

Quad Cities Region
Commercial Real Estate

2026

Market Report

NAI Ruhl Commercial
Company

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QUAD CITIES

IOWA + ILLINOIS

The Quad Cities region is a family of communities on the Mississippi River and is the largest metro on the Mississippi between Minneapolis and St. Louis.

The Quad Cities region is home to approximately 150 companies from the Fortune 500 and Fortune 1000 lists that maintain business operations here. John Deere is the most notable one with its world headquarters in Moline. Others include: Kraft Heinz, Amazon, Arconic, Tyson Foods, ADM, Nestle, 3M, and Kone. There are more than 30,000 businesses located here including the Rock Island Arsenal, a major military installation.

37 MILLION

People live within a 300-mile radius of the Quad Cities

#1

Best Midwest City for Millennials

The Ascent 2022



Companies can efficiently move goods and services globally by:



Interstates



Rail



Air



Barge

LOW

Cost of doing business and cost of living in the QC

Population
474,000

Interstates: I-80, I-88, I-74

Close Access to Major Markets



50 Colleges and Universities within a 90-mile radius around the Quad Cities

Ranked #5 Best Affordable Places to Live

U.S. News & World Report 2024

6.1 Million Visits to the QC Regional Destination that Generated \$1.3 Billion in 2024

President's Message



From the outside, the commercial real estate market in the Quad Cities region can look pretty steady. Transactions are still happening, interest remains in the market, and at a glance, things can look fairly normal. However, it is evident that this market feels more demanding than it used to when you speak with our brokers or anyone who is currently in the middle of deals right now.

Buyers are taking a harder look, lenders are asking more questions, and sellers are still adjusting to where things are today versus where they used to be. Deals are taking longer, more of them are getting stuck, and almost everything requires more diligence, patience, and creativity than it did a few years ago. Higher operating and construction costs and a more selective lending environment are affecting markets across the country. Locally, the agricultural cycle and softer equipment demand are also part of the story. In our region, those pressures are real, and they show up in everyday decisions about expansion, investment, hiring, and timing. They are also a reminder the Quad Cities remains closely connected to manufacturing, agriculture, logistics, and regional trade.

The Quad Cities is not defined by one company or one industry, and our economic base is broader than many realize. We see continued investment in data infrastructure, logistics, advanced manufacturing, food production, health care, education, retail, and public improvements. Projects connected to Meta, Amazon, Atlas Roofing, and other major users reinforce that the Quad Cities continues to matter as a place to do business for the long term.

Local knowledge matters so much in a market like this. Broad averages and national headlines do not always tell the full story. One of the clearest themes in this year's report is the gap between simply available real estate and real estate that is truly usable. Available does not always mean functional, and interest in a property does not mean the numbers work. Opportunity is still there, but it usually takes more work to uncover it and more discipline to move it forward.

This is really the story of the market right now. It is not a lack of opportunity. It is a higher bar. The deals getting done today are the ones where the fundamentals hold up, expectations are realistic, and the people involved are willing to work through a more detailed process. It may not feel as easy as it did a few years ago, but in many ways, it is a market rewarding strong fundamentals.

I remain optimistic about the Quad Cities. The opportunities may be harder to find and harder to close than they were a few years ago, but they are still there. Our role is to help bring those opportunities into focus and give our clients practical guidance based on the market we are actually in right now.

This report reflects that work. It was built by people who are in the market every day, talking with owners, tenants, investors, lenders, developers, and local leaders. Their insight comes from real conversations and real transactions, not just charts or outside commentary. I am grateful for the time and thought our brokers and staff put into this report, and I am proud of the guidance they provide to our clients every day.

Sincerely,

A handwritten signature in black ink that reads "Chris Beason". The signature is fluid and cursive.

Chris Beason
President, NAI Ruhl Commercial Company

Executive Summary

As we move through 2026, the Quad Cities commercial real estate market remains active, but conditions are tighter than they were a few years ago. Financing is more selective, construction costs remain elevated, operating expenses continue to pressure owners and users, and the gap between buyer and seller expectations is causing some deals to take longer to come together.

Industrial: The Usability Gap

Industrial continues to be one of the stronger parts of the local market. Demand remains steady for functional, well-located buildings, especially in the 5,000 to 50,000 square foot range. While there is space available in the market, much of it is older or does not meet what today's users need in terms of clear height, dock access, power, layout, and overall efficiency. As a result, functional space remains difficult to find. Limited smaller industrial product, high construction costs, and infrastructure constraints continue to shape this sector.

