Q1 2025

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NAI Hiffman
Commercial Real Estate Services, Worldwide

Office Market Report

METROPOLITAN CHICAGO

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Office Market Report

METROPOLITAN CHICAGO

Q1 2025

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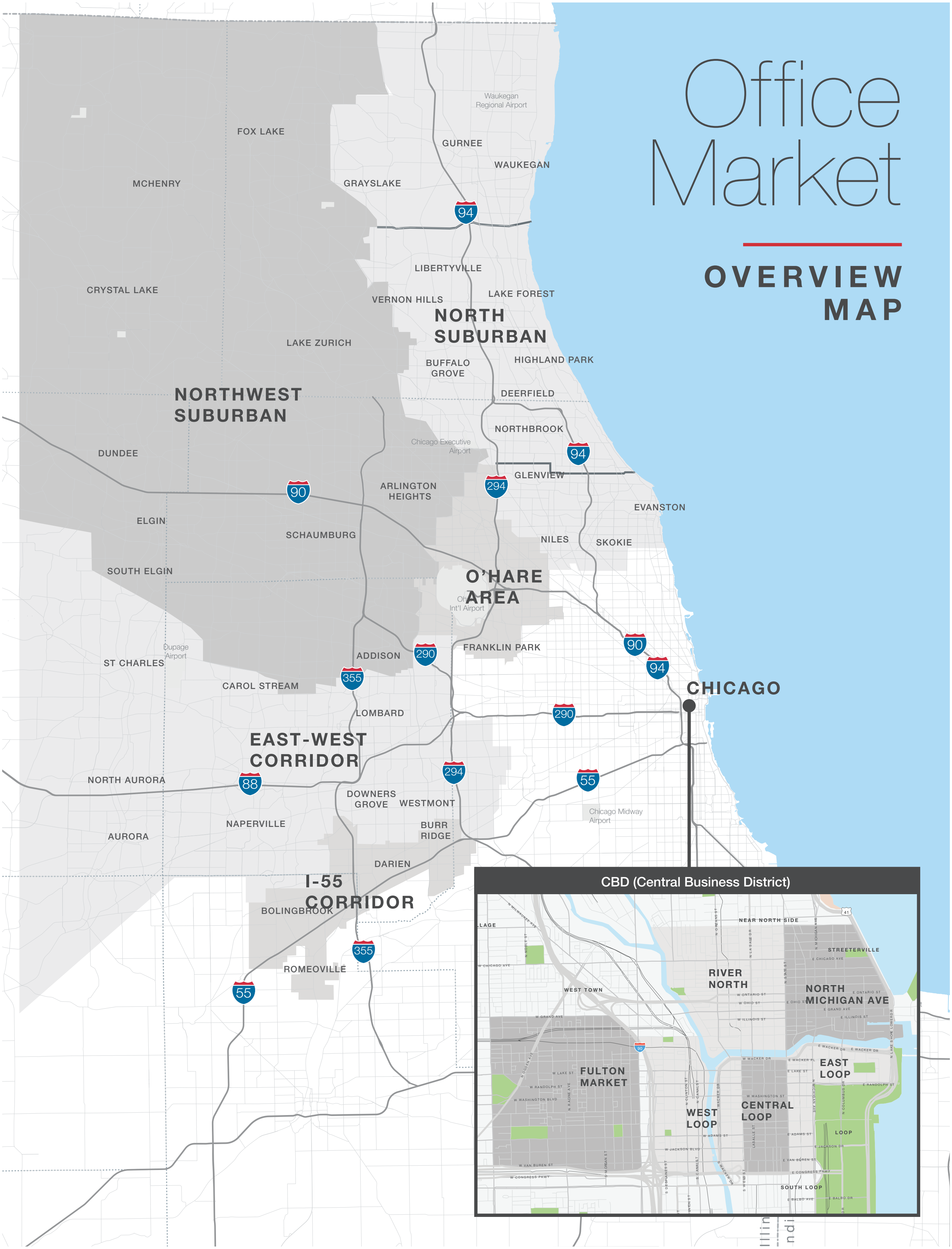
Suburban Office Market Statistics

