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CHICAGO RETAIL SHINES IN NEIGHBORHOODS, SUBURBS

Minimal new supply leads to tight fundamentals in select areas that continue to outperform the urban core.

By Kristin Harlow

While the health of the retail market along the Magnificent Mile continues to recover incrementally with a rebound in foot traffic following a prolonged downturn, Chicago's neighborhoods and suburbs are bustling with leasing activity.

In fact, limited retail supply in the suburbs and throughout most of the city's neighborhoods is one of the biggest challenges facing the market, according to Michael Flinchbaugh, an associate director with Chicago-based Bradford Allen. He says the dynamic has pushed up rents, leading to more national retailers entering corridors that have historically been occupied by local stores.

"Groups that are not as well capitalized are struggling to find affordable space for lease," says Flinchbaugh.

The Loop, on the other hand, is sitting at a vacancy rate around 30 percent, according to Flinchbaugh. He says the hope is that the number of office-to-residential conversions slated to occur in the next two to three years will bring retailers back to the submarket as it becomes more of a live-work community. The Loop is located south of the Chicago River, while the Magnificent Mile is situated on the city's Near North Side.

Long known for its high-end shops, hotels and restaurants, the one-mile section of Michigan Avenue referred



The Bally's Chicago casino is slated to open in 2026 along the Chicago River.

see **RETAIL** page 18



Hempel Real Estate is underway on Brockton Business Park in Corcoran, Minnesota, near I-94.

INTERSTATE CORRIDORS DRIVE INDUSTRIAL DEVELOPMENT

Developers continue to build along I-94, I-90 and I-80, appealing to tenants that seek quick delivery times and labor access.

By Kristin Harlow

Proximity to interstate corridors is at the top of the checklist for most industrial users. This convenience factor increases the demand for well-located properties.

"Users value locations with easy interstate access as this reduces delivery times, lowers transportation costs and increases access to the workforce," says Todd Battle, director of industrial investments with Milwaukee-based Zilber Property Group, which is large-

ly active in Southeast Wisconsin.

Battle cites the I-94 corridor between Chicago and Milwaukee — including Kenosha, Racine and Milwaukee counties — as "a hotbed of industrial development activity." I-94 is an east-west interstate highway connecting the Great Lakes and northern Great Plains regions.

One of Zilber's current developments, Caledonia Corporate Park, is situated along the I-94 corridor in

Racine County at the Highway K and I-94 interchange. This summer, the developer broke ground on its third building at the 93-acre industrial park. The speculative industrial facility will total 142,560 square feet and is slated for completion by the end of the year.

Numerous factors, including interstate access, have made the project site a compelling location for new development, says Battle. Others include in-place infrastructure, low operating

see **INDUSTRIAL** page 20



Return-to-Office Momentum Builds in Chicago Market

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Why Retail Real Estate Is Positioned to Thrive Today

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Omaha Population Growth Fuels Interest in Retail Sector

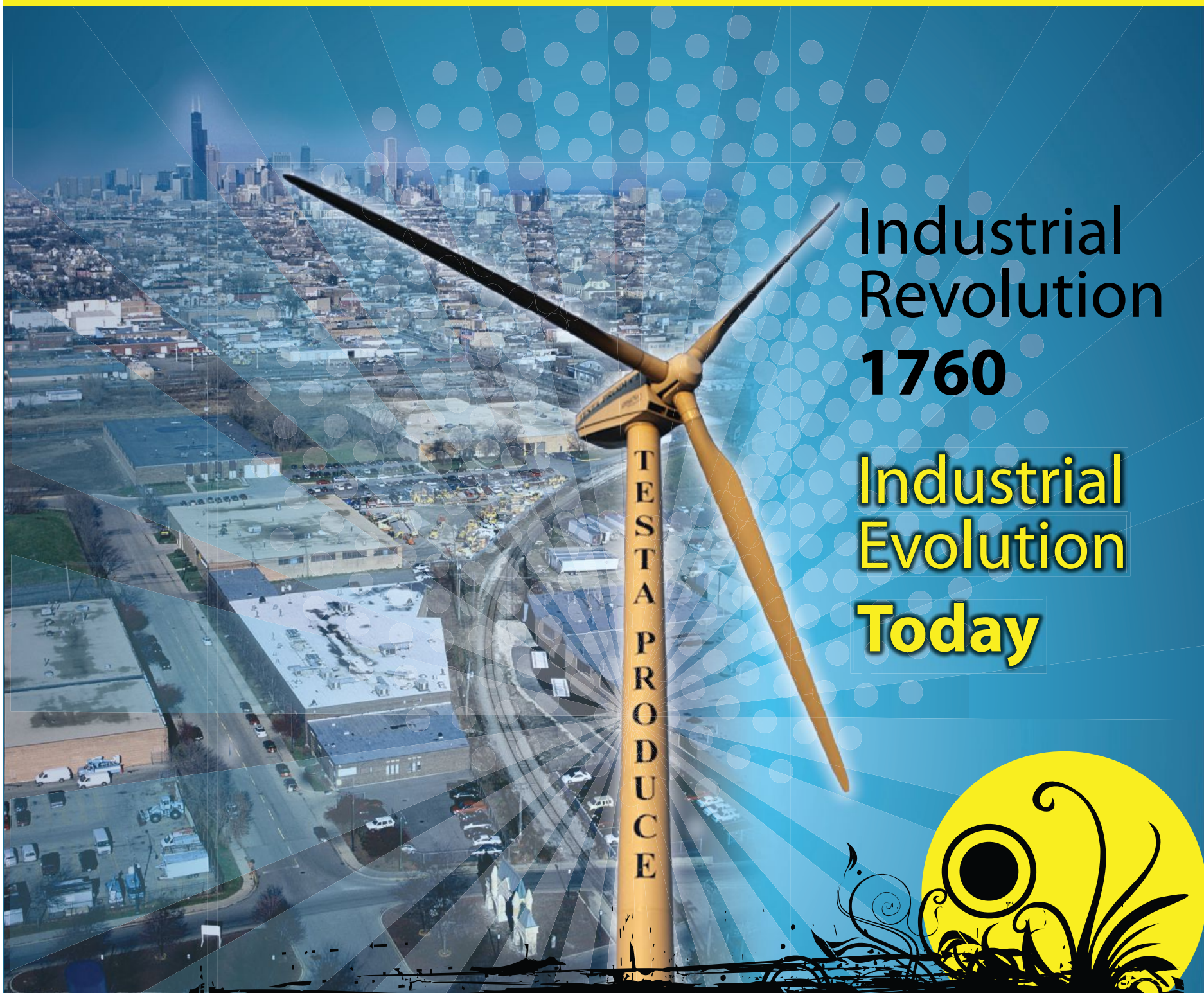
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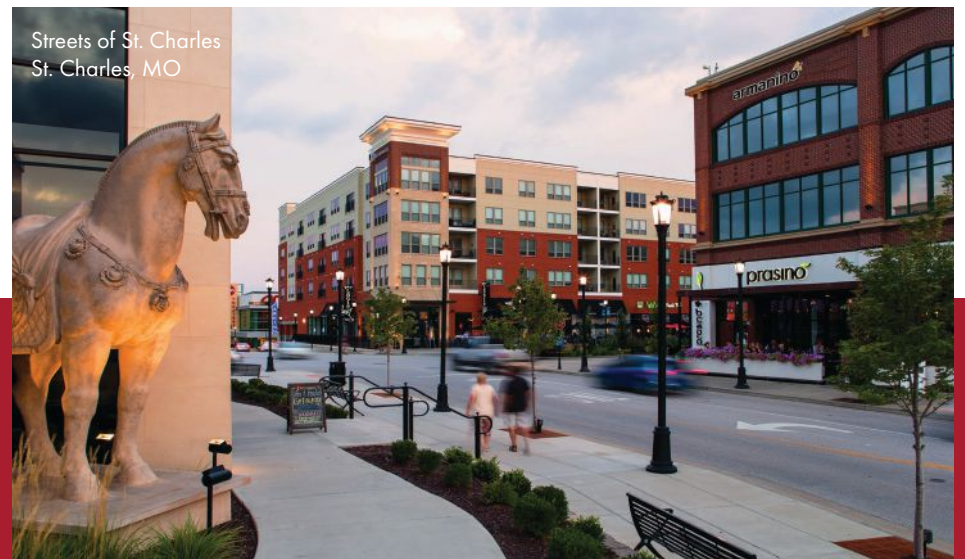
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PUBLISHERS' NOTE

RETAIL FOLLOWS ROOFTOPS, FOOT TRAFFIC

Chicago's retail scene continues to be a tale of two markets. In some neighborhood pockets, inventory is so limited that rents have spiked to all-time highs. But the downtown shopping strip along the Magnificent Mile continues to suffer from high vacancies, as the lack of foot traffic from the onset of the pandemic continues to take its toll. Despite lamenting downtown woes, retail brokers are starting to see more signs of recovery and an uptick in demand.

Meanwhile in the suburbs, retailers are actively expanding across segments such as daycares, quick-service restaurants, coffee shops, car washes, medical, fitness, indoor play areas and pickleball. Experiential retail continues to have wide appeal. If you are active in that space, you'll want to attend our 11th annual **Entertainment Experience Evolution**, which is taking place Feb. 24-25 in the Universal City neighborhood of Los Angeles. We continue to add speakers, sponsors and attendees for the retail entertainment conference. See pages 12-13 for details.

Our second feature story this month spotlights industrial development, particularly along the interstate corridors of I-94, I-90 and I-80. The impor-



Jerry France
Publisher

Scott France
Co-Publisher

tance of convenient highway access is unmatched when it comes to site selection. Tenants prioritize proximity to interstate ramps for efficient delivery of goods — especially when consumers have become accustomed to quick timelines — as well as access to the labor force. The I-94 corridor between Chicago and Milwaukee continues to be a particularly hot area for industrial development.

Chicago is one of our market highlights this month, as we feature commentary on the office and industrial sectors. Return-to-office momentum and ongoing fiscal challenges at both the city and state level are two of the major themes shaping the market. In Omaha, population growth has boosted retailer interest in the area.