Retail: Selective Stability

Retail remains active, but selective. Most of the activity is happening in proven corridors. National and franchise tenants continue to drive much of the activity, while local operators are facing more pressure from financing, labor, and occupancy costs. Demand remains strongest for smaller, efficient footprints, drive-thru locations, and second-generation restaurant space that helps reduce upfront costs. Older or less well-located retail space is seeing more pressure and, in some cases, requires repositioning.

Office: Flight to Quality

The office market continues to stabilize, but performance varies widely by property. Updated, well-located space continues to attract interest, especially where tenants have convenient parking, efficient layouts, and good access. Older or less functional office properties remain more challenging and will likely require reinvestment, repositioning, or a different long-term use. Downtown office space remains more of a longer term opportunity, but it will depend on continued investment and adaptive reuse.

Land & Farm: Infrastructure Drives Value

Land and farm activity remains steady, but the drivers of value are changing. High quality farmland continues to hold up well, even as lower commodity prices and tighter farm margins create a more cautious tone. For development land, utilities and infrastructure are becoming increasingly important. Access to power, water, sewer, and fiber can make the difference between land that is truly development-ready and land that may take years to bring online.

Overall, the Quad Cities remains well positioned compared to many larger markets. The region benefits from its central location, diverse economic base, and measured approach to development. This is a market that will continue to reward patience, local knowledge, realistic expectations, and disciplined decision-making.

Pricing Summary

Industrial	Industrial Classification	Rental Rates (NNN)	Sale Prices
	Existing Inventory		
	10,000 SF or Less	\$6.00 – \$8.00 PSF	\$50.00 – \$75.00 PSF
	10,000 SF – 25,000 SF	\$5.00 – \$7.50 PSF	\$45.00 – \$65.00 PSF
	25,000 SF – 50,000 SF	\$4.50 – \$7.00 PSF	\$35.00 – \$65.00 PSF
	New Construction		
	Less than 50,000 SF	\$9.00-\$10.00 PSF	\$95.00 – \$130.00 PSF
	Greater than 50,000 SF	\$8.00 – \$9.00 PSF	\$80.00 – \$120.00 PSF
	Flex Space		
	3,000 SF – 5,000 SF	\$6.50 – \$9.50 PSF	\$75.00 – \$100.00 PSF
Contractor Suites			
1,500 SF – 3,000 SF	\$8.00 – \$10.00 PSF	\$75.00 – \$90.00 PSF	

Retail	Retail Classification	Rental Rates (NNN)	Sale Prices
	New Construction (subject to interior finish requirements)	\$29.00+ PSF	\$175.00 - \$400.00 PSF
	Regional Malls	\$10.00 - \$28.00 PSF	--
	Suburban (Existing Strip Centers or Free Standing)		
	Small (1,200 – 4,999 SF)	\$14.00 - \$20.00 PSF	\$44.00 - \$298.00 PSF
	Medium (5,000 – 9,999 SF)	\$12.00 - \$18.00 PSF	\$28.00 - \$220.00 PSF
	Big Box (10,000+ SF)	\$8.00 - \$18.00 PSF	\$20.00 - \$240.00 PSF
	Restaurants	\$14.00 - \$18.00 PSF	\$30.00 - \$290.00 PSF
Downtown	\$8.00 - \$15.00 PSF	Limited Activity	

Office	Office Classification	Rental Rates (NNN)	Sale Prices
	New Construction (subject to interior finish requirements)	\$22.00+ PSF	\$250.00 - \$450.00 PSF
	Class A	\$15.00 – \$18.00 PSF	\$130.00 – \$180.00 PSF
	Class B	\$9.00 – \$12.50 PSF	\$70.00 – \$120.00 PSF
	Class C (Gross Lease)	\$6.50 – \$8.00 PSF	\$35.00 – \$65.00 PSF
	Downtown (reflects oversupply)	\$8.00 – \$10.00 PSF	--

Land & Farm	Land & Farm Classification	Sale Prices Per Acre	Sale Prices Per Square Foot
	Agriculture Land – Illinois	\$10,700 – \$23,500 AC	--
	Agriculture Land – Iowa	\$7,800 – \$21,000 AC	--
	Transitional Land	\$45,000 – \$100,000 AC	--
	Land – Industrial (<10 acres)	\$65,340 – \$152,460 AC	\$1.50 – \$3.50 PSF
	Land – Industrial (>10 acres)	\$50,000 – \$75,000 AC	\$1.15 – \$1.75 PSF
	Land – Retail	\$130,000 – \$1,600,000 AC	\$5.95 – \$28.00 PSF
	Land – Office	\$152,460 – \$413,900 AC	\$6.50 – \$12.50 PSF

Pricing can vary greatly depending on size, condition, location and amenities. The above should be considered a general guideline only.

