

COMMERCIAL REAL ESTATE REPORT Q3 2022

Bloomington, IL Metro Area

Demographics and Economy

Demographics

0.0%	35.6%	21.6%	49.6%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-1.8%	2,400	2.6%	0.5%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$53,395	3.4%	23.2%	33.7%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	-16,294	11,066	2.2%	\$16	2.3%
Q3 2021	5,388	72,085	1.9%	\$15	2.5%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	7,425,416	0	0	\$720,000	9.9%
Q3 2021	7,425,416	6,000	6,000	\$2,388,000	9.8%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. As a result, rents rose slower than nationwide. However, 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
Q3 2022	8.0	-19.0	5.7%	\$965	\$962	2.4%
Q3 2021	57.0	216.0	17.4%	\$913	\$909	2.2%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
Q3 2022	9,278	0	0	6.5%		
Q3 2021	9,278	0	0	6.9%		

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
Q3 2022	-18,052	-70,838	3.2%	\$15	8.0%
Q3 2021	-28,894	-28,095	1.3%	\$14	7.2%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
Q3 2022	9,553,654	7.2%	\$13,761,675	\$190	
Q3 2021	9,543,111	7.3%	\$3,921,900	\$115	

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
Q3 2022	-54,200	-77,499	7.3%	\$7	5.3%
Q3 2021	90,628	645,866	5.7%	\$6	4.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	12,354,875	0	0	8.0%	\$288,000
Q3 2021	12,354,875	0	0	7.8%	\$6,682,500

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q3 2022

Champaign-Urbana, IL Metro Area

Demographics and Economy

Demographics

0.3%	44.3%	19.8%	49.8%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

0.3%	1,600	1.4%	4.2%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$49,053	3.5%	17.5%	14.0%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	-23,114	23,196	1.9%	\$21	7.5%
Q3 2021	-57,011	38,952	1.7%	\$20	7.9%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	5,568,808	0	0	\$810,000	9.5%
Q3 2021	5,568,808	0	0	\$1,411,500	9.5%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. As a result, rents rose slower than nationwide. However, 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
Q3 2022	-10	-39	5.6%	\$996	\$993	4.2%
Q3 2021	73	441	4.7%	\$943	\$939	3.9%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
Q3 2022	16,368	0	0	6.5%		
Q3 2021	16,368	0	62	6.8%		

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
Q3 2022	68,144	-11,036	3.0%	\$16	3.9%
Q3 2021	-20,096	249,305	1.8%	\$15	3.8%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
Q3 2022	13,646,990	7.7%	\$765,000	\$219	
Q3 2021	13,643,640	7.6%	\$27,172,960	\$148	

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
Q3 2022	-8,056	621,134	7.9%	\$6	1.8%
Q3 2021	-167,023	302,472	5.5%	\$6	6.1%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	14,540,606	0	0	8.5%	\$84,166
Q3 2021	14,540,606	0	0	8.3%	\$27,348,354

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit

www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q3 2022

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

Demographics and Economy

Demographics

-1.0%	34.1%	-1.6%	50.2%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-4.0%	200,100	4.4%	2.3%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$60,003	4.4%	21.5%	44.1%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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. 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
Q3 2022	1,015,855	-513,872	0.8%	\$30	15.0%
Q3 2021	-1,133,341	-6,807,905	0.5%	\$29	14.5%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	508,889,900	-675,894	1,880,361	\$599,329,792	7.5%
Q3 2021	507,009,539	-78,628	3,982,414	\$573,658,240	7.5%

2. Multifamily

Demand for multifamily space is **stronger than nationwide** as this area has a faster absorption of multifamily space. Despite strong conditions, rent prices rose slower than nationwide. However, 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
Q3 2022	1,810	9,956	5.4%	\$1,629	\$1,617	4.9%
Q3 2021	4,301	19,644	7.5%	\$1,546	\$1,533	5.6%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
Q3 2022	536,988	1,491	6,563	5.6%		
Q3 2021	530,425	2,204	8,589	5.6%		

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
Q3 2022	407,113	2,793,813	4.3%	\$21	5.8%
Q3 2021	747,852	1,716,694	2.1%	\$20	6.2%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
Q3 2022	583,115,312	7.2%	\$1,088,325,120	\$171	
Q3 2021	582,311,140	7.2%	\$1,034,237,312	\$163	

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 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
Q3 2022	10,202,825	35,793,732	8.1%	\$9	4.2%
Q3 2021	14,802,801	36,244,192	6.5%	\$8	5.1%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	1,353,043,539	9,931,661	23,842,119	6.8%	\$1,670,740,480
Q3 2021	1,329,189,070	7,748,544	21,136,828	6.6%	\$2,248,433,664

