



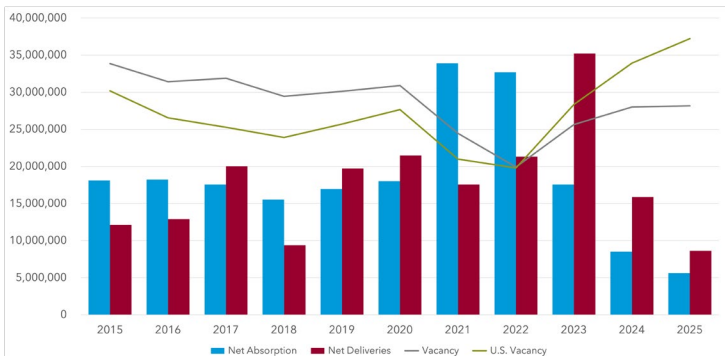
INDUSTRIAL MARKET OVERVIEW

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

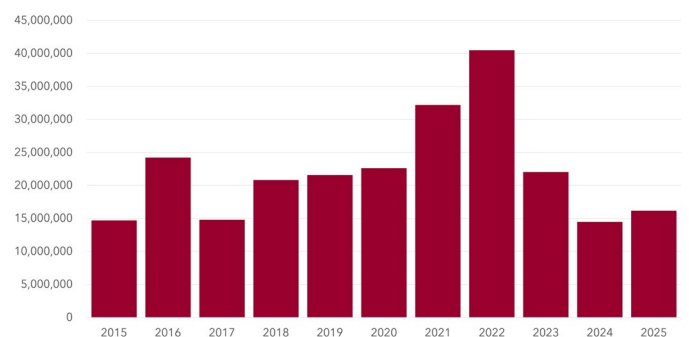
Chicago's industrial market is cooling as slower population growth and softer trade activity weigh on demand. Net absorption totaled 5.6M SF over the past year, well below the prior period. Vacancy sits at 5.7%, still under long-term and national averages but rising since 2024; availability totals 124M SF (8.6%), with roughly 75% in logistics space. Deliveries reached 8.6M SF in 2025, led by I-88, Wisconsin, and Joliet, while pre-leasing has declined. Rents increased 3.3% YoY, though concessions are expected to rise.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▲ 12 Mo. Net Absorption SF	5,632,417	3,634,969	4,201,990	7,515,182	8,525,564
▼ Vacancy Rate	5.64%	5.84%	5.89%	5.67%	5.60%
▲ Avg NNN Asking Rate PSF	\$9.71	\$9.60	\$9.56	\$9.46	\$9.36
▲ Sale Price PSF	\$97.75	\$97.61	\$97.31	\$96.35	\$94.82
▲ Cap Rate	8.07%	8.00%	8.02%	8.04%	8.06%
▲ Under Construction SF	16,171,761	13,168,590	14,027,963	12,829,104	14,488,204
▲ Inventory SF	1,430,578,439	1,426,627,527	1,426,019,872	1,424,598,576	1,422,125,358

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
25100 S. Ridgeland Avenue Monee, IL	621,246 SF	\$70,450,000 \$113.40 PSF	STAG Industrial, Inc. Nuveen	Class A
1338 120th Avenue Kenosha, WI	509,408 SF	\$43,168,496 \$84.74 PSF	Engendren Corporation Flint Development	Class A
5100 W. 123rd Street Alsip, IL	464,818 SF	\$31,075,000 \$66.85 PSF	Roosevelt Paper Company Dream Industrial REIT	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
26351 W. 143rd Street Plainfield, IL	1,209,000 SF	DHL Supply Chain Solution	RJW	Distribution, Logistics & Supply Chain
30542 S. Elion Boulevard Wilmington, IL	1,122,000 SF	Elion Partners	Green Box	Manufacturing
775 Veterans Parkway Bolingbrook, IL	573,752 SF	KKR Real Estate Select Trust	Amazon	E-Commerce & Cloud Computing

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2025 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com