Submarket	Total RBA (SF)	Total Vacant (SF)	Direct Vacancy	Sublease Vacancy	Total Vacancy	Availability Rate	1Q25 Net Absorption (SF)	YTD 2025 Net Absorption (SF)	1Q25 Leasing Activity (SF)	YTD 2025 Leasing Activity (SF)	Under Construction (SF)	Market Rent Per SF
East-West Corridor	40,237,603	9,427,819	23.1%	0.3%	23.4%	30.1%	-163,595	-163,595	698,072	698,072	0	$24.95
Class A	21,284,509	5,482,024	25.4%	0.4%	25.8%	35.3%	-314,867	-314,867	383,310	383,310	0	$30.51
Class B	16,829,266	3,744,832	22.0%	0.3%	22.3%	22.3%	152,418	152,418	297,270	297,270	0	$21.62
Class C	2,123,828	200,963	9.5%	0.0%	9.5%	10.8%	-1,146	-1,146	17,492	17,492	0	$19.91
I-55 Corridor	3,337,005	550,955	14.6%	1.9%	16.5%	19.9%	74,880	74,880	12,131	12,131	0	$21.63
Class A	833,993	254,060	23.7%	6.8%	30.5%	38.1%	-14,207	-14,207	4,078	4,078	0	$23.76
Class B	2,117,567	250,404	11.5%	0.3%	11.8%	13.6%	91,906	91,906	3,879	3,879	0	$19.34
Class C	385,445	46,491	11.3%	0.7%	12.1%	14.9%	-2,819	-2,819	4,174	4,174	0	$25.27
North Suburban	25,862,831	7,346,074	27.8%	0.6%	28.4%	30.2%	34,651	34,651	450,589	450,589	0	$33.32
Class A	15,792,007	5,193,641	32.1%	0.8%	32.9%	36.4%	319,887	319,887	378,071	378,071	0	$30.96
Class B	8,686,663	1,914,136	21.8%	0.2%	22.0%	20.9%	-292,957	-292,957	60,844	60,844	0	$23.77
Class C	1,384,161	238,297	17.2%	0.0%	17.2%	17.4%	7,721	7,721	11,674	11,674	0	$19.51
Northwest Suburban	30,667,958	9,861,351	30.8%	1.4%	32.2%	32.0%	219,085	219,085	239,278	239,278	0	$24.84
Class A	16,871,484	5,612,194	30.9%	2.3%	33.3%	34.2%	29,292	29,292	141,138	141,138	0	$28.26
Class B	12,445,667	4,132,315	32.9%	0.3%	33.2%	31.4%	182,058	182,058	84,460	84,460	0	$21.29
Class C	1,350,807	116,842	8.6%	0.1%	8.6%	9.4%	7,735	7,735	13,680	13,680	0	$18.11
O'Hare	14,033,389	2,843,135	19.7%	0.6%	20.3%	27.8%	51,331	51,331	100,315	100,315	0	$29.99
Class A	8,189,103	1,514,359	17.7%	0.8%	18.5%	29.6%	47,844	47,844	47,361	47,361	0	$38.44
Class B	5,418,841	1,266,888	23.0%	0.3%	23.4%	25.7%	8,121	8,121	52,302	52,302	0	$25.45
Class C	425,445	61,888	14.5%	0.0%	14.5%	18.1%	-4,634	-4,634	652	652	0	$17.63
Suburban Totals	114,138,786	30,029,334	25.6%	0.7%	26.3%	30.0%	216,352	216,352	1,500,385	1,500,385	0	$25.40
Class A	62,971,096	18,056,278	27.5%	1.2%	28.7%	34.6%	67,949	67,949	953,958	953,958	0	$29.63
Class B	45,498,004	11,308,575	24.7%	0.2%	24.9%	25.9%	141,546	141,546	498,755	498,755	0	$22.22
Class C	5,669,686	664,481	11.6%	0.1%	11.7%	12.9%	6,857	6,857	47,672	47,672	0	$17.62

* Metro Chicago Totals incorporate CBD and Suburbs

Office Market

OVERVIEW MAP



Q1
2025

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CBD Office Market Statistics

Submarket	Total RBA (SF)	Total Vacant (SF)	Direct Vacancy	Sublease Vacancy	Total Vacancy	Availability Rate	1Q25 Net Absorption (SF)	YTD 2024 Net Absorption (SF)	1Q25 Leasing Activity (SF)	YTD 2025 Leasing Activity (SF)	Under Construction (SF)	Market Rent Per SF
Central Loop	38,531,298	10,066,445	25.7%	0.4%	26.1%	30.6%	-384,173	-384,173	241,611	241,611	0	$35.72
Class A	22,502,822	5,392,588	23.6%	0.3%	24.0%	29.0%	-192,341	-192,341	197,849	197,849	0	$37.03
Class B	14,701,568	4,464,496	29.9%	0.5%	30.4%	34.3%	-183,269	-183,269	27,861	27,861	0	$33.64
Class C	1,326,908	209,361	15.8%	0.0%	15.8%	15.8%	-8,563	-8,563	15,901	15,901	0	$18.26
East Loop	27,123,776	7,634,099	27.5%	0.7%	28.1%	33.6%	-70,422	-70,422	282,269	282,269	0	$37.73
Class A	17,757,133	5,067,375	27.9%	0.7%	28.5%	35.9%	-113,876	-113,876	194,235	194,235	0	$38.44
Class B	6,717,731	1,900,128	27.4%	0.9%	28.3%	30.5%	35,480	35,480	36,580	36,580	0	$22.00
Class C	2,648,912	666,596	25.0%	0.1%	25.2%	26.1%	7,974	7,974	51,454	51,454	0	$25.32
Fulton Market	10,342,256	1,870,925	15.5%	2.6%	18.1%	22.2%	31,310	31,310	200,125	200,125	411,202	$36.93
Class A	5,962,458	1,186,157	15.4%	4.5%	19.9%	24.2%	22,424	22,424	147,797	147,797	411,202	$42.98
Class B	3,135,868	507,218	16.2%	0.0%	16.2%	18.8%	17,461	17,461	29,069	29,069	0	$28.33
Class C	1,294,814	185,950	14.4%	0.0%	14.4%	20.8%	-8,575	-8,575	23,259	23,259	0	$30.13
NMA	12,259,436	2,457,421	18.3%	1.8%	20.0%	26.3%	93,739	93,739	17,519	17,519	0	$22.32
Class A	7,566,449	1,808,589	21.5%	2.4%	23.9%	31.6%	69,380	69,380	12,678	12,678	0	$20.40
Class B	4,411,548	588,398	13.1%	0.3%	13.3%	17.4%	24,359	24,359	4,841	4,841	0	$37.72
Class C	281,439	60,434	14.0%	7.4%	21.5%	24.2%	0	0	0	0	0	$14.00
River North	18,566,155	4,979,354	25.9%	1.0%	26.8%	28.9%	1,814	1,814	188,667	188,667	0	$44.30
Class A	12,927,484	3,527,286	26.2%	1.0%	27.3%	28.4%	-26,013	-26,013	140,255	140,255	0	$45.48
Class B	4,234,007	988,469	22.3%	1.1%	23.3%	28.1%	32,832	32,832	45,216	45,216	0	$30.10
Class C	1,404,664	463,599	33.0%	0.0%	33.0%	35.7%	-5,005	-5,005	3,196	3,196	0	0
West Loop	59,030,236	12,095,396	18.7%	1.8%	20.5%	27.5%	634,576	634,576	682,980	682,980	0	$46.24
Class A	47,269,223	8,888,375	16.9%	1.9%	18.8%	25.6%	282,790	282,790	509,831	509,831	0	$47.77
Class B	9,997,216	2,867,084	27.0%	1.7%	28.7%	36.9%	290,638	290,638	157,777	157,777	0	$37.38
Class C	1,763,797	339,937	19.1%	0.2%	19.3%	23.9%	61,148	61,148	15,372	15,372	0	$27.24
Downtown Totals	165,827,715	39,099,440	22.3%	1.2%	23.6%	28.9%	306,844	306,844	1,613,171	1,613,171	411,202	$40.43
Class A	113,960,127	25,866,170	21.2%	1.5%	22.7%	28.5%	42,364	42,364	1,202,645	1,202,645	411,202	$41.99
Class B	43,172,496	11,311,593	25.4%	0.8%	26.2%	30.9%	217,501	217,501	301,344	301,344	0	$34.23
Class C	8,695,092	1,921,677	21.8%	0.3%	22.1%	24.8%	46,979	46,979	109,182	109,182	0	$27.80
Metro Chicago Totals	279,966,501	69,128,774	23.6%	1.0%	24.7%	29.3%	523,196	523,196	3,113,556	3,113,556	411,202	0
Class A	176,931,223	43,922,448	23.4%	1.4%	24.8%	30.7%	110,313	110,313	2,156,603	2,156,603	411,202	0
Class B	88,670,500	22,620,168	25.0%	0.5%	25.5%	28.3%	359,047	359,047	800,099	800,099	0	0
Class C	14,364,778	2,586,158	17.8%	0.2%	18.0%	20.1%	53,836	53,836	156,854	156,854	0	0

