



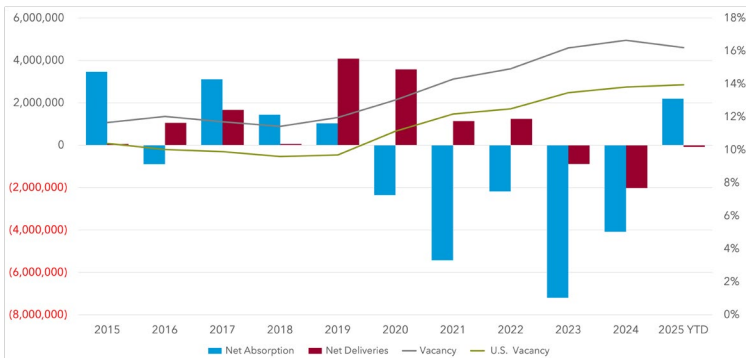
OFFICE MARKET OVERVIEW

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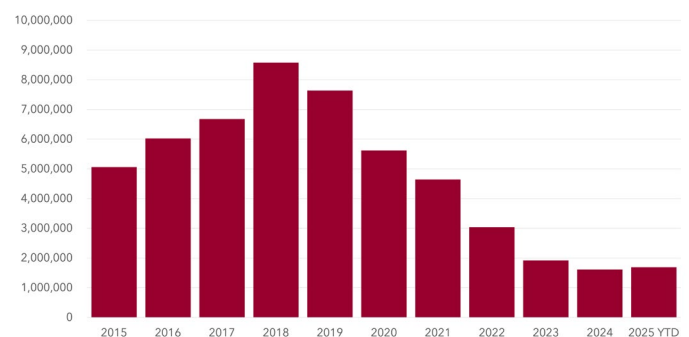
As of Q1 2025, Chicago has 97.1 million SF of available office space—up over 20 million SF since 2020—yet demolitions have helped offset falling occupancy. Inventory shrank by 1.7 million SF in the past year, while occupancy fell by 230,000 SF, keeping the vacancy rate steady at 16.2%, just below its recent peak and above the 2015–2019 average of 12%. Unlike national trends, Chicago’s vacancy rate has remained relatively flat recently. With older inventory and policies favoring conversions, developers are demolishing obsolete buildings. Just 1.7 million SF is under construction—only 0.3% of total stock—marking the slowest growth since the 1990s.

MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▲ 12 Mo. Net Absorption SF	740,980	(4,084,697)	(2,750,819)	(4,674,649)	(8,016,966)
▼ Vacancy Rate	16.21%	16.65%	16.21%	16.18%	16.59%
▲ Avg NNN Asking Rate PSF	\$29.38	\$29.33	\$29.34	\$29.24	\$29.05
▼ Sale Price PSF	\$169.26	\$169.61	\$172.27	\$174.34	\$180.93
▲ Cap Rate	9.92%	9.90%	9.82%	9.69%	9.49%
▲ Under Construction SF	1,693,583	1,613,601	1,553,493	1,169,815	1,857,738
▼ Inventory SF	509,490,711	509,572,659	509,431,137	509,546,872	511,475,519

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
600 W. Chicago Avenue Chicago, IL	1,650,000 SF	\$88,862,000 \$53.75 PSF	3Edgewood LLC Sterling Bay	Class A
4 Overlook Point Lincolnshire, IL	863,403 SF	\$6,475,000 \$7.50 PSF	Woodcrest Capital LLC Realty Income Corporation	Class B
200 S. Wacker Drive Chicago, IL	761,775 SF	\$68,000,000 \$89.27 PSF	Glenstar Properties LLC Manulife Financial Corporation	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
1 Horizon Way Deerfield, IL	220,000 SF	Amgen, Inc.	Fortune Brands Innovations	Building Products & Equipment
400-500 Busse Road Elk Grove Village, IL	179,586 SF	Prologis	Signify	Lighting
1 Horizon Way Deerfield, IL	172,000 SF	Amgen, Inc.	Fortune Brands Innovations	Building Products & Equipment

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