Industrial

The Quad Cities continues to mirror national industrial trends with a noticeable shift toward normalization following several years of rapid growth and development. Increased inventory from recent construction cycles, combined with higher borrowing costs, elevated operating expenses, and political uncertainty, have contributed to a slow down in activity and a modest rise in vacancy. However, these increases remain relatively contained compared to larger metro markets since the Quad Cities benefits from a more balanced supply pipeline and less speculative overbuilding.

Overall, the Quad Cities market should be viewed as stable, but slower with activity levels settling into a more sustainable rhythm rather than indicating any meaningful decline.

Inventory vs. Usable Supply

While available inventory has increased slightly, much of that space consists of second- and third-generation product that no longer meets the functional requirements of today's users. As a result, headline availability can be misleading. Usable inventory – defined by adequate clear heights, dock doors, sprinkler systems, lighting, power, and overall functionality – remains limited.

This dynamic continues to create a divide in market performance. Well-located, functional industrial properties are leasing and selling at a healthy pace, while older or functionally obsolete buildings are experiencing longer marketing times and downward price pressure.

A defining characteristic of the Quad Cities industrial market remains the shortage of quality space in the 5,000 to 50,000 square foot range. This segment continues to be underserved, particularly for owner-users seeking acquisition opportunities.

While larger (50,000 SF) distribution and logistics buildings have been added in recent years, there has been limited development of smaller industrial, flex, and service-oriented product. Additionally, there is a continued lack of available, appropriately zoned smaller land sites (1–5 acres), further constraining new development in this segment. This imbalance between supply and demand has resulted in strong competition for functional small to mid-sized buildings.

Large-Scale Activity Driving Absorption

Although total transaction volume has softened, overall absorption remains supported by larger users. A disproportionate share of leased square footage continues to be driven by these larger industrial transactions. Small to mid-sized users remain active, but are challenged due to limited availability of suitable product. The result is a market that is less defined by lack of demand and more by the availability and quality of existing inventory.

Development Trends and Constraints

Development activity has become more cautious heading into 2026. The Quad Cities continues to attract interest from larger industrial users, including emerging demand tied to data centers and AI-related infrastructure.

Key challenges to data center development include limited power capacity, extended infrastructure timelines, and the availability of fully entitled land. In some cases, utility and infrastructure constraints have created lead times of 3-5 years, delaying potential projects.

Several notable trends are shaping the industrial market in 2026. There is increasing demand for industrial outdoor storage (IOS), including contractor yards, equipment staging areas, and container storage. This segment has become more prominent as service-

Industrial Trends



Activity

based users seek flexible, functional space outside of traditional building footprints.



Inventory

Additionally, based on inquiry activity, there is a noticeable shift in demand toward the Iowa Quad Cities side of the market. Tax structure, regulatory environment, and overall business climate continue to influence user and investor preferences, contributing to an ongoing imbalance between Iowa and Illinois activity levels.



Vacancy Rates (%)

Summary

Several external factors continue to impact the industrial market:

- Construction costs remain elevated, limiting feasibility for new development.
- Lending conditions remain tight, with increased scrutiny from financial institutions.
- Energy costs and broader economic uncertainty continue to influence user decision-making.
- Geopolitical factors and tariffs are contributing to cautious planning among businesses.
- While interest rates have improved slightly, financing remains a constraint, and transaction timelines have extended as a result.

Continued ►



Average Sale Price



Average Rental Rates (NNN)

Pricing

Industrial Classification	Rental Rates (NNN)	Sale Prices
Existing Inventory		
10,000 SF or Less	\$6.00 – \$8.00 PSF	\$50.00 – \$75.00 PSF
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New Construction		
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Flex Space		
3,000 SF – 5,000 SF	\$6.50 – \$9.50 PSF	\$75.00 – \$100.00 PSF
Contractor Suites		
1,500 SF – 3,000 SF	\$8.00 – \$10.00 PSF	\$75.00 – \$90.00 PSF

(above pricing assumes functional industrial properties)

Industrial information contributed by Pete Hadjis, Richard Schaefer; Charlie Armstrong, SIOR; Alex Kelly; and Ethan Simons

Outlook for 2026

Looking ahead, the Quad Cities industrial market is expected to remain stable, with steady but measured activity.