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Baker Barrios Architects

Veteran architect **Hiroshi Sango** has joined Baker Barrios Architects. Sango will serve as associate principal and technical director, focusing on the firm's mixed-use practice. Prior to joining Baker Barrios, Sango served as an associate principal for Goettsch Partners. Throughout his career, Sango has contributed to numerous award-winning national and international mixed-use projects, including the Grand Hyatt Chengdu in China, the JW Marriott in Grand Rapids, Mich., and The Summit, a two-tower residential, office and retail development in Suzhou, China. He also spent four years in Shanghai, where he led signature mixed-use projects and worked closely with local staff, mentoring junior architects and fostering cross-cultural collaboration.



Sango

Cushman & Wakefield

Anders Pesavento has joined Cushman & Wakefield as managing principal for the Minneapolis/St. Paul market. Pesavento will lead the firm's Advisory, Project & Development (PDS) and Asset Services team, which includes 53 brokers and 591 personnel in the market and a property management portfolio of 32.3 million square feet and 8,000 multifamily units. Pesavento joins Cushman & Wakefield from Ryan Cos., where he was senior vice president, capital markets, and a catalyst for large-scale developments, joint ventures, financings and dispositions for the company across multiple property types in the U.S. He is a past board member and president of NAIOP's Minnesota Chapter and serves on NAIOP's National Forum-Deal & Investment Concepts.



Pesavento

Stream Realty Partners

Ben Dickey has joined the Chicago office of Stream Realty Partners as vice president. In this role, he will focus on landlord and tenant representation for industrial assets, working alongside Brian Duffy, managing director and leader of the firm's industrial services team in Chicago. Dickey joins Stream from CBRE, where he most recently served as first vice president. He began his career specializing in occupier representation in the O'Hare submarket while assisting in the leasing of existing agency assignments and large-scale redevelopments. His business soon expanded to encompass local and regional occupier and institutional agency clients, managing leasing assignments and redevelopment projects throughout the O'Hare corridor and along I-90 and I-88.



Dickey

Merchants Capital

Financial services provider Merchants Capital has appointed **Naureen Dhanani** as executive vice president of credit and operations, a newly established role reporting directly to the president and CEO. Dhanani will oversee Merchants Capital's Fannie Mae, Freddie Mac and FHA credit and closing teams, including the chief appraiser. She will ensure seamless collaboration across Merchants' platforms and with external stakeholders, manage key agency relationships and resolve credit and production-related challenges alongside borrowers, originators, underwriters and agency counterparts. Dhanani brings more than a decade of experience in affordable housing finance to Merchants. Most recently, she served as a senior manager at Freddie Mac Multifamily.



Dhanani

Subtext

Subtext has hired **Jeremy Lyman** as partner and executive vice president of capital markets, private wealth. In his new role, Lyman will lead the firm's private wealth equity strategy for its purpose-built student and multifamily housing portfolio. He will work closely with registered investment advisors (RIAs), family offices and high-net-worth investors, partnering with the development, construction and acquisitions teams to drive disciplined execution and strategic growth. His expertise in investor needs and proven track record of structuring offerings that foster long-term alignment and performance will be pivotal to the growth of Subtext's investment platform. Lyman previously served as senior vice president of capital markets at Cottonwood.



Lyman

Transwestern

Transwestern Real Estate Services has appointed industry veteran **Blake Johnson** as executive managing director, Chicago market leader. Johnson will oversee the firm's Chicago operations, which includes more than 330 professionals and a portfolio of leased and managed properties exceeding 33 million square feet. He most recently served as executive vice president and senior partner with CBRE in Chicago, where he advised many of the nation's top institutional investors and oversaw more than \$13 billion in investment activity. Previously, he served as president of The John Buck Co. He began his real estate career at Eastdil Secured, where he helped launch and establish the firm's Chicago office.



Johnson

McCarthy Building Cos.

McCarthy Building Cos. Inc. has appointed **Vladimir Monroe** as director of workforce and community engagement for the 29-state central region. In his new role, Monroe will lead the strategic direction of the region's workforce development initiatives and community engagement efforts. Monroe brings a strong background in public service, compliance and community engagement to his new role. Most recently serving as a supplier enablement specialist, he previously held leadership positions as director of minority business development and compliance for the St. Louis Development Corp. and compliance officer for the City of Chicago. Monroe succeeds Ralph Powell, who has been named senior project manager.



Monroe

Colliers

Colliers has appointed **Josh McGee** as vice chair, enhancing the firm's ability to deliver capital solutions to corporate occupier clients. Based in Chicago, McGee brings more than 25 years of experience advising corporations across a broad spectrum of transactions. McGee will focus on advising corporate clients on sale-leaseback and disposition strategies to support portfolio optimization. In his role, he will collaborate across the platform to deliver integrated capital solutions that support occupier client objectives. Prior to joining Colliers, McGee held a senior role at Cushman & Wakefield where he co-led corporate occupier capital solutions nationally. His experience spans credit analysis and structured finance.



McGee

Henderson Building Solutions

Henderson Cos. has announced that **Jon Runyan** is the new president of its subsidiary Henderson Building Solutions. Runyan, who brings nearly two decades of construction management and leadership experience, previously served as vice president of the Kansas City office of a national commercial design-build contractor. During his tenure, he helped grow the office from \$68 million to \$189 million in annual billings.



Runyan

Baum Realty Group

Brayden Schiff has joined Baum Realty Group as vice president, where he will focus on building out Baum Realty's urban industrial practice with an emphasis on downtown Chicago properties and redevelopment opportunities. Schiff brings expertise in acquisitions, dispositions, leasing and redevelopment, working closely with owners, users and developers to maximize the potential of industrial assets.



Schiff

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PROPERTY	CLASS	LOCATION (CITY, STATE)	SIZE	AMOUNT	LENDER	ARRANGED BY
Millie on Michigan	Multifamily	Chicago	289 units	\$91 million	Invesco Real Estate	N/A
65 E. Wacker Place	Office-to-multifamily conversion	Chicago	252 units	\$73.4 million	Derby Lane Partners, Hoyne Savings Bank	JLL Capital Markets
Home at Ashcroft	Build-to-rent	Oswego, Ill.	178 units	\$64 million	Starwood Capital	N/A
Tiberon Trails Apartments	Multifamily	Merrillville, Ind.	374 units	\$31.3 million	Freddie Mac, MORE Capital	Greystone
Gateway Lofts	Student housing	Lansing, Mich.	181 units	\$30.5 million	ACRES Capital	N/A
Troy Corporate Center	Office	Troy, Mich.	189,790 square feet	\$15.5 million	Life insurance company	BWE
Ridgeview Industrial Center IV	Industrial	Waukesha, Wis.	89,405 square feet	\$6.5 million	Associated Bank	N/A

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JLL BROKERS \$17.3 MILLION SALE OF RETAIL PROPERTY LEASED TO WHOLE FOODS

ST. CHARLES, ILL. — JLL Capital Markets has brokered the \$17.3 million sale of a freestanding retail property occupied by Whole Foods in the western Chicago suburb of St. Charles. The newly renovated building features a 20-year NN lease with the tenant. The property was formerly home to Blue Goose Market, a grocer that operated at the site for nearly a century as downtown St. Charles' only grocery store. Alex Sharrin, Mohsin Mirza and Torri Rosene of JLL represented the sellers, Swanson Development Group and Fort Union. The buyer was an affiliate of Benenson Capital Partners.

ESSEX REALTY GROUP ARRANGES \$11.1 MILLION SALE OF CHICAGO APARTMENT BUILDING

CHICAGO — Essex Realty Group LLC has arranged the \$11.1 million sale of 2407 W. Eastwood Avenue, a 40-unit apartment building in the Lincoln Square neighborhood of Chicago. Completed in 2017, the property features ground-floor retail space and studio and one-bedroom apartments. Amenities include garage parking,

bike storage and shared laundry facilities. Jim Darrow and Jordan Gottlieb of Essex represented the seller.

RED MOUNTAIN GROUP SELLS 548,000 SF SHOPPING CENTER IN ALGONQUIN

ALGONQUIN, ILL. — Red Mountain Group Inc. has sold Algonquin Commons, a 548,000-square-foot retail power center in the Chicago suburb of Algonquin. Nuveen Real Estate was the buyer. Located along Randall Road, Algonquin Commons is home to tenants such as Trader Joe's, The Fresh Market, Nordstrom Rack, Bob's Furniture, Ulta Beauty, Old Navy, Dick's Sporting Goods and Barnes & Noble. Red Mountain Group has focused on repositioning and restabilizing the center since its acquisition. Occupancy increased from 60 percent to more than 90 percent. Bill Bauman of Newmark represented Red Mountain Group in the sale.

TISHMAN SPEYER SECURES TWO FULL-FLOOR LEASES AT 900,000 SF OFFICE TOWER

CHICAGO — Tishman Speyer has secured lease agreements with Rewards Network and CVS Health to occupy a total of 81,931 square feet

at 525 West Monroe, its recently renovated, 900,000-square-foot office tower in Chicago's West Loop neighborhood. Rewards Network, a restaurant rewards and loyalty program, will relocate its headquarters to the tower's 40,956-square-foot sixth floor in September 2026. The fintech company will expand its footprint when it moves from 540 West Madison Street, where it occupies 25,000 square feet. CVS Health will bring together its Chicago-area workforce at 525 West Monroe in early 2026. The healthcare company's new office will span the fifth floor for a total of 40,975 square feet. Tishman Speyer's redevelopment of 525 West Monroe included a new outdoor plaza, entrances and lobby designed by Michaelis Boyd Associates and MDEAS. The Foyer, an all-day café concept that Tishman Speyer created in partnership with Infuse Hospitality, encompasses a bar and table service as well as outdoor patio seating. Tenants also have access to ZO Clubhouse, an amenity center and lounge on the 23rd floor. Tishman Speyer originally developed 525 West Monroe, which is located one block from Chicago Union Station. Ellen May and Stephen Golz represented Tishman Speyer on an internal basis.

CBRE's Brad Serot, Tony Coglianesse and Tyler Reaumont represented Rewards Network, while Robert Sevim and David Mahoney of Savills represented CVS.

