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VANTAGE POINT

CHICAGO'S BIG-BOX RESURGENCE

New leasing activity **gains momentum and demand** across Chicago's modern big-box inventory

Q2 2026 | INDUSTRIAL


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INTRO

Demand for modern big-box industrial facilities in Chicago has **accelerated** through mid-2026.

Defined as warehouse and distribution facilities of 250,000 square feet (sf) and greater, built in 2000 or later and featuring clear heights of at least 30 feet, the segment consists of **272.2 million square feet (msf) of inventory.** New leasing activity totaled **9.1 msf** through the first half of 2026, representing a **51.0% year-over-year (YOY) increase** from the 6.0 msf recorded during the same period in 2025. This marks the strongest first-half leasing volume since 2021.

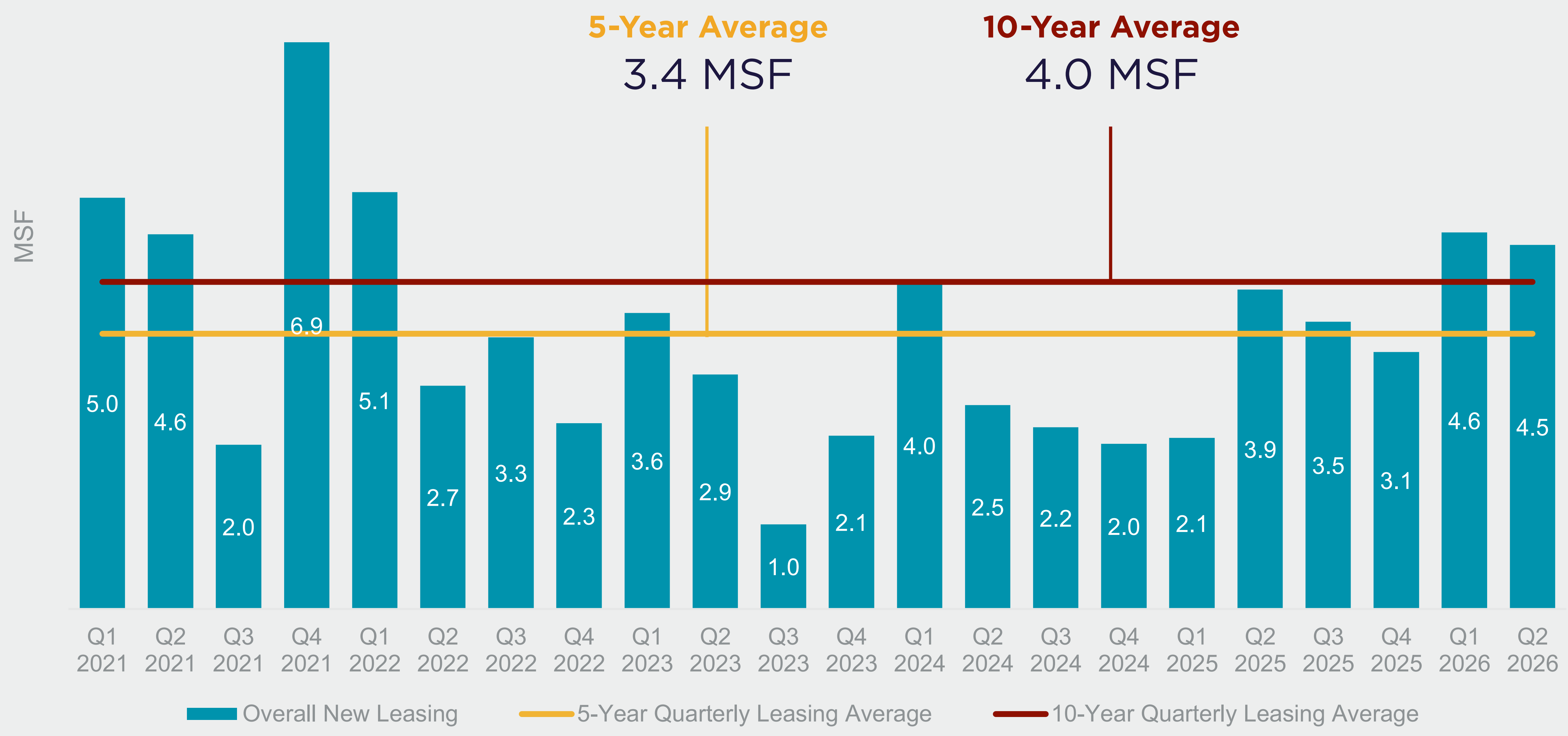
This increase in leasing activity has positively influenced several key market fundamentals, including vacancy, net absorption and the development pipeline. The vacancy rate for modern big-box industrial facilities has **decreased 150 basis points (bps) YOY to 8.1%, though it remains above the five-year quarterly average of 7.3%**. Vacancy is poised to normalize further as previously leased space is occupied in the coming quarters. Through the first half of 2026, net absorption within the modern big-box industrial segment totaled **7.1 msf,** already surpassing the 4.2 msf of industrial absorption recorded in all of 2025. Development activity remained active, with **6.6 msf** currently under construction. Much of this pipeline is being developed on a speculative basis, reflecting developer confidence in the segment's long-term demand outlook.