Lease rates are expected to hold relatively firm, supported by replacement costs and limited new supply. Demand for functional, well-located industrial product should remain strong, particularly in the underserved small to mid-sized segment. Additionally, broader trends such as onshoring and supply chain

realignment may present future upside, though their full impact has yet to be realized locally.

The Quad Cities continues to benefit from its strategic location, diverse industrial base, and relative affordability compared to larger markets. The market remains well positioned for continued, steady performance.



Granite & More



Central Excavating

Notable Industrial Developments

Name	City , State	Size	Status
Meta / Facebook/Data Center	Davenport, Iowa	328 Acres / ±715,000 SF building(s)	Design Stage
Ryan US Development - Logistics	Davenport, Iowa	48 Acres / 225,000 SF building	Complete
Central Excavating	Davenport, Iowa	11.3 Acres	Under Construction
Granite & More	Davenport, Iowa	±10 Acres	Under Construction
Atlas Roofing	Clinton, Iowa	440,000 SF	Finalizing Construction
Amazon Expansion	Davenport, Iowa	92,000 SF	Complete

Notable Industrial Transactions

Address	City, State	Size	Type
1500 W. 76th Street	Davenport, Iowa	135,893 SF	Sale
910 W. 10th Avenue	Milan, Illinois	53,156 SF	Sale
403 W. 1st Street	Wilton, Iowa	42,202 SF	Sale
4200 Highway 61	Muscatine, Iowa	27,600 SF	Sale
437 S. Devils Glen Road	Bettendorf, Iowa	25,750 SF	Sale
415 31st Avenue	Rock Island, Illinois	20,800 SF	Sale
3660 Morton Drive	Moline, Illinois	12,500 SF	Sale



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- Lintel installation & repair
- Commercial door installation
- Masonry cleaning (chemical & mechanical)
- Confined space entry work
- Bridge & parking ramp repairs
- Plant maintenance contracts

Residential

- Basement waterproofing
- Chimney restoration & repair
- Tuckpointing & repointing
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- Foundation repairs
- Brick & stone patching
- Planters & outdoor masonry features
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Retail

The Quad Cities retail market remains stable heading into 2026, supported by continued national tenant interest, established retail corridors, and destination-driven developments. The market has become more bifurcated, with a relatively small share of best-in-class properties generating a disproportionate amount of leasing and investment activity, while the balance of inventory requires more aggressive pricing, repositioning, or capital improvements to compete.

While overall fundamentals remain solid, the market has become more selective, with deal velocity influenced heavily by financing conditions and rising occupancy costs.

Leasing activity continues to concentrate in core retail locations, including the Elmore Avenue corridor, TBK Bank Sports Complex area, Walmart-anchored centers, the Moline corridor along John Deere Road and the 7th Street commercial quadrant. These areas continue to outperform due to visibility, accessibility, strong co-tenancy, and consistent customer draw, while secondary locations and aging properties may experience more rent pressure and longer absorption periods.

At the same time, there has been a noticeable shift in tenant composition. National and franchise operators remain the primary drivers of activity, while local and startup businesses have slowed due to tighter lending conditions, increased startup costs, and overall economic caution. As a result, the market is active, but transactions are taking longer to complete and require greater alignment between tenants, landlords, and lenders.

Key Market Trends

Retail demand continues to favor smaller, more efficient footprints, with a strong emphasis on functionality and cost control. Drive-thru capable sites, quick-service restaurant concepts, and second-

generation restaurant spaces remain among the most sought-after property types.

There is also an increased preference for move-in ready or lightly improved spaces, as tenants look to minimize upfront capital requirements and reduce reliance on financing. This trend is particularly important in today's lending environment, where access to capital has become more restrictive.

Retail continues to evolve toward experience-driven and service-oriented uses. Large-format entertainment users and destination-based concepts are playing a growing role in shaping traffic patterns and reinforcing key retail corridors.

At the same time, tenant expectations have shifted. Many users are seeking higher tenant improvement allowances, periods of free rent, and more flexible lease structures. This has created a growing gap between tenant expectations and landlord underwriting, requiring more creative deal structuring to bring transactions together.

Development & Notable Activity

Retail development remains concentrated in proven corridors, with limited expansion into new areas. The TBK Bank Sports Complex continues to serve as a major catalyst for growth, attracting both national retailers and service-based users.

Additional development activity remains focused along the Interstate 74 corridor, Birchwood South on 53rd in Davenport, and the John Deere Road corridor in Moline. These areas continue to benefit from strong demographics, traffic patterns, established retail ecosystems, and continued consumer activity.