* Metro Chicago Totals incorporate CBD and Suburbs

Suburban Market Summary

Chicago's suburban office market entered 2025 with renewed momentum, showing encouraging signs of stabilization after a challenging year.

Vacancy Rate **26.3%**

2025 Net Absorption **216K SF**

2025 YTD New Leasing **1.5M SF**

Chicago's Suburban Office Sector Sees Promising Start to 2025

Chicago's suburban office market entered 2025 with renewed momentum, showing encouraging signs of stabilization after a challenging year. Net absorption turned positive for the first time in over a year, vacancy rates declined, and Class A buildings began to see the payoff from last year's leasing activity. While the broader market still faces headwinds—such as capital constraints and economic uncertainty—well-managed, mid-size Class A and Class B properties continue to outperform, offering compelling opportunities for proactive landlords and investors.

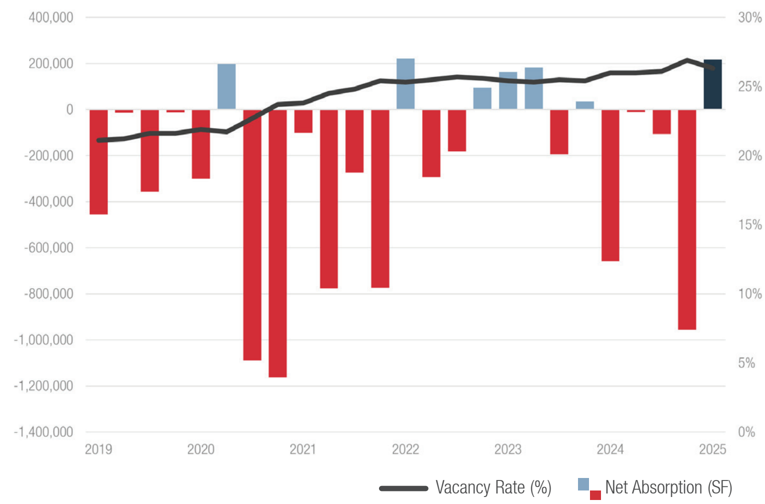
The first quarter saw net absorption reach 216,352 square feet, breaking a five-quarter streak of negative absorption. Additionally, vacancy rates declined to 26.3%—the first time vacancy has fallen since the fourth quarter of 2023. Class A properties reported 67,949 square feet of positive absorption in the first quarter. We are now seeing the results of 2024's strong Class A leasing activity as tenants begin to take occupancy.

Leasing activity registered 1.5 million square feet during Q1 2025, with Class A leasing making up 63.6% of that total. This percentage has grown year-over-year from 61.9% in 2024, as tenants take advantage of current market conditions to seek out well-managed and well-maintained spaces that are flexible enough to meet their needs.

A notable trend shaping the suburban office landscape is the reduction in inventory due to redevelopment and adaptive reuse projects. Amid sluggish demand and elevated vacancy, landlords and developers are increasingly choosing to convert outdated or underutilized office properties into residential, industrial, or mixed-use developments. These conversions are not only removing millions of square feet from the office market—such as the former Sears headquarters in Hoffman Estates and the Atrium Corporate Center in Rolling Meadows—but they're also helping to rebalance supply and demand dynamics over the long term. As more properties exit the inventory pipeline, vacancy pressures could ease gradually, especially in submarkets where office demand remains tepid. While these projects do not offer an immediate fix, they represent a structural shift that may set the stage for a healthier, more sustainable suburban office market moving forward.

While the overall suburban office market has softened since early 2020, a divide has emerged between different product sectors. Although large Class A spaces have seen significant individual leases, mid-size product—20,000 to 100,000 square feet—has demonstrated stronger fundamentals, with more

Vacancy Rate vs Net Absorption



Market Summary

Q1 2025	SF	
Market Size	114,138,786	
Total Vacancy	30,029,334	26.3%
Direct Vacancy	29,219,529	25.6%
Sublease Vacancy	798,972	0.7%
Available Space	34,241,636	30.0%
QTR Net Absorption	216,352	
YTD Net Absorption	216,352	
Under Construction	0	
QTR New Supply	0	
YTD New Supply	0	
QTR New Leasing Activity	1,500,385	
YTD New Leasing Activity	1,500,385	

consistent leasing activity and lower-than-average vacancy. Savvy landlords who invest in more flexible floor plans are benefitting from a broader pool of tenants without relying on large-scale relocations. Vacancy decreased across the board with Class A reporting 28.7% and Class B tightening to 24.9%. In real-world terms, roughly 450,000 square feet of Class A space was removed while an additional 250,000 square feet of

Net absorption totaled totaled 216,352 square feet during the first quarter.