CAWLEY CRE NEGOTIATES LEASE FOR 5.7-ACRE INDUSTRIAL OUTDOOR STORAGE PROPERTY

ROSELLE, ILL. — Cawley Commercial Real Estate has secured a lease for the industrial outdoor storage (IOS) facility at 160 N. Garden Ave. in Roselle following its representation of the property's sale earlier this year. The 5.7-acre site features a 28,964-square-foot maintenance facility and a 1,350-square-foot standalone office. Industrial Outdoor Ventures (IOV) acquired the property and appointed Matt Garland, Andrew Maletich and Theo Zacher of Cawley CRE as the leasing agents. IOV made significant renovations to the property post-acquisition that included upgrades to the building systems, refreshed interiors and enhancements to the exterior yard and drive-through bays. The Cawley team secured a lease with National Trench Safety, a provider of trench and traffic safety equipment. The lease term is 87 months.



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KBS SELLS 10-BUILDING PARK PLACE VILLAGE OFFICE, RETAIL PROPERTY FOR \$100 MILLION

LEAWOOD, KAN. — KBS has sold Park Place Village, a 10-building, 484,980-square-foot office and retail property in the Kansas City suburb of Leawood, for \$100 million. DFW Land, a development company that specializes in the acquisition, development and sale of land in the Dallas-Fort Worth Metroplex area, was the buyer. Park Place Village was owned by KBS Real Estate Investment Trust III and purchased in 2015. Developed in phases between 2007 and 2013, the property features amenities such as boutique shops, upscale restaurants, a fitness center, bike storage, electric vehicle charging stations, onsite parking and a rooftop terrace. The surrounding area is home to shopping and entertainment venues, parking garages, the Aloft Hotel, 201 apartment units, 30 townhouses and 27 lofts. The asset was fully leased at the time of sale. Derek Fohl and Gary Carr of Newmark represented KBS in the sale with support from the brokerage firm's Jim Postweiler, Peter Harwood, Jack Trager, Jake Paschen, Robert Hill, Chris Murphy and Austin Sheehan. Attorneys Bruce Fischer and Howard Chu along with paralegal Amanda Kennedy of Greenberg Traurig LLP represented KBS as legal counsel in the disposition. Ari Schwartzbard and Bill Weber of Newmark arranged a \$62 million acquisition loan on behalf of the buyer. Newmark's Henry Stimler provided additional support in the financing.

BERKADIA ARRANGES SALES OF THREE MULTIFAMILY PROPERTIES

KANSAS CITY, MO. — Berkadia has arranged the sale of Ashton Court, a 41-unit multifamily property built in 1960, and Ashton Place, a 37-unit community constructed in 1961, in Kansas City. Michael Spero, Niko Vrentas and Simon Rodewald of Berkadia represented the seller, Shawnee, Kan.-based Landmark Realty. Kansas City-based G1 Real Estate was the buyer. Additionally, the Berkadia team negotiated the sale of The Marseilles Apartments, a 28-unit property in Fairway, Kan. A private Missouri-based partnership sold the asset to Northfield, Ill.-based QMR Partners LLC. Built in 1971, the community offers a mix of studio, one- and two-bedroom units as well as a swimming pool and structured parking garage.

L&B REALTY, BLOCK REAL ESTATE ACQUIRE 624,784 SF LIGHT INDUSTRIAL PORTFOLIO

KANSAS CITY, KAN. — L&B Realty Advisors and Block Real Estate have purchased the Kansas City Light



Park Place Village spans 484,980 square feet across 10 office and retail buildings in South Johnson County.

Industrial Portfolio, a collection of seven light industrial assets totaling 624,784 square feet across three business parks in Johnson County, Kan. The portfolio's assets are located in the Switzer, Westbrook and Brookhollow business parks, all positioned directly off I-35. Built between 1979 and 2001, the properties range from 35,901 to 155,213 square feet. The facilities feature an average clear height of 23 feet and offer both multi-tenant and single-tenant formats across 26 total suites. The portfolio is currently 87.3 percent occupied by users such as healthcare providers, manufacturing companies, distribution operations and professional services firms. Notable tenants include Manna Pro Products, HCA Healthcare, University of Kansas Hospital Authority, Siemens Corp. and Temp-Con. Ed Halaburt, Sean Devaney, Kurt Sarbaugh and Ross Bratcher of JLL represented the seller, Clarion Partners.

MARCUS & MILLICHAP BROKERS SALE OF TWO-PROPERTY SELF-STORAGE PORTFOLIO

TOPEKA, KAN. — Marcus & Millichap has brokered the sale of a two-property self-storage portfolio with 580 units in Topeka. Located at 3200 S. Kansas Ave. and 235 SW Gage Blvd., the facilities total 67,721 rentable square feet. The properties are 84 percent occupied and include climate-controlled and non-climate-controlled units, outdoor parking and portable units. Sean Delaney and Colby Haugness of Marcus & Millichap represented the Utah-based seller and procured the buyer, a Pennsylvania-based owner that engaged KO Storage to manage the portfolio moving forward.

COPAKEN BROOKS WELCOMES THREE NEW RESTAURANTS AT ADVENTHEALTH CAMPUS IN LENEXA

LENEXA, KAN. — Copaken Brooks has announced that three new restaurants are joining the AdventHealth Campus at Lenexa City Center in Kansas. Five Four, Urban Egg and Stoney River Steakhouse and Grill will open between 2026 and 2027. AdventHealth in Lenexa offers emergency care, outpatient services, advanced imaging and physician offices. Formerly 54th Street, Five Four will introduce the newest prototype of the Kansas City-based restaurant with a 10,000-square-foot standalone building with both indoor dining and an outdoor games area. Slated to open in fall 2026, this will be Five Four's ninth metro location and second in Johnson County. Ferguson Properties represented the restaurant in the lease. Urban Egg, a Colorado-founded breakfast and brunch concept with 11 locations across three states, will occupy a 3,400-square-foot restaurant. The Lenexa location is slated to open in late 2026. The Retail Group represented Urban Egg in the lease. Stoney River, owned by SPB Hospitality, will make its Kansas City debut in an 8,000-square-foot space. The steakhouse is slated to open in early 2027. Pace Properties represented the tenant. Urban Egg and Stoney River will be located within a new mixed-use building, which Copaken Brooks began constructing in October. The property will total 24,000 square feet, with office space above ground-floor restaurants. Erin Johnston of Copaken Brooks represented the landlord in all three leases.

GILMORE BELL RENEWS 18,000 SF OFFICE HEADQUARTERS LEASE

KANSAS CITY, MO. — Gilmore & Bell PC, a public finance law firm, has renewed its office headquarters lease for approximately 18,000 square feet within the 2405 Grand Boulevard Building at Crown Center in Kansas City. Michael VanBuskirk, Richard Chamberlain and Raegen Kersey of Newmark Zimmer provided real estate consulting services and represented Gilmore Bell in the lease negotiations. GastingerWalker& is providing architectural and interior design services for the remodel of the entire 11th floor. The 14-story office tower totals 245,000 square feet.

EHP CAPITAL, ASPEN FUNDS BUY APARTMENT PROPERTY FOR \$27 MILLION

KANSAS CITY, MO. — EHP Capital and Aspen Funds have purchased Hunters Glen Apartments in Kansas City for \$27 million. The partnership will launch a comprehensive renovation plan to modernize interiors and upgrade amenities at the 253-unit multifamily community. The property was built in 1975 and includes studio through three-bedroom floor plans ranging from 506 to 1,127 square feet, according to Apartments.com.

BRIDGECORE CAPITAL PROVIDES \$1.8 MILLION REFINANCING FOR MULTIFAMILY PROPERTY

BERKELEY, MO. — BridgeCore Capital Inc. has provided a \$1.8 million loan for the refinancing of a 44-unit, two-story multifamily property in Berkeley, a northwest suburb of St. Louis. The asset was built in 1957.

SKENDER TO BUILD \$105 MILLION MIXED-USE DEVELOPMENT IN WESTFIELD

WESTFIELD, IND. — Skender will build a \$105 million mixed-use project in downtown Westfield, a northern suburb of Indianapolis. Previously known as Jersey 32, the development was recently renamed The Grand on Main. The Westfield City Council approved the project in July. Plans call for 216 residential units, 51,000 square feet of ground-floor retail space and more than 15,000 square feet of commercial office space. Skender will also move into office space within the development. In addition to Skender, the project team includes BW Development and Studio M as designer. Construction is scheduled to begin later this year, with completion slated for 2027.

FLAHERTY & COLLINS UNDERWAY ON DEVELOPMENT OF \$38 MILLION APARTMENT COMPLEX IN RICHMOND

RICHMOND, IND. — Flaherty & Collins is underway on the development of 6Main, a \$38 million luxury apartment complex in Richmond, a city in eastern Indiana. The 150-unit project is being built on the site of the former Elder-Beerman department store and will include 3,000 square feet of first-floor retail space. Amenities will include a fitness center, pool, outdoor and indoor lounges, a pet spa and dog park. Leasing is anticipated to begin in late 2026 ahead of the grand opening in spring 2027.

MID-AMERICA BROKERS SALE OF 182,051 SF SHOPPING CENTER IN FORT WAYNE

FORT WAYNE, IND. — Mid-America Real Estate Corp. has arranged the sale of Covington Plaza, a 182,051-square-foot shopping center in Fort Wayne. Anchor tenants include The Fresh Market, Office Depot, Planet Fitness and The Woodhouse Day Spa. Other tenants include Pet Supplies Plus, Tequila Mexican Cantina, Cap n' Cork, Christopher James Menswear and Catablu Grille. Ben Wineman, Joe Girardi, Rick Drogosz and Eric Geskermann of Mid-America represented the seller, Broad Reach Retail Partners. Charleston, S.C.-based Ziff Real Estate Partners was the buyer.

GREENSTONE PARTNERS ARRANGES \$16.5 MILLION SALE OF TWO INDUSTRIAL FACILITIES IN PORTAGE

PORTAGE, IND. — Greenstone Partners has brokered the \$16.5 million sale of the Addison and Clark buildings, two multi-tenant industrial properties totaling 166,134 square feet in Portage. The transaction represents the highest price per square foot ever achieved for a multi-tenant industrial

investment of 50,000 square feet or larger in the Northwest Indiana region, according to CoStar. Located at 6625 and 6675 Daniel Burnham Drive, the shallow bay buildings are home to a long-term tenant base with an average tenure of 13 years. Flexible suite configurations range from 10,000 to 50,000 square feet. Jason St. John of Greenstone represented the seller, a Florida-based private investor, and procured the buyer, Sperry Equities, a Southern California-based real estate investment group.