New construction remains limited and highly targeted, largely due to rising construction costs and financing challenges. As a result, much of the market's evolution

Retail Trends



5250 Elmore Ave., Davenport



Activity

is occurring through redevelopment and re-tenanting of existing retail centers rather than ground-up development.

Big box availability remains extremely limited, reinforcing continued demand for large-format retail space while also highlighting a lack of available inventory in that segment.



Inventory

Challenges & Opportunities

The retail sector continues to face several headwinds, including higher interest rates, rising construction and labor costs, increased insurance premiums, and elevated CAM expenses. These factors are impacting both tenants and landlords and are contributing to slower deal timelines and more complex negotiations.



Vacancy Rates (%)

Lending conditions remain one of the most significant challenges, particularly for restaurants, bars, and hospitality-related uses. Financial institutions are exercising greater caution, which has limited expansion among local operators and startup concepts.



Average Sale Price

Despite these challenges, opportunities remain. The repositioning and modernization of existing retail centers presents strong potential, particularly in high-performing corridors. Subdividing larger spaces into smaller, more flexible suites is also gaining traction as landlords adapt to current tenant demand.



Average Rental Rates (NNN)

Open-air retail environments and well-located suburban developments continue to be the attractive for both tenants and investors, particularly those with the capital and flexibility to structure competitive deals.

Outlook for 2026

Looking ahead, the Quad Cities retail market is expected to remain stable but continue to operate in a more disciplined environment. National and franchise tenants will likely remain the primary drivers of activity, while local tenant expansion may remain limited due to financing constraints. Deal-making will require increased creativity and collaboration, with a continued focus on aligning tenant needs, landlord expectations, and lender requirements.

Overall, the market remains healthy, but success will be driven by location, adaptability, and the ability to navigate a more complex and capital-constrained leasing environment.

*Retail information contributed by
Pete Hadjis; Rick Weinstein;
Shawn Langan; and Carrie Lamb*

Pricing

Retail Classification	Rental Rates (NNN)	Sale Prices
New Construction (subject to interior finish requirements)	\$29.00+ PSF	\$175.00 - \$400.00 PSF
Regional Malls	\$10.00 - \$28.00 PSF	--
Suburban (Existing Strip Centers or Free Standing)		
Small (1,200 - 4,999 SF)	\$14.00 - \$20.00 PSF	\$44.00 - \$298.00 PSF
Medium (5,000 - 9,999 SF)	\$12.00 - \$18.00 PSF	\$28.00 - \$220.00 PSF
Big Box (10,000+ SF)	\$8.00 - \$18.00 PSF	\$20.00 - \$240.00 PSF
Restaurants	\$14.00 - \$18.00 PSF	\$30.00 - \$290.00 PSF
Downtown	\$8.00 - \$15.00 PSF	Limited Activity



1640 W. 53rd Street, Davenport



4555 16th Street, Moline



4711 E. 53rd Street, Davenport



4741 E. 53rd Street, Davenport

Notable Retail Transactions

Address	City, State	Size	Type	Intended Use
710-770 42nd Ave. Dr.	Moline, Illinois	Combined 81,500 SF	Lease	Aldi, Ulta, Burlington, Five Below
4555 16th Street	Moline, Illinois	43,000 SF	Sale	Tractor Supply Co.
340 W. Kimberly Road	Davenport, Iowa	33,560 SF	Sale	Gordon Restaurant Market
5250 Elmore Avenue	Davenport, Iowa	32,057 SF	Lease	Dave & Buster's
1640 W. 53rd Street	Davenport, Iowa	Combined 11,886 SF	Sale	Northwest Plaza
5632 Forest Grove Road	Bettendorf, Iowa	Combined 10,500 SF	Lease	Duck Creek Tire, Country Style, etc.
5133 Ravenwood Lane	Davenport, Iowa	Combined 10,400 SF	Lease	Tropical Smoothie, Burn Boot Camp, etc.
4741 E. 53rd Street	Davenport, Iowa	7,475 SF	Sale	Bubba's 33
787 Middle Road	Bettendorf, Iowa	7,107 SF	Sale	Retail Strip Center
4711 E. 53rd Street	Davenport, Iowa	2,753 SF	Lease	Panda Express
3469 Middle Road	Bettendorf, Iowa	2,700 SF	Sale	7 Brew

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Office

The Quad Cities office market continues to stabilize as it moves beyond the post-COVID volatility of prior years. Rather than contraction, the market is experiencing a clear shift toward equilibrium, with demand aligning more closely with modern workplace needs and tenant expectations.