This report examines new leasing trends within Chicago's modern big-box industrial segment, highlighting the markets benefiting most from current demand and the industries driving leasing activity.

Historical Modern Big-Box Quarterly New Leasing

Following record-high leasing activity in 2021 and 2022, and a subsequent slowdown in 2023 and 2024, demand for modern big-box industrial space has rebounded. Through mid-2026, quarterly leasing volume has exceeded both the five-year (3.4 msf) and 10-year (4.0 msf) averages, reflecting renewed occupier demand.

Modern Big-Box Industrial New Leasing Activity



Source: Cushman & Wakefield Research

Modern Big-Box Building Definition

SIZE	YEAR BUILT	CLEAR HEIGHT	BUILDING TYPE
250,000 sf and Larger	**2000 and After**	**30' and Higher**	**Warehouse/ Distribution**

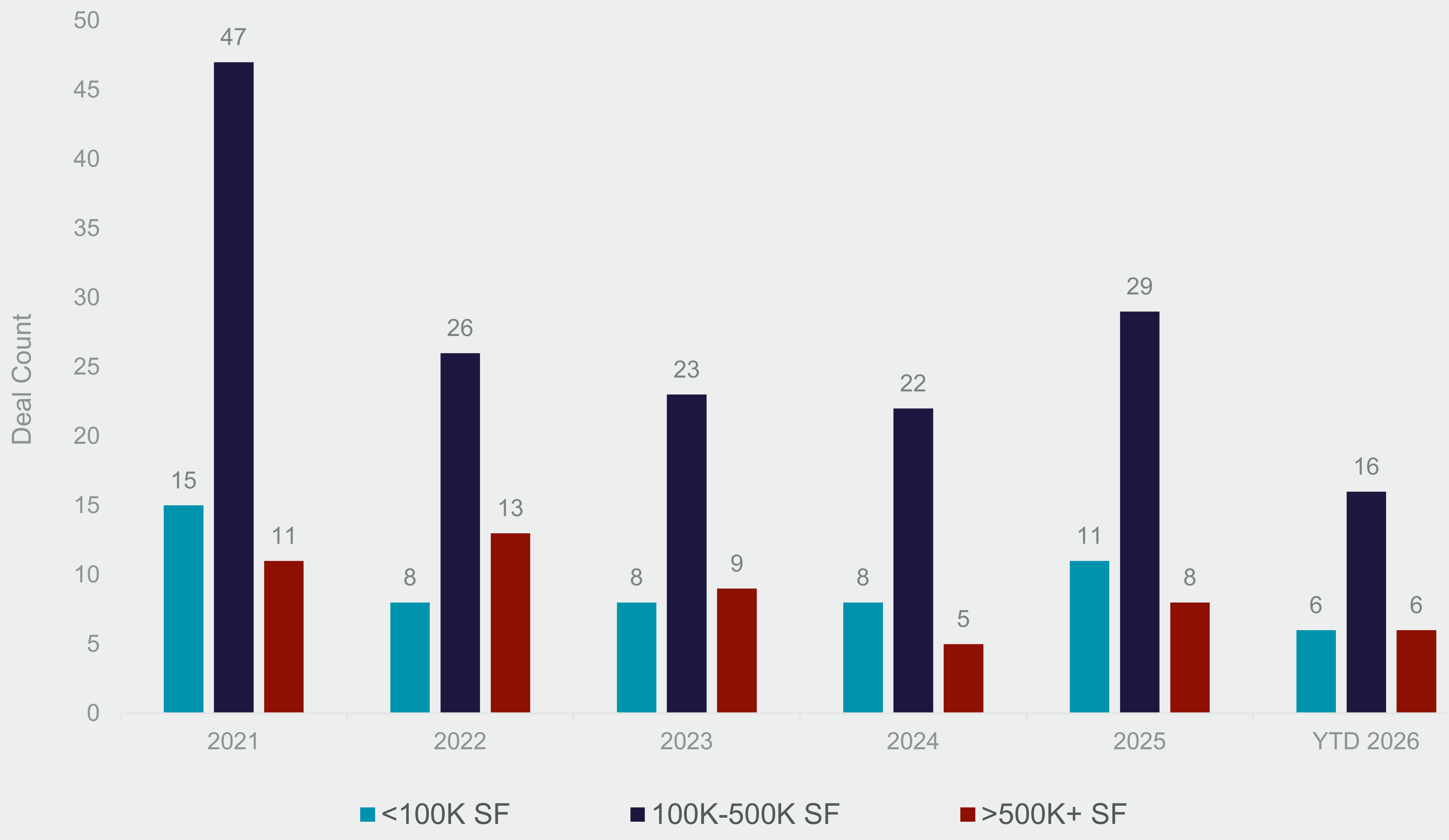
PART 1 **WHAT'S TRENDING**

Large Transactions Drive Leasing Activity

A key driver of the increase in leasing activity across the modern big-box segment has been the rise in larger transactions. Through mid-2026, **six leases for spaces of 500,000 sf and greater have been completed**, putting the market just two deals shy of matching the 2025-annual total of eight transactions.

The 100,000 sf to 499,999 sf size range has **consistently accounted for the bulk of transactions** within this market segment. During periods of record-breaking leasing activity, however, larger deals exceeding 500,000 sf represented an outsized share of leasing volume.