REALTERM BUYS 10-ACRE INDUSTRIAL PROPERTY

INDIANAPOLIS — Realterm has acquired a 79-door truck terminal located at 2612 W. Morris St. in Indianapolis for an undisclosed price. The 10-acre property features a 37,965-square-foot truck terminal with 7,635 square feet of office space and a 7,626-square-foot maintenance shop. The truck terminal includes 124 trailer parking stalls and two points of ingress and egress. It recently underwent significant renovations, including a roof replacement, repaved parking lot, interior improvements to the terminal and maintenance facility, and enhanced security measures. The property offers immediate access to I-70 and the Indianapolis International Airport.

JLL BROKERS \$13.8 MILLION SALE OF GROCERY-ANCHORED SHOPPING CENTER

FAIRVIEW PARK, OHIO — JLL Capital Markets has brokered the \$13.8 million sale of Fairview Centre, a 147,602-square-foot shopping center in the Cleveland suburb of Fairview Park. The grocery-anchored property consists of three buildings that are nearly 90 percent occupied by Giant Eagle, which has a 30-year tenure at the center. Additional tenants include Dollar Tree, Onyx Gyms, Goldfish Swim School, UPS and the American Cancer Society. Michael Nieder and Brian Page of JLL represented the seller, Lamar Cos. Axiom Realty purchased the asset.

VIUM CAPITAL TO RELOCATE TO 14,808 SF OFFICE AT GRANDVIEW YARD

GRANDVIEW HEIGHTS, OHIO — VIUM Capital, a seniors housing and healthcare commercial real estate finance firm, has leased 14,808 square feet of new headquarters space at 995 Yard Street within Grandview Yard in Grandview Heights, just north of Columbus. Clayton Davis of JLL represented the tenant. Grandview Yard is a 125-acre mixed-use development featuring more than 1.2 million square feet of office space, 1,500 residences, hospitality, retail and restaurant uses. The neighborhood is home to businesses such as Nationwide Insurance,

OhioHealth, Ernst & Young, Willis, Ineos and Acrisure. The office at 995 Yard St. consists of two connected four-story buildings totaling 245,000 square feet. Amenities include Crossings Café, a fitness center and conference facility. Construction on VIUM's space is underway, with occupancy slated for the first quarter of 2026.

HAMMES BREAKS GROUND ON 80,000 SF ACADEMIC BUILDING IN COLUMBUS

COLUMBUS, OHIO — Hammes has broken ground on OhioHealth Hall, an 80,000-square-foot academic building for healthcare education at Columbus State Community College in Columbus. The facility will feature labs, simulation spaces, classrooms and student amenities. The project, announced in June 2023, is a partnership with OhioHealth. Hammes Healthcare will serve as Columbus State's project manager and owner's representative. The architect is Moody Nolan, and Elford is serving as the construction manager.

TOPGOLF DEBUTS NEW VENUE IN SUBURBAN CLEVELAND

AVON, OHIO — Topgolf has opened its new venue in Avon, about 20 miles

west of downtown Cleveland, on Friday, Sept. 19. The facility is located at 35343 Chester Road and employs roughly 200 people. Topgolf Avon features 64 outdoor climate-controlled hitting bays spanning two levels. Each bay has lounge-type furniture or high-top tables. The venue is equipped with Toptracer technology, which traces each golf ball's flight path, distance and other metrics. The venue also features a full-service restaurant and bar, private event space and outdoor patio.

ACADEMY SPORTS + OUTDOORS OPENS 55,000 SF STORE

BOARDMAN, OHIO — Academy Sports + Outdoors has opened a 55,000-square-foot store at Southland Crossings in Boardman, about 50 miles east of Akron. First National Realty Partners owns the 245,678-square-foot shopping center. The lease backfills a former vacancy and replaces a short-term tenant. The store offers a wide array of sporting goods, outdoor recreation equipment and apparel. Additional tenants at the property include Bob's Discount Furniture, Boot Barn, Giant Eagle, PetSmart and Ross Dress for Less.

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OPUS BREAKS GROUND ON 115,000 SF SPEC OFFICE BUILDING IN EDINA

EDINA, MINN. — Opus has broken ground on Arcadia, a 115,000-square-foot speculative office building at 5100 Eden Ave. in the Minneapolis suburb of Edina. The building will also serve as the developer’s headquarters. Arcadia is located in Edina’s Grandview District on the site of the former Eden 100 building. The development will include a six-story, multi-tenant office building with amenities such as a lobby with fireplace, gathering spaces, conference rooms, an employee training room, private tenant clubroom, workout facility and outdoor terrace. Opus is the developer and design-builder and will occupy Arcadia’s top floor, taking approximately 28,000 square feet. Joe Conzemius, Larissa Bodine, Anne Rinde and Elle Westphal of CBRE are marketing the remaining space for lease. ESG Architecture & Design is the architect of record.

CBRE NEGOTIATES SALE OF 78,215 SF WAREHOUSE

BROOKLYN PARK, MINN. — CBRE has negotiated the sale and acquisition financing for 610 Business Center, a 78,215-square-foot warehouse in the Minneapolis suburb of Brooklyn Park. Water Street Partners sold the asset to i3 Investors. Located at 9300 Winnetka Ave., 610 Business Center offers convenient access to I-94 via Highway 610. The facility was fully leased to Southern Graphics Systems and Twin Cities Habitat for Humanity at the time of sale. CBRE’s Bentley Smith, Judd Welliver, Zach Graham, Ryan Bain, Joe Horrigan and Michael Caprile represented the seller. CBRE’s



Flux Apartments in Uptown Minneapolis was built in 2012.

Billy Mork, Mike Vannelli and Joel Torborg arranged a fixed-rate loan with interest-only payments for the full term on behalf of the buyer.

JLL BROKERS SALE OF 216-UNIT LUXURY APARTMENT COMMUNITY

MINNEAPOLIS — JLL Capital Markets has brokered the sale of Flux Apartments, a 216-unit luxury apartment community in the Uptown neighborhood of Minneapolis. Built in 2012, the property features amenities such as an outdoor pool, fitness center, yoga studio, outdoor courtyard and dog park. There are 27 floor plans averaging 758 square feet each. Josh Talberg and Joseph Peris of JLL represented the seller, Nuveen Real Estate, and procured the undisclosed buyer.

ANNEX GROUP BREAKS GROUND ON \$25.8 MILLION AFFORDABLE HOUSING COMMUNITY IN MILWAUKEE

MILWAUKEE — The Annex Group has broken ground on Union at Rose Park, a \$25.8 million affordable housing community in Milwaukee. The property will offer 75 one-, two- and three-bedroom units for households earning a range of income levels starting at 30 percent of the area median income to market rate. Nine units will be targeted to veterans. Amenities will include a community room, fitness center and business center. Project partners include Ware Malcomb, raSmith, Integrity Structural Corp., Latimer Sommers & Associates, Terracon, Heartland Energy Consultants, Baker Tilly, ACC Management Group

and Impact Housing Indiana, an organization dedicated to supporting residents of affordable housing communities within Annex’s portfolio. Impact Housing Indiana will have a dedicated onsite space within Union at Rose Park. Advantage Capital provided more than \$9 million in federal equity and just under \$3 million in state credit equity for the project. The Wisconsin Housing and Economic Development Authority allocated 4 percent tax credits, approximately \$13.5 million in tax-exempt bonds and both a \$1 million Vacancy-to-Vitality loan and a \$125,000 Infrastructure Access Funding loan. Cedar Rapids Bank & Trust served as construction lender, providing more than \$18 million, and later as the permanent financing lender with over \$8 million. Additionally, the Redevelopment Authority of the City of Milwaukee offered \$750,000 in Brownfield funding aid.

MCSHANE TO CONSTRUCT 174,367 SF MANUFACTURING BUILD-TO-SUIT PROJECT

KENOSHA, WIS. — McShane Construction Co. will build a 174,367-square-foot manufacturing build-to-suit project in Kenosha. The undisclosed tenant will utilize the space for manufacturing and warehousing metal products. Positioned on an 86-acre site, the precast building will include 77,100 square feet of manufacturing space and 52,500 square feet of warehouse space with a clear height of 40 feet, 10 truck docks and four drive-in doors. The building will also feature 9,000 square feet of office space and 171 parking stalls. Completion is slated for June 2026. Harris Architects Inc. is the project architect.

▶ QUESTION OF THE MONTH

What impact do you foresee the Federal Reserve’s quarter-point rate cut in September having on commercial real estate momentum for the remainder of the year?

Dan Smolensky
Founder,
Principal,
TMG Real Estate
Advisors



A couple of years ago, when the Fed raised interest rates aggressively to fight inflation, it created a disconnect between interest rates and cap rates — effectively freezing the capital markets.

Looking ahead, any rate cuts from the Fed could reignite transaction activity and bring much-needed momentum. That said, we’re still some distance from a healthy equilibrium between interest rates and cap rates.

Michael Nortman
Founder,
CEO,
Xroads Real Estate
Advisors



The recent rate cut could be a useful tailwind for pending transactions by reducing concern for retrades, and it could also help fuel some multifamily transactions or 1031 exchanges.

I don’t think it helps office or unstable balance sheets. Overall, the news is encouraging, but there’s still more pain to come and the recovery will be slow.

Jon Morgan
Co-Founder,
Managing Principal,
Interra Realty



The decision by the Federal Reserve to trim its benchmark rate is a signal that the market is stabilizing and heading in the right direction.

Lenders had already been engaging with us in anticipation of the Fed’s September rate cut, and I believe the lower borrowing costs will give investors the flexibility to more efficiently secure financing for deals.

We also expect this rate reduction will give investors the assurance to

pursue more opportunities, encouraging those who were still capitulating to start moving aggressively back into the market.

With rates shifting down, commercial real estate as a whole stands to benefit from a more favorable transaction environment.

This is especially true for the multifamily sector, where consistent occupancy and long-term rental trends give investors confidence to move quickly when financing becomes more accessible.

WHY RETAIL REAL ESTATE IS POSITIONED TO THRIVE

Amid shifting consumer and capital markets, experience-driven shopping centers continue to draw traffic.

By Thomas Huth

The U.S. retail real estate sector is entering a pivotal period defined by two powerful forces: resilient consumer spending and a shifting interest rate environment.

While headlines often dwell on economic uncertainty, the fundamentals of well-located, experience-driven retail centers remain strong. For investors, developers and tenants alike, understanding how sentiment and monetary policy are shaping the landscape is essential.