Vacancy declined from historical highs to 26.3%, compared to 26.0% one year ago.

New leasing activity reached 1,500,385 square feet during the first quarter, down from 1,642,727 square feet in Q1 2024.

Class B space was taken off the market.

While year-over-year leasing activity slowed during the first quarter, several notable leases were signed. Fortune Brand Innovations committed to 361,000 square feet at 1 Horizon Way in Deerfield, where it will occupy Buildings 1 and 2 of the three-building complex starting in early 2026. Additionally, Adtalem Global Education signed a 74,000-square-foot lease at 2601 Navistar Drive in Lisle and is expected to move in by Q2 2025.

Overall asking rents in the first quarter averaged $25.40 per square foot, representing a 1.0% decrease compared to the prior year.

Softening job growth continues to be a key headwind for the suburban office market. In Q1, active job postings across the Chicago metro declined 5.3%, signaling that businesses are scaling back hiring plans. However, this pullback is giving employers greater leverage to reassert in-office mandates, as employees face fewer alternative opportunities. This dynamic could limit future office downsizing while further solidifying hybrid or in-office policies already in place.

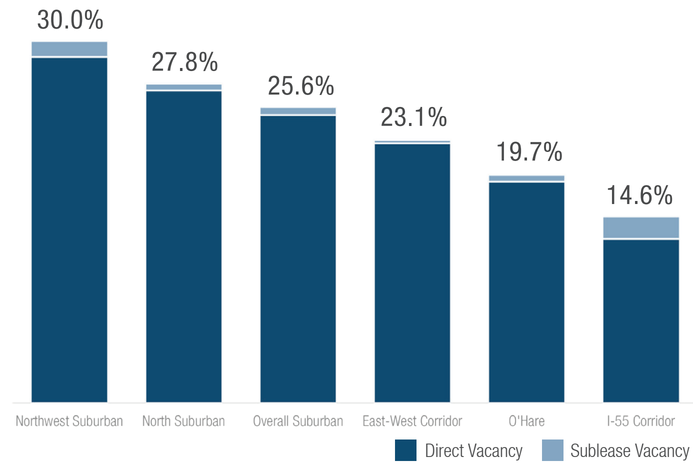
OUTLOOK

Chicago's suburban office market is evolving, offering both challenges and opportunities. Fluctuating interest rates and stricter lending standards are pressuring owners, particularly those with Class B and C properties. Upgrading aging buildings and offering flexible space is key to attracting and keeping tenants.

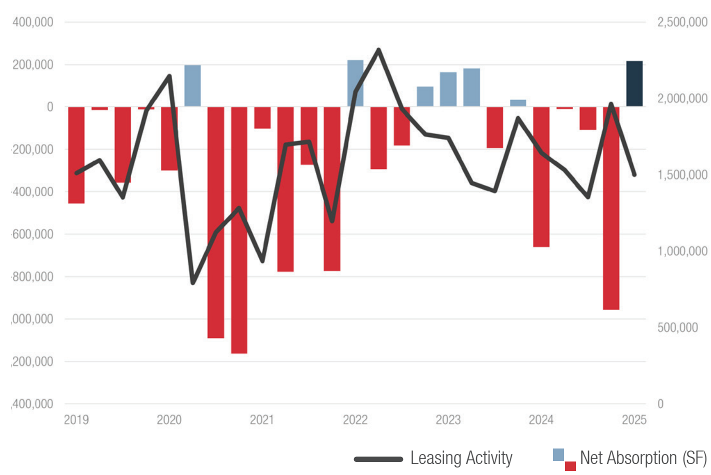
Despite economic pressures and evolving workplace trends, adaptable landlords and investors are finding success. Mid-size, efficient buildings continue to see leasing interest, and conversions offer potential for underperforming assets. Vacancy may decline as outdated inventory leaves the market and demand stabilizes.

Looking ahead, those who prioritize flexibility and tenant needs will lead. The gap between modern, well-managed properties and outdated ones is growing. Strategic upgrades and creative repositioning can unlock opportunities, especially in scalable, efficient, and tenant-friendly spaces.

Vacancy by Submarket



Absorption vs Leasing Activity



Significant Transactions

New Lease

1 Horizon Way
Deerfield
361,000 SF

North Suburban

Tenant
Fortune Brands Innovations

New Lease

2601 Navistar Dr
Lisle
152,547 SF

East-West Corridor

Tenant
Adtalem Global Education

Renewal

1250 E Diehl Rd
Naperville
74,099 SF

East-West Corridor

Tenant
Kehe Distributors, LLC

New Lease

1415 W Diehl Rd
Naperville
74,043 SF

East-West Corridor

Tenant
Pivotal Home Solutions

New Lease

2655 Warrenville Rd
Downers Grove
46,187 SF

East-West Corridor

Tenant
Ryerson

Transactions with the "A" designate NAI Hiffman transactions

CBD Market Summary

Despite Market Headwinds, Downtown Office Sector Sees Improved Performance in Q1

Vacancy Rate **23.6%**

2025 Net Absorption **307K SF**

2025 YTD New Leasing **1.6M SF**

Signs of Life as CBD Sees Positive Absorption and Decreased Vacancy

Chicago's CBD office market gained back some ground during the first quarter with 306,844 square feet of positive absorption, ending back-to-back quarters of negative absorption. Absorption in the CBD is up 123.9% compared to this time in 2024. Vacancy remains high as landlords have struggled to backfill large blocks of space amid tenant relocations and contractions within the market, but move ins, combined with lower sublease vacancy brought relief to the market.