Number of Big-Box Segment New Leases by Size

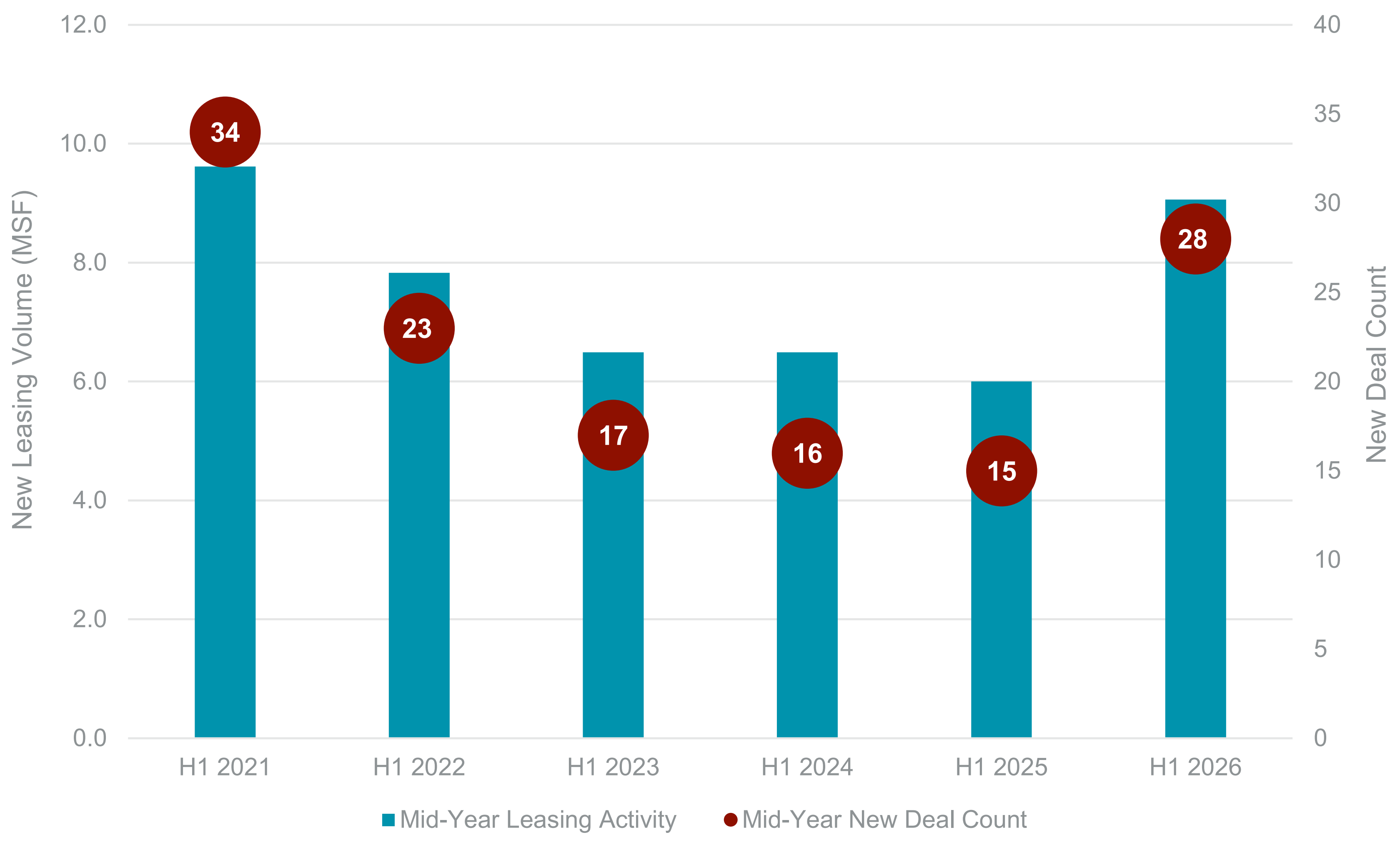


Source: Cushman & Wakefield Research

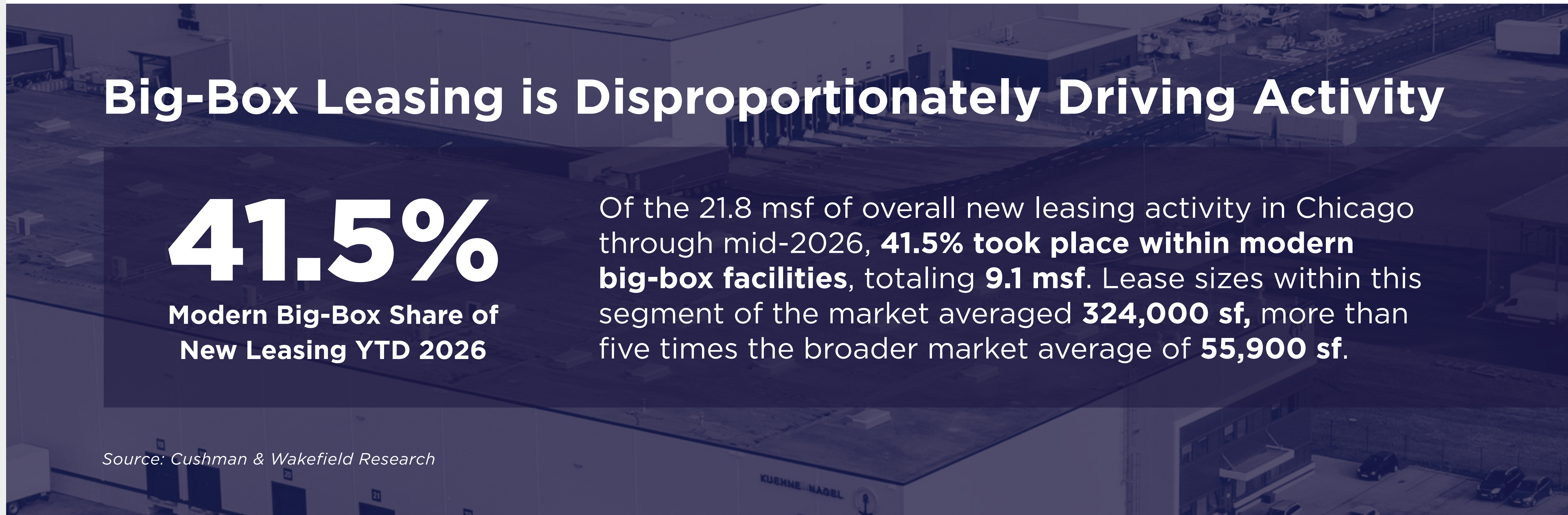
Leasing Activity is Accelerating

New leasing velocity accelerated through mid-2026, totaling **9.1 msf across 28 transactions.** Leasing volume increased **51.0% YOY**, while the number of deals nearly doubled from **15 to 28**. As a result, this segment of the market recorded its strongest mid-year leasing total since 2021, with activity nearly reaching **9.6 msf** of new leasing recorded during the first half of that year. With several large users still active in the market, **annual leasing is projected to surpass 2021's peak volume.**

Mid-Year New Leasing Activity



Source: Cushman & Wakefield Research



Big-Box Leasing is Disproportionately Driving Activity

41.5%

Modern Big-Box Share of New Leasing YTD 2026

Of the 21.8 msf of overall new leasing activity in Chicago through mid-2026, **41.5% took place within modern big-box facilities**, totaling **9.1 msf**. Lease sizes within this segment of the market averaged **324,000 sf,** more than five times the broader market average of **55,900 sf**.