A mixed picture of consumer

Consumer spending has remained surprisingly durable despite higher prices and a softening labor market. U.S. retail sales rose 0.6 percent in August 2025, marking the third straight month of growth, according to Census Bureau data. Shoppers continue to prioritize essentials and experiences, with grocery, value-oriented retailers and food-and-beverage concepts outperforming other retailers.

According to Placer.ai data, discretionary categories such as apparel saw more mixed traffic trends, with visits remaining largely stable nationwide (thanks in part to off-price chains), though some regional variation was notable.

Open-air properties anchored by daily needs tenants — grocery stores, personal services, health and wellness services — complemented by dynamic dining and entertainment are continuing to outperform, even as more optional categories face pressure. The outdoor format itself has proven



Thomas Huth
O'Connor Capital Partners

resilient, offering consumers the convenience and accessibility they prefer while providing the experiential elements that drive repeat visits. The winners in today's environment are those centers designed with flexibility, data-driven tenant planning and a strong read on trade-area demographics.

What the Fed's pivot means

The Federal Reserve's recent decision to cut interest rates for the first time in nine months, and signal potential additional cuts, has significant implications for retail real estate. Lower borrowing costs directly affect acquisition and refinancing opportunities, improving the economics of both development and redevelopment.

Institutional capital, which had taken a cautious stance during the Fed's extended pause, is showing signs of renewed interest as clarity improves, according to JPMorgan's midyear outlook.

Importantly, the rate environment is not just about the landlord. Lower costs of capital can also encourage tenant expansion and renovation plans, given a more competitive cost of capital for capital expenditures, and less pressure on overall company profits due to lower financing costs.

From a development perspective, CBRE notes that retail space availability has been limited in recent years, creating a supply-demand imbalance that supports rent growth. The overall cost to develop remains generally higher than the rents needed to support such development, and we expect development activity to continue to be muted, though there may be a pickup in redevelopments.

High-growth markets

Polaris Fashion Place in Columbus, Ohio, offers an instructive case study.

Developed as a top-tier destination center with a mix of national brands, experiential dining and entertainment, Polaris has consistently adapted to consumer preferences. Its performance highlights why thoughtfully planned retail in high-growth, high-income trade areas continues to thrive.

The property has remained resilient by evolving the tenant mix, investing in experiential amenities and creating a vibrant open-air environment that encourages extended visits and repeat traffic. This kind of proactive asset management illustrates the long-term viability of best-in-class retail real estate.

Similar stories are playing out in markets across the country, from redevelopments in Dallas and Denver to adaptive reuse projects in suburban Boston. The common thread is that these projects are not just about shopping, they're about meeting consumer needs for convenience, community and experience in an accessible setting.

Emerging trends

Several themes are shaping the trajectory of retail real estate today. Daily needs tenancy is proving to be the foundation of resilient performance, with grocery stores, health services and value retailers driving consistent traffic regardless of economic conditions. These necessity-based anchors create the frequency that supports complementary experiential tenants.

Experiential retail and dining concepts are increasingly important differentiators, as consumers seek out entertainment venues, chef-driven restaurants, fitness studios and service-oriented businesses that create reasons to visit beyond basic shopping trips.

The open-air format itself contin-

ues to gain favor, offering consumers the convenience of easy access and parking, the appeal of outdoor environments and the flexibility that has become especially valued in recent years. Mixed-use integration is gaining momentum, as grocery-anchored centers and health-oriented retail are increasingly complemented by residential components that drive daily traffic and diversify income streams.

Finally, the rise of data-driven tenant planning is proving to be indispensable. Owners and operators who leverage trade-area analytics and mobility data are better positioned to optimize tenant mixes, boost foot traffic and align with evolving consumer spending patterns.

A constructive outlook

While economic headlines may emphasize uncertainty, the outlook for retail real estate remains constructive. The consumer is still spending, though selectively; the Fed is easing financial conditions; and the fundamentals of supply and demand remain favorable in most markets. The properties best positioned to succeed are those that are well-located, anchored by daily needs tenants, enhanced by experiential concepts and data-informed.

For investors and developers, the message is clear: retail real estate is not only surviving, it is thriving. By embracing mixed-use concepts, prioritizing daily needs anchors, curating compelling experiential tenant mixes and leveraging analytics to stay aligned with consumer behavior, the sector is poised to deliver sustainable growth in the years ahead. The result is a landscape where retail remains both a resilient asset class and a vital contributor to the vitality of communities across the country. ■

Thomas Huth is managing director of investments and capital markets for O'Connor Capital Partners.



Polaris Fashion Place in Columbus, Ohio, offers an open-air environment that encourages extended visits and repeat traffic.

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- Collaboration Between Concepts, Landlords & Designers



Images from concepts presented at EEE 2025

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MARKET HIGHLIGHT: CHICAGO

CHICAGO MARKET ADAPTS AS RETURN-TO-OFFICE MOMENTUM BUILDS



Nicole McAleese
Leasing Associate,
Urban Innovations

As autumn arrives, Chicago's commercial real estate market continues to evolve in response to changing workplace strategies and a growing return-to-office (RTO) movement. With major employers tightening in-office attendance policies, both landlords and tenants are adapting to new demands around space, flexibility and location.

Shift in tenant behavior

Over the past year, Chicago has seen a noticeable shift in how companies are approaching their office needs. Where many tenants once sought short-term lease extensions or downsized footprints during the height of hybrid experimentation, 2025 has brought renewed interest in long-term planning and, in some cases, expansion.

Several high-profile lease transactions underscore this trend. Stripe recently doubled its Chicago office space to 89,000 square feet, while law firm Arnold & Porter relocated from the Loop to a new 40,000-square-foot lease, according to *Crain's Chicago Business*. While some firms continue to downsize or consolidate, there's a clear cohort of companies reinvesting in physical office environments that support collaboration, talent attraction and cultural cohesion.

These trends mirror national patterns. According to *CRE Daily*, a growing number of U.S. employers are en-



Urban Innovations completed 28 leases totaling more than 74,000 square feet in the first half of 2025. Pictured is 325 W. Huron St. in Chicago, where private real estate investor Midloch signed a new lease for 3,815 square feet.

forcing stricter in-office attendance, accelerating the shift away from a purely remote or hybrid-first mindset. The Archie RTO Tracker highlights companies like JPMorgan, Amazon and Meta as leaders in this return movement.

Flexibility, turnkey spaces

Across Chicago submarkets, from the Loop and West Loop to Fulton Market and the Near North Side, flexibility has emerged as a top tenant priority. Companies are not just seeking space: they're seeking ready-to-use, experience-driven environments that align with the way teams work today.

Landlords are responding by rethinking how space is delivered. Move-in-ready suites with thoughtful layouts, high-end finishes and premium furnishings are increasingly re-

placing traditional shell or raw space. This strategy allows tenants to reduce upfront capital costs and speed up occupancy timelines.

Design-forward spec suites are also becoming a powerful leasing tool. Many landlords are collaborating with designers to deliver visually engaging spaces that help tenants quickly envision how a space can support productivity, brand expression and employee engagement. According to CBRE's 2024 Office Occupier Sentiment Survey, the "flight to experience" is now a driving force in office decisions, often outweighing cost as the top priority.

Outlook: cautious optimism

While vacancy rates in some areas remain elevated, particularly in older Class B and C properties, demand is holding steady or growing in build-

ings that offer quality, location and flexibility. Newer Class A properties and recently modernized assets are capturing the lion's share of leasing activity, while underperforming buildings are being repositioned or repurposed.

Submarkets like Fulton Market continue to attract attention from tech, life sciences and creative firms, while the Central Loop is seeing movement from legal, financial and professional services tenants looking to upgrade without leaving the core business district. Transit accessibility, wellness features and building amenities are playing a larger role in decision-making.

As companies continue to refine their in-office strategies, Chicago's commercial real estate market appears positioned for a gradual but steady recovery. Landlords who embrace flexibility, experiential design and proactive tenant engagement will be best equipped to thrive in this evolving landscape.

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FISCAL CHALLENGES WEIGH ON NEAR-TERM OUTLOOK OF CHICAGO INDUSTRIAL MARKET



Marc Hale
Associate,
DarwinPW Realty/
CORFAC International

The Chicagoland industrial market continues to stand out as one of the most important in the country. Its location at the center of the U.S. transportation network gives companies the ability to reach nearly one-third of the nation's population within a single day's drive.

Six Class I railroads, an abundance of intermodal facilities and seven major interstate highways all converge here, making it one of the most efficient distribution platforms in North America. Chicago O'Hare International Airport also ranks among the top cargo airports in the world, adding critical global connectivity.

These advantages are reinforced by a large and diverse labor pool, which has long supported the region's position as a major hub for manufacturers, distributors and logistics providers. The area's role as a manufacturing hub is further reinforced by its proximity to major steel mills and primary metal production facilities, the depth of its skilled workforce and plentiful access to water from Lake Michigan, which has long supported heavy industry and advanced manufacturing across the region.

The market's vacancy rate has been trending higher, moving from 5.2 percent in the third quarter of 2024 to 5.9 percent in the third quarter of 2025. Despite the increase, the market is

still tighter than both its 7.4 percent historical average and the 7.5 percent national benchmark. Net absorption over the past year reached 11.9 million square feet, but new supply of 17.4 million square feet has outpaced demand, leaving portions of recent deliveries still working through lease-up and adding to the sense of slower velocity in the market.

While rents remain on a slight upward climb, the more noticeable trend is the rise in concessions, with landlords increasingly using abatement and flexible deal structures as the primary tools to attract and retain tenants. Beyond these supply and demand dynamics, fiscal and policy challenges are also shaping the market.

Ongoing fiscal issues

Despite the strengths of the Chicagoland industrial market as a national hub, ongoing fiscal challenges at both the city and state level continue to create uncertainty. Illinois faces persistent budget pressures, and the City of Chicago faces structural deficits that increase the likelihood of pursuing new revenue measures.

The city projects a \$1.2 billion budget shortfall for 2026, its largest on record, and Moody's downgraded Chicago's credit outlook earlier this year, underscoring investor concerns about long-term fiscal stability. Property taxes remain a potential tool for the city and county to address budget gaps, and additional increases could add to the cost burden for property owners and tenants alike.