The downtown market registered 1.6 million square feet of new leasing activity during the first quarter, down 16.9% from 2024. Class A properties continue to lead the new leasing, accounting for 1,202,645 square feet during the first quarter or 74.6% of all new leases signed, up from 70.8% in 2024.

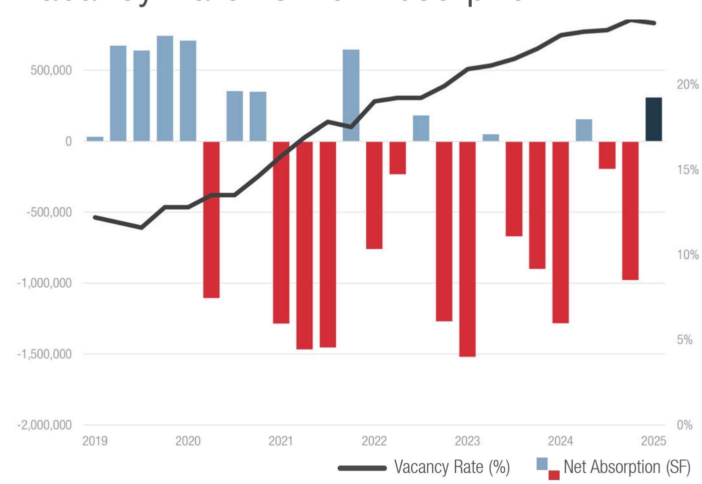
Neuberger Berman inked the largest deal of the quarter, signing for 52,000 square feet of 191 N Wacker Dr while Riverside Investment & Development signed a new lease for 50,000 square feet at 130 E Randolph St.

Overall vacancy declined to 23.6% during the first quarter, the first time overall vacancy has not increased in ten quarters. Since the start of the pandemic, vacancy has risen 1,090 basis points from 12.7% during the first quarter of 2020. Sublease space has been declining since the fourth quarter of 2023 and is down to its lowest amount since 2020. The sublease vacancy rate was 1.2% during the first quarter.

CBD asking rents averaged $40.43/SF during the first quarter, down 0.3% year-over-year. Class A asking net rents averaged $41.99/SF, up 0.9% from one year ago. Although asking rents had held relatively steady over the past few years, rising taxes and elevated concessions continue to put downward pressure on effective rents.

There are 411,202 square feet of new development currently under construction in the CBD. The project currently under construction is 919 W Fulton Market in Fulton Market, which has seen 127,712 square feet preleased by Gibsons and Harrison Street.

Vacancy Rate vs Net Absorption



Market Summary

Q1 2025	SF	
Market Size	165,827,715	
Total Vacancy	39,099,440	23.6%
Direct Vacancy	36,979,580	22.3%
Sublease Vacancy	2,119,860	1.2%
Available Space	47,924,210	28.9%
QTR Net Absorption	306,844	
YTD Net Absorption	306,844	
Under Construction	411,202	
QTR New Supply	0	
YTD New Supply	0	
QTR New Leasing Activity	1,613,171	
YTD New Leasing Activity	1,613,171	

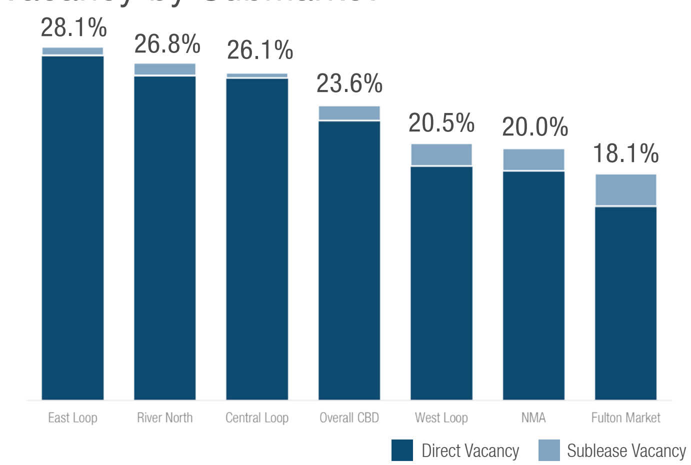
While the CBD remains tenant-favored, signs of recovery persist. Though still well below pre-pandemic levels, more than half of Chicago workers are back in the office as employers push their workforce to return to the office setting. Savvy landlord strategies such as spec suites, in-demand amenities and common-area renovations will be key in attracting and retaining tenants moving forward.

Chicago's CBD office positive absorption this quarter with 306,844 square feet of absorption.

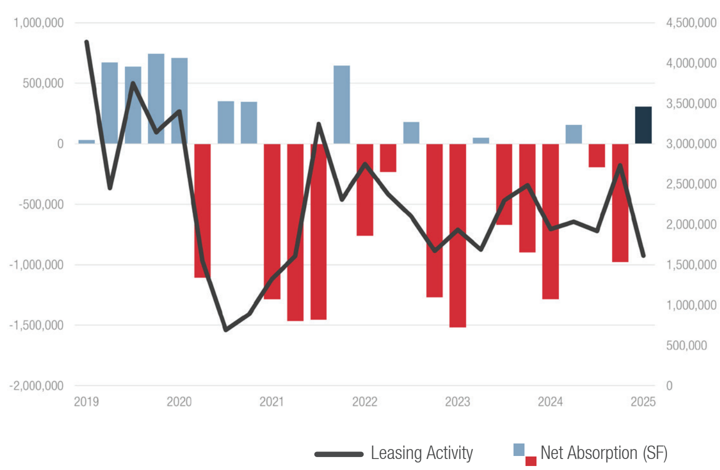
Overall vacancy declined, interrupting ten quarters of rising vacancy

The downtown market registered 1.6 million square feet of new leasing activity during the first quarter, down 16.9% year-over-year.

