



NW Suburban Industrial Spaces Filling Up

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There seems to be strong demand for northwest suburban industrial properties, such as this one at 305-325 Corporate Dr. in Elgin, IL.

CHICAGO—**DCT Industrial Trust Inc.** bought the DCT Business Center Elgin [in late 2013](#) as a long-term investment, and it looks like it's paying off. The new owners spent more than \$2 million updating the six-building complex in suburban Elgin, brought **Darwin Realty** on board to handle the leasing, and Darwin just secured two new leases totaling 291,000 square feet, bringing the occupancy to about 88%.

“We expect to be around 95% within the first half of this year,” **Noel S. Liston**, a principal of Elmhurst, IL-based Darwin, tells GlobeSt.com. Occupancy stood at just 59% when it was acquired. “We are also getting the rental rates we expected when we helped DCT underwrite the project.”

Liston and Darwin associate **Brendan J. Sheahan** represented DCT in two long-term lease transactions to an international manufacturing company. The company will take 150,550 square feet at 305-325 Corporate Dr. and 140,970 square feet at 350-370 River Ridge Rd. The manufacturing company was represented by **Mike Fonda** of **Avison Young** and **Jimmy Cohoat** of **Summit Realty Group**.

These leases follow [more than 125,000 square feet in leases](#) in mid-2015, and illustrate the robust level of activity in the submarket.

“There is a lot of optimism among investors and developers,” Liston says. He expects developers to finish up several spec projects in the immediate area during the next few months, and by summer the submarket should have about one million square feet of spec space available.

“And on the tenant demand side, we continue to see solid improvement,” he adds, especially from firms in plastics, packaging, manufacturing, food, as well as e-commerce. Furthermore, “we are not really in competition with the new spec space that is coming online, since they are all targeting users that need 100,000 square feet or more,” and DCT has only much smaller spaces left to rent.

Liston and Sheahan have worked with the DCT team to complete a total of ten new leases since the 2013 acquisition.

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