



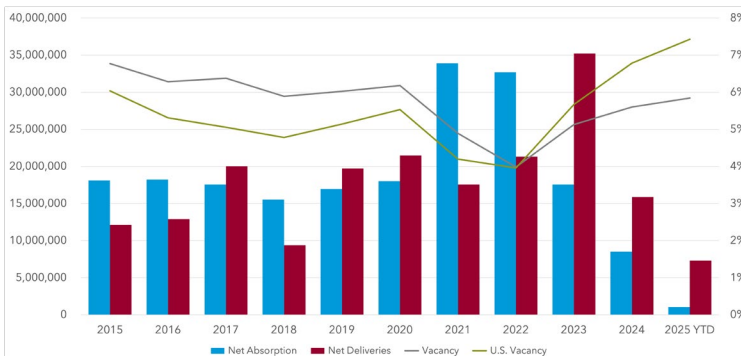
INDUSTRIAL MARKET OVERVIEW

ZACH GELLER, *Market Analytics Director*, BRANDON PAPPAS, *VP Data Analytics and Business Development*

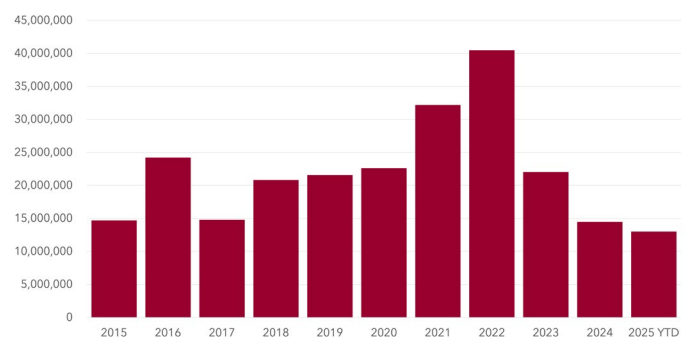
Chicago's industrial sector is cooling as tenant demand eases after years of expansion. Annual absorption reached 3.6 million SF, ranking 10th nationally, though momentum has slowed considerably. Construction has pulled back to 13.0 million SF, a fraction of the 2022 peak. Vacancy stands at 5.8%, still below historic and national averages, while availability is 8.8%, concentrated in logistics. Rents rose 3.3%, outpacing the U.S. average, though landlord leverage is weakening and concessions are likely to increase. The market outlook is subdued, with vacancy projected to rise and rent growth to slow through 2026, as reliance on logistics leaves Chicago vulnerable to softening trade and population trends.

MARKET INDICATORS	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
▼ 12 Mo. Net Absorption SF	3,634,969	4,201,990	7,515,182	8,525,564	7,874,447
▼ Vacancy Rate	5.84%	5.89%	5.67%	5.60%	5.33%
▲ Avg NNN Asking Rate PSF	\$9.60	\$9.56	\$9.46	\$9.36	\$9.29
▲ Sale Price PSF	\$97.61	\$97.31	\$96.35	\$94.82	\$92.92
▼ Cap Rate	8.00%	8.02%	8.04%	8.06%	8.08%
▼ Under Construction SF	13,168,590	14,027,963	12,829,104	14,488,204	15,643,360
▲ Inventory SF	1,426,627,527	1,426,019,872	1,424,598,576	1,422,125,358	1,417,286,549

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
555 Saint James Gate Bolingbrook, IL	404,000 SF	\$29,500,000 \$73.02 PSF	Hines TradeLane Properties	Class A
21800 Cicero Avenue Matteson, IL	388,578 SF	\$21,000,000 \$54.04 PSF	Treetop Development Reich Brothers	Class B
800 S. Northpoint Boulevard Waukegan, IL	363,027 SF	\$1,350,000 \$3.72 PSF	Terraco, Inc. Investcorp	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
21500 Gateway Drive Matteson, IL	757,504 SF	Crow Holdings	Peopleworks	Human Capital Mgmt Software
800 Bilter Road Aurora, IL	592,539 SF	Prologis	DSV	Transport and Logistics
700 S. Weber Road Bolingbrook, IL	382,228 SF	Ares Industrial Management	Lindt	Food Manufacturing

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