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q3 2022

Decatur, IL Metro Area

Demographics and Economy

Demographics

-1.2%	30.7%	23.8%	45.5%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-2.2%	900.0	1.9%	-6.3%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$49,645	5.7%	9.6%	33.3%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	22,402	166,141	2.5%	\$19	2.3%
Q3 2021	-5,940	-10,862	2.1%	\$18	5.6%

	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	5,181,507	0	0	\$3,975,000	9.5%
Q3 2021	5,181,507	-1,768	-1,768	\$9,272,500	9.2%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. As a result, rents rose slower than nationwide and 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
Q3 2022	-8.0	-19.0	0.7%	\$618	\$615	8.1%
Q3 2021	-1.0	2.0	3.1%	\$614	\$611	7.5%

	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate
Q3 2022	3,392	0	0	7.2%
Q3 2021	3,392	0	0	7.4%

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
Q3 2022	52,099	-35,861	3.6%	\$14	12.7%
Q3 2021	83,917	-25,481	1.6%	\$13	12.1%

	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF
Q3 2022	7,028,756	7.7%	\$3,211,525	\$73
Q3 2021	7,025,256	7.9%	\$12,064,500	\$210

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
Q3 2022	99,193	203,437	8.2%	\$5	3.9%
Q3 2021	-92,624	-75,978	5.7%	\$5	5.7%

	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	11,153,201	0	0	8.6%	\$1,020,000
Q3 2021	11,153,201	0	0	8.4%	\$0

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q3 2022

Kankakee, IL Metro Area

Demographics and Economy

Demographics

-0.6%	29.2%	-7.2%	46.1%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-0.3%	1,000	2.4%	-2.9%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$49,864	5.1%	5.9%	31.8%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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. 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
Q3 2022	5,673	18,817	2.0%	\$18	14.4%
Q3 2021	-810	-17,412	2.0%	\$18	15.4%

	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	1,926,906	0	0	\$1,306,084	10.2%
Q3 2021	1,926,906	0	0	\$272,000	10.1%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. As a result, rents rose slower than nationwide. However, 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
Q3 2022	0.0	-2.0	3.1%	\$876	\$871	2.4%
Q3 2021	-1.0	9.0	1.8%	\$849	\$844	2.2%

	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate
Q3 2022	1,380	0	0	7.3%
Q3 2021	1,380	0	0	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
Q3 2022	45,511	174,656	3.0%	\$15	8.5%
Q3 2021	-7,722	-156,712	0.9%	\$15	11.0%

	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF
Q3 2022	7,142,763	8.0%	\$5,515,372	\$63
Q3 2021	7,140,963	7.9%	\$8,474,267	\$206

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
Q3 2022	-7,464	-39,595	7.6%	\$5	14.9%
Q3 2021	173,165	120,013	5.8%	\$5	14.6%

	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	12,803,998	0	0	8.9%	\$38,283,240
Q3 2021	12,803,998	0	0	8.4%	\$488,000

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q3 2022

Peoria, IL Metro Area

Demographics and Economy

Demographics

-0.7%	28.4%	7.1%	47.9%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-4.1%	4,300	2.6%	1.4%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$51,724	4.4%	12.9%	36.4%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	-115,516	-247,947	2.0%	\$17	6.8%
Q3 2021	-909	53,914	1.9%	\$17	4.7%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	12,193,639	2,625	2,625	\$3,973,644	10.0%
Q3 2021	12,191,014	0	0	\$2,735,000	9.6%

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
Q3 2022	21.0	42.0	8.9%	\$890	\$885	3.9%
Q3 2021	186.0	504.0	6.1%	\$817	\$814	3.5%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
Q3 2022	11,677	0	96	7.0%		
Q3 2021	11,581	81	111	7.1%		

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
Q3 2022	35,926	205,956	3.5%	\$14	4.4%
Q3 2021	5,149	117,648	1.5%	\$13	5.1%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
Q3 2022	26,661,778	8.7%	\$10,332,036	\$48	
Q3 2021	26,657,578	8.6%	\$20,564,228	\$91	

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
Q3 2022	-75,505	718,426	7.5%	\$5	1.8%
Q3 2021	-291,687	-268,774	5.7%	\$5	3.6%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	40,029,563	0	0	8.4%	\$3,751,538
Q3 2021	40,029,563	0	20,000	8.0%	\$17,303,740

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner. To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q3 2022

Rockford, IL Metro Area

Demographics and Economy

Demographics

-0.6%	32.3%	-5.7%	46.8%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-6.6%	6,100	4.4%	9.4%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$50,723	5.9%	11.6%	55.6%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	-42,914	86,623	2.3%	\$17	7.0%
Q3 2021	53,190	9,707	2.3%	\$17	8.1%

