



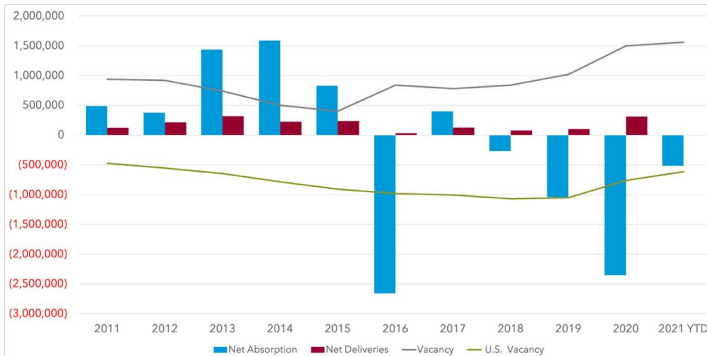
OFFICE MARKET OVERVIEW

DIANA PEREZ, *Director of Research*

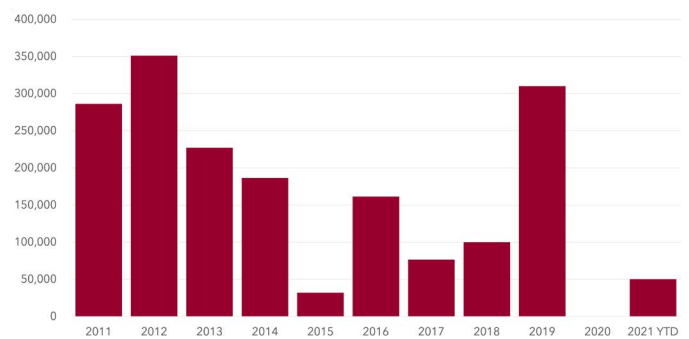
Q1 of 2021 saw a significant downturn in leasing velocity in comparison to Q4 of 2020. Companies who pushed off leasing decisions during the early stages of the pandemic typically signed a 6-18-month extension in their current space. As time moves forward these short-term extensions have expired and allowed occupiers to vacate their space or post a longer-term lease on the sublease market. Our team has experienced much higher call volumes, tours, and pricing requests than that of Q4 2020. We are optimistic in our expectation of this activity reflected in the Q2 and Q3 numbers. Vaccine rollouts have begun and are providing a more concrete timeline for tenants and ownership groups to plan for the upcoming months.

MARKET INDICATORS	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
▲ Net Absorption SF	(514,819)	(665,018)	(1,178,498)	56,660	(414,723)
▲ Vacancy Rate	22.8%	22.5%	21.4%	20.4%	20.5%
▲ Avg NNN Asking Rate	\$23.83 PSF	\$22.77 PSF	\$22.73 PSF	\$21.69 PSF	\$21.43 PSF
▲ SF Under Construction	50,220	0	210,000	260,000	260,000
▼ Inventory SF	126,542,335	127,506,280	127,016,692	126,966,692	126,966,692

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
555 W. Monroe Street Chicago, IL	429,316 SF	\$73,250,000 \$170.62 PSF	State of Illinois Principal Financial Group, Inc.	Class A
2275 Cabot Drive Lisle, IL	94,203 SF	\$1,790,000 \$19.00 PSF	Stratacache Griffin Capital Essential Asset REIT	Class A
905 Meridian Lake Drive Aurora, IL	74,226 SF	\$1,450,000 \$19.53 PSF	Undisclosed Lone Star Funds	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
320 S. Canal Street Chicago, IL	500,000 SF	Undisclosed	BMO Financial Group	Finance
433 W. Van Buren Street Chicago, IL	463,000 SF	The 601W Companies	Uber	Transportation
55 E. Monroe Street Chicago, IL	413,997 SF	Walton Street Capital, LLC	Sargent & Lundy	Engineering Consultant

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