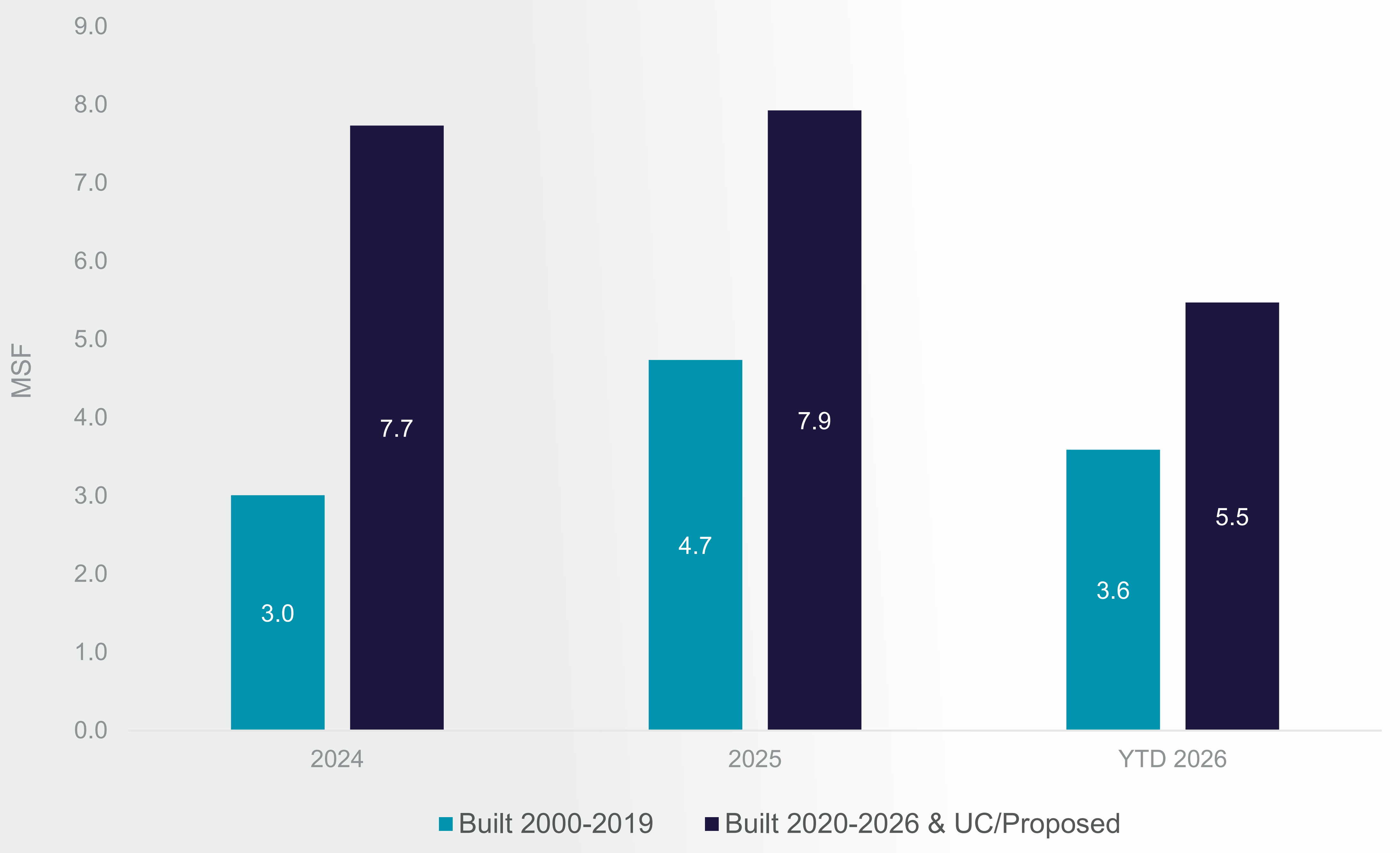
Source: Cushman & Wakefield Research

PART 2 **WHAT'S DRIVING ACTIVITY**

Tenants Favor Newer Big-Box Facilities

Modern big-box leasing activity has been largely concentrated within newly delivered and planned developments. Through mid-2026, **5.5 msf, or 60.4% of the 9.1 msf** of new leasing volume, occurred in facilities delivered **since 2020**. This will further tighten this segment of the market which should prompt further speculative projects to break ground.

