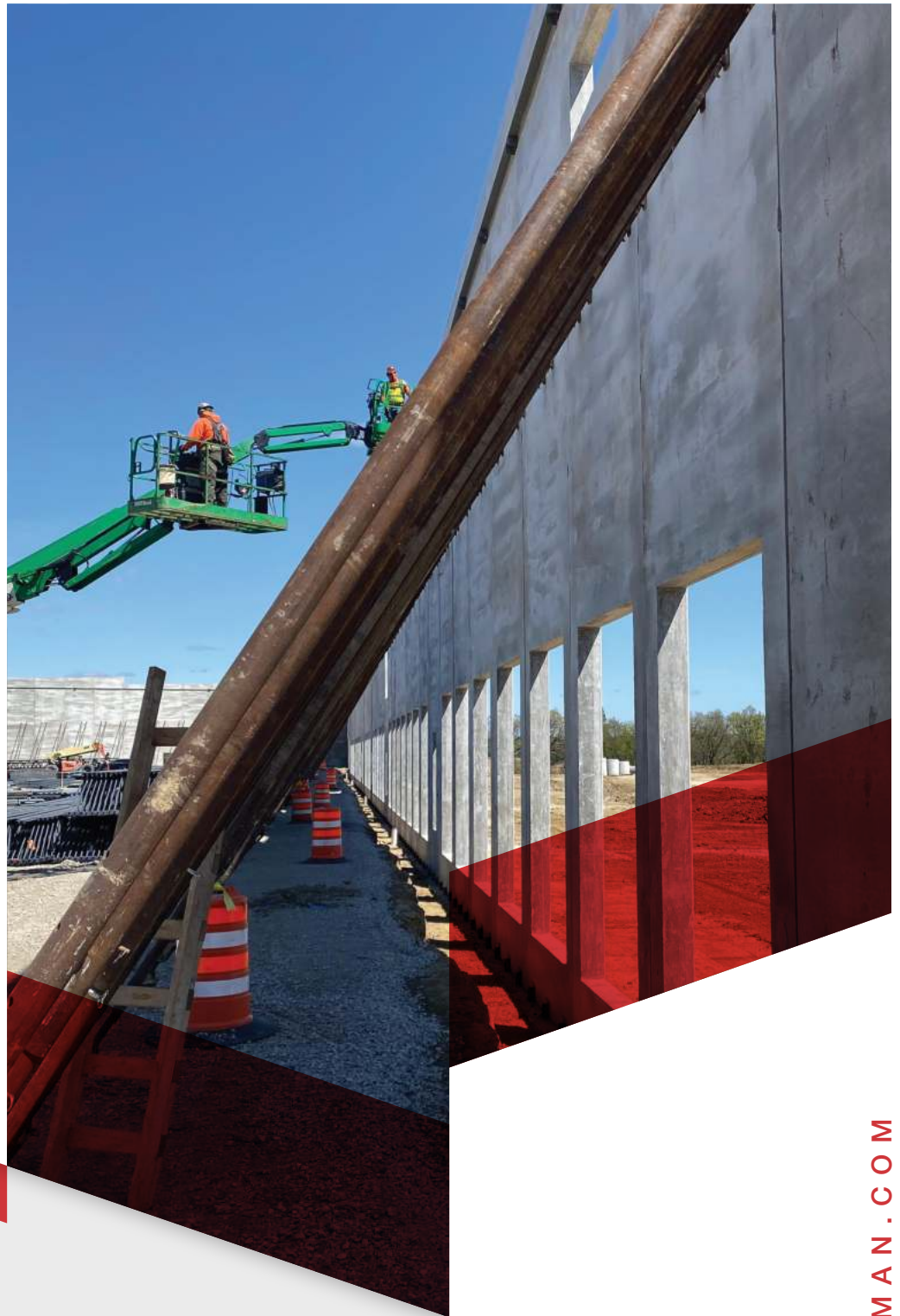


Q1
2025

TRUSTED.

NAIHiffman
Commercial Real Estate Services, Worldwide



HIFFMAN.COM

Construction Pipeline Report

METROPOLITAN CHICAGO



Construction Pipeline Report

METROPOLITAN CHICAGO

03	Introduction Industrial Market Statistics
04	Industrial Construction - Pipeline & Deliveries
06	Under Construction - Speculative vs Build-to-Suit
08	The Market
12	Notable Projects
14	Industrial Construction Submarket Overviews
14	Central DuPage
16	Chicago North
18	Chicago South
20	DeKalb
22	Fox Valley
24	I-39 Corridor
26	I-55 Corridor
28	I-57 Corridor
30	I-80/Joliet Corridor
32	I-88 Corridor
34	I-90 Northwest
36	Lake County
38	McHenry County
40	North Cook
42	Northwest Cook
44	Northwest Indiana
46	O'Hare
48	South Cook
50	Southeast Wisconsin
52	Southwest Cook
54	West Cook

Q1
2025

Following the surge in e-commerce that supercharged demand for industrial real estate in the post-pandemic era, Chicagoland experienced an unprecedented wave of construction. But as the dust settles and the frenzy cools, the market has entered a new phase—one defined by equilibrium. By mid-2024, the scales tipped toward build-to-suit development as the dominant force in the region.

Back in Q4 2023, speculative construction still held the upper hand, making up 77% (12.7 million square feet) of the 16.5 million square feet under construction. Build-to-suit projects, though smaller at 3.8 million square feet, accounted for a growing 23%. Fast forward to today, and the tide has clearly turned: of the 11.6 million square feet

currently underway, 65.6% (7.6 million square feet) is build-to-suit, while speculative space shrunk to 34.4% (just under 4.0 million square feet).

Developers, increasingly wary of launching projects without tenants in hand, are shifting strategy - prioritizing certainty over risk. Still, speculative development hasn't disappeared. In the first quarter of the year, five new buildings totaling 553,638 square feet broke ground, including 363,638 square feet across three speculative projects. The message is clear: while the market favors custom-built solutions, there's still room—and reason—for calculated bets on future demand.

Market Statistics | Industrial Construction

Submarket	Total RBA (SF)	Total Vacant (SF)	Total Vacancy	Availability Rate	1Q25 Net Absorption (SF)	YTD 2025 Net Absorption (SF)	1Q25 Leasing Activity (SF)	YTD 2025 Leasing Activity (SF)	2025 YTD New Supply (SF)	Under Construction (SF)
Central DuPage	82,471,458	2,804,501	3.4%	5.3%	-330,197	-330,197	728,902	728,902	170,804	338,119
Chicago North	64,188,887	6,269,386	9.8%	9.9%	-75,176	-75,176	69,509	69,509	0	0
Chicago South	117,468,604	7,404,368	6.3%	9.3%	-372,664	-372,664	116,608	116,608	0	528,656
DeKalb County	18,100,460	534,594	3.0%	2.4%	-4,441	-4,441	24,800	24,800	0	775,000
Fox Valley	43,606,558	1,727,690	4.0%	8.1%	27,881	27,881	334,887	334,887	57,100	334,800
I-39 Corridor	50,424,617	3,741,500	7.4%	5.5%	58,838	58,838	133,300	133,300	200,000	1,240,000
I-55 Corridor	115,125,408	5,207,868	4.5%	10.4%	-578,673	-578,673	1,316,591	1,316,591	414,880	1,080,053
I-57/Will Corridor	24,829,222	855,994	3.4%	9.3%	41,265	41,265	168,741	168,741	0	100,000
I-80/Joliet Corridor	119,797,552	8,948,581	7.5%	12.3%	2,996,053	2,996,053	999,704	999,704	1,200,000	2,583,339
I-88 Corridor	77,395,772	2,433,028	3.1%	8.5%	1,323,265	1,323,265	377,855	377,855	810,000	140,778
I-90 Northwest	45,554,745	3,178,151	7.0%	8.9%	76,905	76,905	206,006	206,006	50,000	0
Lake County	79,137,787	4,917,345	6.2%	8.4%	104,932	104,932	826,282	826,282	66,121	0
McHenry County	25,836,943	398,091	1.5%	3.5%	26,332	26,332	25,809	25,809	0	0
North Cook	48,864,808	3,610,599	7.4%	9.0%	-191,334	-191,334	447,399	447,399	0	90,000
Northwest Cook	27,791,091	2,196,552	7.9%	9.6%	323,435	323,435	142,569	142,569	0	0
Northwest Indiana	49,369,309	1,755,346	3.6%	6.6%	421,010	421,010	87,985	87,985	475,000	2,577,541
O'Hare	106,200,447	4,554,475	4.3%	8.0%	136,768	136,768	662,713	662,713	0	372,185
South Cook	90,170,349	4,986,635	5.5%	9.2%	116,125	116,125	278,925	278,925	14,000	262,055
Southeast Wisconsin	81,757,844	9,196,214	11.2%	13.1%	-353,332	-353,332	1,454,605	1,454,605	0	1,107,125
Southwest Cook	36,463,308	2,739,783	7.5%	10.3%	-225,979	-225,979	94,481	94,481	0	0
West Cook	62,365,730	3,735,461	6.0%	8.1%	-26,168	-26,168	102,196	102,196	0	99,682
Total Market (Q1)	1,366,920,899	81,196,162	5.9%	8.9%	3,494,845	3,494,845	8,599,867	8,599,867	3,457,905	11,629,333

Industrial Market

PIPELINE & DELIVERIES

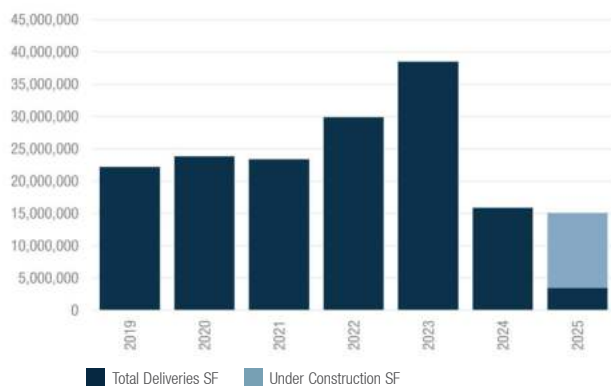
Chicagoland's industrial construction market continued its cooling trend in the first quarter of 2025, as developers delivered 3.5 million square feet of new space—down from 4.3 million square feet in the final quarter of 2024. While this marks a continued slowdown, it still reflects a rebound from the record low of just 1.3 million square feet seen in Q2 2024. These recent delivery volumes remain a far cry from the booming second half of 2023, when the region saw an unprecedented 12.4 million and 13.1 million square feet delivered in Q3 and Q4, respectively.

Since early 2017, Chicagoland has averaged 5.6 million square feet of new deliveries per quarter. With only 7.7 million square feet projected for completion in all of 2025, the market appears to be gradually returning to its pre-pandemic pace, driven by a more measured, demand-aligned development strategy.

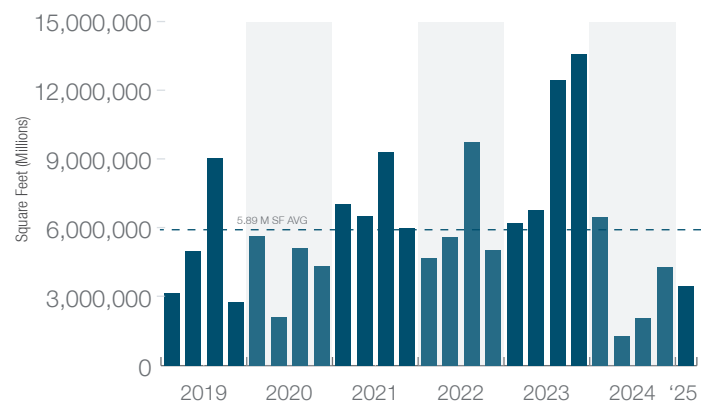
Build-to-suit projects led the way in Q1 2025, as developers wrapped up construction projects launched in late 2023 and early 2024. Of the 3.5 million square feet completed in the first quarter, just 657,484 square feet came from speculative builds. The largest delivery of the quarter came from Crow Holdings: a 1.2 million square-foot, build-to-suit distribution center for GE in Morris, located on Brisbin Road.

On the submarket level, I-80/Joliet took the top spot for construction completions—thanks entirely to the GE facility—followed by the I-88 Corridor with 810,000 square feet and Northwest Indiana with 475,000 square feet delivered during the quarter.

Construction Deliveries by Year

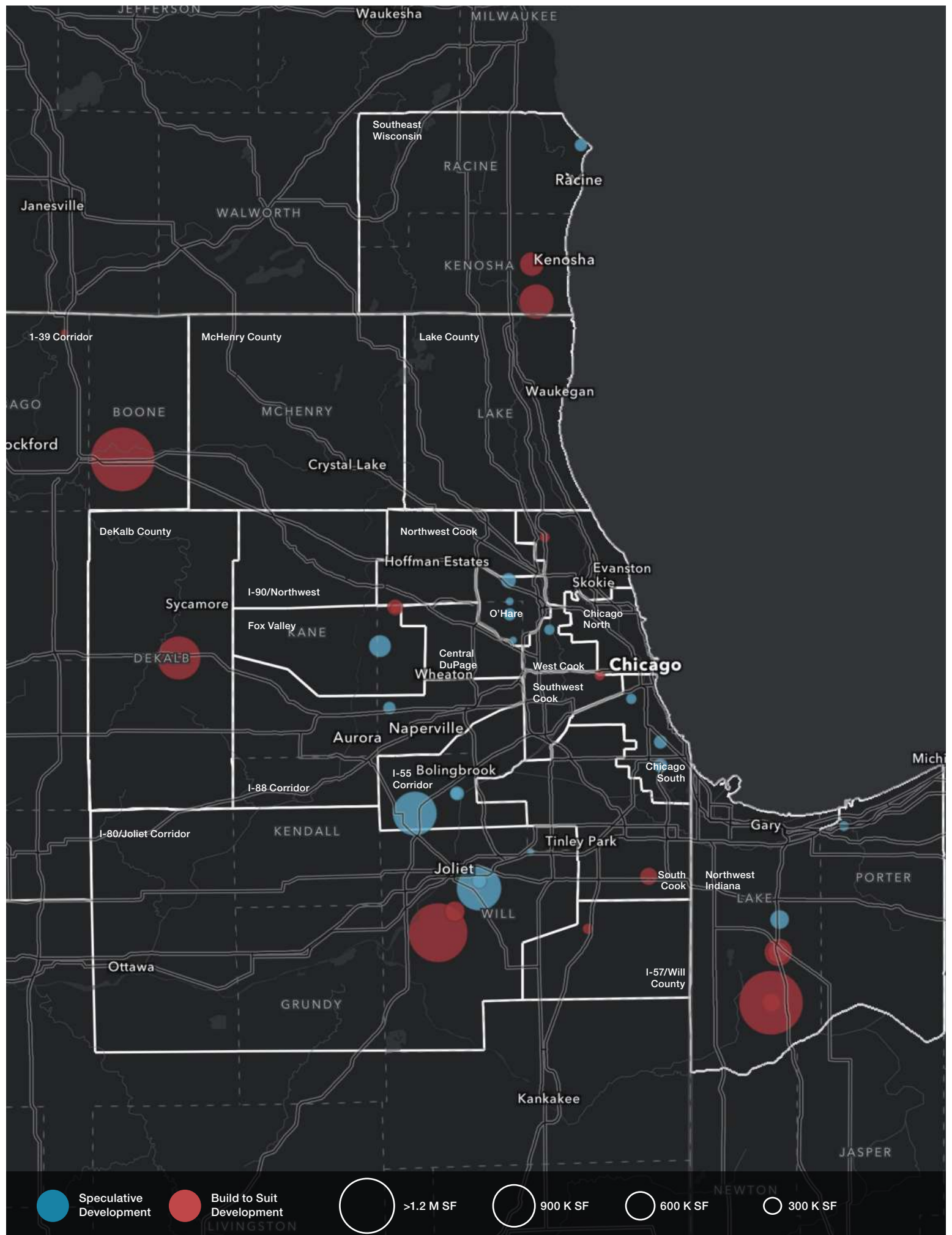


Construction Deliveries by Quarter



MAP

All current developments



Under Construction

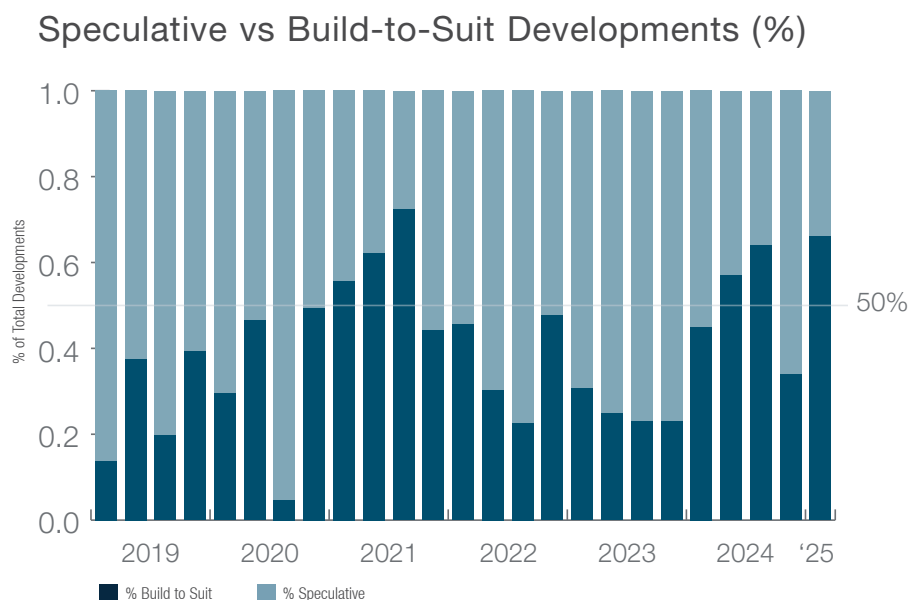
SPECULATIVE VS BUILD TO SUIT

The economic shock of 2020 sent consumer habits into overdrive for online shopping, unleashing a wave of demand for distribution space that developers rushed to meet. Supercharged by historically low interest rates, speculative construction surged as developers raced to keep up but the momentum proved unsustainable. As supply began to outpace demand and inflation took hold—driven in part by global disruptions like the war in Ukraine—consumer spending power waned, and the Federal Reserve’s interest rate hikes further cooled enthusiasm for e-commerce-driven industrial development.

