



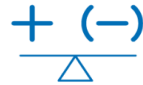
156.2M

Inventory SF



30.3%

Total Availability



(538.6K)

Net Absorption SF



411.2K

Under Construction SF



22.6%

Direct Vacant Available Rate



\$44.55

Full Service Rent PSF

Vacancy Levels Remain Elevated

Market Observations

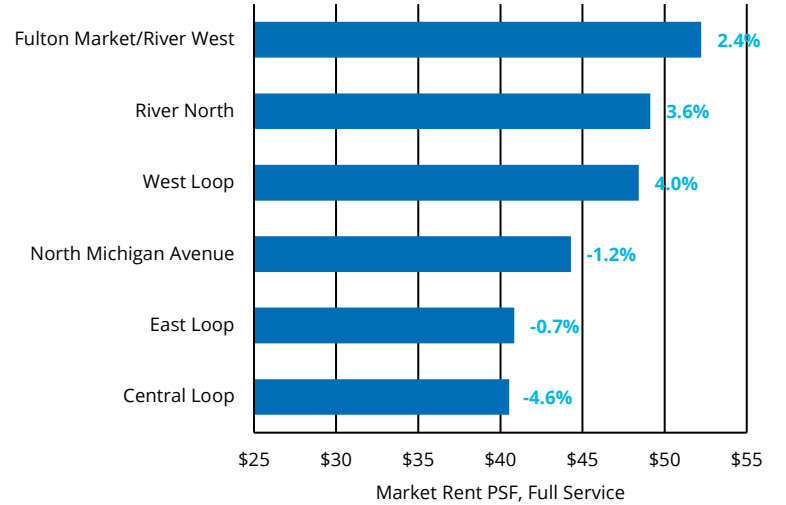
- The direct vacancy rate in Chicago's CBD rose slightly to 22.6% in Q3 2025, up from 22.5% in Q2 and 21.3% year over year. Among submarkets, the East Loop recorded the highest vacancy at 28.9%, while Fulton Market/Near West Side maintained the lowest at 11.4%.
- The largest new lease of the quarter was Bain & Company's 173,000-SF commitment at 131 S. Dearborn St. in the Central Loop. The largest renewal was Ropes & Gray's 105,000 SF lease at 191 N. Wacker Drive in the West Loop, which included a 26,000-SF expansion.
- Five large subleases were signed in Q3 2025, the largest of which was Wolverine Trading's sublease of 83,000 SF from True Blue at The Old Post Office, 433 W. Van Buren St., in the West Loop. The total amount of available sublease space is down to 5.1 MSF after reaching a record high of 8.3 MSF in 2023.
- Four CBD office buildings traded in Q3. The largest transaction was 2 N. Riverside Plaza in the West Loop, acquired by Bluestar for \$25 million (\$43 PSF). Currently, seven properties are under contract with undisclosed buyers, and nine new listings were introduced to the market during the quarter.
- Despite record-high vacancy, tenants seeking space face a limited pool of viable options. As asset values continue to fall below debt obligations, many landlords are unable to lease space—even amid demand. However, as more properties are sold through distressed transactions, the market is expected to reset and stabilize in the coming years.