In addition to these government-induced headwinds, persistent uncertainty surrounding tariffs and trade

policy has forced some deals to hit pause while trade agreements are finalized. The lack of clarity has made both tenants and investors more deliberate in their decision-making, adding another layer of caution to the market.

The Chicagoland market is still working through fiscal pressures, trade policy uncertainty and tight lending conditions that have kept deal cycles extended. These challenges define the near-term environment but do not change the area's long-term position as one of the country's most strategic industrial hubs.

Even with these headwinds, the Chicagoland industrial market maintains competitive advantages that

few markets can match. Its location, infrastructure and labor force keep it a critical link in the national supply chain, and investor capital remains active, with capital positioned to support long-term growth. The recent shift in interest rates is beginning to ease some of the financial pressure, and over time, this should create a more favorable environment for both buyers and sellers.

In the near term, the market is likely to remain selective and cautious. Longer term, the region's fundamentals provide a resilient base that positions it to recover and remain one of the most strategically important industrial markets in the country.



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Principle Construction is progressing on an expansion for EleMech, Inc., a national manufacturer of municipal water and wastewater pump controllers, in Aurora, Illinois. The 17,000 square foot expansion will include a new manufacturing space bringing the building to 105,600 square feet.

The new manufacturing space will have 26 foot clear height, a 20 ton HVAC unit, sprinkler system, and one drive-in door. Its exterior will include a 45 mils ballasted roof and 21 new parking spaces.



DarwinPW Realty/CORFAC International recently represented the landlord in a new lease for the entire 40,048-square-foot building at 185 Industrial Drive in Elmhurst, Illinois, to the Elmhurst Park District.

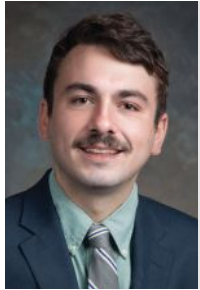


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▶ MARKET HIGHLIGHT: OMAHA

OMAHA POPULATION GROWTH FUELS RETAIL MARKET INTEREST



Sam Rolfe
Associate Broker,
The Lerner Company

It seems Omaha's retail market shows no signs of slowing down from a position of strength, which received a tangible boost when the metro-area population hit the magic 1 million mark. It's funny that this population hurdle opens the eyes of retailers so much more than 970,000 would, but there's no doubt that it does, and the market has reacted accordingly, with year-over-year asking rents up 5.4 percent.

The seemingly rapid growth and development have not vastly affected the city's historically strong fundamentals and high occupancy rates however, with the vacancy rate in the metro at 4.4 percent. This low vacancy is partially a byproduct of the historically low supply that has plagued the market in recent years.

Over the last decade, we have seen vast westward growth and somewhat stagnant activity in the urban core and central region. Although the westward march continues, it is now coupled with large amounts of urban development, making the city's retail market strong within eastern submarkets.

The old adage "retail follows rooftops" has held true throughout this growth cycle, as retail developments follow the suburban growth of both homes and apartments. One example of this is at the intersection of 192nd



Earlier this year, Old Mill Centre in Omaha sold for \$7.5 million. The 21-suite retail strip center totals 75,089 square feet across four buildings.

Street and Highway 370 where three of the four corners have large retail developments in progress or slated for construction. Another is the recently announced 500,000-square-foot retail development, Gretna Crossing, from The Lerner Company.

Lockwood has begun a development that will be highlighted by a 125,000-square-foot Nebraska Medicine Health Center, and further progress is being made on Access Commercial's Gretna Landing, anchored by Hy-Vee's flagship store.

Grocery-anchored centers have become a darling child in the investment market, and this bullishness is reflected in suburban developments with the aforementioned Hy-Vee and Baker's planned 123,000-square-foot store on 204th and Q streets, as well as a new location slated for 183rd and Maple streets.

Another West Omaha development, Avenue One, is making use of the Good Life District incentive, which offers tax benefits to developments that

bring new-to-market concepts to spur local consumer excitement and create jobs. These developments all hold high expectations of drawing top-tier retailers and shaping the future of the city.

Urban retail activity also follows "rooftops" with new apartment developments. This submarket received fuel from the downtown renaissance highlighted by the new Gene Lahey Mall and Riverfront Park, as well as progress on the streetcar connecting Blackstone and UNMC to downtown. Leasing of retail at streetcar-oriented developments such as 37 West in the Blackstone district have been impressive, considering the asking rents exceed what is traditional in our urban core. In years past, transit-oriented retail has underperformed in a market that's largely auto-centric, but retailers are making big bets that this isn't the way of the future.

The only area on the line that still can't seem to find solid footing is Midtown Crossing, with significant

closures like Modern Love and Wholner's. UNMC's campus growth can't be overlooked as a retail driver either, one example being Big Grove Brewery, a part of the 170,000-square-foot Catalyst redevelopment of a former steel factory along Saddle Creek. Beyond here, construction has finally begun on the long-awaited Crossroads Mall redevelopment, led by Woodbury Corp., a group out of Salt Lake City known for similar projects around the country. Movement on Crossroads, along with the nearly complete Omaha Library, will certainly bring a much-needed boost to what many consider the "main and main" intersection of 72nd and Dodge streets.

Investment activity

Investment deals have seen healthy activity across the board, although most will tell you there are far more buyers looking to add to their portfolio than sellers willing to shop deals. This is partially a result of the interest rate gridlock we've seen in recent years, as well as stable, healthy occupancy at attractive rent numbers.

For assets that cashflow well above debt service, and a relative lack of available supply, it's hard to incentivize owners to let go of trophy assets. However, buyers have found a way at least to some degree, as investment sales volume in the second quarter rose to a higher level than any quarter in the previous year.

Leasing, store closures

An observable trend in the leasing market is a high degree of store closures with near instant backfill of spaces at higher rents, especially in the restaurant sector. Another is long-time, successful urban Omaha classics adding locations on the west side. An example that likely surprised many locals was the addition of Tracks West, considering Tracks has comfortably performed in its Aksarben location for 60+ years without ambition to expand its footprint in the market.

Overall, one thing is for sure, there's been no lack of news in the retail headlines this year, with new users, developments and announcements popping up on a seemingly daily basis. Although exciting and fast paced, the retail market has retained the classic Omaha value of stable performance that doesn't prescribe to the roller-coaster booms and earthshattering downturns seen in larger coastal markets. It's encouraging to see that this has bled into nearly every submarket of the city and not just the bullishness of the west.

Omaha's retail market is poised to remain full of headlines and executed projects. Many would agree that it's an exciting time to be a local consumer.



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E-MOBILITY IS HOT — SOMETIMES TOO HOT: FIRE SAFETY FOR COMMERCIAL PROPERTIES

Lithium-ion batteries are powering electric vehicles, e-bikes and e-scooters, but with that growth comes new fire risk. Here's how building owners can meet tenant expectations while keeping office buildings safe.

By Suzanne Hendrick

September was National Preparedness Month, and since then I've been thinking about how to generate more attention for an increasingly common risk: e-mobility fire hazards in commercial properties. Now, with Fire Prevention Week happening in October, the theme — "Charge into Fire Safety" — feels especially relevant.

More than just a street-level trend, e-mobility is moving into today's office buildings, with electric vehicles (EVs), e-bikes and e-scooters showing up in garages, workspaces and even stairwells. While their presence is highly visible and celebrated for advancing sustainability and accessibility, the fire risks posed by the lithium-ion batteries powering these devices often go unnoticed.

At a recent BOMA/Chicago Preparedness Committee meeting, local fire officials reminded me that these new fire dynamics demand attention. Let's take a closer look at the rise of e-mobility in office environments and what building owners can do to stay ahead of fire risks.

The rise of e-mobility at work

In the past few years, EV charging stations have moved from "nice-to-have" amenities to features tenants simply expect. Nearly three-quarters of prime U.S. office buildings have EV charging stations, while professionals routinely shoulder e-scooters or e-bikes on their way up from transit to work.

Growth stems from tenant demand, government incentives and cities pushing for more accessible, livable environments. In Chicago, ComEd offers incentives encouraging building owners to install chargers. However, it's important to consider that employees commute with e-bikes and scooters, often carrying them straight into offices. The convenience is obvious, but these devices can pose hazards whether charging or stored indoors.

E-mobility fire risks

When lithium-ion batteries fail, they can ignite suddenly, burn hotter and resist extinguishing more than gasoline, according to the National Fire Prevention Association (NFPA). Fires may occur due to overcharging, physical damage, faulty chargers or even high ambient temperatures — even when devices are at rest.

The risks are real and increasing. At our BOMA preparedness meet-

ing, Chicago Fire Department officials noted several recent EV-related fires, including one in a vehicle that wasn't charging. Meanwhile, New York City reported 267 e-mobility fires in 2023, causing 150 injuries and 18 deaths, many linked to e-bikes and scooters. Large-scale garage fires in Liverpool and South Korea have also raised urgent questions about safely accommodating growing EV infrastructure demand.

Insurance companies are adjusting accordingly. One insurance expert told me that underwriters now routinely ask about EV charging stations and their proximity to insurable structures. Some require NFPA 13 sprinkler systems for garages with charging stations for coverage. Placement matters: chargers near entrances help fire crews access scenes quickly. Fire departments are even developing new tools, like the "turtle" device that slides under cars to reach overheated batteries directly.

Protect your office buildings

Commercial property owners can take several key steps to manage these changes while meeting tenant expectations:

- **Upgrade infrastructure:** Confirm your electrical system and sprinkler coverage can handle charging demand. The NFPA recommends automatic sprinklers in garages with EV charging.

- **Be strategic about placement:** Install

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Suzanne Hendrick
Xroads Real Estate Advisors

chargers near entrances or exits for quick emergency access.

- **Plan for scooters and bikes:** Prohibit storage in evacuation routes or stairwells. Provide safe, designated areas instead.

- **Add emergency measures:** Equip EV chargers with disconnect switches for quick power shutoffs.

- **Educate tenants and staff:** Share safe charging practices — use manufacturer-approved chargers, avoid overnight charging and don't push batteries to 100 percent.

- **Communicate clearly:** Provide NFPA and local fire department resources so tenants understand the risks without creating alarm.

- **Read and share information:** Learn more by exploring resources like NFPA's parking garages and EV fire safety research and lithium-ion battery safety fact sheets, the Fire Department of New York's PSA on lithium-ion battery safety and BOMA's

brief on battery fires from e-bikes and scooters and related legislation.

