

Last updated: December 28, 2006

## Record 12M SF of Retail Expected in 2007

*By Robert Carr*

CHICAGO-Mid-America Real Estate Group, which specializes in retail development, says its studies show that 2007 will be a record year for retail construction, more than doubling 2006 figures to 11.8 million square feet of new space in about 79 new and expanding centers around the Chicagoland area. There was almost six million square feet of retail developed in the city and suburbs this year, the third highest annual amount of space being built since the Mid-America started keeping track in 1983, says the company.

Andy Bulson, vice president, credits the following factors to the whopping growth: suburban expansion, an increased push by category leaders, the expansion of big box stores and the increased size of shopping centers. "There's been a lot of retail following the residential growth into the suburbs and northwest Indiana," Bulson tells GlobeSt.com. He says Illinois towns to watch are Yorkville, Minooka, Elburn, Sugar Grove, Antioch, Johnsburg, and Woodstock, and also communities in Indiana including Portage, Chesterton, Schererville and Crown Point.

The extension of I-355 in Illinois will also provide access into otherwise isolated areas of Lockport and New Lenox, Bulson says. "That extension will create two to three new hubs, such as the one planned at Route 6 and Cedar Road. Forest City is planning 1.5 million square feet there, and the Cleveland-based Zaremba Group is also planning a power center on another corner," he says.

He says 2008 will be just as impressive for the region, with another 11.8 million square feet expected under construction in about 53 centers. "The other part is Wal-Mart. They're going to the new superstore concept, at 200,000-sf per store, and it's estimated they'll open as many as 50 in the Chicago area."