Activity remains consistent, though more measured. The surge in absorption driven by non-profits and service-based users has tapered, returning the market to a more normalized pace. Overall, the market is balanced, not overbuilt, and continues to be shaped by tenant-driven decisions rather than speculative development.

Well-located, high-quality office space continues to lead performance. Smaller, efficient suites – particularly in Class A buildings – are leasing at a steady pace, while older, second-generation Class B and C inventory remains challenged, especially in less competitive locations. This divide between quality and obsolete space continues to define the market.

Key Market Trends

The most notable trend remains the ongoing “flight to quality.” Tenants are prioritizing modern, updated environments that support collaboration, efficiency, and flexibility. Larger footprints are becoming less desirable, with many users opting to right-size into more functional layouts.

High-quality office properties continue to outperform, particularly in suburban corridors, driven by accessibility, parking, visibility, and modern layouts that align with tenant preferences. Areas near the TBK Bank Sports Complex and Birchwood South on 53rd in Davenport remain key growth areas, with financial institutions playing a significant role in driving both leasing activity and new development.

Development & Notable Activity

New office construction remains limited and is almost entirely user-driven. Rising construction costs and financing constraints have made speculative development difficult to justify, reinforcing adaptive reuse as the more viable path forward.

Recent activity highlights do include adaptive reuse projects such as the redevelopment of the former downtown Moline post office into Class A office space, continued repositioning of large assets like the former AT&T building in Davenport, and ongoing leasing within established suburban office properties such as the American Bank Building.

Financial institutions continue to emerge as one of the most active user groups, with new development and relocations occurring in key corridors, reinforcing their influence on the market.

Downtown Office Market

Downtown office conditions remain largely unchanged heading into 2026 and are better viewed as a longer-term repositioning story rather than a near-term recovery compared to suburban submarkets.

Demand in downtown locations is still limited and highly selective, with many tenants opting for suburban alternatives that offer easier access, dedicated parking, and more efficient layouts. While there is ongoing interest, it is typically tied to specific use cases or unique buildings rather than broad-based demand.

A significant portion of the downtown inventory consists of older, larger floor plates that no longer align with current tenant needs without substantial investment. As a result, many of these properties are facing extended vacancy periods or require repositioning to remain competitive.

Office Trends

4017 Devils Glen Rd., Bettendorf



Activity

That said, downtown continues to present long-term opportunity through adaptive reuse, mixed-use conversion, and continued reinvestment. The pricing gap compared to suburban product, combined with the character of certain historic buildings, creates potential for adaptive reuse and conversion to alternative uses such as residential or mixed-use. Long-term viability will depend on continued investment, modernization, and alignment with evolving user expectations.



Inventory

Challenges & Opportunities

The primary challenges impacting the office sector include elevated construction costs, rising interest rates, increasing operating expenses, and continued evolution in workplace strategies. Hybrid work and advancements in technology, including AI, are also influencing how much space tenants ultimately require.



Vacancy Rates (%)

At the same time, these conditions are creating opportunities. Second-generation office properties present strong repositioning potential, often at a significant discount to replacement cost. Investors and users willing to adapt these assets to modern standards can create meaningful value.



Average Sale Price

Tenants also have increased leverage in certain segments of the market, particularly when negotiating on larger or functionally obsolete spaces, allowing for more favorable lease structures.



Average Rental Rates (NNN)

Outlook for 2026

Looking ahead, the Quad Cities office market is expected to remain stable, with steady but moderate leasing activity. Demand will continue to concentrate in high-quality, well-located properties, while older inventory will require reinvestment or repositioning to compete.

New construction will remain limited, with adaptive reuse continuing to serve as the primary avenue for delivering updated office product. Overall, the market is entering a more predictable phase, defined by disciplined growth, tenant selectivity, and a continued emphasis on quality over quantity.

*Office information contributed by
Pete Hadjis, Richard Schaefer,
Shawn Langan, Carrie Lamb,
and Ethan Simons*

Notable Office Transactions

Address	City, State	Size	Type	Intended Use
5348 Elmore Circle	Davenport, Iowa	75,000 SF	Sale	Religious
4017 Devils Glen Road	Bettendorf, Iowa	28,000 SF	Sale	Medical
1800 River Drive	Moline, Illinois	17,660 SF	Sale	Corporate Office
4301 E. 53rd Street	Davenport, Iowa	4,205 SF	Lease	General Office
6457 Middle Road	Bettendorf, Iowa	Under construction	Sale	Financial Institution
4515 E. 52nd Street	Davenport, Iowa	Under construction	Sale	Financial Planning