Staying safe

We're still learning how to manage these risks. Federal agencies and local fire departments are refining standards as we speak, much the way earlier generations strengthened codes after blackouts or major fires.

For commercial real estate, the question is no longer whether to provide e-mobility options — markets, tenants and policy have decided that. The real challenge is how to integrate them responsibly. With awareness, planning and open communication, property leaders can keep buildings safe while supporting a more accessible, sustainable future across our cities and beyond. ■

Suzanne Hendrick is COO of Xroads Real Estate Advisors and a BOMA/Chicago board member.

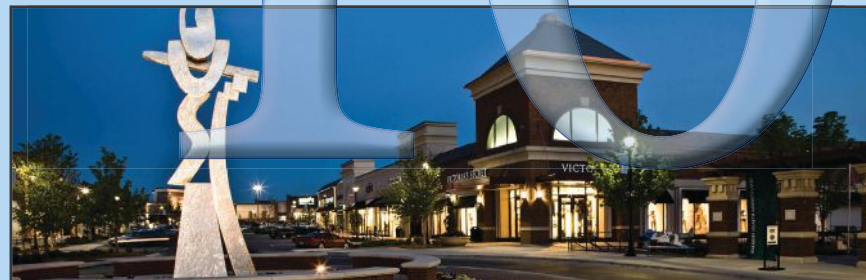
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CHICAGO RETAIL SHINES IN NEIGHBORHOODS, SUBURBS

RETAIL from page 1

to as the Magnificent Mile recorded a vacancy rate of 28.8 percent in the third quarter, according to Chicago-based retail brokerage and advisory firm Kirsch Agency. That figure is down from 33.5 percent in 2024.

The Mag Mile has struggled with a number of issues since the onset of the pandemic, including a lack of foot traffic and crime issues. In recent years, luxury retailers have flocked to Chicago's Gold Coast neighborhood, adding to the vacancies along Michigan Avenue. The Gold Coast is a historic district that is part of the Near North Side area and is bounded by North Avenue, Lake Shore Drive, Oak and Clark streets.

Despite negative net absorption of 1.7 million square feet year to date through the second quarter, Chicago's overall market vacancy rate hit a near 30-year record low of 4.9 percent, according to the latest data from JLL. The brokerage firm states that the supply-constrained environment is characterized by historically tight inventory and a limited development pipeline.

Retail projects under construction in the second quarter totaled 758,218



In April, a Harry Potter experiential shop opened below the Omni Hotel Chicago along Michigan Avenue. The store is filled with an array of themed areas, merchandise, props and a Butterbeer Bar.

square feet, a decrease from 1 million square feet the same period a year ago, according to Lee & Associates.

"Inventory is extremely limited in the primary neighborhoods," emphasizes Nicole Cardot, a vice president with Chicago-based Baum Realty Group LLC. "That said, new development is constrained, so existing stock of premium retail becomes more valuable. Inventory feels a lot tighter this

year versus previous years, especially for small-shop spaces in primary markets."

Neighborhood hot spots

Neighborhood expansion is still the focus for retailers, says Cardot, adding that brands coming from out of state are mainly interested in the Gold Coast or West Loop. "Rents are increasing steadily, especially in competitive markets such as West Loop, the Southport corridor and Lincoln Park," says Cardot. "In primary markets, landlords will have multiple offers, so they are able to hold firm on their positions."

Flinchbaugh says rents in the Gold Coast are the highest they've ever been, with most deals getting signed at \$300 per square foot or more. Rents have also spiked on Randolph Street in Fulton Market, reaching the \$90 to \$100 per-square-foot range. For context, the overall market's average asking rate was \$21.91 per square foot triple net in the second quarter, according to Lee & Associates.

A lack of available space is particularly noticeable in areas such as the Southport corridor between Addison and Roscoe streets, which has zero vacancy, according to Flinchbaugh. The Armitage area between Sheffield Avenue and Halsted Street maintains a 4 percent vacancy rate.

"With the exception of Fulton Market, the lack of traffic from low office occupancy is still hurting restaurants and retailers in Chicago's central business district," says Rick Scardino, a principal with Lee & Associates of Illinois. "For now, the suburbs continue to be a safer bet."

Chicago's office vacancy rate in the central business district has continued to rise since the onset of the pandemic, reaching 26.5 percent in the third quarter of this year, according to CBRE. The brokerage firm notes that the vacancy rate for Class B buildings has risen nearly 20 percentage points

to 33.3 percent since the third quarter of 2020. Class A properties have experienced a rise of less than six percentage points in that same period.

Wayne Caplan, a senior vice president with SVN Chicago Commercial, says many retail tenants downtown still find it difficult to be financially successful due to high real estate taxes in Cook County and overall operational costs. In addition, crime levels and office vacancy still negatively impact the retail sector.

The city's potential

Despite lamenting downtown's retail woes, sources are still optimistic about the city's future retail scene.

Submarkets that have struggled to make a comeback post COVID such as the central business district, as well as other past hotbeds like River North, have recently experienced an uptick in leasing activity and increased demand, says Scott Reinish, a senior vice president with Colliers Chicago who has recently taken on leasing assignments in the Lincoln Square and Belmont Cragin neighborhoods. He says there is a consistent demand for smaller footprints ranging from 1,500 to 3,500 square feet.

A prominent example is Japanese fashion brand Uniqlo, which plans to open a store at 600 N. Michigan Ave., four years after shuttering its previous location on the Magnificent Mile. In June, Spanish fashion retailer Mango announced it would debut a store on Michigan Avenue, and in April, a Harry Potter experiential shop opened below the Omni Hotel Chicago at 676 N. Michigan Ave.

"There is a great amount of opportunity still along Michigan Avenue," says Flinchbaugh. "The traffic the street sees is still unmatched and will no doubt attract retailers looking for flagship locations."

Caplan's firm recently represented Raygun, a regional apparel and collectables retailer, in its new lease at

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1 N. State St. in the Loop.

“Raygun was able to take advantage of a recovering — but not recovered — State Street landscape and wanted its second store in Chicago to be in this downtown area near tourism, hotels and schools,” says Caplan. “While business travel has not come back to pre-COVID levels, tourist travel remains strong. Raygun wanted a store location that was accessible to these retail traffic sectors.”

In 2024, the Windy City welcomed an estimated 55.3 million visitors, according to the City of Chicago. From June through August 2025, hotels in the central business district filled over 3.5 million room nights, a 4.3 percent gain over 2024 and surpassing the previous record set pre-pandemic in the summer of 2019. Leisure travelers occupied 2.5 million hotel rooms, up 11.2 percent compared with 2024.

A large swath of retail space was taken off the market when Universal Destinations & Experiences selected Chicago for the second location of its year-round immersive horror experience, Universal Horror Unleashed.

The entertainment venue will transform a vacant 114,000-square-foot commercial building at 700 W. Chicago Ave., directly across from the new Bally’s casino that is slated to open in 2026. Legislation expanding gambling

in Illinois to include land-based casinos was passed in 2019, and the city council approved the Bally’s project in 2022.

Suburban activity stays hot

Chicago’s suburbs are experiencing plenty of expansion activity from daycares, indoor play areas, pickleball, restaurants, healthcare and fitness tenants, according to Brad Belden, a senior vice president with Colliers Chicago. He says most of these users are more regional or local and not household names yet.

Caplan agrees with Belden’s assessment, noting that his firm recently completed leases with medical and dental tenants as well as local restaurants, nail and hair salons, fitness concepts, daycares and home design stores.

Scardino has represented a couple new market entrants in the personal care category. These tenants include Hammer & Nails, a luxury barber shop and grooming experience for men, and Woodhouse Spa.

Coffee competition in the market is hot despite the upcoming closure of dozens of Starbucks stores in the metro area, says Scardino. At the end of September, Starbucks announced that it would close several hundred underperforming company-operated stores across the country as part of a



Daycare centers are expanding across suburban Chicago. Pictured is a rendering for The Nest Schools in Vernon Hills, Illinois. Fortec is redeveloping the property, which formerly housed an ambulance warehouse.

broader \$1 billion restructuring effort. Expanding retailers in the coffee segment include 7 Brew, Scooter’s, Biggby and Dutch Bros.

Car washes are another actively growing segment in the market. Brands such as Buddy Bear, Driven and Tommy’s Express are making headlines for their growth, says Scardino.

Only time will tell if continued inflation will inhibit retailer expansion plans. The annual inflation rate in August was 2.9 percent, based on the Consumer Price Index, an increase from July’s figure of 2.7 percent.

“The continual rising cost of goods changes consumers’ shopping behavior by reducing discretionary spending and driving demand toward value-oriented and necessity-based retailers,” says Autumn Psaros, a senior vice president with Naperville-based Caton Commercial Real Estate Group.

“This puts more pressure on and reduces profit margins for mid-tier and discretionary retailers,” continues Psaros, “which leads to more cautious expansion strategies and, in some cases, store closures or lease renegotiations.” ■

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INTERSTATE CORRIDORS DRIVE INDUSTRIAL DEVELOPMENT

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costs, a pro-business community and economic development partners that have supported and encouraged construction.

Battle also emphasizes “significant momentum” in the region with major corporations such as Eli Lilly & Co., Microsoft and Uline making extensive investments in real estate development projects. “This activity not only reinforces the strength of the I-94 corridor but also attracts additional investment and businesses looking to make the most of the area’s growing economy,” says Battle.

Hempel Real Estate, which maintains offices in Minneapolis and Milwaukee, is currently underway on Brockton Business Park in Corcoran, Minnesota, a northwest suburb of Minneapolis near I-94. The two-building, 540,000-square-foot project marks the first deployment of capital under a new \$300 million joint venture between Hempel and TPG Angelo Gordon. The venture is aimed at building and acquiring industrial assets across the Midwest over the next five years.

Brockton Business Park will feature ample trailer and auto parking as well as direct access to County Road 101 and convenient connections to I-94 via Dayton Parkway and the future Highway 610 extension.

Bill Katter, principal and head of development with Hempel, says that proximity to major interstates is really important for attracting industrial tenants because every type of user wants access to freeway and transportation routes. Katter says that properties with better access and visibility to highways can garner up to a 15 percent premium in rent. But at the same time, land costs are at a premium for parcels located within inner freeway rings.