New Leasing by Year Built



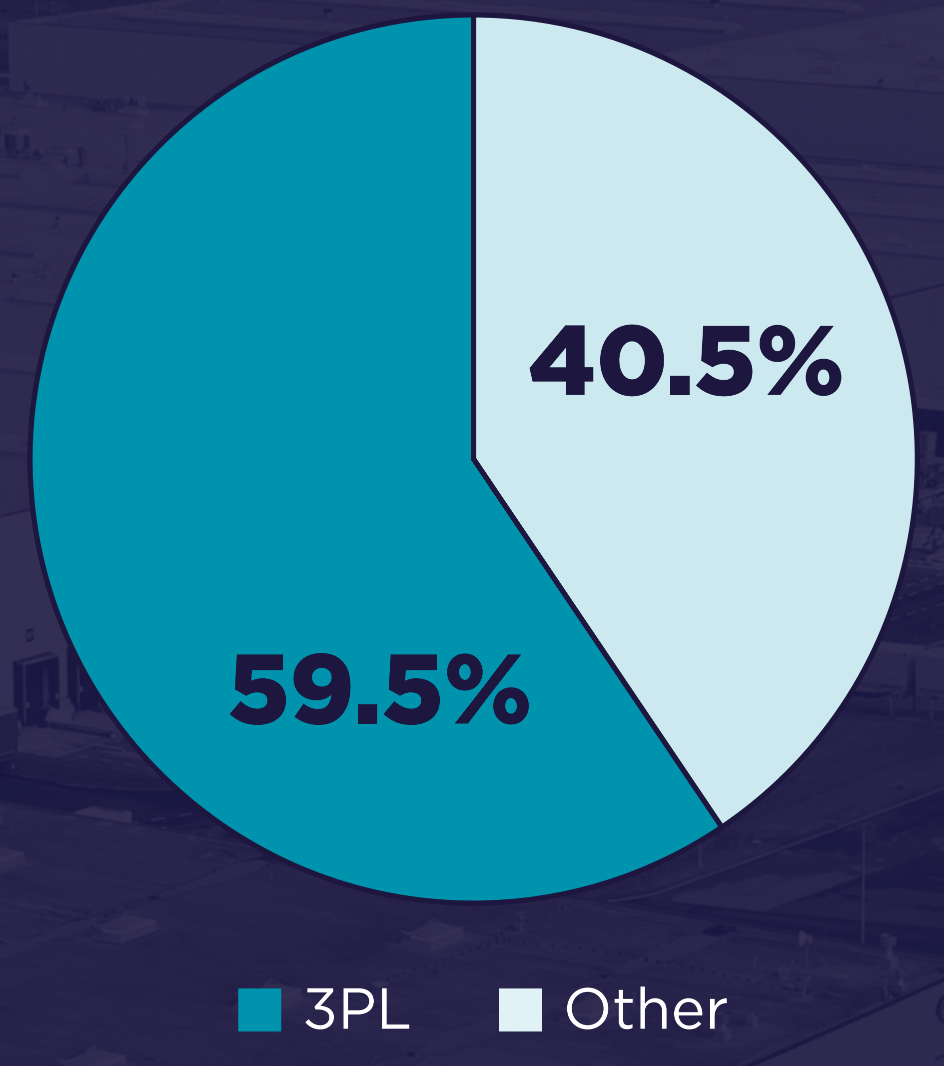
Source: Cushman & Wakefield Research

New Leasing by Industry Since 2025

Third-party logistics (3PL) firms have dominated new leasing activity in modern big-box facilities, accounting for **15.6 msf**, or **59.5%** of all new leasing volume since the start of 2025. Leading 3PL tenants fueling demand include RJW Logistics, KeHE Distributors, and Crane Worldwide Logistics. RJW Logistics has been a key driver of this new leasing demand, signing five leases totaling **5.3 msf** since the start of 2025.

Other notable sectors leasing space within this segment include **manufacturing users**, which accounted for **6.5 msf** of leasing activity during the same period.