1800 River Drive, Moline



4515 E. 52nd Street, Davenport

Pricing

Office Classification	Rental Rates (NNN)	Sale Prices
New Construction (subject to interior finish requirements)	\$22.00+ PSF	\$250.00 - \$450.00 PSF
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Downtown (reflects oversupply)	\$8.00 – \$10.00 PSF	--

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Land & Farm

The land and agricultural segment across the Quad Cities region is undergoing a period of significant transition, driven by increasing demand for non-agricultural land uses. Activity remains strong, particularly in the conversion of farmland into industrial, residential, and emerging data center developments. A defining theme of the current cycle is the growing divergence between traditional agricultural value and speculative development potential, creating both opportunity and tension within the market.

At the same time, demand for high-quality farmland remains notably resilient. Premium farms continue to attract strong interest, with price levels rising over the past year in many cases. This reflects a broader market dynamic in which top-tier assets maintain value even as broader agricultural conditions face pressure.

Farmland Transition to Development

A trend in 2025–2026 is the accelerated acquisition of farmland for non-agricultural purposes. Parcels previously used for farming are looked at for industrial expansion, residential infill and suburban growth. This shift is especially pronounced in areas with proximity to major infrastructure corridors, signaling a long-term transformation of land use patterns.

According to the Iowa REALTORS® Land Institute Land Value Survey, high-quality farmland in the Iowa Quad Cities region is currently averaging approximately \$15,240 per acre. While demand for premium farmland remains strong, several macroeconomic factors are influencing pricing behavior, including tightening farm balance sheets, lower commodity prices, and reduced farm income.

These pressures are beginning to temper buyer activity among traditional agricultural operators. However, a clear “quality is king” dynamic has emerged, where well-located, highly productive farmland continues to command premium pricing and competitive interest,

while lower-quality assets experience softer demand and greater pricing sensitivity.

Demand Drivers & Buyer Composition

Demand in the land sector is increasingly shaped by a divergence in buyer profiles. Traditional agricultural buyers remain focused on acquiring high-quality farmland at true agricultural value but are becoming more cautious due to financial pressures and reduced profitability. These buyers are less willing to engage in speculative pricing compared to prior cycles.

In contrast, development and institutional buyers are targeting land for industrial expansion, often paying premiums for strategically located parcels. In addition, investor activity has expanded meaningfully over the past year. There has been a notable increase in the use of legacy nutrient depreciation strategies, which has enhanced after-tax returns and made farmland more attractive as an investment vehicle.

Beyond this, shifting capital flows are playing a growing role in the market. While lower commodity prices have reduced the number of producers actively purchasing land, there has been an uptick in 1031 exchange-driven acquisitions. The region has also experienced an uptick in agricultural relocations from the East Coast to areas south of the Quad Cities, further diversifying the buyer pool and sustaining transaction activity.

Development Activity & Emerging Uses

There is increasing interest in data center projects in Illinois and Iowa. These projects represent large-scale land uses that are infrastructure-intensive. This trend represents a fundamental shift in how land is valued, with access to power, water, and fiber infrastructure becoming as important – if not more important – than traditional location-based considerations.

Market Challenges

Several challenges continue to shape the market outlook. Infrastructure readiness is emerging as a

Land & Farm Trends



Farm Land Cap Rates

critical differentiator in land valuation and development feasibility. Power availability, water access and capacity, sewer infrastructure, fiber connectivity, and labor availability continue to be site selection factors. Growing environmental concerns surrounding data center energy consumption and water usage are introducing new complexity.



Farm Land Rental Rates

Interest rate pressure is reducing purchasing power across buyer groups, while declining farm income is directly impacting agricultural operators. Commodity price volatility remains a key influence on land values, contributing to uncertainty in acquisition decisions.



Average Price of Farm Land

Outlook for 2026

Over the next year, the market is expected to continue experiencing industrial expansion across the region, alongside moderate residential infill development. Interest in transitional land assets is expected to remain strong, driven by both institutional and development-oriented buyers. Agricultural buyer activity will likely remain measured due to ongoing financial constraints, though demand for high-quality farmland should remain resilient.



In-fill Commercial Land Inventory

The Quad Cities land market is evolving from a purely agricultural foundation into a hybrid investment landscape. Infrastructure, energy access, and development potential are now as critical to land valuation as soil quality and location.