The slowdown is now plain to see. Only five new industrial projects broke ground in the first quarter of 2025, a steep drop from the 27 starts seen at the height of the boom in Q4 2022. The speculative frenzy has given way to a more cautious, tenant-

driven market, with build-to-suit developments taking center stage. One standout is CJ Logistics’ 1.1 million square-foot facility on South Diagonal Road in Elwood—a build-to-suit project that broke ground in late 2024 and is slated for completion in the first half of 2026.

Today, build-to-suit construction dominates the pipeline, totaling 7.6 million square feet under development, compared to nearly 4.0 million square feet of speculative projects. While the split between the 37 buildings under construction is nearly even—18 build-to-suit vs. 19 speculative—the scale tells a different story. All three buildings currently underway that exceed 1.0 million square feet are build-to-suit, reflecting developers’ growing insistence on securing tenants before committing to large-scale investments.





- Speculative
- Build-to-Suit

2 M SF

1 M SF

500K SF

<500K SF

The Chicago Market

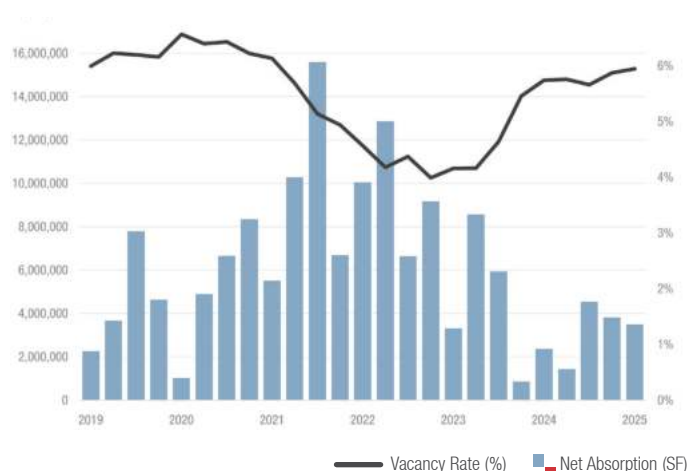
SUPPLY VS DEMAND

Since early 2023, developers have delivered a staggering 44.2 million square feet of Class A speculative industrial space across the Chicago metro area—a powerful testament to the market’s recent building boom. The lion’s share came online in 2023, totaling 31.1 million square feet, followed by 12.4 million in 2024, and a sharp drop to just 657,484 square feet so far in 2025. As of now, 23.0 million square feet of that speculative space remains available, while 21.2 million square feet has been leased or sold.

Chicago’s industrial market has long shown strength in the face of shifting economic tides, consistently balancing supply and demand. Still, the first quarter of 2025 brought softer-than-usual leasing momentum, with 8.6 million square feet of new leases signed—falling short of the 10.7 million square feet quarterly average seen since 2017. On a more positive note, net absorption rebounded to 3.5 million square feet, up significantly from just 638,047 square feet in the previous quarter, though still trailing the long-term average of 4.5 million square feet. The vacancy rate edged up by 10 basis points to 5.9%, as new deliveries and tenant move-outs weighed on the market.

First-generation space built between 2022 and 2025 has seen renewed interest. Leasing activity for these newer buildings has averaged 3.1 million square feet per quarter, with the first quarter of 2025 posting 2.0 million square feet of new and pre-leased space—an uptick from 1.5 million square feet in the previous quarter. The average deal size

Market Summary



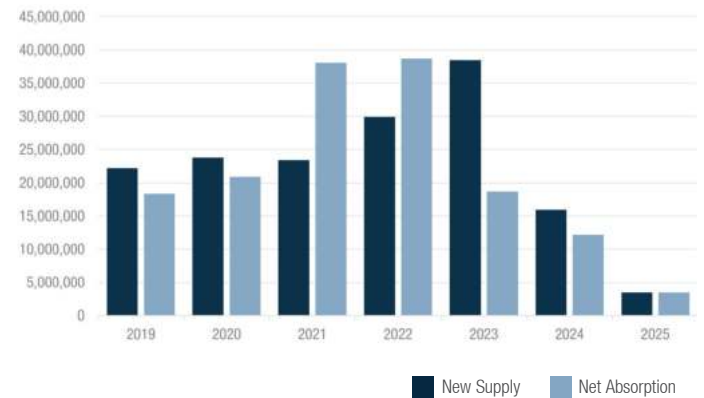
Q1 2025		SF
Market Size	1,366,920,899	
Total Vacancy	81,196,162	5.9%
Direct Vacancy	73,272,652	5.4%
Sublease Vacancy	7,923,510	0.5%
Available Space	121,655,960	8.9%
QTR Net Absorption	3,494,845	
YTD Net Absorption	3,494,845	
Under Construction	11,629,333	
YTD New Supply	3,457,905	
QTR New Leasing Activity	8,599,867	
YTD New Leasing Activity	8,599,867	

for the first quarter hit 288,063 square feet, just shy of the quarterly average of 306,879 square feet seen since 2022.

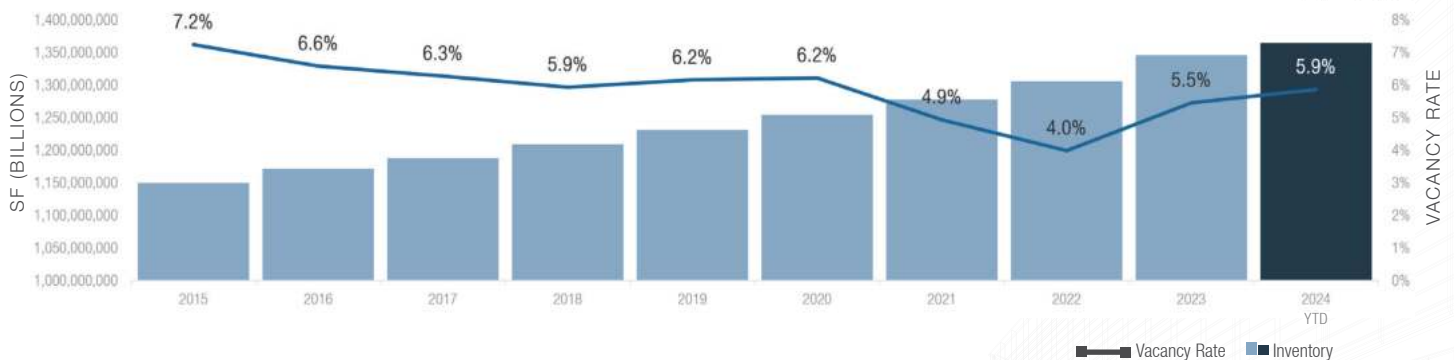
Despite some short-term headwinds, Chicago's industrial sector remains fundamentally healthy. With 23.0 million square feet of speculative space still available and first-generation leasing averaging over 3.0 million square feet per quarter, absorption is expected to catch up. Developers with an eye on long-term trends may want to consider breaking ground soon. Waiting could mean facing even higher construction costs, which have steadily climbed since 2021.

Given the current global backdrop—geopolitical instability, ongoing reshoring efforts, and supply chain realignments—the case for launching new projects is growing stronger. While uncertainty will always be part of the equation, the combination of stable demand, resilient fundamentals, and strategic timing suggests that now is the moment to lay the foundation for the next phase of growth.

New Supply vs Net Absorption



Vacancy Rate and Available Inventory



The National Market

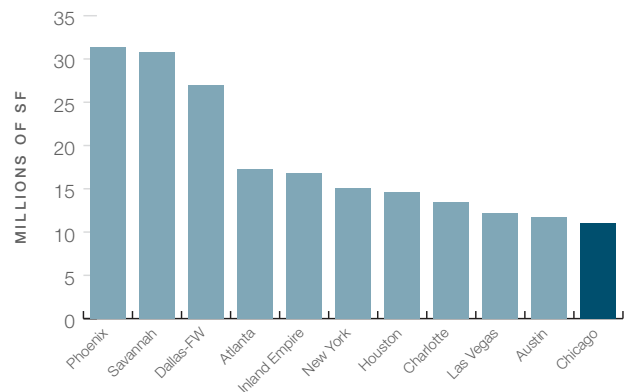
UNITED STATES INDUSTRIAL MARKET

Chicagoland continues to stand tall as a national heavyweight in industrial real estate, boasting the largest total inventory in the country at a massive 1.4 billion square feet. It outpaces other major hubs like Dallas–Fort Worth, which holds 1.2 billion square feet, and Los Angeles, with 965.1 million square feet.

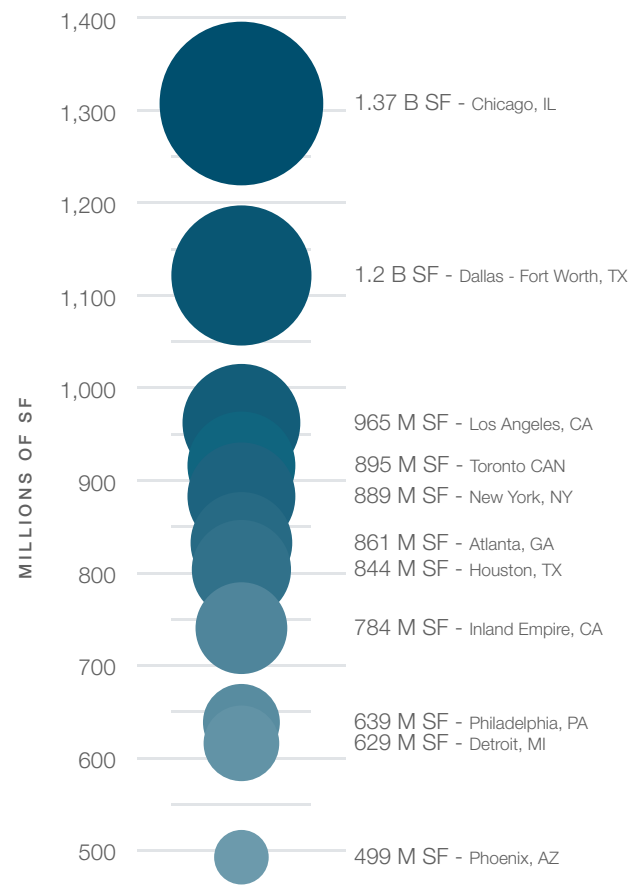
However, when it comes to active construction, Chicago has taken a back seat. Dallas–Fort Worth currently leads the nation with 27.2 million square feet under development, followed by Phoenix with 18.2 million square feet. Chicago ranks 11th among the top 12 industrial markets, with 11.6 million square feet currently under construction. Over the past 12 months, Chicago delivered 11.1 million square feet of new space, placing it 12th nationally. In contrast, Phoenix topped the list with 31.4 million square feet in completions, trailed closely by Savannah (30.8 million) and Dallas–Fort Worth (27.0 million).

Looking ahead, the U.S. industrial sector is poised for renewed growth as reshoring and nearshoring efforts accelerate in the wake of the latest presidential election. Expected increases in tariffs on Chinese imports—including critical goods like semiconductors, lithium-ion batteries, steel, and aluminum—are likely to further diversify supply chains. Although proposed tariffs on products from Mexico and Canada introduce some uncertainty, the broader pivot away from dependence on Chinese manufacturing is anticipated to fuel long-term demand for industrial real estate across the country.

Industrial Deliveries (March '24 - March '25)



Top US Industrial Markets (by SF)



NAI HIFFMAN

COMPLETED AND UNDER CONSTRUCTION LISTINGS



320 Overland Drive, North Aurora
Completed Q4 2023
RBA: 408,195 SF. 408,195 SF available



1191 E. Main Street, East Dundee
Completed Q3 2023
RBA: 175,905 SF. 175,905 SF available



1120 Tollgate Road, Elgin
Completed Q4 2023
RBA: 189,530 SF. 189,530 SF available



4101 Canterfield Parkway, West Dundee
Completed Q4 2023
RBA: 255,142 SF. 255,142 SF available



9150 W. 55th Street, McCook
Completed Q3 2023
RBA: 164,243 SF. 64,761 SF available



2110 Wallace Way, Woodridge
Completed Q1 2024
RBA: 132,892 SF. 132,892 SF available



1100 Tollgate Road, Elgin
Completed Q1 2024
RBA: 248,400 SF. 248,400 SF available



15101 S. Commercial Avenue, Harvey
Completed Q1 2025
RBA: 14,000 SF. 14,000 SF available



3815 S. Ashland Avenue, Chicago
Projected Completion Q3 2025
RBA: 99,407 SF. 99,407 SF available



755 Independence Boulevard – Building 1, Romeoville
Projected Completion Q3 2025
RBA: 120,011 SF. 120,011 SF available



757 Independence Boulevard – Building 2, Romeoville
Projected Completion Q3 2025
RBA: 172,042 SF. 172,042 SF available

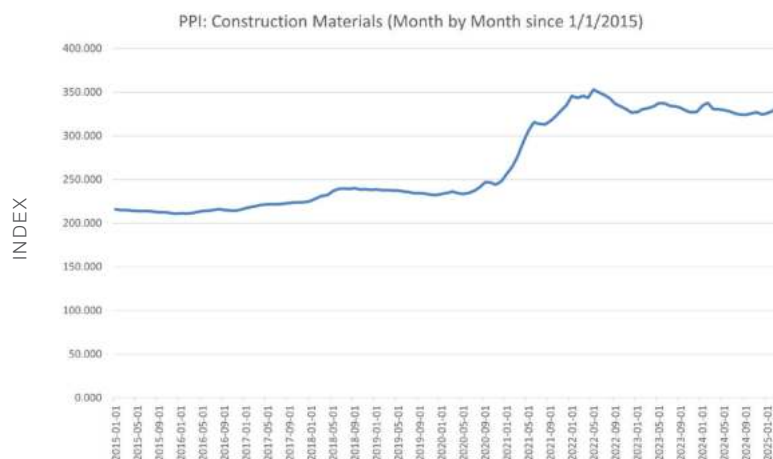


2545 Prospect Court, Aurora
Projected Completion Q2 2025
RBA: 140,778 SF. 140,778 SF available

PPI Analysis

US INDUSTRIAL CONSTRUCTION

Since 2021, the Producer Price Index (PPI) for New Industrial Construction in the United States has experienced a steady increase. Pandemic-related supply chain disruptions, combined with heightened demand for e-commerce facilities, have accelerated the PPI's growth at a significantly faster rate than in previous years, according to data from FRED Economic Data:



Source: FRED Economic Data

According to FRED Economic Data, the Producer Price Index (PPI) for construction materials has followed a similar upward trend:



Source: FRED Economic Data

With sustained demand for industrial buildings and ongoing reshoring trends, inflationary pressures on the PPI for the construction industry are expected to persist. As a result, initiating construction sooner rather than later may prove beneficial.

US INDUSTRIAL CONSTRUCTION EMPLOYMENT

In addition to material costs, one of the largest expenses for developers is labor. The hourly wages for construction workers have steadily increased in recent years:



Source: FRED Economic Data

Despite rising labor costs, it is encouraging to see a steady supply of workers filling construction roles. Some may interpret this as a sign that higher wages are making the industry more attractive, drawing in new talent. Others might argue that the consistent workforce availability reflects strong demand for construction jobs, driven by broader economic factors such as reshoring and infrastructure investments, making the sector a stable and lucrative career choice. This trend is clearly reflected in the data presented in the graph below:



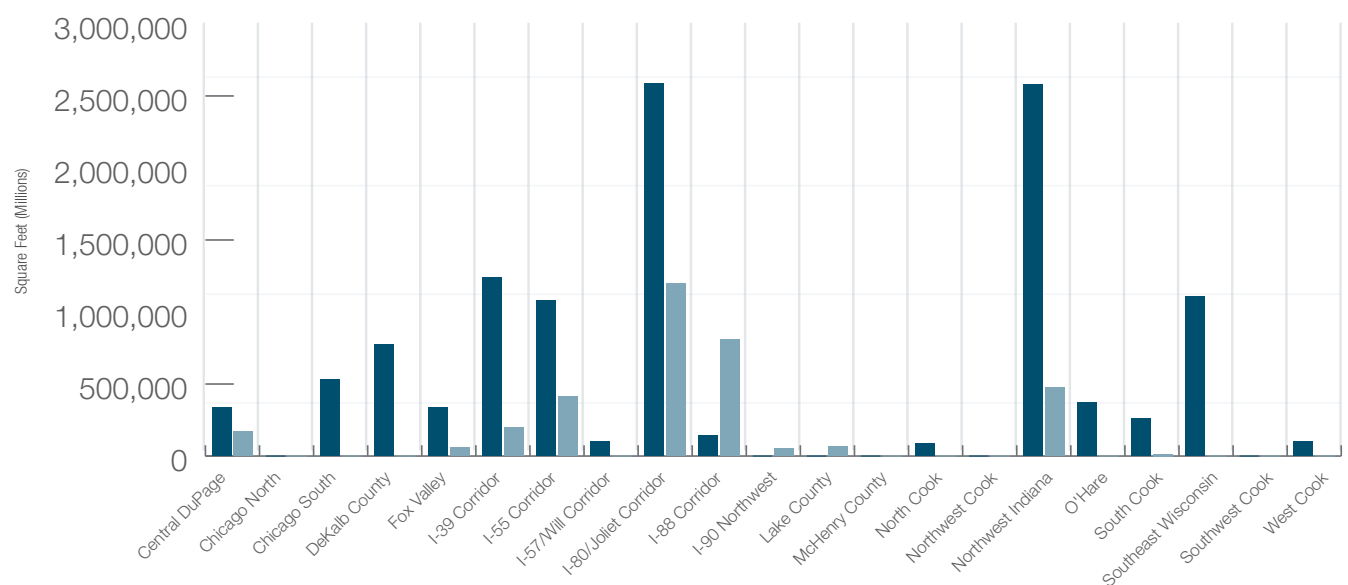
Source: FRED Economic Data

Notable Projects

In the first quarter of 2025, developers wrapped up 13 industrial projects across the Chicagoland area. The standout completion was Crow Holdings' 1.2 million-square-foot build-to-suit facility for GE, located on Brisbin Road in Morris. Meanwhile, the largest project currently underway is a 1.2 million-square-foot build-to-suit development for John Deere, being constructed by Venture One at the southwest corner of I-65 and Route 2 in Lowell. Among Chicagoland's most active submarkets, I-80/Joliet continues to lead the pack. The submarket is home to 2.6 million square feet of ongoing construction spread across five buildings. It also topped the charts for completions in Q1, delivering 1.2 million square feet — driven largely by the GE facility.