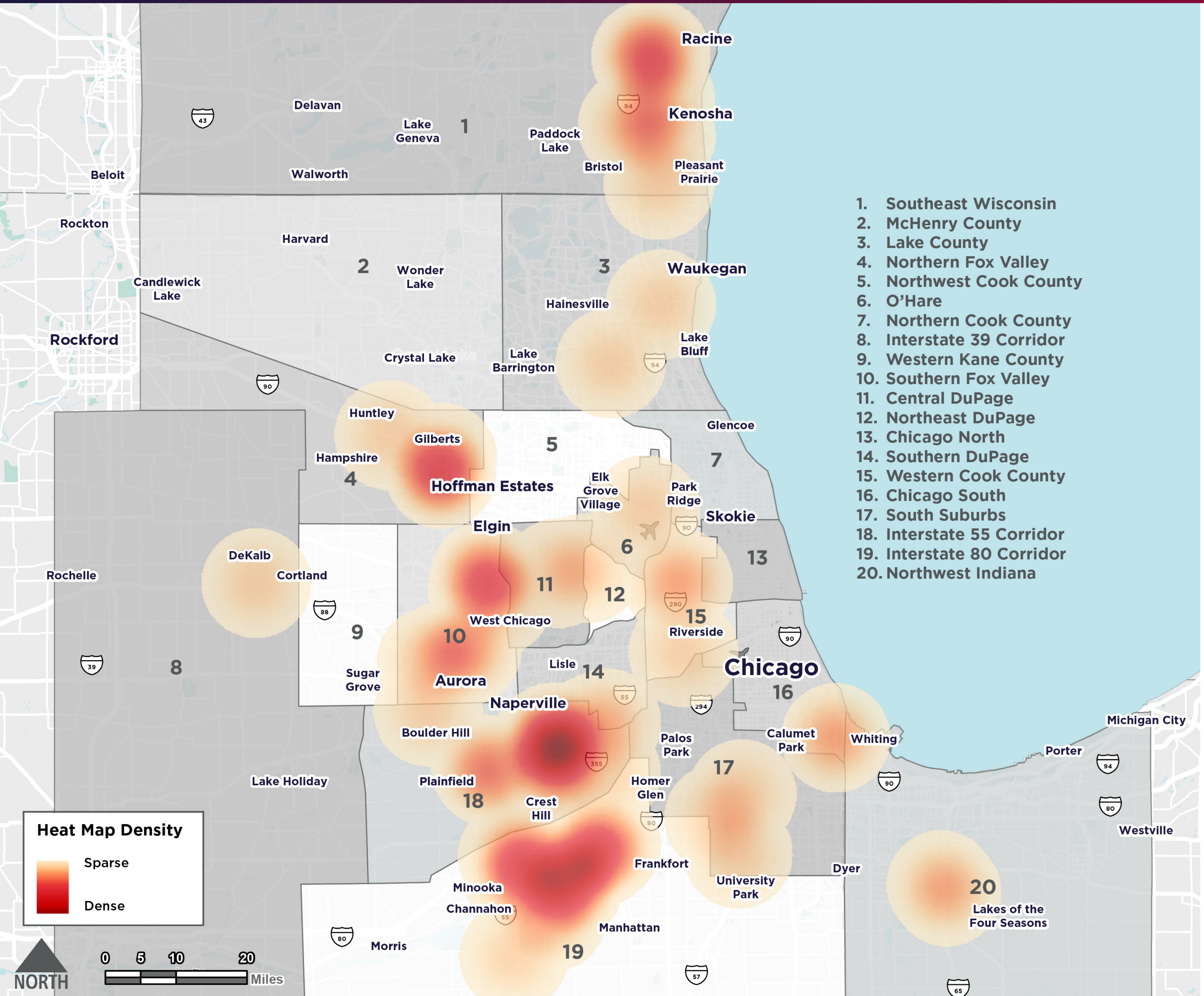
Modern Big-Box New Leasing by Industry (2025 - YTD 2026)



Source: Cushman & Wakefield Research

PART 3

WHERE'S THE DEMAND



Chicago's Top Submarkets for Modern Big-Box Leasing

Historically, the **Interstate 80** and **Interstate 55** corridors have accounted for the highest levels of leasing activity, reflecting their large concentrations of modern big-box inventory. Since Q1 2025, the Interstate 80 Corridor has recorded **9.0 msf** of new leasing, while the Interstate 55 Corridor has accounted for an additional **4.4 msf, representing 41.5% and 20.2%** of total leasing volume, respectively.

Other notable areas include **Southeast Wisconsin** and **Southern Fox Valley**. Both submarkets contributed **2.2 msf and 1.5 msf** of new leasing since Q1 2025, respectively.

INTERSTATE 80

41.5%

Of Total Big-Box Leasing Volume

INTERSTATE 55

20.2%

Of Total Big-Box Leasing Volume

With leasing demand expected to persist in the big-box segment over the coming quarters, existing availabilities are likely to be absorbed, further tightening the market and encouraging additional speculative projects to commence construction.

Source: Cushman & Wakefield Research

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