



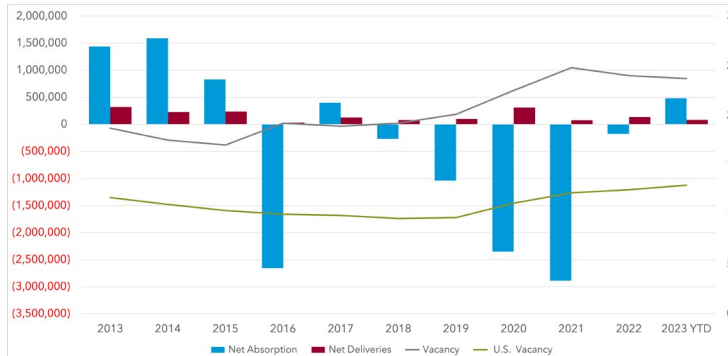
### OFFICE MARKET OVERVIEW

DIANA PEREZ, *Director of Research*

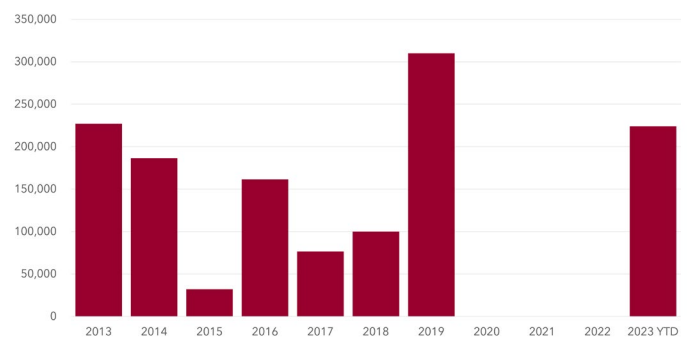
For those actively involved in Chicago's suburban and downtown office markets, the overall health took a small step in correct direction with total suburban vacancy dropping slightly in the suburbs even if only by a fraction of a percent. In the first quarter of 2023, many large corporations needing large blocks of space were able to relocate and take advantage of what are still extremely tenant favored transactions. As construction costs continue to float at all-time highs, tenant expectations of what concession packages should have created a problem. As a result, many landlords have put new lease transactions completely on pause or have requested that tenants fund their own buildout with a net rent reduction given in exchange.

MARKET INDICATORS	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
▲ 12 Mo. Net Absorption SF	480,843	(350,902)	257,484	109,009	(18,973)
▼ Vacancy Rate	23.7%	24.0%	23.9%	23.9%	26.0%
▲ Avg NNN Asking Rate PSF	\$24.53	\$24.27	\$24.18	\$23.65	\$24.01
◀ ▶ SF Under Construction	-	-	-	-	-
▲ Inventory SF	128,429,706	127,284,517	126,988,433	127,405,034	126,955,460

#### NET ABSORPTION, NET DELIVERIES, & VACANCY



#### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
21440 Lake Cook Road Deer Park, IL	341,092 SF	\$59,000,000 \$172.97 PSF	MBARK Global Arzan Whealth Limited	Class A
333 E. Lake Street Bloomington, IL	70,863 SF	\$3,400,000 \$47.98 PSF	Scottish Rite Cathedral Associates Grace Capital Group	Class B
1200 Roosevelt Road Glen Ellyn, IL	48,253 SF	\$4,175,000 \$86.52 PSF	Urban Commercial Property Group Stahelin Properties	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1 Astellas Way Northbrook, IL	77,863 SF	Astellas Pharma US	CF Industries Holdings, Inc.	Manufacturing
2 Pierce Place Itasca, IL	56,808 SF	Sovereign Partners	AIT Worldwide Logistics	Transportation & Warehousing
7301-7337 N. Lincoln Avenue Lincolnwood, IL	28,086 SF	Imperial Realty Company	Illinois Department of Central Management Services	Services