Submarket	2025 New Supply (SF)	Under Construction (SF)
Central DuPage	170,804	338,119
Chicago North	0	0
Chicago South	0	528,656
DeKalb County	0	775,000
Fox Valley	57,100	334,800
I-39 Corridor	200,000	1,240,000
I-55 Corridor	414,880	1,080,053
I-57/Will Corridor	0	100,000
I-80/Joliet Corridor	1,200,000	2,583,339
I-88 Corridor	810,000	140,778
I-90 Northwest	50,000	0
Lake County	66,121	0
McHenry County	0	0
North Cook	0	90,000
Northwest Cook	0	0
Northwest Indiana	475,000	2,577,541
O'Hare	0	372,185
South Cook	14,000	262,055
Southeast Wisconsin	0	1,107,125
Southwest Cook	0	0
West Cook	0	99,682
Total Market	3,457,905	11,629,333

Construction and New Supply (By Submarket)





▲
2105 W 181st Ave, Lowell, Indiana

▲
3002 128th Ave, Kenosha, Wisconsin

Notable Projects Under Construction (Q1 2025)

Address	Square Feet	Submarket	Type	Occupier	Occupied Space SF	Developer	Completion
2105 W 181st Ave, Lowell	1,200,000	Northwest Indiana	BTS	John Deere	1,200,000	Venture One	Q4 2025
1500 S Appleton Rd, Belvidere	1,200,000	I-39 Corridor	BTS	Walmart	1,200,000	Walmart	Q1 2027
S. Diagonal Road, Elwood	1,100,000	I-80/Joliet	BTS	CJ Logistics	1,100,000	CJ Logistics	Q1 2026
Cherry Hill 21, Joliet	802,440	I-80/Joliet	SPEC	TBD	0	Northern Builders	Q3 2025
143rd St & Steiner Rd - Plainfield Business Center, Plainfield	788,000	I-55 Corridor	SPEC	TBD	0	Trammel Crow	Q4 2025
1771 E. Gurler Road, DeKalb	775,000	DeKalb County	BTS	Kraft-Heinz	775,000	Trammel Crow	Q1 2027
9423 Koessl Court - Building A (WestRock), Pleasant Prairie	593,565	Southeast Wisconsin	BTS	WestRock	593,565	Dermody Properties	Q2 2025
13450 Mississippi Street, Crown Point	450,000	Northwest Indiana	BTS	Core X Partners	450,000	Core X Partners	Q2 2025
7517 60th Street, Kenosha	371,000	Southeast Wisconsin	BTS	Schutz Container	371,000	Schutz Container	Q2 2025
265 Pheasant Run Drive, Saint Charles	334,800	Fox Valley	SPEC	TBD	0	Greco DeRosa	Q2 2025

Notable Recent Deliveries (2025)

Address	Square Feet	Submarket	Type	Occupier	Occupied Space SF	Developer	Completion
3002 128th Avenue, Kenosha	1,440,000	Southeast Wisconsin	BTS	Uline	1,440,000	Logistics Property Company	Q4 2024
Brisbin Road, Morris	1,200,000	I-80/Joliet	BTS	GE	1,200,000	Crow Holdings	Q1 2025
1237 W. Division Street, Chicago	1,184,800	Chicago North	SPEC	TBD	0	Logistics Property Company	Q4 2024
201 W. Compass Boulevard, Joliet	1,139,153	I-80/Joliet	SPEC	TBD	0	NorthPoint Development	Q1 2024
11110 Burlington Road, Kenosha	918,624	Southeast Wisconsin	SPEC	TBD	0	HSA Commercial	Q1 2024
1550 Metaverse Way - Facebook Data Center, DeKalb	907,000	DeKalb County	BTS	Meta	907,000	Meta	Q1 2024
10400 W. North Avenue, - Building 3, Melrose Park	707,953	West Cook	SPEC	CEVA Logistics	707,953	Bridge Industrial	Q1 2024
1700 Gateway Boulevard, Joliet	677,028	I-80/Joliet	BTS	Ecolab	677,028	IDI Logistics	Q1 2024
10400 W. North Avenue, - Building 2, Melrose Park	669,914	West Cook	SPEC	Expeditions International of Washington, Inc.	669,914	Bridge Industrial	Q1 2024
16799 S. Cicero Avenue, Oak Forest	664,453	South Cook	SPEC	TBD	0	Logistics Property Company	Q1 2024

Central DuPage

Submarket Overview

	^	—	∨	∨	∨	^	∨
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)

Current Quarter 1Q25	3.4%	82,471,458	-330,197	-330,197	338,119	170,804	728,902
Previous Quarter 4Q24	3.2%	82,471,458	-37,271	635,403	408,923	150,416	2,314,952



Vacancy Rate

3.4%

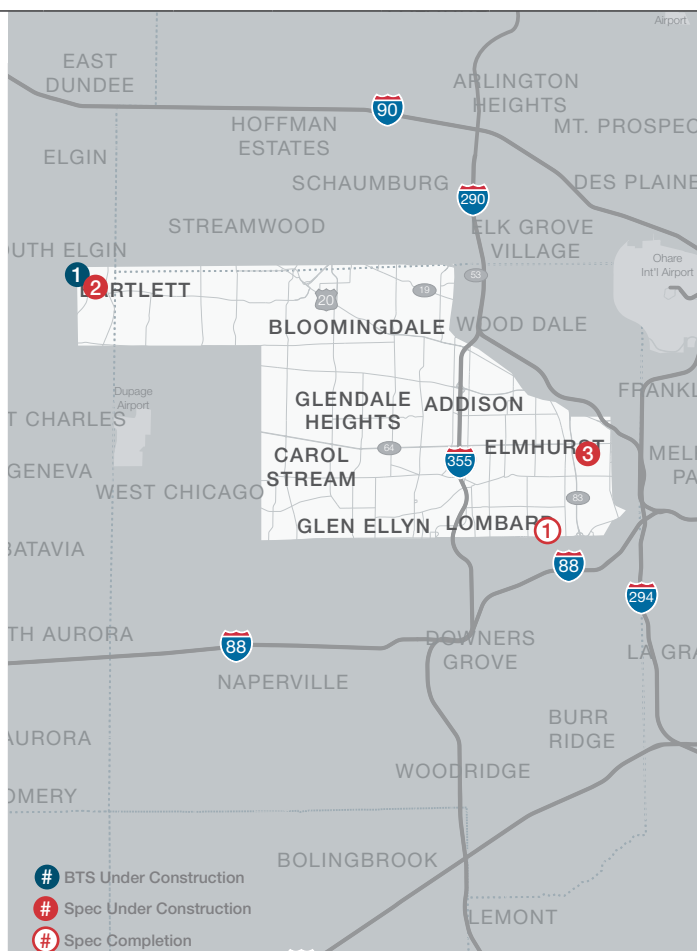


YTD Net Absorption

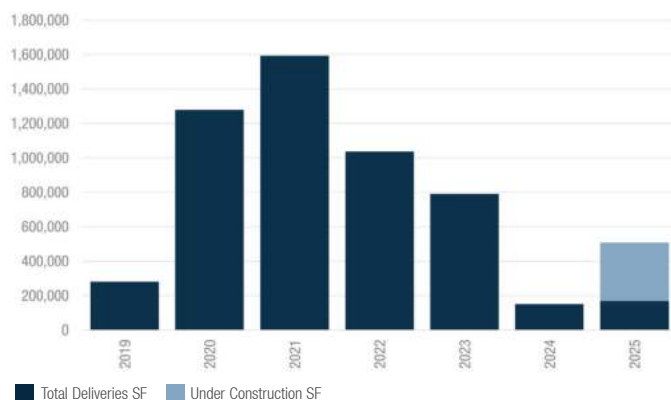
-330K SF

Currently, there are three buildings under construction in Central DuPage totaling 338,119 square feet. The largest of these is Midwest Industrial Funds 207,187-square-foot build-to-suit facility for Axiom Plastics. Completion of this building is expected in the second quarter of 2025.

Cratos brought one new speculative building to completion during the first quarter. This new facility, totaling 170,804 square feet, is located at SEC Kenyon Road & Route 25 in Bartlett.



Construction Activity



9.1% Speculative



90.9% Build-to-Suit



◀ 207,187 SF
1201 Humbracht Circle
 Bartlett, Illinois

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	1201 Humbracht Cir	Bartlett	207,187	BTS	Midwest Industrial Funds	Q2 2025
2	1200 Humbracht Cir	Bartlett	100,000	BTS	Greco DeRosa	Q3 2025
3	864 N Addison Ave	Elmhurst	30,932	SPEC	4Corners	Q2 2025

Completions YTD

#	Address	City	SF	Type	Developer	Completion
1	SEC Kenyon Rd & Rte 25	Bartlett	170,804	SPEC	Cratos	Q1 2025

170,804 SF ▶
**SEC Kenyon Road &
 Route 25**
 Bartlett, Illinois



Chicago North

Submarket Overview

	▲	—	▲	▲	—	▼	▼
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)
Current Quarter 1Q25	9.8%	64,188,887	-75,176	-75,176	0	0	69,509
Previous Quarter 4Q24	9.7%	64,188,887	-114,416	-467,222	0	1,332,300	1,091,983



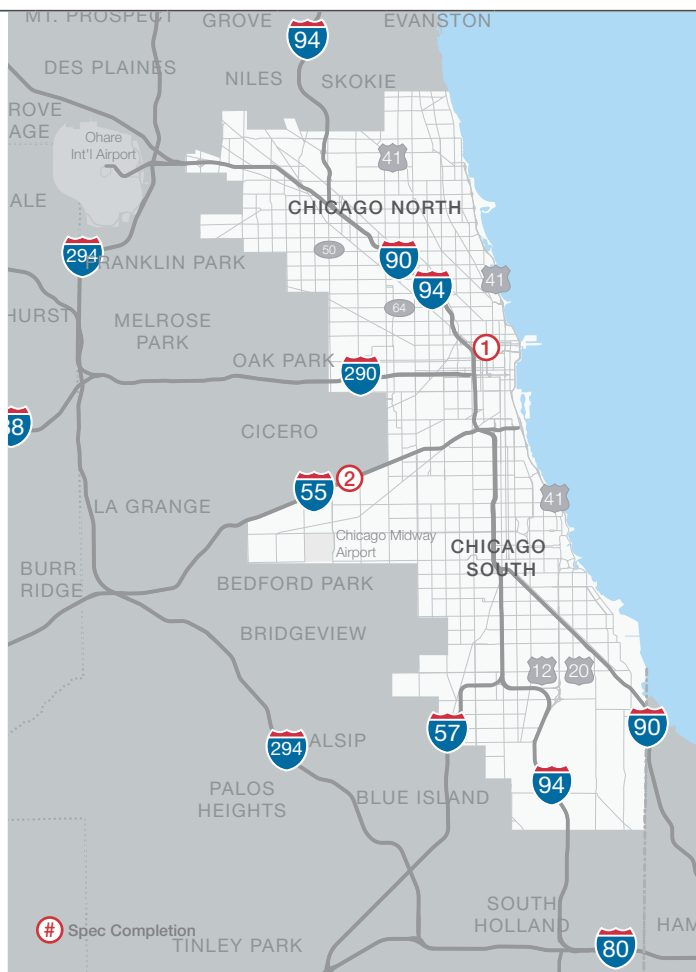
Vacancy Rate
9.8%



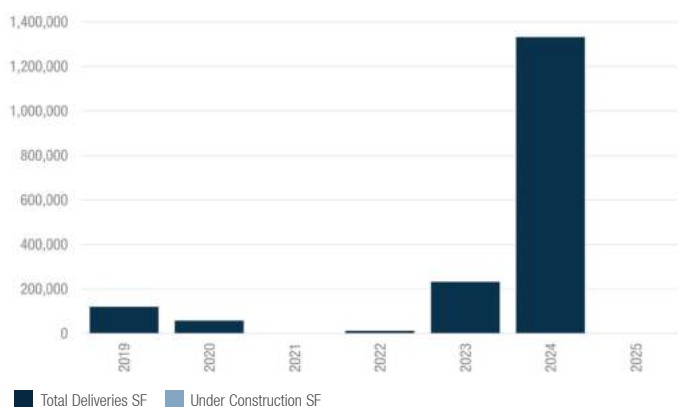
YTD Net Absorption
-75K SF

There are currently no active construction projects in Chicago North.

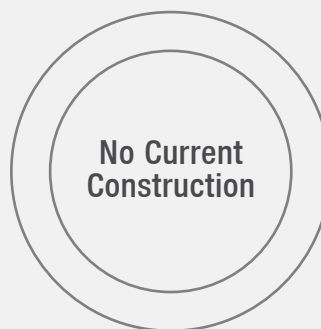
However, two buildings were recently completed during the fourth quarter of 2024. The largest is Logistics Property Company's 1.2 million-square-foot speculative distribution center at 1237 W Division Street, marking the first multi-story industrial building of its kind in Chicago. Additionally, Sterling Bay delivered 147,500 square feet of speculative industrial space with the completion of their new warehouse at 4510 W Ann Lurie Place.



Construction Activity



0% Speculative



No Current Construction

0% Build-to-Suit

Under Construction

#	Address	City	SF	Type	Developer	Completion
			None to report YTD			

Completions

#	Address	City	SF	Type	Developer	Completion
1	1237 W Division	Chicago	1,184,800	SPEC	Logistics Property Company	Q4 2024
2	4510 W Ann Lurie Pl	Chicago	147,500	SPEC	Sterling Bay	Q4 2024

1,184,800 SF ►
1237 W Division
Chicago, Illinois



Chicago South

Submarket Overview

	^	^	▼	▼	^	▼	▼
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)
Current Quarter 1Q25	6.3%	117,468,604	-372,664	-372,664	528,656	0	116,608
Previous Quarter 4Q24	5.9%	117,299,604	-110,224	-6,785	95,694	95,694	958,508



Vacancy Rate
6.3%

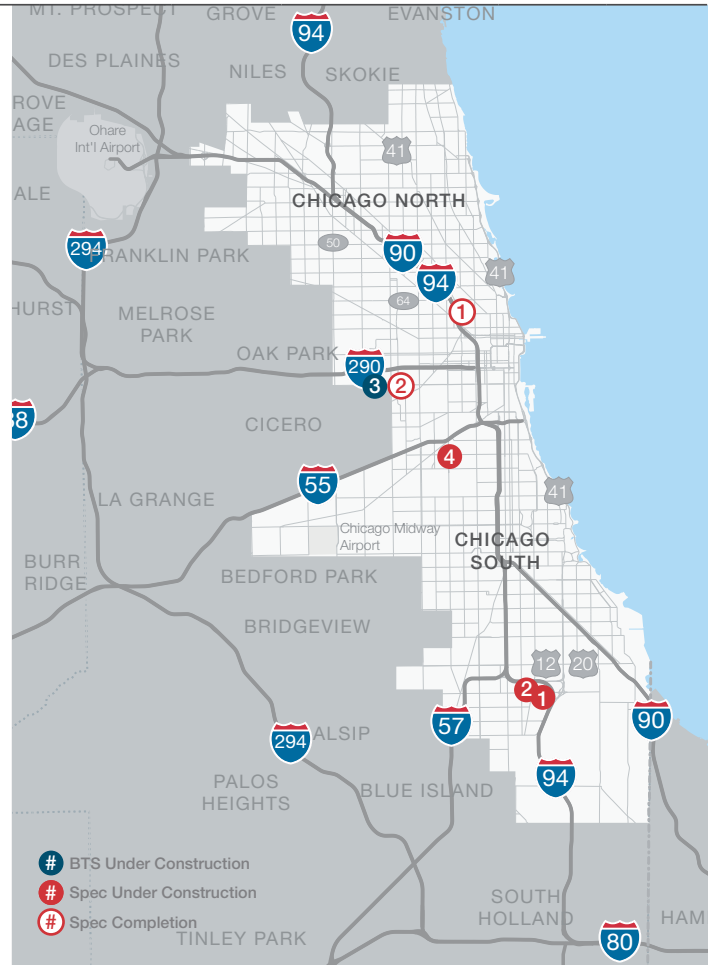


YTD Net Absorption
-373K SF

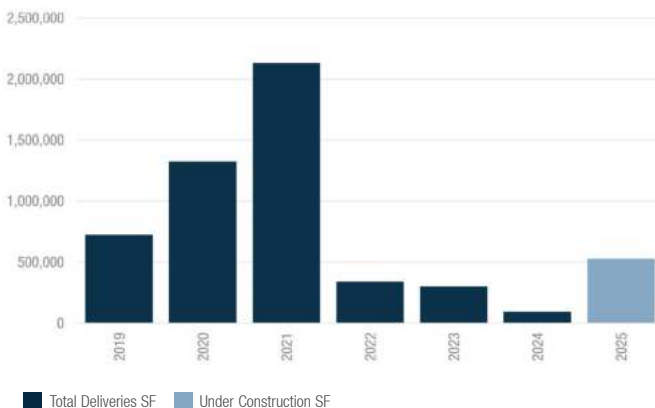
Four buildings are currently under construction in the Chicago South submarket, totaling 528,656 square feet. The largest project is a 169,287-square-foot speculative industrial building at 10330 S. Woodlawn Avenue, which broke ground in the third quarter of 2024 and is slated for completion in the third quarter of 2025.