	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	7,946,507	0	0	\$4,780,000	10.5%
Q3 2021	7,946,507	0	0	\$800,000	10.4%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. As a result, rents rose slower than nationwide. However, 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
Q3 2022	8.0	21.0	3.7%	\$903	\$900	3.2%
Q3 2021	-42.0	6.0	5.2%	\$872	\$869	3.4%

	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate
Q3 2022	8,391	0	0	7.0%
Q3 2021	8,391	0	18	7.4%

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
Q3 2022	-175,038	-270,130	3.3%	\$13	8.1%
Q3 2021	-13,264	486,945	1.9%	\$13	6.6%

	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF
Q3 2022	22,161,074	8.3%	\$23,313,500	\$169
Q3 2021	22,088,601	9.1%	\$25,393,364	\$50

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
Q3 2022	-78,339	384,537	7.7%	\$5	6.5%
Q3 2021	259,435	743,808	5.5%	\$5	7.1%

	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	41,792,976	0	160,360	9.0%	\$30,292,080
Q3 2021	41,632,616	0	-313,500	8.7%	\$20,242,106

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000



COMMERCIAL REAL ESTATE REPORT Q3 2022

Springfield, IL Metro Area

Demographics and Economy

Demographics

-0.7%	28.6%	-1.2%	47.3%
population growth (2020-2021) U.S.: 0.7%	share of renters (2021) U.S.: 34.5%	renter household formation (2021) U.S.: 2.6%	share of inbound moves (Jan-Sept 2022)

Economy

-4.0%	3,800	3.6%	5.0%
GDP growth (2021) U.S.: 5.9%	12-month job creation (September 2022)	1-year job growth (September 2022) U.S.: 3.9%	1-year wage growth (September 2022) U.S.: 4.8%
\$51,373	3.8%	11.8%	52.3%
Average wage per year (September 2022) U.S.: \$49,100	unemployment rate (September 2022) U.S.: 3.5%	share of workers teleworking (2021) U.S.: 17.9%	inbound businesses moves (Jan-Sept 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 Months	Market Rent Growth 12 Months	Market Rent/SF	Vacancy Rate
Q3 2022	5,054	146,909	2.2%	\$16	4.3%
Q3 2021	44,274	244,182	1.9%	\$16	5.5%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Total Sales Volume	Market Cap Rate
Q3 2022	11,495,440	0	0	\$2,692,400	10.3%
Q3 2021	11,495,440	0	0	\$1,417,000	10.2%

2. Multifamily

Demand for multifamily space is **weaker than nationwide** as this area has a slower absorption of multifamily space. As a result, rents rose slower than nationwide and 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
Q3 2022	6.0	24.0	3.8%	\$825	\$822	9.3%
Q3 2021	10.0	70.0	5.2%	\$794	\$792	6.7%
	Inventory Units	Net Delivered Units	Net Delivered Units 12 Mo	Market Cap Rate		
Q3 2022	7,089	0	224	6.8%		
Q3 2021	6,865	0	0	6.7%		

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
Q3 2022	117,925	369,290	3.3%	\$14	2.9%
Q3 2021	661	-92,014	1.6%	\$13	5.2%
	Inventory SF	Market Cap Rate	Total Sales Volume	Transaction Sale Price/SF	
Q3 2022	13,215,684	8.2%	\$4,750,013	\$157	
Q3 2021	13,145,914	8.0%	\$17,442,668	\$151	

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
Q3 2022	3,100	28,238	7.1%	\$7	1.3%
Q3 2021	36,720	144,818	5.4%	\$6	1.8%
	Inventory SF	Net Delivered SF	Net Delivered SF 12 Months	Market Cap Rate	Total Sales Volume
Q3 2022	6,629,366	0	0	8.8%	\$2,850,000
Q3 2021	6,629,366	0	7,200	8.6%	\$3,132,500

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

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members, including NAR's institutes, societies and councils, involved in all aspects of the real estate industry. NAR membership includes brokers, salespeople, property managers, appraisers, counselors and others engaged in both residential and commercial real estate. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics. Working for America's property owners, the National Association provides a facility for professional development, research and exchange of information among its members and to the public and government for the purpose of preserving the free enterprise system and the right to own real property. NATIONAL ASSOCIATION OF REALTORS® RESEARCH GROUP The Mission of the NATIONAL ASSOCIATION OF REALTORS® Research Group is to produce timely, data-driven market analysis and authoritative business intelligence to serve members, and inform consumers, policymakers and the media in a professional and accessible manner.

To find out about other products from NAR's Research Group, visit www.nar.realtor/research-and-statistics

500 New Jersey Avenue, NW Washington, DC 20001 202.383.1000