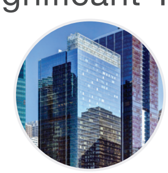
Vacancy by Submarket



Absorption vs Leasing Activity



Significant Transactions

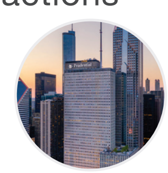


New Lease

191 N Wacker Dr
Chicago
52,000 SF

West Loop

Tenant
Neuberger Berman



New Lease

130 E Randolph St
Chicago
50,000 SF

East Loop

Tenant
Riverside Investment & Development

Expansion

350 N Orleans St
Chicago
44,000 SF

River North

Tenant
Stripe

New Lease

300 N LaSalle St
Chicago
40,000 SF

River North

Tenant
Arnold & Porter Kaye Scholer

New Lease

1 N Dearborn St
Chicago
38,546 SF

Central Loop

Tenant
Start Early

New Lease

161 N Clark St
Chicago
20,910 SF

Central Loop

Tenant
Wilson Elser

Suburban Office Capital Markets Overview

by Nick Schlanger

COMPARING Q1 2024 TO Q1 2025				
SUBURBAN Q1 2025 MARKET SNAPSHOT				
	$108.3M	5	$21.66	1.7M
Q4 2024	$42.3M Sales Volume	10 Sales Transactions	$27.06 Avg Sales Price PSF	1.6M SF Sold

	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
TOTAL SALES VOLUME	$108.3M	$89.2M	$18.7M	$213.4M	$42.3M
TOTAL SF SOLD	1.7M	0.75M	0.39M	3.4M	1.6M
# BUILDINGS SOLD	5	4	4	17	10
# OF TRANSACTIONS	5	4	4	17	10
PORTFOLIO TRANSACTIONS	0	0	0	0	0

CAUTIOUS OPTIMISM AMID MIXED SIGNALS

The commercial real estate (CRE) investment landscape entered 2025 on a cautiously optimistic note, reflecting a tenuous balance between stabilizing fundamentals and lingering economic uncertainty. The Fed's third rate cut in December 2024 brought the federal funds target range down to 4.25%–4.50%, offering some relief to capital markets and signaling a continued shift toward a more accommodative policy stance. Inflation has cooled meaningfully, ending the year at 2.9%, but growth indicators remain uneven. Tepid job creation in the fourth quarter and a slowdown in GDP expansion have raised concerns about the durability of the recovery, keeping many investors in a wait-and-see mode.

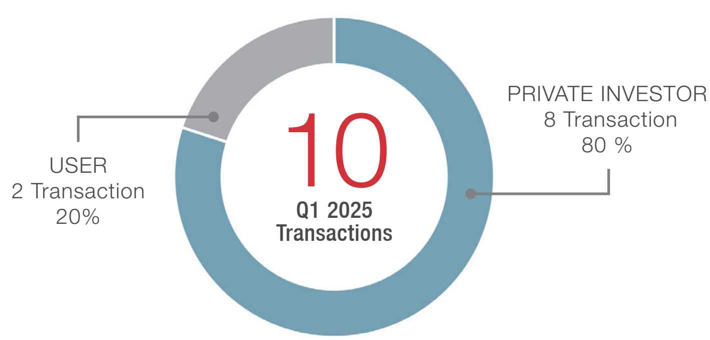
Debt markets remain challenging, with lenders emphasizing debt yield, rollover exposure, and tenant quality. That said, capital availability is slowly improving as non-bank lenders and debt funds fill gaps left by traditional institutions. Pricing discovery continues to evolve, but the narrowing bid-ask spread suggests a market beginning to unfreeze.

Heading into 2025, the CRE investment market is expected to slowly re-engage. Buyers and sellers are working through price discovery, and while transaction activity remains below historical norms, liquidity is expected to improve quarter by quarter. Private capital is poised to lead early-cycle acquisitions, particularly in assets that offer value-add or lease-up potential. While challenges persist — including elevated vacancy rates and global economic uncertainty — the stage is being set for a more active second half of the year.

Ten suburban sales were closed during Q1 2025, generating a sales volume of $42.3M or $27 PSF, a significant slowdown from the $213.4M sold during a busy fourth quarter of 2024. These were distributed across the market, with three transactions in the EW Corridor, four in the North Suburban submarket, and three in NW Suburban submarket. The slowdown in Q1 sales activity reflects growing investor caution in the face of persistent macroeconomic uncertainty, tighter credit conditions, and rising geopolitical tensions — including renewed tariff threats and global supply chain disruptions — which have contributed to a more selective and risk-averse investment environment.

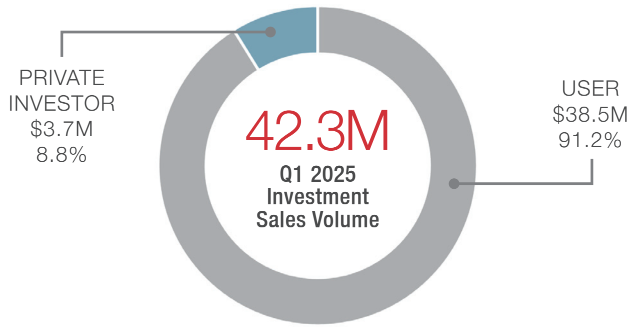
In the largest transaction during the quarter, Bridge Industrial acquired the 12.2-acre site at 2300 Warrenville Road in Downers Grove. The property, previously occupied by a 1960s-era office building, is slated for redevelopment into a 240,000-square-foot Class A industrial facility. This acquisition marks Bridge's ninth office-to-industrial conversion and its fifth logistics development in Downers Grove, reflecting the firm's continued strategy to transform underutilized suburban office properties into modern industrial assets.