Notably, a 99,407-square-foot speculative cold storage facility is also underway at 3815 S. Ashland Avenue, developed by Karis Capital Real Estate and marketed by NAI Hiffman. Delivery is expected in the third quarter of 2025.

No new buildings were completed during the first quarter.



Construction Activity



81.1% Speculative



18.9% Build-to-Suit



◀ 169,287 SF
10330 S Woodlawn Ave
 Chicago, Illinois

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	10330 S Woodlawn Ave	Chicago	169,287	SPEC	Ryan Companies	Q3 2025
2	10700 S Woodlawn Ave	Chicago	159,839	SPEC	Ryan Companies	Q4 2025
3	4521 W Roosevelt Rd	Chicago	100,000	BTS	Peoria Packing Butcher Shop	Q1 2025
4	3815 S Ashland Ave	Chicago	99,407	SPEC	Karis	Q3 2025

Completions

#	Address	City	SF	Type	Developer	Completion
1	4646 W 5th Ave	Chicago	73,444	SPEC	K-Town Business Center 2, LLC	Q4 2024
2	2540 W Flournoy St	Chicago	22,250	SPEC	2540 Flournoy, LLC	Q4 2024

73,444 SF ▶
4646 W 5th Ave
 Chicago, Illinois



DeKalb

Submarket Overview

	▲	—	▼	▲	—	▼	▼
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)

Current Quarter 1Q25	3.0%	18,100,460	-4,441	-4,441	775,000	0	24,800
Previous Quarter 4Q24	2.9%	18,100,460	128,988	-101,600	775,000	907,000	124,770



Vacancy Rate

3.0%

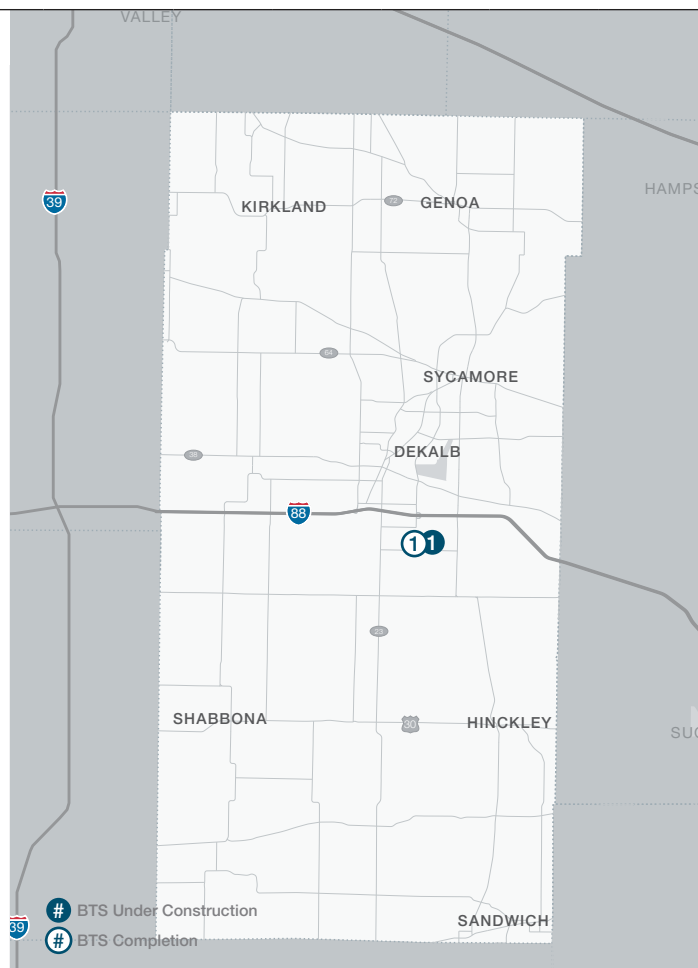


YTD Net Absorption

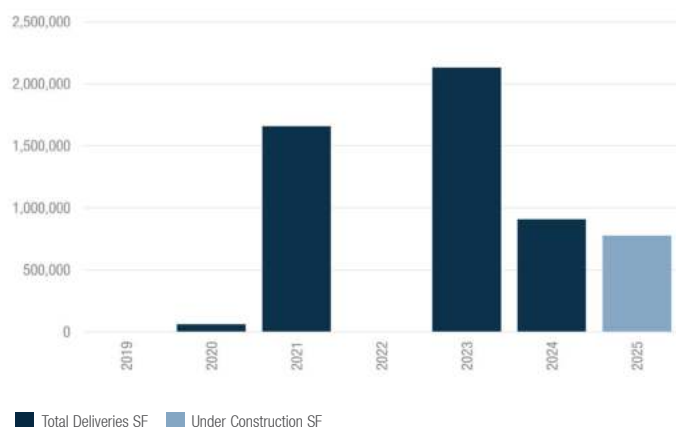
-4K SF

Trammell Crow is currently developing a 775,000-square-foot build-to-suit facility for Kraft-Heinz at 1771 E. Gurler Road in DeKalb County. This food processing facility is expected to be completed in the first quarter of 2027.

No new buildings were completed in the first quarter of 2025. However, in the first quarter of 2024, Meta completed its data center campus with the delivery of a 907,000-square-foot facility. DeKalb County is expected to remain a prime submarket for development, benefiting from its strategic location along the I-88 corridor and the availability of land for future construction projects.



Construction Activity



0% Speculative



100% Build-to-Suit



◀ 775,000 SF
1771 E Gurler Road
 DeKalb, Illinois

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	1771 E Gurler Rd	DeKalb	775,000	BTS	Trammel Crow	Q1 2025

Completions

#	Address	City	SF	Type	Developer	Completion
1	1550 Metaverse Way	DeKalb	907,000	BTS	Meta	Q1 2024

907,000 SF ▶
1550 Metaverse Way - 3
 DeKalb, Illinois



Fox Valley

Submarket Overview

	^	^	∨	∨	∨	∨	∨
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)

Current Quarter 1Q25	4.0%	43,606,558	27,881	27,881	334,800	57,100	334,887
Previous Quarter 4Q24	3.9%	43,549,458	380,568	283,807	391,900	543,603	1,660,298



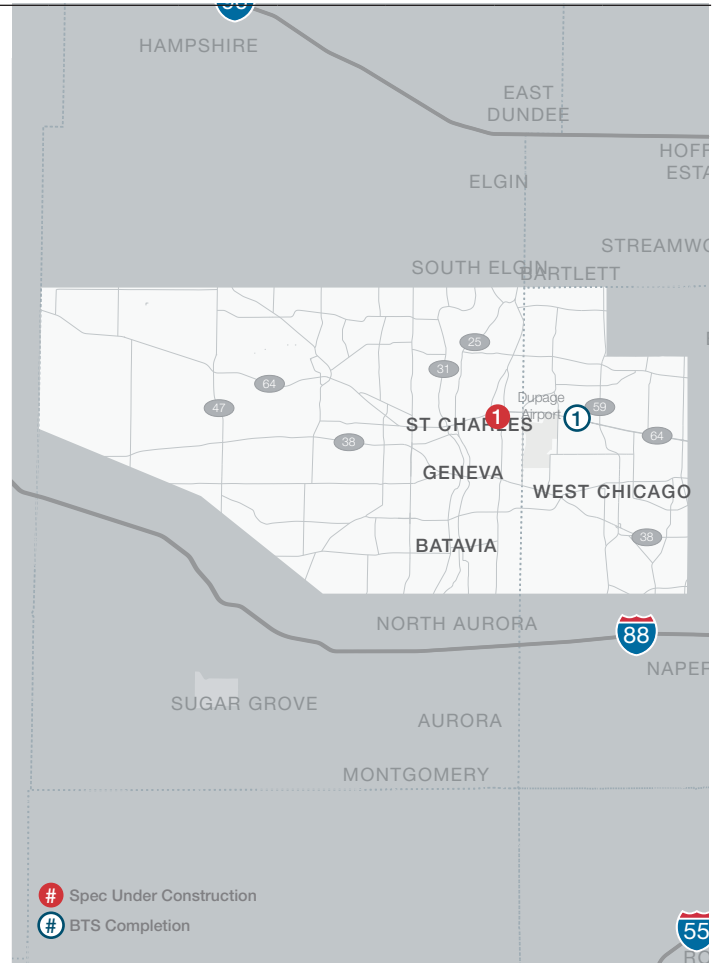
Vacancy Rate
4.0%



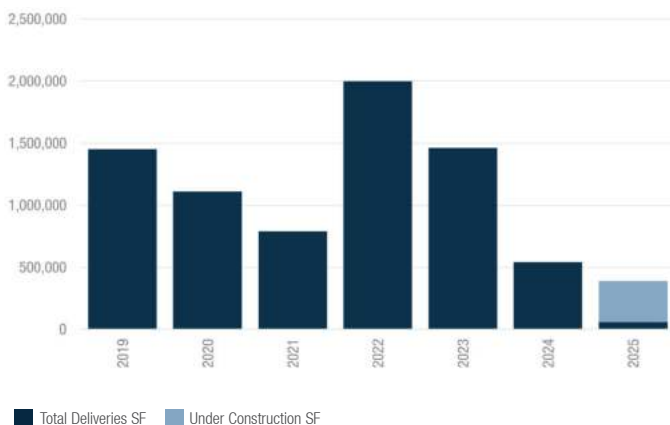
YTD Net Absorption
28K SF

One industrial building is currently under construction in the Fox Valley submarket. This facility is a 334,800 square feet and located at 265 Pheasant Run Drive in Saint Charles. It is being developed by Greco DeRosa. Construction began in the second quarter of 2024, with completion expected in the second quarter of 2025.

One building was completed during the first quarter. Timber Hill delivered a 57,100 square-foot build-to-suit building for Mainfreight at 27W364 North Avenue in West Chicago.



Construction Activity



100% Speculative



0% Build-to-Suit



◀ 334,800 SF
**265 Pheasant Run Dr
 Building B**
 Saint Charles, Illinois

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	265 Pheasant Run Bld. B	Saint Charles	334,800	Spec	Greco DeRosa	Q2 2025

Completions

#	Address	City	SF	Type	Developer	Completion
1	27W364 North Ave	West Chicago	57,100	BTS	Timber Hill	Q1 2025

57,100 SF ▶
27W364 North Ave
 West Chicago, Illinois



I-39 Corridor

Submarket Overview

	^	—	∨	∨	∨	^	∨
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)

Current Quarter 1Q25	7.4%	50,424,617	58,838	58,838	1,240,000	200,000	133,300
Previous Quarter 4Q24	7.1%	50,424,617	275,388	655,747	1,400,000	0	663,429



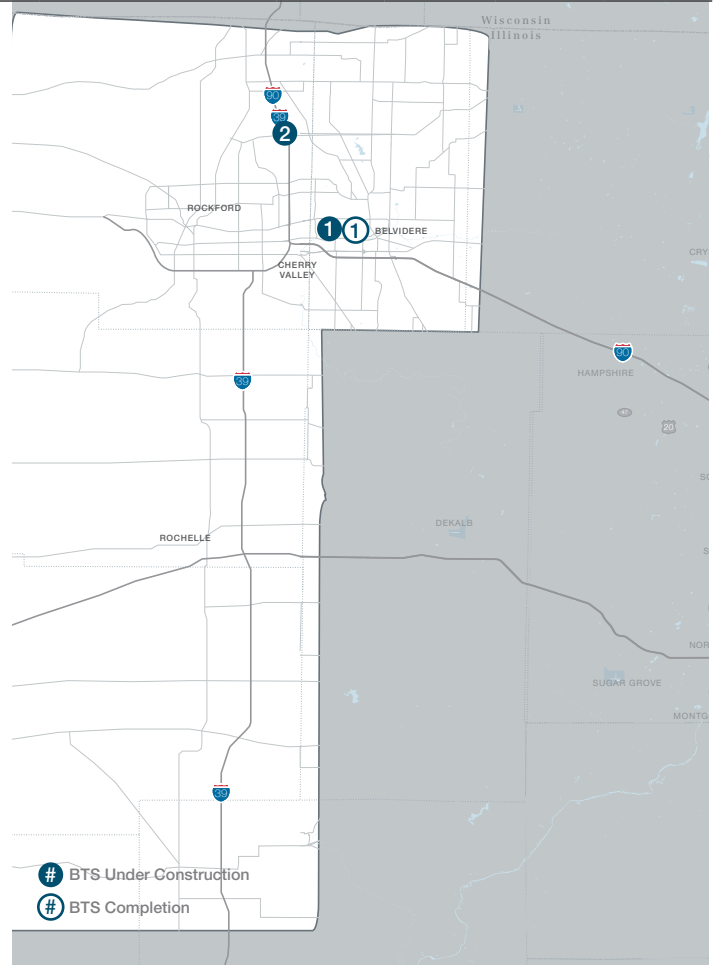
Vacancy Rate
7.4%



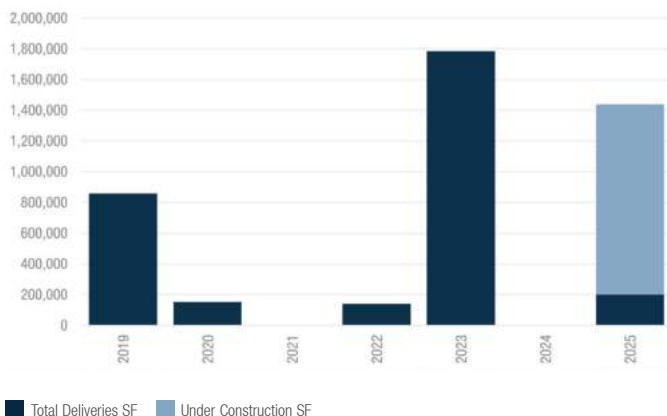
YTD Net Absorption
59K SF

Two industrial buildings, totaling 1.24 million square feet, are currently under construction in the I-39 Corridor. The largest is a 1.2 million-square-foot build-to-suit facility for Walmart at 1500 S. Appleton Road in Belvidere, with completion expected in the first quarter of 2027.

One new building was delivered during the first quarter at 1245 Irene Road in Belvidere. Scannell Properties developed the build-to-suit facility for Midwest Refrigerated Services.



