



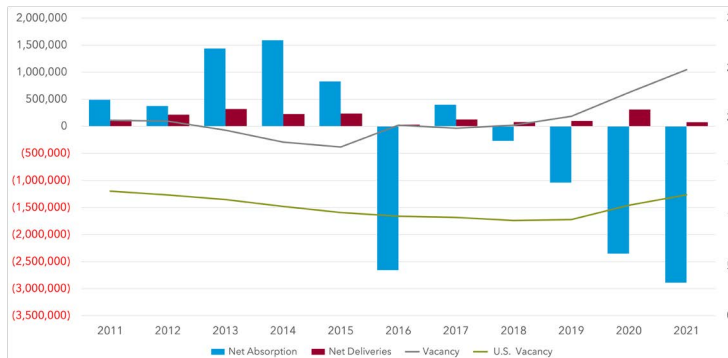
### OFFICE MARKET OVERVIEW

DIANA PEREZ, *Director of Research*

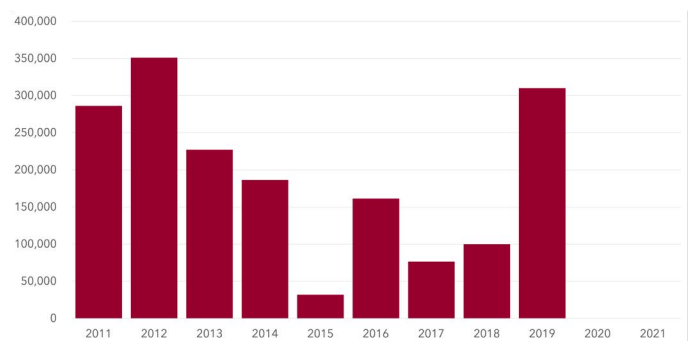
Earlier in 2021, as vaccination levels steadily increased, optimism existed that companies would be better able to execute return to work plans. For many, the plans for space design and utilization were taking shape. Some leasing activity occurred and users leveraged other service providers to create spaces that would blend flexibility and productivity. The markets will continue to build on some of this momentum. 2022 will be relatively slow but ultimately trend toward recovery but not to pre-pandemic levels. While trying to hold firm on rental rates, landlords will look to be as flexible as possible, offering shorter lease terms and greater tenant improvement allowances and/or increases in free rent.

MARKET INDICATORS	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
▲ 12 Mo. Net Absorption SF	(966,611)	(1,960,823)	(2,719,133)	(514,819)	(665,018)
▲ Vacancy Rate	24.8%	23.8%	19.3%	22.8%	22.5%
▼ Avg NNN Asking Rate PSF	\$22.85	\$23.28	\$23.04	\$23.83	\$22.77
◀▶ SF Under Construction	-	-	-	50,220	-
▼ Inventory SF	125,792,396	125,974,873	125,681,944	126,542,335	127,506,280

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4 Overlook Point Lincolnshire, IL	818,686 SF	\$11,000,000,000 \$19.41 PSF	Realty Income Corporation VEREIT, Inc.	Class C
555 W. Monroe Street Chicago, IL	429,316 SF	\$73,250,000 \$170.62 PSF	State of Illinois Principal Financial Group, Inc.	Class A
333 S. LaSalle Street Chicago, IL	288,000 SF	\$39,500,000 \$137.15 PSF	Commonwealth Edison Co CMEGroup, Inc.	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
433 W. Van Buren Street Chicago, IL	112,000 SF	The 601W Companies	Vizient	Healthcare
540 W. Madison Street Chicago, IL	83,228 SF	Third Millennium Group	RT Specialty	Insurance
111 E. Wacker Drive Chicago, IL	73,982 SF	AmTrust Realty Corp	Taft Stettinius & Hollister LLP	Law Firm

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