



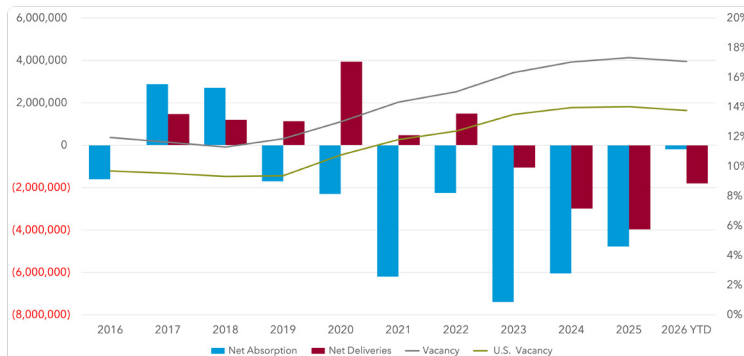
OFFICE MARKET OVERVIEW

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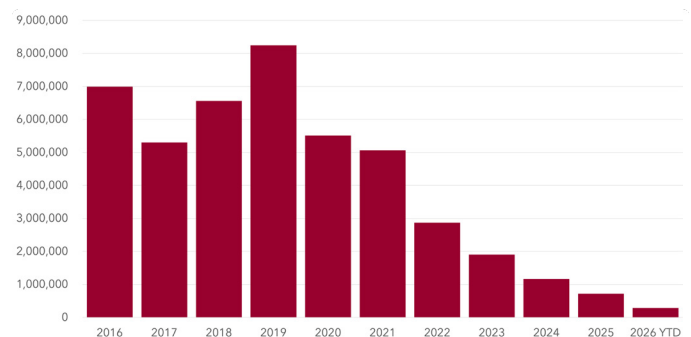
Chicago's office market continues to face demand headwinds from softer office-using employment growth and lower in-office attendance. Net absorption totaled -2.4 million SF over the past 12 months, though annual losses have moderated each year since 2023's roughly 7.5 million SF decline. Leasing favors 4- and 5-Star properties, with Trophy assets in the West Loop and Fulton Market achieving rents above \$60 per SF. Meanwhile, demolitions and conversions have removed more inventory than new deliveries have added, holding vacancy near 17%. Vacancy should stay near current levels, and absorption is unlikely to turn positive in the near term.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▲ 12 Mo. Net Absorption SF	(2,481,850)	(2,513,941)	(6,014,863)	(4,778,804)	(5,743,183)
▼ Vacancy Rate	17.05%	17.08%	17.35%	17.33%	17.01%
◀▶ Avg NNN Asking Rate PSF	\$29.03	\$29.03	\$29.04	\$28.98	\$28.91
▼ Sale Price PSF	\$173.29	\$173.42	\$171.44	\$170.55	\$168.08
▼ Cap Rate	9.73%	9.74%	9.88%	9.91%	10.05%
▼ Under Construction SF	288,571	294,726	343,979	719,788	761,465
▼ Inventory SF	494,058,199	494,361,045	495,161,427	495,857,619	496,807,114

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
100 W Randolph St Chicago, IL	965,500 SF	\$24,000,000 \$24.86 PSF	The Prime Group Manulife Financial Corporation	Class B
3800 Golf Rd Rolling Meadows, IL	467,000 SF	\$82,000,000 \$175.59 PSF	Digital Realty Trust Brennan Investment Group	Class A
300 W Adams St Chicago, IL	254,154 SF	\$12,500,000 \$49.18 PSF	SVPGlobal 300 West Adams	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
100 W Randolph St Chicago, IL	275,000 SF	The Prime Group	Morningstar	Finance and Insurance
350 N Orleans St Chicago, IL	220,941 SF	Blackstone	Stripe	Finance and Insurance
410 Warrenville Rd Lisle, IL	63,409 SF	Ed Napleton Auto- motive Group	Sentinel Technologies	Professional, Scientific, and Technical Services

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