Construction Activity



0% Speculative



100% Build-to-Suit



◀ 1,200,000 SF
1500 S Appleton Rd
 Belvidere, Illinois

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	1500 S Appleton Rd	Belvidere	1,200,000	BTS	Walmart	Q1 2027
2	6164 All World Way	Roscoe	40,000	BTS	All World Machinery Supply	Q2 2025

Completions

#	Address	City	SF	Type	Developer	Completion
1	1210 Irene Rd	Belvidere	1,300,000	BTS	Scannell Properties	Q4 2023

1,300,000 SF ▶
1210 Irene Rd
 Belvidere, Illinois



I-55 Corridor

Submarket Overview

	^	^	∨	^	∨	∨	∨
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)
Current Quarter 1Q25	4.5%	115,125,408	-578,673	-578,673	1,080,053	414,880	1,316,591
Previous Quarter 4Q24	3.7%	114,735,528	123,356	831,663	1,469,933	1,995,613	8,311,821



Vacancy Rate
4.5%

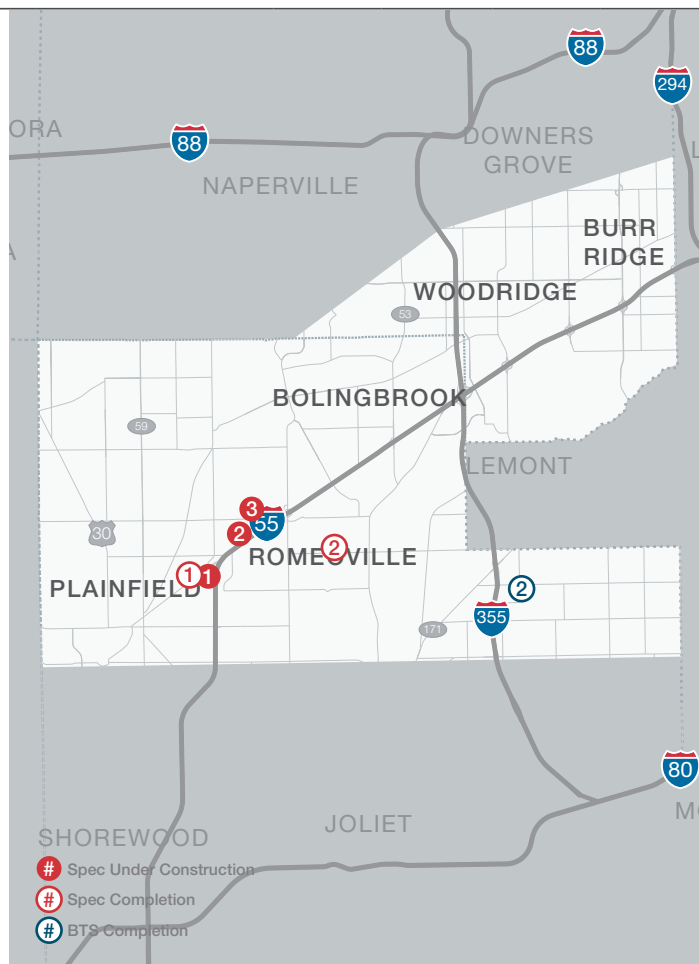


YTD Net Absorption
-579K SF

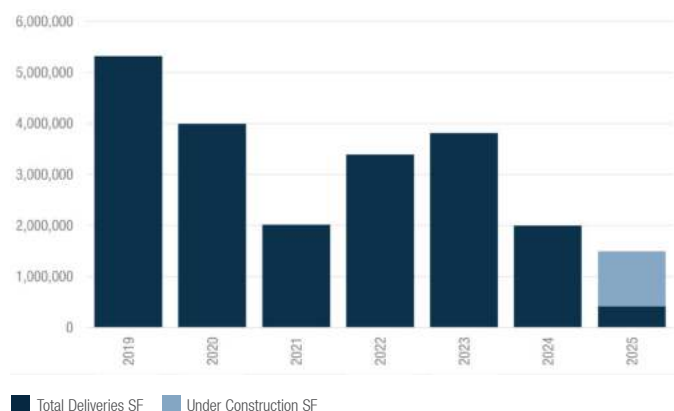
The I-55 Corridor has three projects currently under construction, totaling 1.1 million square feet. The largest is a speculative facility by Trammell Crow, located at 26220 W 143rd Street in Plainfield. This 788,000 square-foot building is set for completion in the fourth quarter of 2025.

During the second quarter of 2024, two new speculative warehouses located in the Bridge Point I-55 Commerce Center in Romeville broke ground. Bridge Industrial's new project, listed by NAI Hiffman, registers a grand total of 292,053 square feet. Building 1 will be 120,011 square feet and building 2 172,042 square feet. Delivery is expected in the third quarter of 2025.

Two new buildings were completed by developers in the first quarter, bringing 414,880 square feet to this submarket's industrial inventory.



Construction Activity



100% Speculative



0% Build-to-Suit



◀ 788,000 SF
26220 W 143rd Street
 Plainfield, Illinois

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	26220 W 143rd St	Plainfield	788,000	Spec	Trammel Crow	Q4 2025
2	Bridge Point I-55 Commerce Center Bld 2	Romeoville	172,042	Spec	Bridge Industrial	Q3 2025
3	Bridge Point I-55 Commerce Center Bld 1	Romeoville	120,011	Spec	Bridge Industrial	Q3 2025

Completions

#	Address	City	SF	Type	Developer	Completion
1	25815 W 143rd St	Plainfield	389,880	Spec	Barber Development	Q1 2025
2	17500 Salem Blvd	Lockport	25,000	BTS	J & Sales, Inc.	Q1 2025

577,442 SF ▶
25815 W 143rd St
 Lockport, Illinois



I-57/Will Corridor

Submarket Overview

	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)
Current Quarter 1Q25	3.4%	24,829,222	41,265	41,265	100,000	0	168,741
Previous Quarter 4Q24	3.4%	24,829,222	13,436	2,265,463	0	0	4,036,790



Vacancy Rate

3.4%

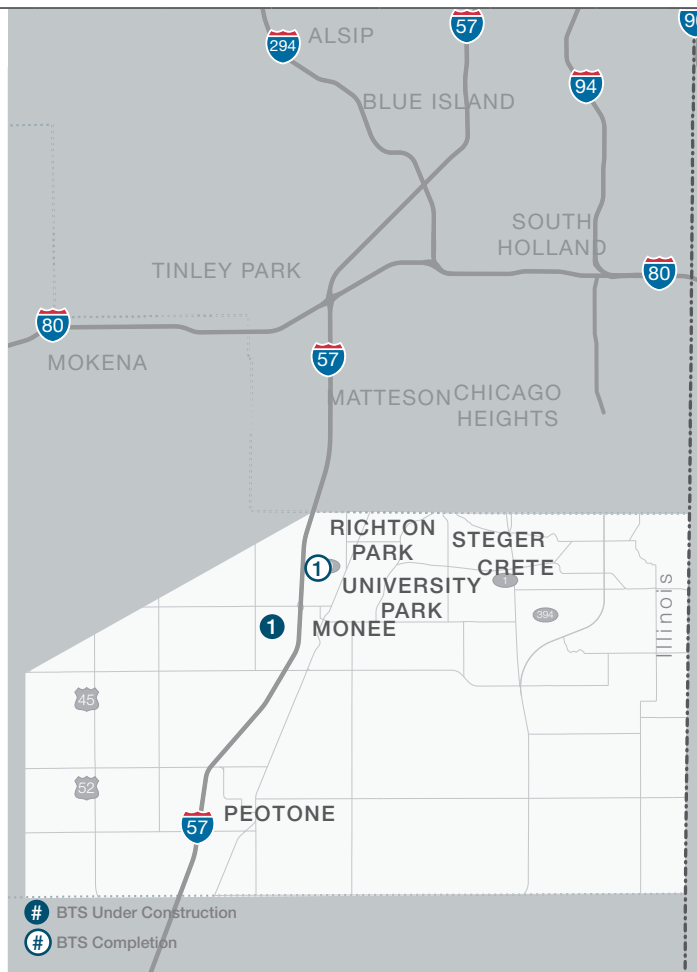


YTD Net Absorption

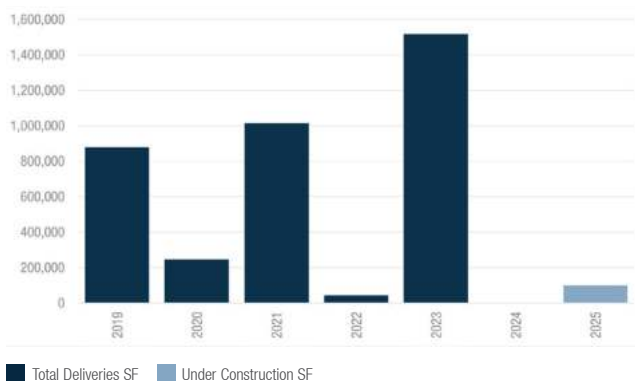
41K SF

One new building broke ground during the first quarter of 2025. Voortman USA, a machining manufacturer, broke ground on a new build-to-suit building at 25800 S. Ridgeland Avenue in Monee. This 100,000-square-foot facility is expected to be delivered in the first quarter of 2026.

The most significant project completed in recent time in this submarket was a build-to-suit facility developed by Venture One for Central Steel & Wire Company in University Park, adding 897,000 square feet to the submarket's inventory. This building was completed in the second quarter of 2023.



Construction Activity



100% Speculative



0% Build-to-Suit



◀ 100,000 SF
25800 S Ridgeland Ave
 Monee, Illinois

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	25800 S Ridgeland Ave	Monee	100,000	BTS	Voortman USA	Q1 2026

Completions

#	Address	City	SF	Type	Developer	Completion
1	23301 Central Ave	University Park	897,000	BTS	Venture One	Q2 2023

897,000 SF ▶
23301 Central Ave
 University Park, Illinois
 Delivered 2023



I-80/Joliet Corridor

Submarket Overview

	▼	▼	▲	▲	▼	▼	▼
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)

Current Quarter 1Q25	8.2%	119,797,552	2,146,362	2,146,362	2,583,339	1,200,000	999,704
Previous Quarter 4Q24	8.3%	118,938,630	-1,818,658	-719,198	3,783,339	2,498,471	4,620,754



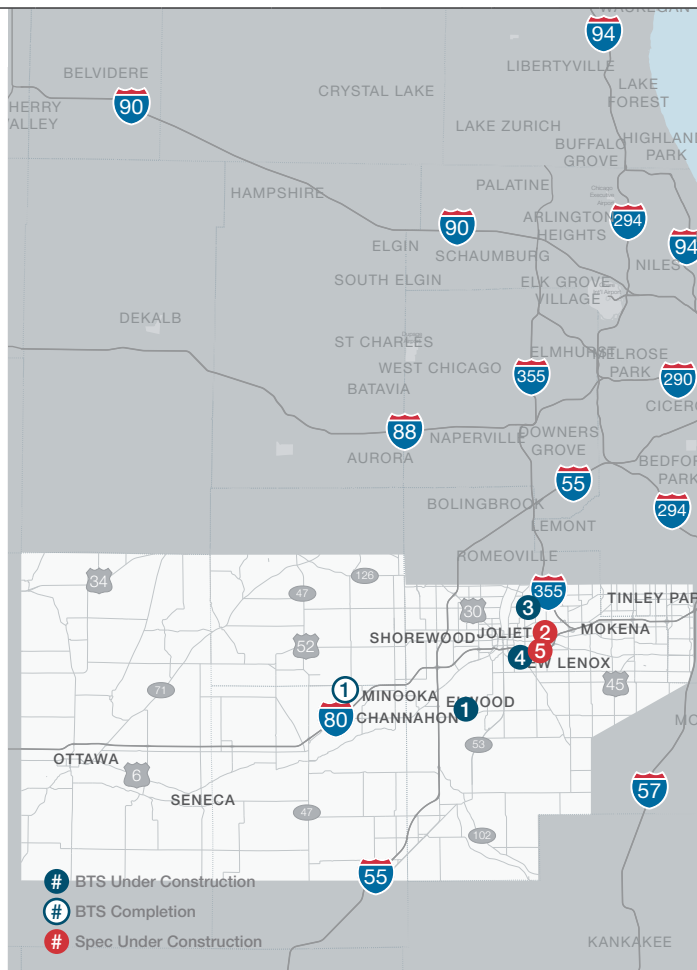
Vacancy Rate
8.2%



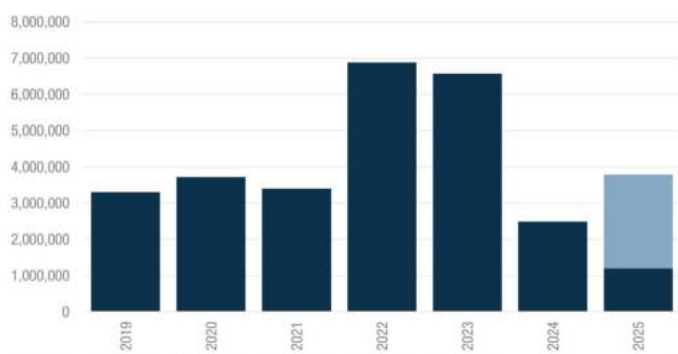
YTD Net Absorption
2.2M SF

Significant development continues in the I-80/Joliet Corridor, with five projects totaling 2.6 million square feet currently under construction. Notably, the largest of these buildings, CJ Logistics' new 1.1 million square-foot build-to-suit building, broke ground during the fourth quarter of 2024. Located on S. Diagonal Road in Elwood, CJ Logistics' new facility is set for completion in the first quarter of 2026.

Crow Holdings' brought one new building to completion during the first quarter. Located on Brisbin Road in Morris, the 1.2 million square-foot build-to-suit facility was developed for GE.



Construction Activity



■ Total Deliveries SF ■ Under Construction SF

26.1% Speculative



73.9% Build-to-Suit



◀ 1,200,000 SF
S Diagonal Road,
 Elwood, Illinois

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	S Diagonal Road	Elwood	1,100,000	BTS	CJ Logistics	Q1 2026
2	21533 S Cherry Hill Rd Cherry Hill 21	Joliet	802,440	SPEC	Northern Builders	Q3 2025
3	Millsdale Rd & Route 53	Joliet	294,840	BTS	MetLife	Q3 2025
4	Cherry Hill Business Park Agile Cold Storage	Joliet	202,759	BTS	Northern Builders	Q2 2025
5	2800 Ellis Rd Cherry Hill 19	Joliet	183,300	SPEC	Northern Builders	Q2 2025

Completions

#	Address	City	SF	Type	Developer	Completion
1	Brisbin Rd. - GE Bld.	Morris	1,200,000	BTS	Crow Holdings	Q1 2025

1,200,000 SF ▶
Brisbin Rd & US Route 6
 Morris, Illinois



I-88 Corridor

Submarket Overview

	▼	▲	▼	▼	▼	▲	▼
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)

Current Quarter 1Q25	3.1%	77,395,772	1,323,265	1,323,265	140,778	810,000	377,855
Previous Quarter 4Q24	3.5%	77,185,772	1,917,475	1,498,840	810,000	429,616	3,910,511



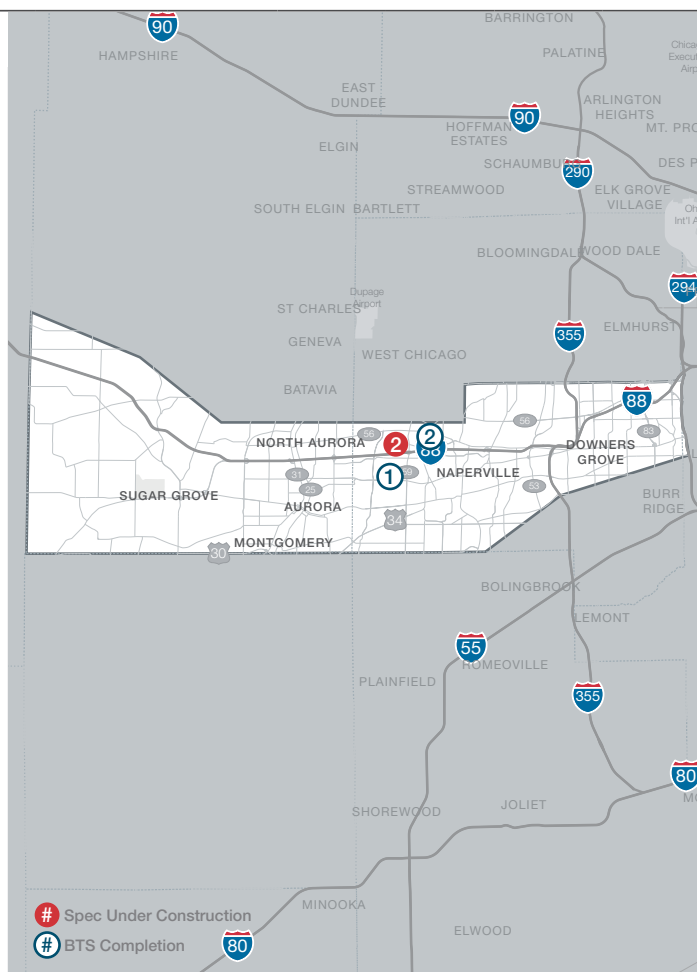
Vacancy Rate
3.1%



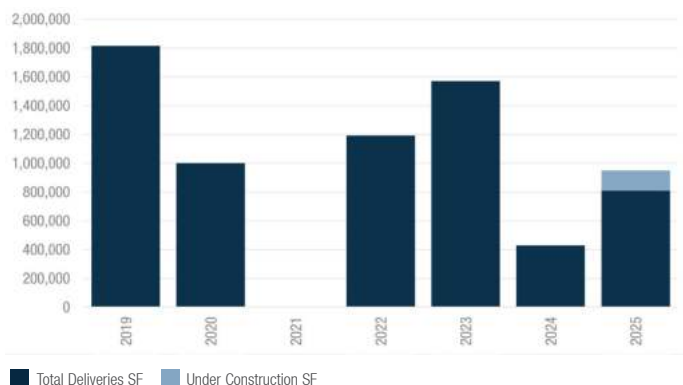
YTD Net Absorption
1.3M SF

One building is under construction in I-88, which broke ground during the first quarter of 2025. This new speculative building totals 140,778 square feet in size and is a development by High Street Logistics Properties. Slated for delivery in the second quarter of 2025, this new warehouse is being marketed by NAI Hiffman and is located at 2545 Prospect Court in Aurora.

Two new buildings were delivered during the first quarter, bringing a total of 810,000 square feet to this submarket's industrial inventory. The largest of these is a 500,000 square-foot build-to-suit building built for Ravago and developed by Karis Capital Real Estate. This new facility can be found at 2200 Galena Road in Montgomery.



