S.: 1.7%	U.S.: 3.8%
\$50,160	4.5%	13.4%	International Migration in Illinois
Average wage per year (December 2023)	unemployment rate (November 2023)	share of workers teleworking (2022)	40,492 (2023)
U.S.: \$61,120	U.S.: 3.7%	U.S.: 17.9%	31,224 (2022)

### Commercial Real Estate by Sector

#### 1. Office

Demand for office space is **stronger than nationwide** as this area has a faster absorption of office space. As a result, rent prices rose faster than nationwide and vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Mo	Market Rent Growth 12 Mo	Market Rent/SF	Vacancy Rate
2023 Q4	25,966	156,999	1.5%	\$16	2.3%
2022 Q4	52,937	93,777	4.1%	\$16	3.6%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
2023 Q4	12,025,717	0	0	\$1.65M	12.0%
2022 Q4	12,025,717	0	0	\$2.36M	11.4%

#### 2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. Despite weaker conditions, rent prices rose faster than nationwide. However, vacancy rate is higher in this area.

	Absorption Units	Absorption Units 12 Months	Market Asking Rent Growth 12 Months	Market Asking Rent/Unit	Market Effective Rent/Unit	Vacancy Rate
2023 Q4	-2.0	55.0	6.0%	\$910	\$901	8.7%
2022 Q4	-10.0	29.0	5.0%	\$859	\$854	9.4%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
2023 Q4	7,755	0	0	8.1%		
2022 Q4	7,755	0	224	7.4%		

#### 3. Retail

Demand for retail space is **stronger than nationwide** as this area has a faster absorption of retail space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	69,674	94,010	2.4%	\$14	2.5%
2022 Q4	-36,668	185,432	2.9%	\$14	3.1%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
2023 Q4	13,458,371	8.4%	\$8.49M	\$247	
2022 Q4	13,452,057	8.4%	\$7.01M	\$114	

#### 4. Industrial

Demand for industrial space is **stronger than nationwide** as this area has a faster absorption of industrial space. Despite strong conditions, rent prices rose slower than nationwide. However, vacancy rate is lower in this area.

	Net Absorption SF	Net Absorption SF 12 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
2023 Q4	19,840	61,658	4.0%	\$7	1.2%
2022 Q4	-54,140	37,567	6.8%	\$7	2.1%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
2023 Q4	6,960,337	0	0	10.1%	\$0.00M
2022 Q4	6,960,337	0	29,269	9.4%	\$0.83M

Sources: NAR analysis on data from the U.S. Census Bureau, U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, CoStar

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