Transactions by Sale Type

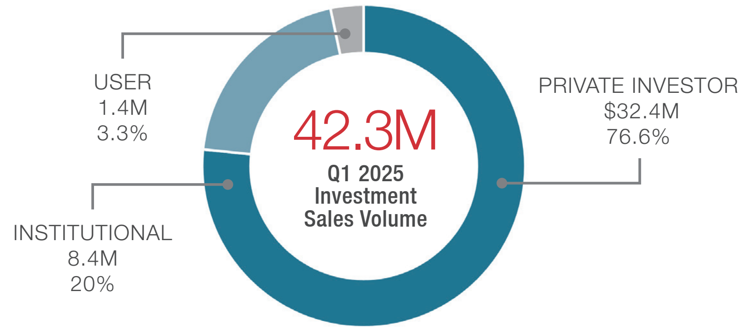


Number of Deals / Volume / % of Total

Buyer Pool Composition



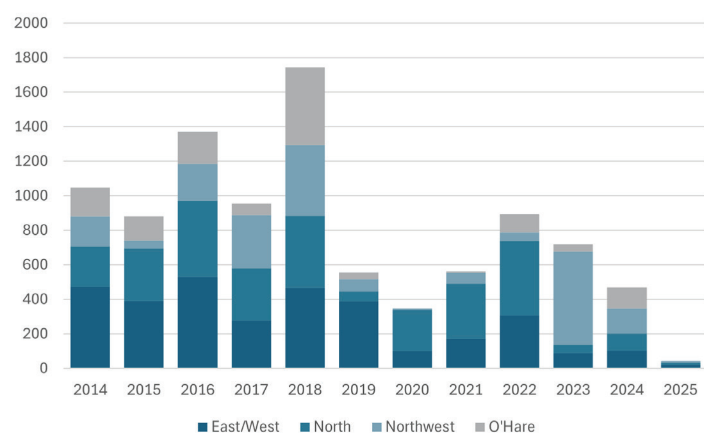
Seller Pool Composition



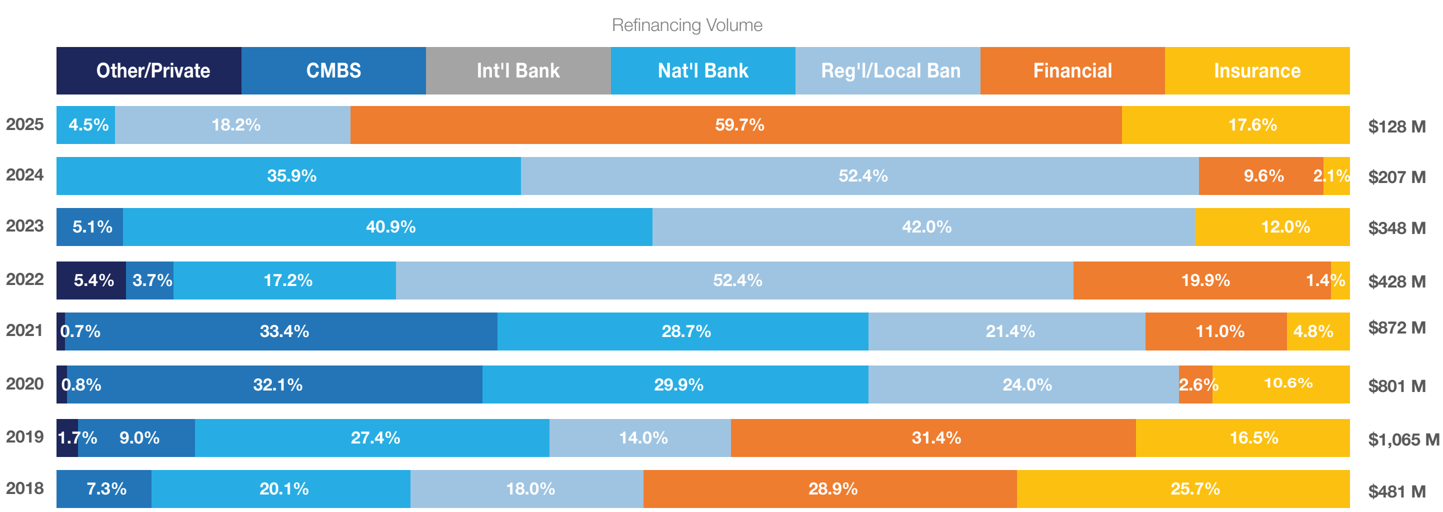
We continue to recommend that private investors consider mid-cap suburban office properties, which we define as properties less than 50K RSF, as this subsector offers attractive opportunities relative to the larger core and core plus buildings. Throughout suburban Chicago, these mid-cap buildings have considerably lower vacancy rates relative to the larger buildings. A mid-cap property's capital stack is typically 50% equity which generates more favorable debt options. Properties with varying lease terms and no anchor tenants significantly reduce the risk profile as small tenants tend to be sticky. Their hybrid work schedules were temporary, not the case with large office tenants. In addition, tenant improvement costs are considerably lower with limited options to demise small tenant space, and a greater percentage of existing improvements can be recycled.

Eight loans were refinanced in Q1 2025 totaling $128M or $88 PSF versus five loans in Q1 2024 totaling $56.6M or $71 PSF, a 226% increase in dollar volume. Two transactions represented 77% of this dollar volume: 9 Parkway North in Deerfield was refinanced at $76.4M and 2 Pierce Place was refinanced at $22.5M. Both transactions were refinanced at the same prior dollar amount by the same lenders. Five of the loans were financed by regional or local banks, while one was backed by a national bank, 9 Parkway North was refinanced by ACORE Capital, a financial group, 2 Pierce Place was refinanced by Aetna, an insurance company. Q1 2025 refinancing volume of $128 M represents 62% of the CY 2024 refinancing volume was $207M, a good start to the year. As mentioned in prior office reports, refinancing dollar volume continues to lag loan maturity dollar volume, an ongoing concern. This is attributed to the high vacancy rates experienced in the core and core plus properties, ground zero for the impact of WFH. We estimate just under $1 B of suburban core and core plus office loans are in various stages of distress and cannot be refinanced.