Construction Activity



100% Speculative



0% Build-to-Suit



◀ 500,000 SF
2545 Prospect Ct,
 Aurora, Illinois

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	2545 Prospect Ct	Aurora	140,778	Spec	High Street Logistics	Q2 2025

Completions

#	Address	City	Sf	Type	Developer	Completion
1	Karis Park West 2200 Galena Rd	Aurora	500,000	BTS	Karis	Q1 2025
2	2810 Duke Pkwy	Aurora	310,000	BTS	US Foods	Q1 2025

500,000 SF ▶
Karis Park West
2200 Galena Rd
 Aurora, Illinois





I-90 Northwest

Submarket Overview

	▼ Vacancy Rate	— Total Inventory (SF)	▼ Net Absorption	▼ YTD Net Absorption	▼ Under Construction (SF)	▼ YTD New Supply (SF)	▼ YTD New Leases (SF)
Current Quarter 1Q25	7.0%	45,554,745	76,905	76,905	0	50,000	206,006
Previous Quarter 4Q24	7.3%	45,554,745	394,975	880,256	50,000	270,615	2,456,544



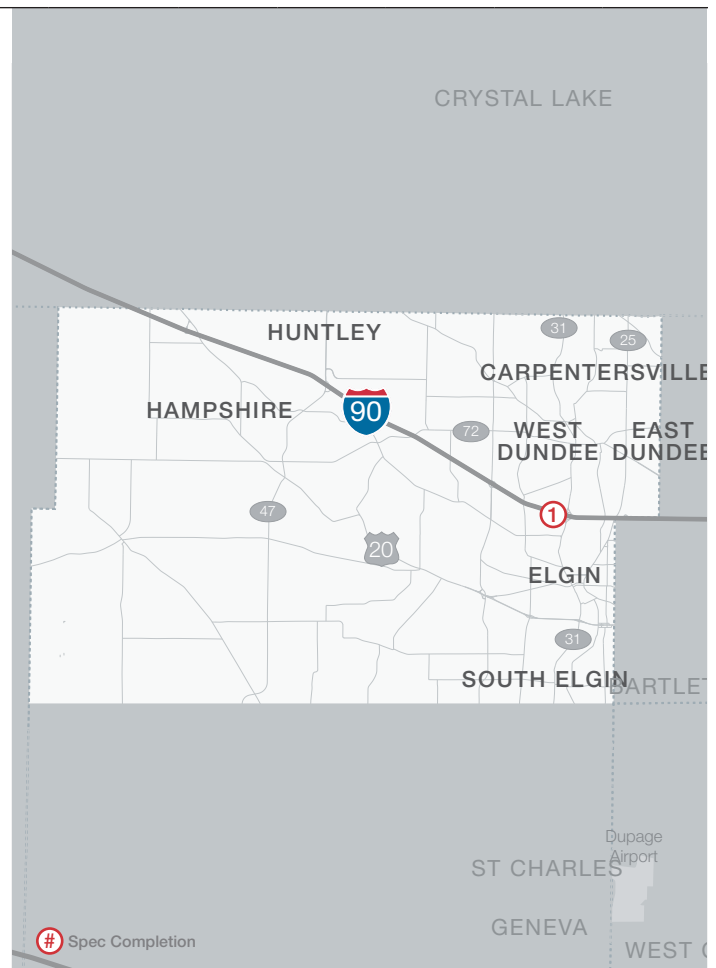
Vacancy Rate
7.0%



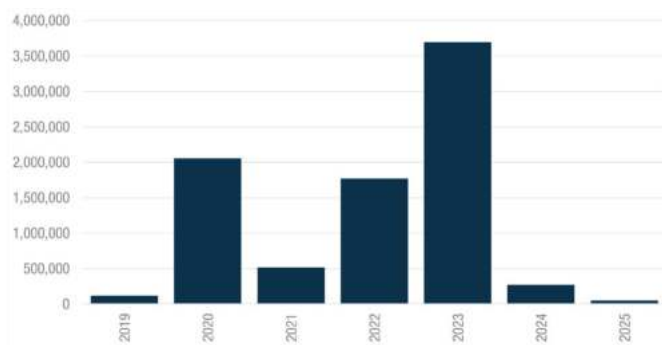
YTD Net Absorption
77K SF

No new buildings were being constructed during the first quarter of 2025.

One new building was completed during the first quarter. Speedwagon Capital Partners brought a new 50,000 square-foot speculative truck terminal to completion. During 2024, I-90 Northwest saw the completion of 270,615 square feet across two buildings. The lack of a development pipeline represents a slowdown from the amount of new construction deliveries seen in recent years.



Construction Activity



■ Total Deliveries SF ■ Under Construction SF

0% Speculative

No Current
Construction

0% Build-to-Suit

Under Construction

#	Address	City	SF	Type	Developer	Completion
			None to report			

Completions

#	Address	City	SF	Type	Developer	Completion
1	Airport Rd	West Dundee	50,000	Spec	Speedwagon Capital	Q1 2025

50,000 SF ►
Airport Rd
West Dundee, Illinois



Lake County

Submarket Overview

	▼	▲	▼	▲	▲	—	▲
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)

Current Quarter 1Q25	6.2%	79,137,787	104,932	104,932	0	66,121	250,507
Previous Quarter 4Q24	6.3%	79,071,666	299,379	627,019	66,121	422,299	2,645,741



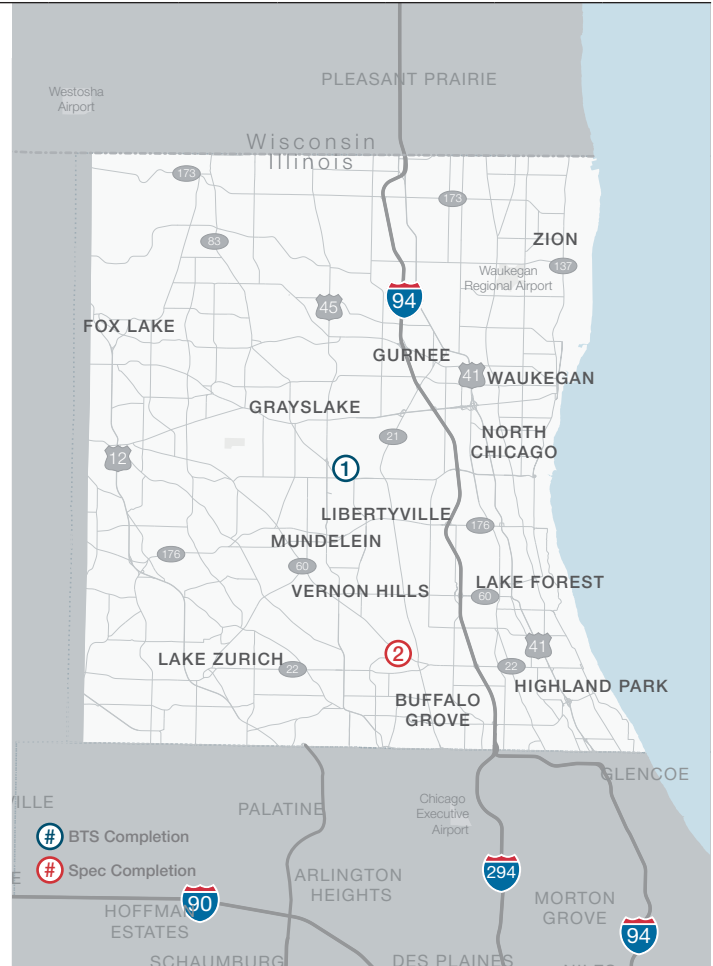
Vacancy Rate
6.2%



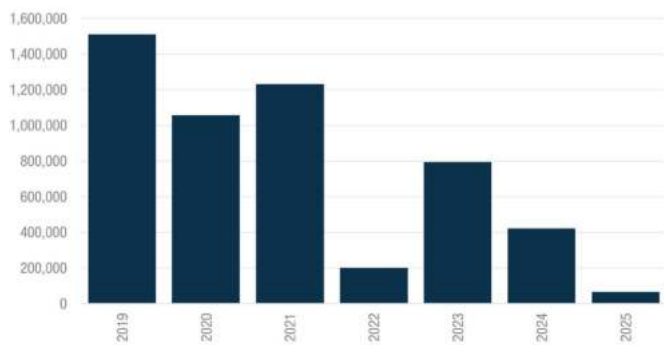
YTD Net Absorption
105K SF

There are currently no new buildings under construction in the Lake County submarket.

Two new buildings were completed during the first quarter bringing a total of 66,121 square feet to Lake County's industrial inventory. The largest building totaled 33,321 square feet and is a build-to-suit facility for Anton Paar USA, Inc. located at 600 Hickory Hill Drive in Vernon Hills.

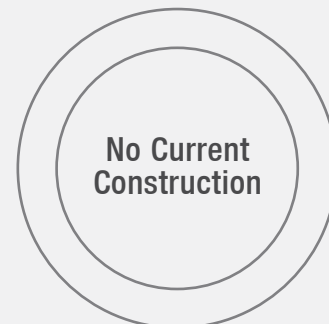


Construction Activity



■ Total Deliveries SF ■ Under Construction SF

0% Speculative



0% Build-to-Suit

Under Construction

#	Address	City	SF	Type	Developer	Completion
			None to report			

Completions

#	Address	City	SF	Type	Developer	Completion
1	600 Hickory Hill Dr	Vernon Hills	33,321	BTS	Anton Paar USA, Inc.	Q1 2025
2	865 Telser Rd	Lake Zurich	32,800	Spec	CM Industries	Q1 2025

33,321 SF ▶
600 Hickory Hill Dr
Vernon Hills, Illinois



McHenry County

Submarket Overview

	▲	—	▼	▼	—	—	▲
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)
Current Quarter 1Q25	1.6%	25,765,690	-36,865	530,134	0	0	506,120
Previous Quarter 4Q24	1.5%	25,765,690	523,345	566,999	0	0	488,120



Vacancy Rate

1.6%



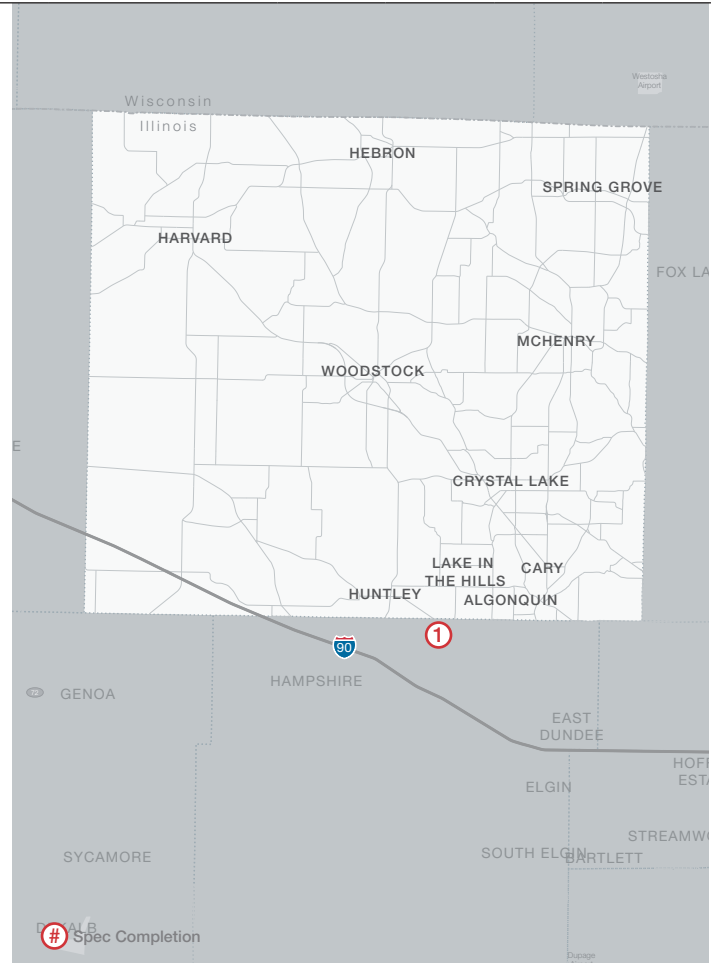
YTD Net Absorption

530K SF

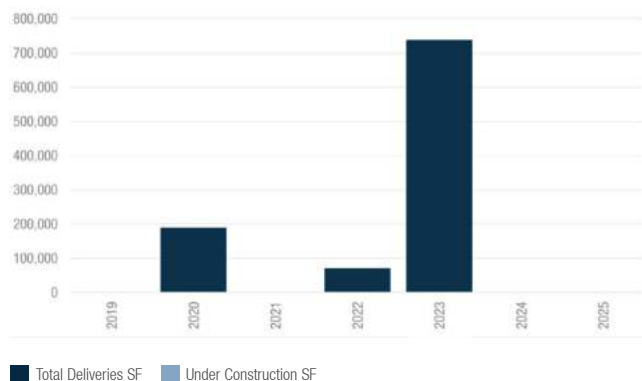
There are currently no active construction projects in the McHenry County industrial submarket. NorthPoint Development has been the only developer to deliver new industrial supply to the area in recent years. During the first half of 2023, the firm completed two projects within the Algonquin Corporate Center:

Building one, a 249,671-square-foot warehouse, was delivered in the first quarter of 2023.

Building two, a 488,759-square-foot warehouse, reached completion in the second quarter of 2023.



Construction Activity



0% Speculative

No Current Construction

0% Build-to-Suit

Under Construction

#	Address	City	SF	Type	Developer	Completion
			None to report			

Completions

#	Address	City	SF	Type	Developer	Completion
1	Longmeadow Pky Bld. 2	Algonquin	488,759	Spec	NorthPoint Development	Q2 2023

488,759 SF ►
Longmeadow Pky Bld. 2
Algonquin Corporate
Algonquin, Illinois



North Cook

Submarket Overview

	^	-	✓	✓	-	-	^
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)

Current Quarter 1Q25	7.4%	48,864,808	-191,334	-191,334	90,000	0	447,399
Previous Quarter 4Q24	7.1%	48,864,808	-125,533	-137,744	0	1,212,548	892,715



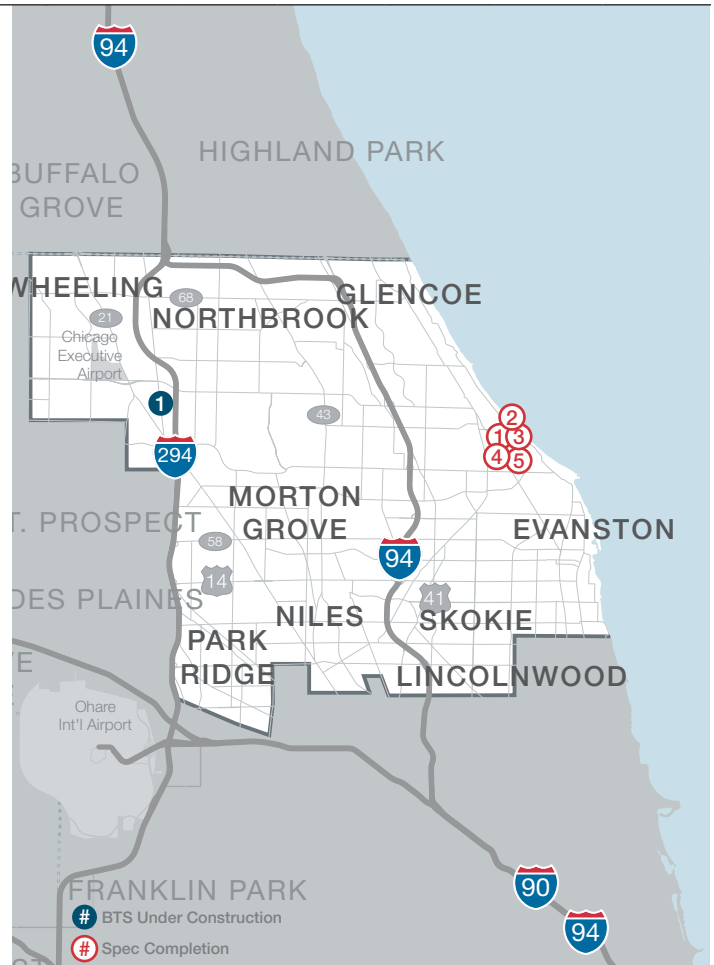
Vacancy Rate
7.4%



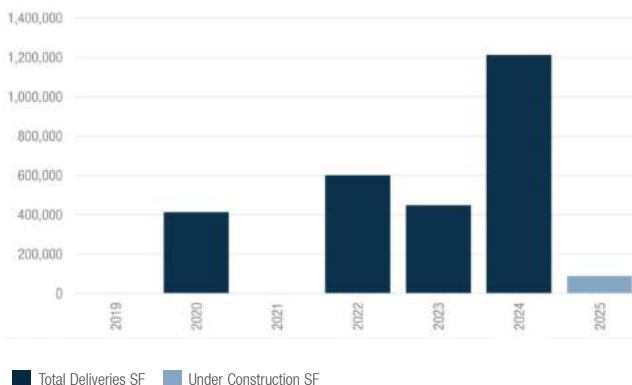
YTD Net Absorption
-191K SF

As an infill submarket, any new construction in North Cook is particularly significant. The impact of 2023 remains noteworthy. Following the demolition of the former Allstate Office Campus, which has been rebranded as The Logistics Campus, five speculative buildings broke ground. In 2023, Dermody Properties set a trend by encouraging developers to repurpose vacant office properties for future industrial developments, sparking renewed interest in transforming such properties. Dermody Properties finalized the first phase of the Logistics Campus in 2024 adding 1.2 million square feet to North Cook's inventory.

Dermody Properties broke ground on another new building in the Logistics Campus during the first quarter of 2025. This building is a build-to-suit for Pepsi Co. and will total 90,000 square feet in size. Construction is expected to complete in the first quarter of 2026.