Hempel’s site selection process is focused on supply and demand dynamics. “We look at which submarkets



Mapletree Investments is building a 276,000-square-foot logistics facility in Joliet, Illinois. Situated along the I-80 and I-55 interchange, the site offers convenient access to the Joliet Intermodal Center. (Rendering courtesy of Powers Brown Architecture)

are undersupplied and where land is zoned commercial or industrial,” says Katter. “We assess where other users are going, how infrastructure will change and how easy it is to access freeways.”

Katter says that there is less supply now in the Twin Cities market than the previous three years except for the northwest suburbs, which comprise the biggest submarket with the highest demand and absorption. Cities in this submarket include Maple Grove, Rogers and Brooklyn Park. In the third quarter, the Northwest submarket experienced the largest drop in vacancy to 2.9 percent, according to CBRE.

Beyond highway access, the most common tenant request is a minimum clear height of 32 feet, says Katter. “Ten to 15 years ago, most users looked for a clear height of 24 feet, so we’ve definitely seen an evolution of users trying to leverage as much space above ground as possible.”

Outdoor storage space is also increasingly important to today’s industrial users. Katter says Brockton Busi-

ness Park is generating strong interest because of its location and inclusion of outdoor storage.

I-90: longest U.S. interstate

Zilber has also made extensive investments along the I-90 corridor in the southern Wisconsin cities of Janesville and Beloit. I-90 is an east-west transcontinental freeway that begins in Seattle and ends in Boston. It is the longest interstate highway in the country.

Battle says that industrial development activity along I-90 has been bolstered by similar positive business climate factors that apply to the I-94 corridor — location, interstate access, sound infrastructure, access to skilled workers and a welcoming community.

Zilber is developing the first building at Janesville Innovation Park, a 110-acre, master-planned industrial development with capacity for more than 1.8 million square feet. The 237,838-square-foot speculative facility will be located near the intersec-

tion of Beloit Avenue and Highway 11, minutes from the I-90 interchange.

In addition to proximity to major transportation routes and a preference for a clear height of at least 32 feet, industrial users also seek ample dock and drive-in doors, energy-efficient LED lighting and generous trailer and car parking, according to Battle.

“Equally important is sufficient and reliable power capacity, which has become a key factor in site selection, particularly for heavy manufacturing and other energy-intensive operations,” he says.

Zilber works closely with municipal government officials and local and regional economic development partners on its site selection process.

“This collaborative approach provides valuable insight with respect to available infrastructure and utility systems,” says Battle. “It also helps to ensure that the projects we undertake are viable, attractive to end users and aligned with the community’s long-term plans for economic development.”

Battle notes an uptick in industrial leasing activity and absorption this year, following a softer period in 2024.

“This reinforces the need to continue to develop in strategic locations with the right features in order to meet users’ needs and maintain strong occupancy levels in a very competitive market,” he says. “Despite some elevated levels of vacancy in certain market segments, we have found that modern, well-located and well-built, mid-sized industrial properties continue to be in demand in the markets where we are most active.”

I-80 and Chicago access

After I-90, the second-longest interstate highway is I-80, an east-west transcontinental freeway that crosses from San Francisco to Teaneck, New Jersey.



Zilber Property Group is developing the first building at Janesville Innovation Park, a 110-acre, master-planned development in Janesville, Wisconsin. The site is near the intersection of Beloit Avenue and Highway 11, minutes from the I-90 interchange. (Rendering courtesy of Zimmerman Architectural Studios)

Singapore-based Mapletree Investments recently acquired two development sites in the I-80 and I-55 corridor in Joliet, Illinois, in order to capitalize on Chicago's industrial market advantages. According to Chiagorom Osu, head of Mapletree's U.S. logistics development, those benefits include "exceptional interstate connectivity, two Class I intermodal rail networks, access to major population centers and a deep, skilled labor pool."

Mapletree plans to develop a 312,306-square-foot warehouse on 18 acres and a 418,880-square-foot logistics facility on 29 acres. Both sites provide direct connectivity to the Joliet Intermodal Center, which is home to intermodal terminals for both Union Pacific and BNSF. Both projects will feature a clear height of 40 feet and will be built to LEED Silver standards.

Osu says that proximity to key interstates is important for industrial tenants who are considering where to locate regional or national distribution hubs. Being close to an interstate ramp materially reduces drayage and linehaul time, improves driver compliance with Hours of Service requirements and decreases variability in supply chain performance.

Drayage refers to the short-distance transportation of shipping containers by truck from one part of the supply

chain to another, while linehaul is the transportation of freight over long distances.

"These advantages translate into faster lease-up cycles and modest rent premiums for truly 'at-the-ramp' locations, and tenants achieve lower total occupancy cost per pallet, which is the metric sophisticated occupiers optimize," says Osu.

Today's Class A industrial projects are designed for efficiency, safety and automation readiness, states Osu. Typical specifications include 36- to 40-foot clear heights, ESFR fire protection, truck court depths between 130 and 200 feet, 60-foot speed bays and abundant trailer storage. Robust power of 3,000 to 5,000 amps is critical. Additional features include fiber connectivity, solar-ready roofs, electric vehicle charging stations, high-efficiency HVAC systems and LED lighting.

Industrial absorption in Mapletree's target markets is trending positive, but it has normalized from the unusual highs seen during the pandemic-era surge, says Osu.

In the third quarter, Chicago's industrial vacancy rate improved to 5.3 percent, driven by tighter conditions in smaller buildings (under 100,000 square feet) and a significant decrease in vacancy for larger build-



Zilber Property Group broke ground on the third building at its 93-acre Caledonia Corporate Park in suburban Milwaukee along the I-94 corridor. (Rendering courtesy of Zimmerman Architectural Studios)

ings (500,000 to 749,999 square feet), states CBRE. Eleven projects were completed in the quarter, delivering 1.5 million square feet of new space, according to the brokerage firm. Net absorption increased to 2.6 million square feet, increasing from 1.7 million square feet in the second quarter.

The market's total net rentable area is 1.2 billion square feet.

"Demand for infill and mid-box product remains steady while larger footprints are more selective," says Osu. "We prioritize interstate-adjacent, labor-rich sites and build big campuses in phases to match leasing velocity." ■

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OFFICE MARKETS FACE MOUNTING PRESSURE

Success in the Midwest's office sector will require aligning financial realities with design innovation.

By David Goldfisher

Secondary and tertiary office markets across the Midwest, including Chicago, Minneapolis, Madison, Milwaukee, Cleveland, Cincinnati, Columbus and St. Louis, are facing mounting pressure. While each city has its own challenges, a common theme is clear — vacancies remain high and liquidity is thin.



David Goldfisher
The Henley Group

ants in Midwest cities and few new entrants are seeking major blocks of space. There is more repositioning for existing tenants than attracting new ones.

Flight to quality

Landlords and developers are competing to deliver amenities that encourage office attendance and support talent retention. Modernized lobbies, tenant lounges and flexible collaboration areas have become standard expectations. Hines' upgrades at Chicago's 333 West Wacker Drive and 601W Cos.' reinvestment in the Old Post Office demonstrate the scale of investment required.

But not all landlords can compete. With construction and tenant improvement costs elevated, reinvestment is selective. Owners carrying heavy debt loads are reluctant to commit capital without clear prospects for return.

Market snapshots

- **Cleveland & St. Louis:** Rising vacancies and limited liquidity weigh

on Class B and C buildings. Suburban campuses and top-tier Class A towers are faring better.

- **Columbus & Cincinnati:** Lenders remain cautious, and investors are on the sidelines. Projects such as Rockbridge Capital's mixed-use redevelopments in Columbus show long-term confidence, but activity is limited.

- **Milwaukee:** Challenges persist, but Irgens' BMO Tower has demonstrated how efficient, high-quality space can still capture demand.

- **Minneapolis:** More than 20 million square feet sits vacant metro-wide, including 9 million square feet in downtown Minneapolis. At current absorption, it could take decades to refill.

- **Kansas City:** Vacancy hovers around 16.7 percent, compared with a national average near 20 percent. Adaptive reuse in the Crossroads Arts District offers a model for repositioning.

- **Des Moines:** With vacancy near 22.2 percent, selective transactions continue, often tied to healthcare or mixed-use conversions.

Conversion as a solution

Office-to-residential conversions are often touted as a solution, but only a fraction of buildings are physically or economically feasible. Successful projects, such as the Century Building redevelopment in St. Louis and Sherman Associates' planned conversion of NorthStar Center East in Minneapolis, show what's possible under the right conditions. Yet challenges such as deep floorplates, infrastructure retrofits and the absence of new tax incentives limit widespread application.

Flat population growth

A key constraint in many Midwest cities is flat population growth and limited new business formation. Unlike markets such as Austin or Nashville, Midwest demand is not being buoyed by large inflows of new companies or residents. Without that organic growth, tenant retention and selective upgrades remain the primary tools to stabilize occupancy.

Debt, liquidity pressures

The misalignment between debt structures and today's rent rolls continues to depress valuations. Many assets are underwater, and landlords are hesitant to reinvest without debt relief. Liquidity is thin, and lenders are focusing on the most creditworthy borrowers or well-capitalized projects.

Distressed sales, loan modifications and recapitalizations are expected to increase. For lenders, the environment demands flexibility and creativ-



Law firm Zimmerman Reed recently signed a long-term renewal of its 15,179-square-foot lease at IDS Center in downtown Minneapolis.

ity. For owners, it means navigating a prolonged period of uncertainty while balancing near-term challenges against long-term opportunities.

Why it matters

High vacancies and declining values affect more than landlords. Municipal budgets, tax bases and local employment are all tied to healthy office districts. Without reinvestment, buildings risk falling further behind, while successful repositionings can help stabilize neighborhoods and restore vibrancy to downtown cores.

The road ahead

Despite the headwinds, opportunities exist for patient investors and creative developers. Distressed assets in strong submarkets may be ripe for repositioning. Architects and planners with adaptive reuse experience such as ESG Architecture & Design in Minneapolis and Forum Studio in St. Louis are likely to play a critical role in reshaping the landscape.

The Midwest office market is in transition. Success will require aligning financial realities with design innovation and long-term resilience. While the challenges are real, this moment also offers a chance to reimagine how these cities use their space, revitalizing both buildings and communities in the process. ■

David Goldfisher is co-founder and principal of The Henley Group.

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