Annual Sales Volume



Conventional Refinancing: 2020 - Q1 2025



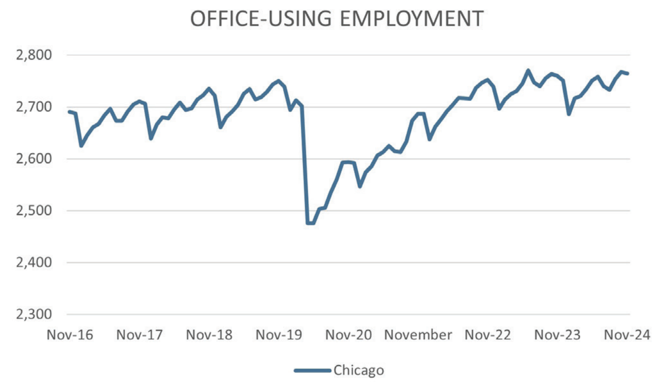
Economic Overview

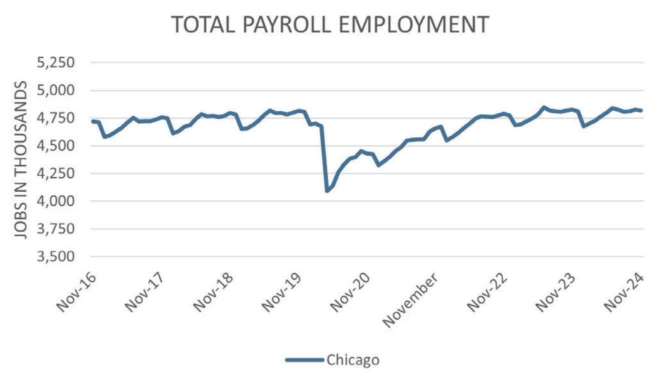
The U.S. economy is navigating a complicated landscape marked by moderate growth, tempered by ongoing inflationary pressures and a cautious Federal Reserve.

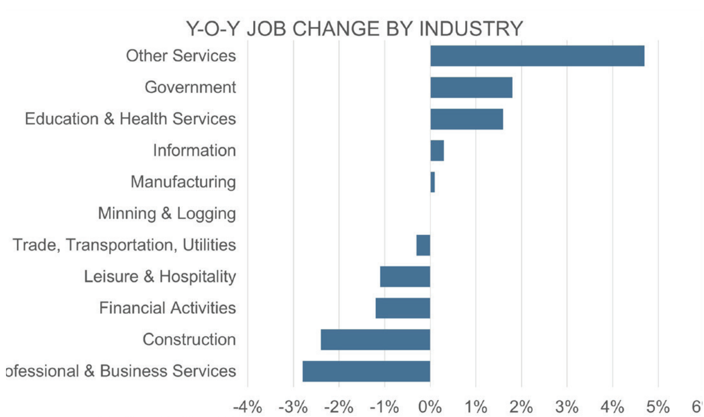
Unemployment Rate	2025 Total Nonfarm Job Growth	Y-O-Y Office-Using Employment
5.1%	25,900	-12,700

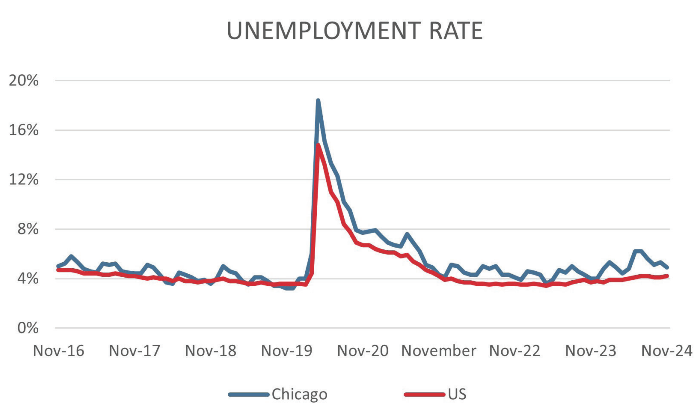
Economic Indicators Steady

- The U.S. labor market has demonstrated resilience in the wake of the pandemic, though signs of slowing have emerged. The U.S. labor market has shown resilience post-pandemic, with an average of approximately 354,500 jobs added monthly from 2021 through 2024.
- So far in 2025, job creation has moderated, with January adding 143,000 jobs and February adding 151,000 jobs, reflecting broader economic uncertainties and a cooling labor market.
- As of January 2025, the unemployment rate stands at 4.0%, indicating a stable but cautious labor environment.
- Consumer spending remains a primary driver of economic activity, though elevated inflation has prompted the Federal Reserve to maintain high interest rates.
- Persistent inflation, elevated interest rates, and global economic volatility continue to pose risks to consumer confidence and financial markets.
- Unemployment in Chicago measured 5.1% as of January 2025, mostly unchanged year-over-year.
- Total Chicago nonfarm employment rose by 25,900 jobs year-over-year as of February 2025.
- Sectoral Growth Highlights: Year-over-year gains were led by the Mining & Logging (+14.3%) and Education & Health Services (+3.0%) sectors.
- Office-using employment increased by 1.5% year-over-year, with notable gains in the Education & Health Services (+3.0%) and Government (1.8%) sectors. Despite broader economic challenges, demand for skilled labor in education, health, and public services continues to support office-using employment growth.









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- Tenant Representation
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- Project Management
- Feasibility Analysis
- Lease Administration
- Lease Audit
- Tax Appeal
- Title/Escrow/Survey
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- Build-to-Suit/Construction Management
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