Construction Activity



0% Speculative



100% Build-to-Suit



◀ 90,000 SF
Pepsi Co. BTS
The Logistics Campus,
 Glenview, Illinois

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	Pepsi Co. BTS The Logistics Campus	Glenview	90,000	BTS	Dermody Properties	Q1 2026

Completions

#	Address	City	SF	Type	Developer	Completion
1	I-294 & Willow Rd Bld. 3	Glenview	326,278	Spec	Dermody Properties	Q3 2024
2	I-294 & Willow Rd Bld. 5	Glenview	295,278	Spec	Dermody Properties	Q1 2024
3	I-294 & Willow Rd Bld. 1	Glenview	254,788	Spec	Dermody Properties	Q3 2024
4	I-294 & Willow Rd Bld. 4	Glenview	243,778	Spec	Dermody Properties	Q3 2024
5	I-294 & Willow Rd Bld. 2	Glenview	92,426	Spec	Dermody Properties	Q3 2024

326,278 SF ▶
I-294 & Willow Rd Bld. 3
 Glenview, Illinois



Northwest Cook

Submarket Overview

	▼	—	▲	▼	▼	▲	▲
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)
Current Quarter 1Q25	7.9%	27,791,091	323,435	323,435	0	0	142,569
Previous Quarter 4Q24	7.7%	27,453,091	210,308	28,530	76,560	83,124	582,547



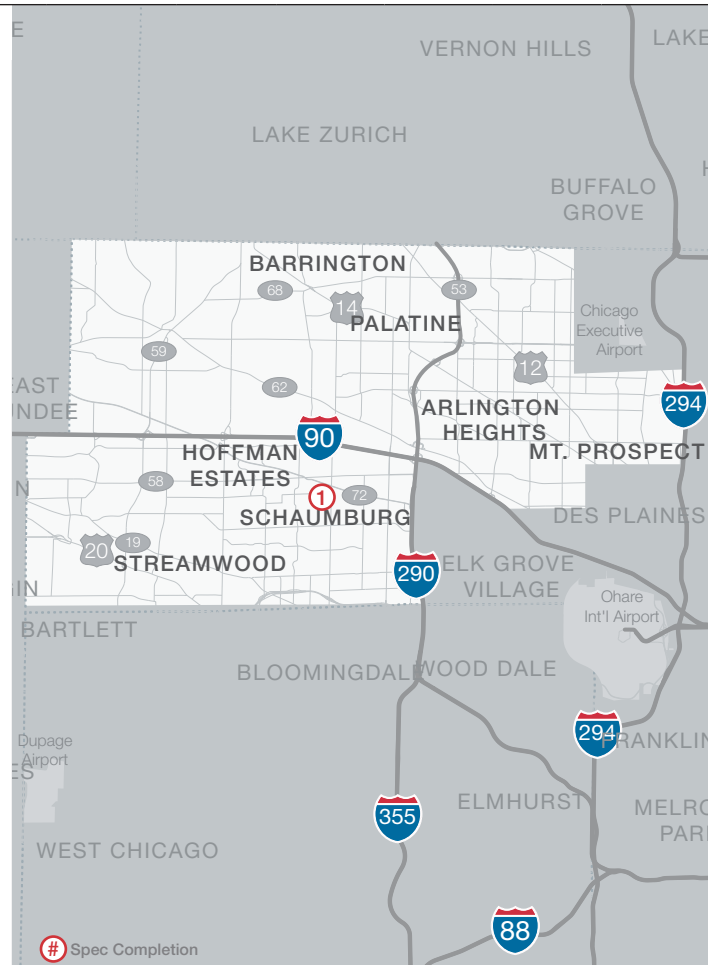
Vacancy Rate
7.9%



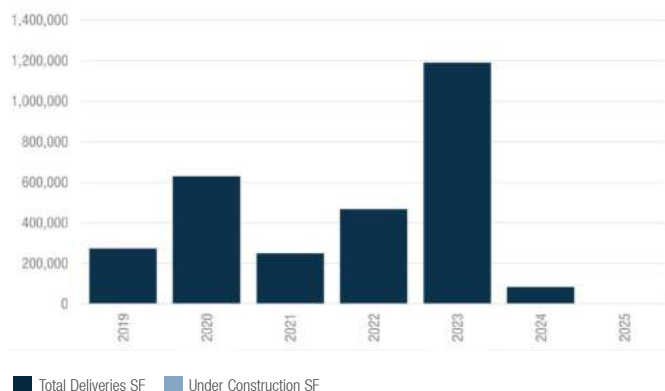
YTD Net Absorption
323K SF

There were no ongoing construction projects being undertaken in Northwest Cook during the first quarter of 2025.

The most recent new construction was completed in Northwest Cook during the fourth quarter of 2024. 20 Lakes completed their 83,124 square-foot speculative building at 1050 Albion Avenue in Schaumburg.



Construction Activity



0% Speculative

No Current Construction

0% Build-to-Suit

Under Construction

#	Address	City	SF	Type	Developer	Completion
			None to report			

Completions

#	Address	City	SF	Type	Developer	Completion
1	1050 Albion Ave	Schaumburg	83,124	Spec	20 Lakes	Q4 2024

83,124 SF ▶
1050 Albion Ave
Schaumburg, Illinois



Northwest Indiana

Submarket Overview

	^	—	^	∨	∨	^	∨
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)
Current Quarter 1Q25	3.6%	49,369,309	421,010	421,010	2,577,541	475,000	87,985
Previous Quarter 4Q24	3.4%	49,369,309	-268,114	1,764,522	2,914,561	246,000	2,073,676



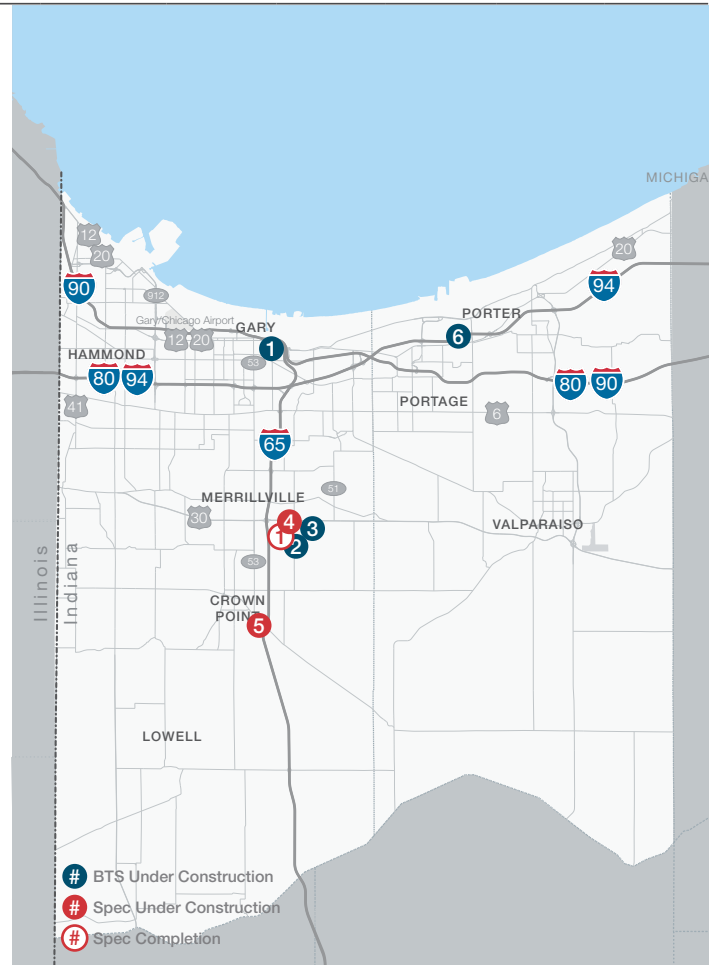
Vacancy Rate
3.6%



YTD Net Absorption
421K SF

Northwest Indiana continues to distinguish itself with 2.6 million square feet of industrial space currently under construction, making it the second-most active submarket in the region by development volume. This pipeline spans six buildings, including an 88,500-square-foot speculative project by Holladay Properties that broke ground in the first quarter of 2025 and is slated for mid-year completion.

Additionally, one new facility was delivered during the first quarter: Crow Holdings completed a 475,000-square-foot build-to-suit project for Panduit at 9945 Mississippi Street in Merrillville.





◀ 1,200,000 SF
2105 W 181st Ave,
 Lowell, Indiana

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	2105 W 181st Ave	Lowell	1,200,000	BTS	Venture One	Q2 2025
2	9880 Mississippi St	Crown Point	450,000	BTS	Core X Partners	Q1 2025
3	Arcadia Cold Storage	Crown Point	322,600	BTS	Saxum Real Estate	Q2 2025
4	9960 Mississippi St	Merrillville	270,711	BTS	Crow Holdings	Q2 2025
5	NEC I-65 & Route 2 U.S. Cold Storage	Lowell	245,730	Spec	U.S. Cold Storage	Q1 2025
6	1680 Jensen Dr	Portage	88,500	BTS	Holladay Properties	Q2 2025

Completions

#	Address	City	SF	Type	Developer	Completion
1	9960 Mississippi St	Merrillville	475,000	Spec	Crow Holdings	Q1 2025

475,000 SF ▶
9960 Mississippi Street
 Merrillville, Indiana



O'Hare

Submarket Overview

	▼	▲	▼	▼	▲	▼	▼
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)

Current Quarter 1Q25	4.3%	106,200,447	136,768	136,768	372,185	0	662,713
Previous Quarter 4Q24	4.4%	105,885,447	1,262,420	401,147	235,291	27,840	4,709,301



Vacancy Rate
4.3%



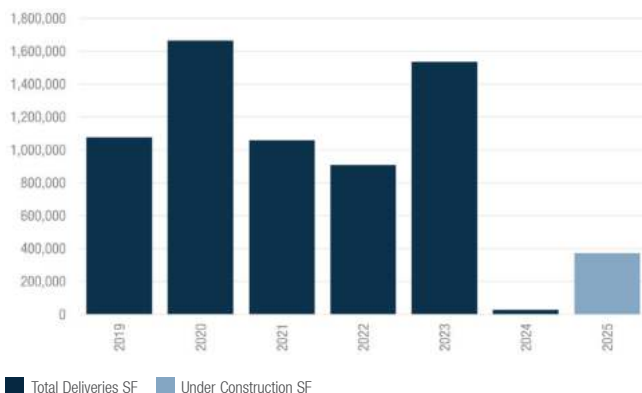
YTD Net Absorption
137K SF

One project broke ground in the first quarter: a 134,360-square-foot speculative building by Hamilton Partners at 710–854 Foster Avenue in Bensenville, scheduled for delivery in the third quarter of 2025. Overall, the O'Hare submarket has 372,185 square feet of space under construction across three buildings.

No new developments were completed during the first quarter of 2025.



Construction Activity



100% Speculative



0% Build-to-Suit



◀ 190,606 SF
1305 E Algonquin Rd
 Bensenville, Illinois

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	1305 E Algonquin Road	Mount Prospect	190,606	Spec	Seefried Properties	Q3 2025
2	710-854 Foster Ave	Bensenville	134,360	Spec	Hamilton Partners	Q3 2025
3	600-700 Devon Ave	Bensenville	44,685	Spec	Gullo International	Q2 2025

Completions

#	Address	City	SF	Type	Developer	Completion
1	856 County Line Rd	Bensenville	27,840	Spec	856 County Line, LLC	Q2 2024

27,840 SF ▶
856 County Line Road
 Bensenville, Illinois



South Cook

Submarket Overview

	^	—	^	^	^	∨	∨
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)

Current Quarter 1Q25	5.5%	90,170,349	116,125	116,125	262,055	14,000	278,925
Previous Quarter 4Q24	5.4%	90,170,349	-41,546	-786,241	14,000	1,024,452	998,167



Vacancy Rate
5.6%

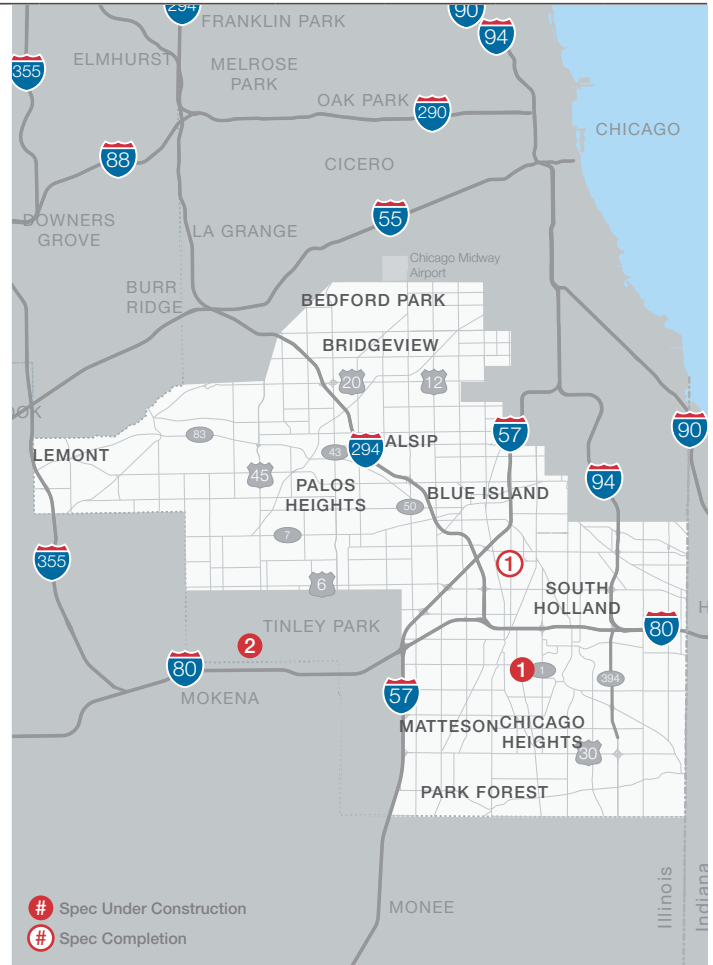


YTD Net Absorption
116K SF

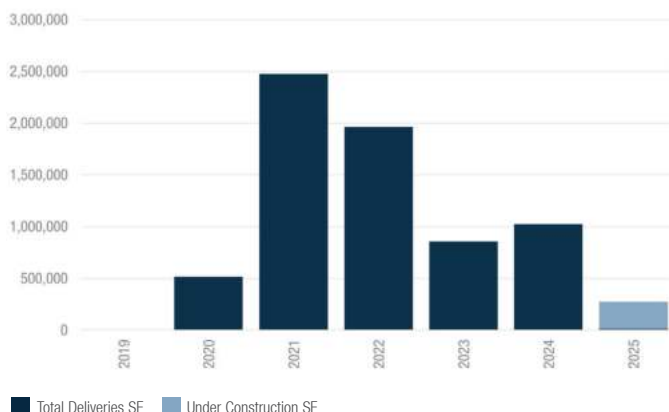
One project totaling 14,000 square feet completed construction during the first quarter.

This newly constructed building is a speculative building located at 15101 S. Commercial Avenue in Harvey. Arka Express Inc. developed the building. This new building is being marketed by NAI Hiffman.

Two buildings are under construction in South Cook. There are a total of 262,055 square feet under development, with the largest building being a build-to-suit totaling 240,000 square feet. This building is a development by Morgan Li located at 1001 Washington Avenue in Chicago Heights.



Construction Activity



8.4% Speculative



91.6% Build-to-Suit



◀ 240,000 SF
1001 Washington Ave
 Chicago Heights, Illinois

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	1001 Washington Ave	Chicago Heights	240,000	BTS	Morgan Li	Q2 2025
2	11601 183rd Pl	Orland Park	22,055	SPEC	TCB Management	Q2 2025

Completions

#	Address	City	SF	Type	Developer	Completion
1	15101 S Commercial Ave	Harvey	14,000	Spec	Arka Express, Inc.	Q1 2025

14,000 SF ▶
15101 S Commercial Ave
 Harvey, Illinois



Southeast Wisconsin

Submarket Overview

	^	—	✓	✓	—	✓	✓
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)

Current Quarter 1Q25	11.2%	81,757,844	-353,332	-353,332	1,107,125	0	1,454,605
Previous Quarter 4Q24	10.8%	81,757,844	1,452,840	2,623,718	1,107,125	2,591,874	1,522,032



Vacancy Rate

11.2%

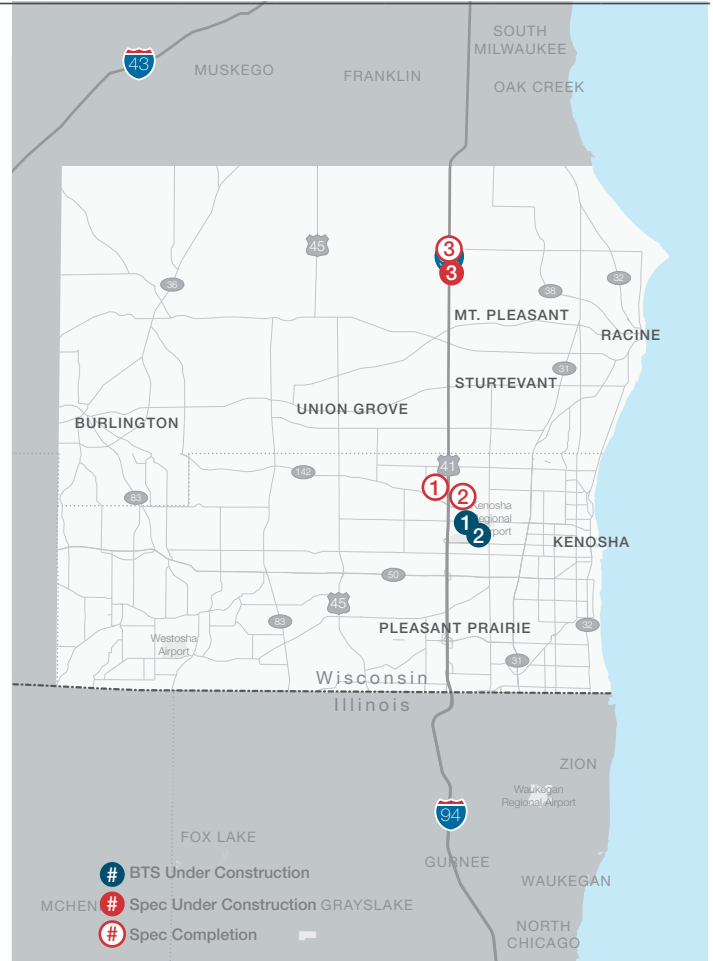


YTD Net Absorption

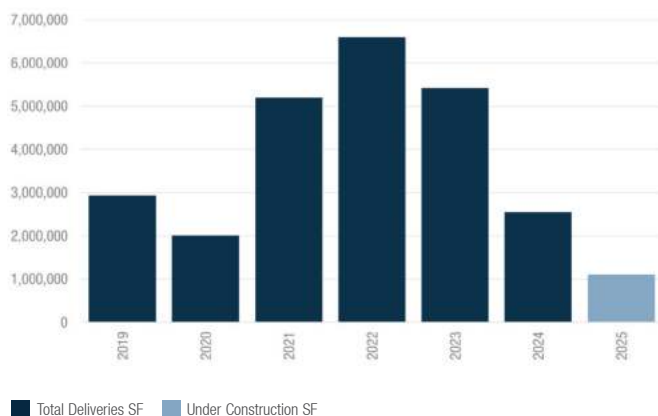
-353K SF

Three construction projects are currently underway in the Southeast Wisconsin submarket, totaling 1.1 million square feet. The largest of these is Dermody Properties' 593,565-square-foot build-to-suit distribution center for WestRock, located at 9423 Koessl Court in Pleasant Prairie. Completion is expected in the second quarter of 2025.