CHICAGO-CBD OFFICE MARKET | Q3 2025

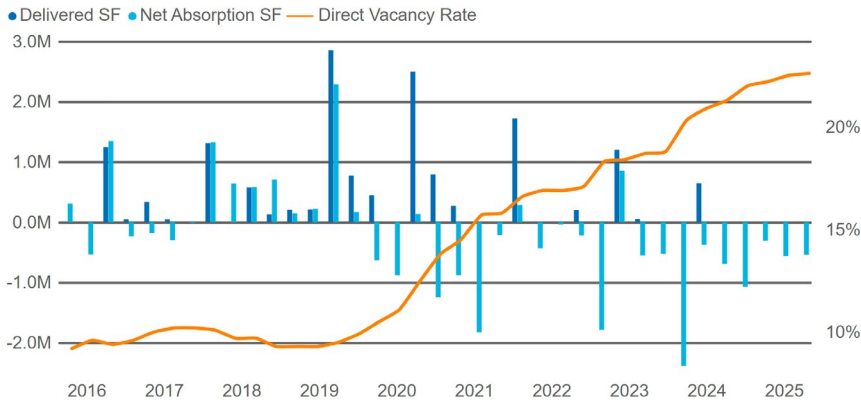
- The **direct vacancy rate** in Chicago's CBD reached 22.6% this quarter. Total availability stands at 30.3%, up 30 basis points from last quarter and up 50 basis points year over year.
- Net absorption** totaled negative 538,579 SF in Q3 2025, bringing the year-to-date total down to negative 1.4 MSF. The largest contributors to the negative absorption were FTI Consulting's move out of 70,000 SF at The Franklin, 222 W. Adams St. and 227 W. Monroe St. in the West Loop, and CBRE's move out of 60,000 SF at 321 N. Clark St. in River North.
- Full-service asking rents** averaged \$44.55 PSF in Q3 2025, up from \$44.41 PSF in Q3 2024. Fulton Market/Near West Side reached the highest submarket average at \$52.23 PSF, followed by River North at \$49.12 PSF.
- The **construction pipeline** includes only one active project: 919 W Fulton St. in the Fulton Market/Near West Side submarket. The 411,202-SF office building is scheduled for completion in January 2026 and is currently 49.3% preleased.

OVERALL ASKING RENTS BY SUBMARKET AND Y-O-Y GROWTH



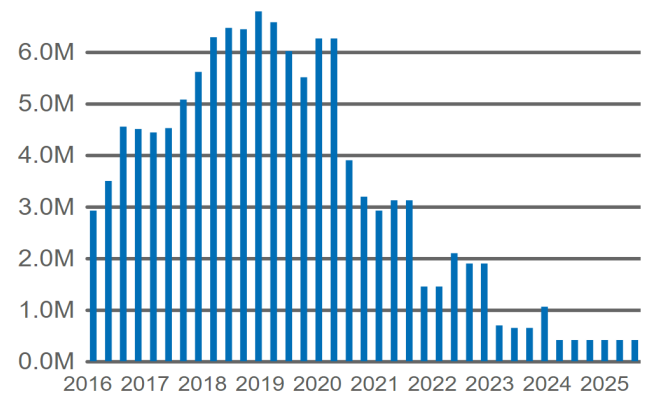
Source: CoStar, Transwestern

DELIVERY IMPACT ON KEY INDICATORS



Source: CoStar, Transwestern

UNDER CONSTRUCTION



Source: CoStar, Transwestern



CHICAGO-CBD OFFICE MARKET | Q3 2025

OFFICE MARKET INDICATORS - ALL SPACE

| SUBMARKET | INVENTORY | DIRECT VACANT AVAILABLE SF | DIRECT VACANT AVAILABLE RATE | TOTAL AVAILABILITY RATE | UNDER CONSTRUCTION SF | QUARTERLY NET ABSORPTION SF | Y-O-Y NET ABSORPTION SF | ASKING RENT PSF, FULL SERVICE |
|------------------------------|--------------------|----------------------------|------------------------------|-------------------------|-----------------------|-----------------------------|-------------------------|-------------------------------|
| Central Loop | 36,183,224 | 8,878,314 | 24.5% | 32.2% | 0 | (200,871) | (956,804) | \$40.53 |
| East Loop | 26,887,269 | 7,759,768 | 28.9% | 35.3% | 0 | (178,487) | (973,184) | \$40.85 |
| Fulton Market/Near West Side | 8,545,747 | 974,503 | 11.4% | 21.6% | 411,202 | 42,435 | 73,608 | \$52.23 |
| North Michigan Avenue | 8,598,251 | 1,956,080 | 22.7% | 37.4% | 0 | 56,221 | (39,698) | \$44.29 |
| River North | 17,427,833 | 4,400,085 | 25.2% | 29.4% | 0 | (114,252) | (33,208) | \$49.12 |
| West Loop | 58,520,342 | 11,276,227 | 19.3% | 27.3% | 0 | (143,625) | (552,289) | \$48.43 |
| Chicago CBD Total | 156,162,666 | 35,244,977 | 22.6% | 30.3% | 411,202 | (538,579) | (2,481,575) | \$44.55 |

Source: CoStar, Transwestern