Pricing

Land & Farm Classification	Sale Prices Per Acre	Sale Prices Per Square Foot
Agriculture Land – Illinois	\$10,700 – \$23,500 AC	--
Agriculture Land – Iowa	\$7,800 – \$21,000 AC	--
Transitional Land	\$45,000 – \$100,000 AC	--
Land – Industrial (<10 acres)	\$65,340 – \$152,460 AC	\$1.50 – \$3.50 PSF
Land – Industrial (>10 acres)	\$50,000 – \$75,000 AC	\$1.15 – \$1.75 PSF
Land – Retail	\$130,000 – \$1,600,000 AC	\$5.95 – \$28.00 PSF
Land – Office	\$152,460 – \$413,900 AC	\$6.50 – \$12.50 PSF

Land & Farm information contributed by Thomas Dalton; Eric Schlotz, ALC; and Otto Nobis, REALTORS® Land Institute Iowa Chapter Past President

Property Management

Information contributed
by Diana Haubenstricker, CPM

Effective property management is the key to maintaining and enhancing the value of real estate investments. A professional property management team ensures that assets are protected, tenants are satisfied, and financial performance is optimized. Whether overseeing daily operations or providing periodic assessments, expert management helps real estate owners achieve long-term success.

Comprehensive Property Management Services

A well-structured property management strategy includes essential services such as:

- **Lease Administration & Tenant Relations:** Ensuring high retention rates through proactive lease enforcement, tenant communication, and service coordination.
- **Financial & Accounting Services:** Budget preparation, rent collection, invoice auditing, and financial reporting for transparency and informed decision-making.
- **Maintenance & Facility Management:** Routine and emergency maintenance, property inspections, vendor supervision, and preventative maintenance programs.

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- **Risk Management & Compliance:** Monitoring property and liability insurance, enforcing procedures, and ensuring compliance with regulations.

Why Professional Management Matters

- **Protecting Your Investment:** A dedicated management team enhances property value through strategic planning and maintenance.
- **Maximizing Financial Performance:** Accurate accounting, cost control, and lease administration contribute to strong financial outcomes.
- **Reducing Operational Burdens:** Owners can focus on growth while professionals handle the complexities of day-to-day management.
- **Enhancing Tenant Satisfaction:** Efficient operations and prompt service responses lead to tenant retention and long-term occupancy stability.

From office buildings, retail spaces, and condo associations to multi-family, receiverships, and industrial properties, expert property management and maintenance adapts to the unique needs of each asset. In regards to property maintenance, each type of property has unique needs. With office buildings, there are more duties dealing with lighting, ballasts, and HVAC. With condo associations, there are more home issues such as appliance installation, minor plumbing, garage door issues, and landscaping upkeep. The department has increased its management of condo associations and receiverships this past year.

With industry-leading practices, technology-driven solutions, and responsive service, property owners can rest assured that their investments are in capable hands.

The Property Management Team consists of 13 professionals with a wide array of experience and knowledge from financial analysis to maintenance.



Names You Know, People You Trust



- **Business Auto**
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- **Commercial Umbrella**
- **Commercial Property**
- **Cyber Liability**
- **Workers' Comp**
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More Than 160 Years Experience

Ruhl & Ruhl was established in 1862 during the Civil War. Additional real estate services were added by owner John H. Ruhl in 1900, and the company quickly grew into a community and industry leader. During the mid-twentieth century, Charles Ruhl, Sr. guided the real estate division into one of the region's best known residential and commercial brokerages. The company also established a strong emphasis on property management. Even during the slower economy of the 1980s, when many firms were contracting or had failed, the company continued to expand through market penetration and acquisitions. Now in the fifth generation of the Ruhl family leadership, the company has evolved into three independent operations specializing in commercial real estate, residential real estate and insurance.

Today, NAI Ruhl Commercial Company is led by Chris Beason, President, and Caroline Ruhl, and has expanded into the region's largest full service commercial real estate firms with significant market presence in the Quad Cities, Iowa City and Dubuque, Iowa. In addition to commercial real estate, NAI Ruhl Commercial manages 1.7 million square feet of office, retail, multi-family and industrial space throughout Iowa and Illinois, and is recognized as a leading commercial management and brokerage firm by a wide variety of individual and institutional clientele. While still remaining true to our founders' Midwestern value, we have extended our reach throughout the world. We're proud to be affiliated with NAI Global, the largest managed network of commercial real estate connecting us to over 5,800 real estate professionals in 375 offices around the globe.



Chris Beason
President



Caroline Ruhl
Partner

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Commercial Real Estate Leaders Since 1862



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Chris Beason
President



Julie Billings
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John Corelis
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Jessica Waytenick
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Richard Weinstein
Vice President/Director



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