No new buildings were completed during the first quarter of 2025. However, Southeast Wisconsin exhibited strong growth in the previous year. A total of 2.6 million square feet were added to this submarket's inventory by developers throughout 2024.



Construction Activity



12.9% Speculative



87.1% Build-to-Suit



◀ 593,565 SF
Logisticcenter at Pleasant Prairie - Building A
 Pleasant Prairie, Wisconsin

Under Construction

#	Address	City	SF	Type	Developer	Completion
1	Logisticcenter at Pleasant Prairie, Bld. A	Pleasant Prairie	593,565	BTS	Dermody Properties	Q2 2025
2	7517 60th St	Kenosha	371,000	BTS	Schutz Container	Q2 2025
3	4300 Carly Ave - Zilber 2	Caledonia	142,560	SPEC	Zilber Property Group	Q2 2025

Completions








#	Address	City	SF	Type	Developer	Completion
1	3002 128th Ave	Kenosha	1,440,000	Spec	Logistics Property Company	Q4 2024
2	11110 Burlington Rd	Kenosha	918,624	Spec	HSA Commercial	Q1 2024
3	4321 Carol Rd - Zilber 1	Caledonia	234,360	Spec	Zilber Property Group	Q1 2024

1,440,000 SF ▶
3002 128th Ave
 Kenosha, Wisconsin



Southwest Cook

Submarket Overview

							
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)
Current Quarter 1Q25	7.5%	36,463,308	-225,979	-225,979	0	0	94,481
Previous Quarter 4Q24	7.1%	36,463,308	73,864	-96,640	0	398,954	721,204



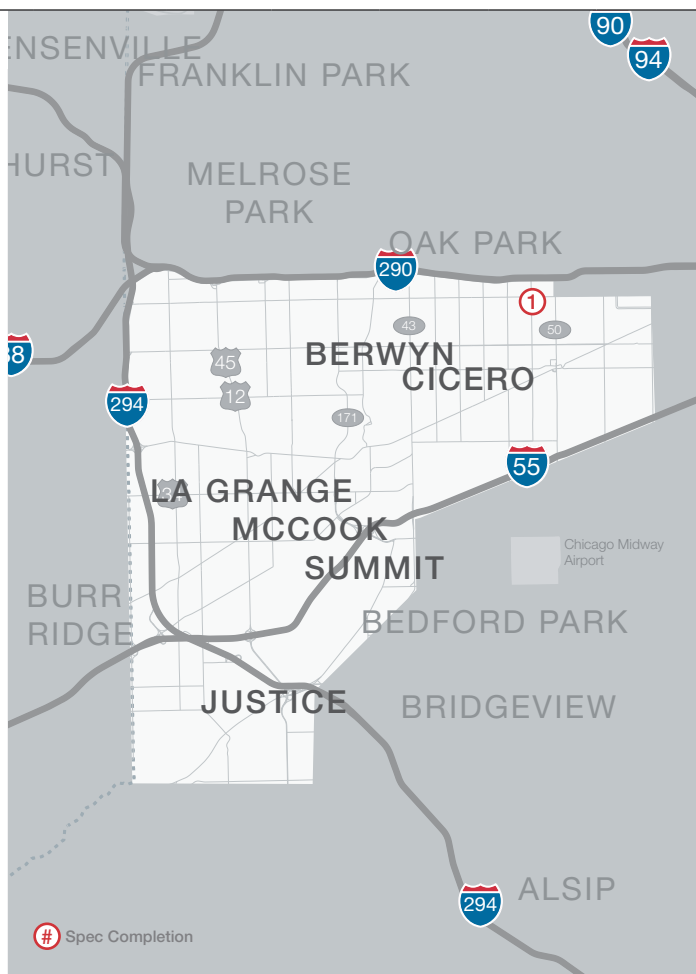
Vacancy Rate
7.5%



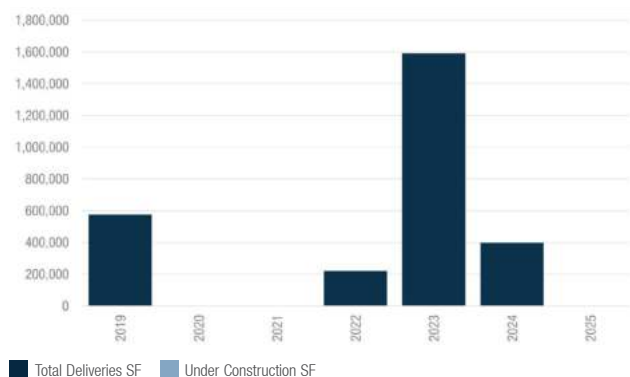
YTD Net Absorption
-226K SF

There are currently no ongoing construction projects in Southwest Cook.

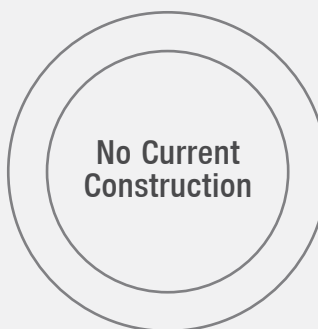
No construction developments were completed in the first quarter of 2025. The last new construction delivery was completed by Prologis, which was a 398,954 square-foot speculative warehouse located at 5301 W. Roosevelt Road in Cicero during the first quarter of 2024.



Construction Activity



0% Speculative



0% Build-to-Suit

Under Construction

#	Address	City	SF	Type	Developer	Completion
		None to report in Q4				

Completions

#	Address	City	SF	Type	Developer	Completion
1	5301 W Roosevelt Rd	Cicero	398,954	Spec	Prologis	Q1 2024

398,954 SF ▶
5301 W Roosevelt Rd
Cicero, Illinois



West Cook

Submarket Overview

	^	-	^	∨	-	∨	∨
	Vacancy Rate	Total Inventory (SF)	Net Absorption	YTD Net Absorption	Under Construction (SF)	YTD New Supply (SF)	YTD New Leases (SF)

Current Quarter 1Q25	6.1%	62,365,730	-77,005	-77,005	99,682	0	102,196
Previous Quarter 4Q24	5.9%	62,365,730	-78,761	1,568,859	99,682	1,669,653	1,461,054



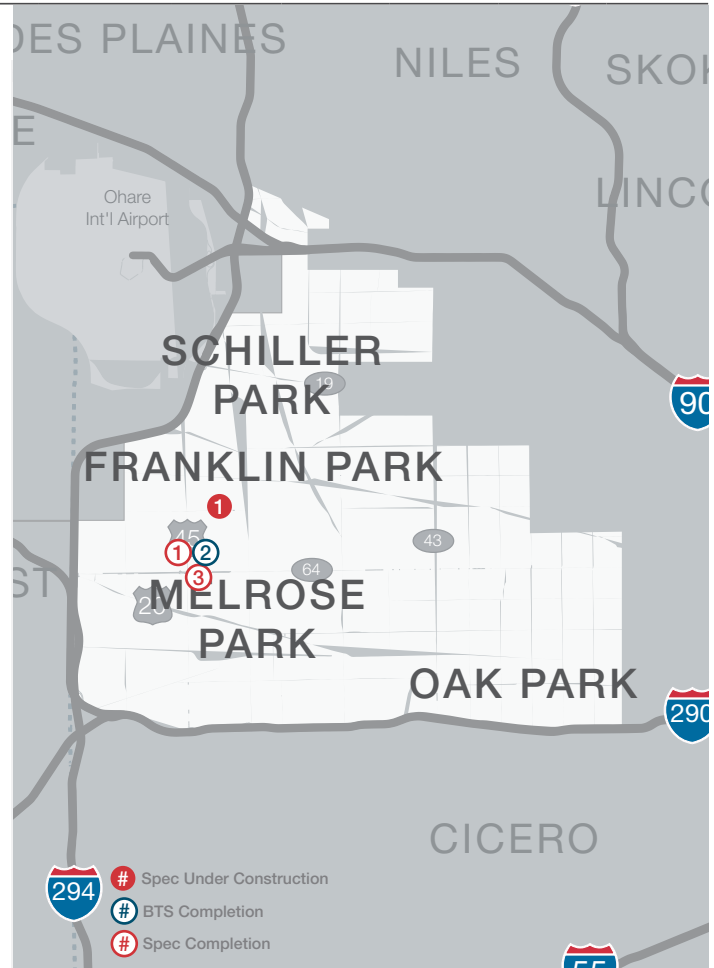
Vacancy Rate
6.1%



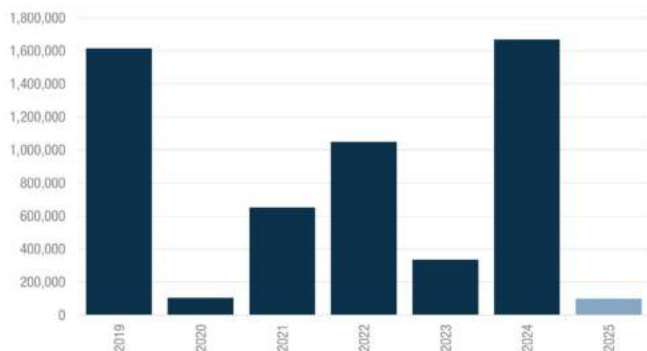
YTD Net Absorption
-77K SF

One building remains under construction in West Cook during the first quarter of 2025. Located at 3600 River Road in Franklin Park, TG Financial Management, Inc. commenced construction on their 99,682 square-foot speculative facility in the previous quarter which is expected to complete in the fourth quarter of 2025.

The first quarter of 2025 saw no newly completed construction developments. There was a total of four buildings delivered to the inventory of West Cook in the year prior, registering a total of 1.7 million square feet. The largest building to be completed in 2024 was Bridge Industrial's 707,953 square-foot speculative facility located at 10400 W North Avenue – Building 3.



Construction Activity



■ Total Deliveries SF ■ Under Construction SF

100% Speculative



0% Build-to-Suit



◀ 99,682 SF
3600 River Rd
 Franklin Park, Illinois

Under Construction

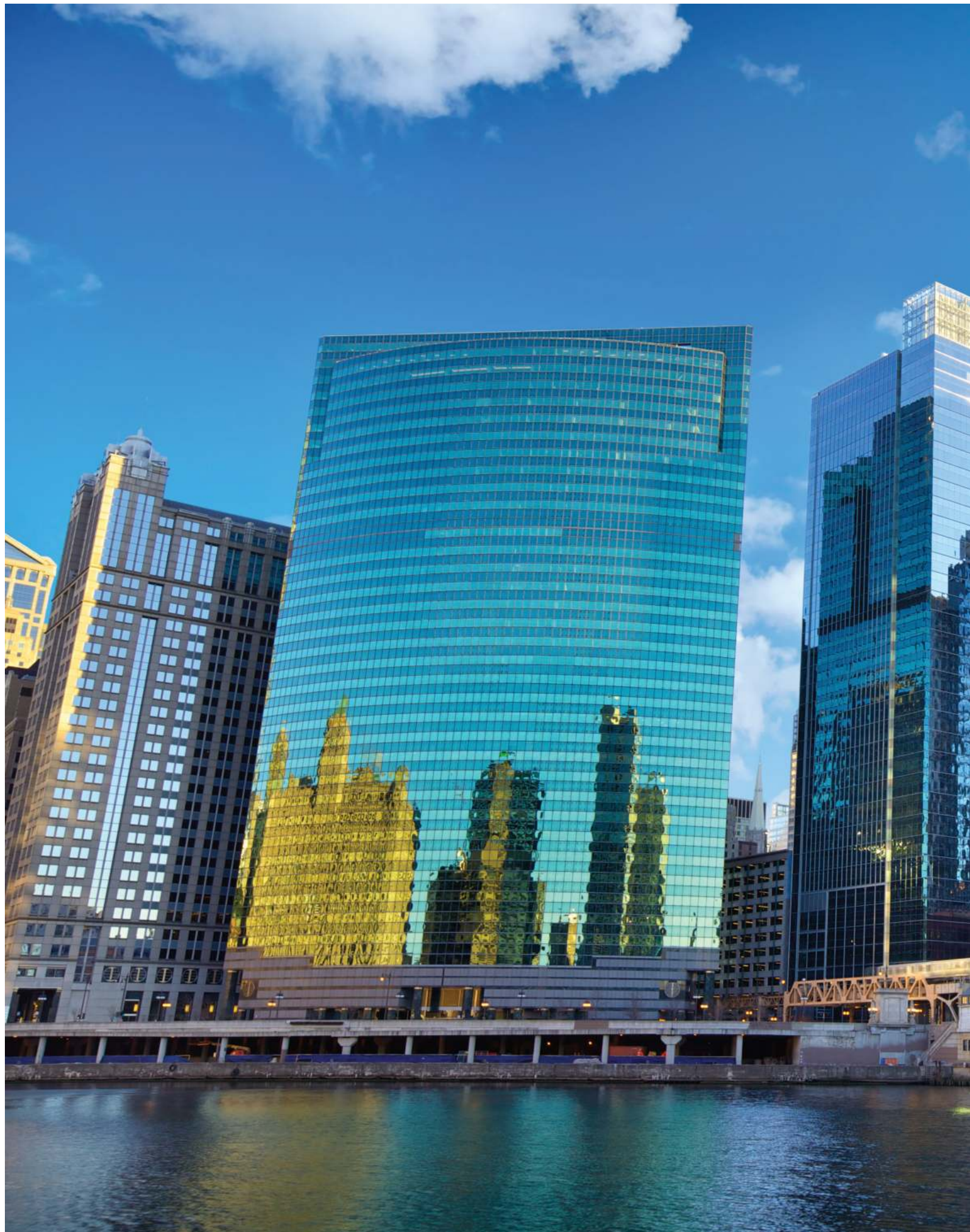
#	Address	City	SF	Type	Developer	Completion
1	3600 River Rd	Franklin Park	99,682	Spec	TG Financial Management, Inc.	Q4 2025

Completions

#	Address	City	SF	Type	Developer	Completion
1	10400 W North Ave Bld. 3	Melrose Park	707,953	Spec	Bridge Industrial	Q1 2024
2	10400 W North Ave Bld 3	Melrose Park	669,914	BTS	Bridge Industrial	Q1 2024
3	10400 W North Ave Bld. 1	Melrose Park	225,234	Spec	Bridge Industrial	Q1 2024

707,953 SF ▶
10400 W North Ave Bld 3
 Melrose Park, Illinois







TRUSTED.



ONE OAKBROOK TERRACE SUITE 400
OAKBROOK TERRACE IL 60181

hiffman.com
630 932 1234

@naihiffman

The data compiled in the Chicago Industrial and Office Market Reports are the legal property of NAI Hiffman. Reproduction or dissemination of the information contained herein is strictly prohibited without the expressed written consent of NAI Hiffman. This report contains information, including information available to the public, which has been relied upon by NAI Hiffman on the assumption that it is accurate and complete without independent verification by NAI Hiffman. NAI Hiffman accepts no responsibility if this should prove to be inaccurate or incomplete. No warranty or representation, express or implied, is made by NAI Hiffman as to the accuracy or completeness of the information contained herein, and same is submitted subject to errors, omissions, and changes in market conditions. ©2024 NAI Hiffman

For further information
about our market or
specialty reports,
please contact

NICK SCHLANGER
Director of Research Services
nschlanger@hiffman.com
630 693 0645

DAN WORDEN
Research Analyst
dworden@hiffman.com
630 398 8932

HIFFMAN.COM