

# CHICAGO, IL

## 2022 MARKET AT A GLANCE

### Occupancy Rate

95.5%



DOWN 10 BPS YOY

### Effective Rent

\$1,699



UP 8.4% YOY

### Rent Share of Wallet

25.9%



UP 120 BPS YOY

## Apartment Development and Demand Focused on Downtown Chicago

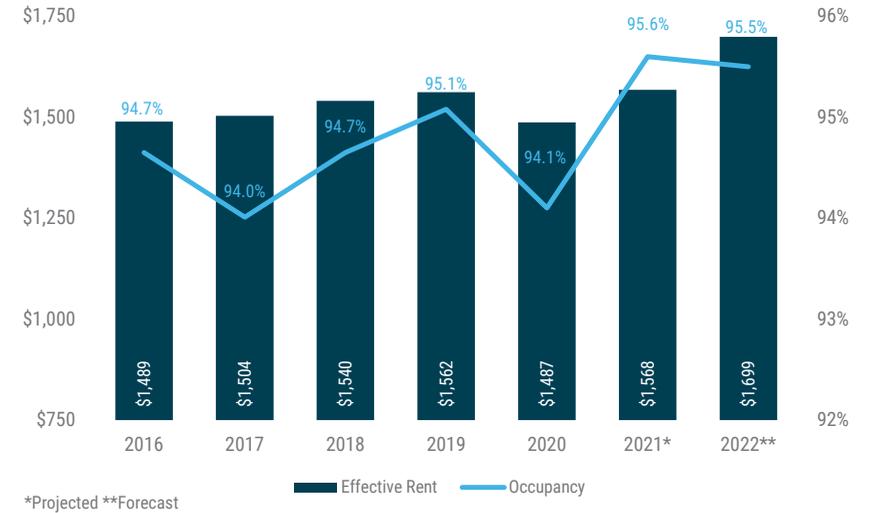
Renters returned to Chicago's urban core in full force in 2021, a trend expected to continue this year. Apartment leasing activity was highest in the neighboring Streeter/Chicago and The Loop submarkets last year as many neighborhood amenities reopened and more offices returned to in-person work. Enabling absorption was more than 2,400 combined market-rate units coming online in these areas. Apartment deliveries will again be focused on the urban core over the next four quarters, albeit at a lower count than 2021. A metro-leading 2,100 combined units are scheduled to complete in the Streeter/Chicago and The Loop submarkets. These two areas are forecast to maintain positive net absorption this year as many offices pushed back their reopening to early 2022 following the surge of the COVID variants in 2021. While apartment demand persists this year, annual net absorption is projected to trail inventory growth to shift down occupancy for both areas. The supply-demand imbalance in these submarkets is expected to be reflected across Greater Chicago as average apartment occupancy is predicted to end this year at 95.5%, a 10-basis-point dip from the close of 2021. Even with the decrease, the forecast occupancy rate would remain well above the preceding five-year average of 94.8%. Healthy occupancy combined with annual income growth higher than the nation will underpin apartment operators' confidence to keep advancing rent. After increasing 5.4% in 2021, average effective rent across Greater Chicago is forecast to rise 8.4% this year.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2021 are projected values. 2022 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

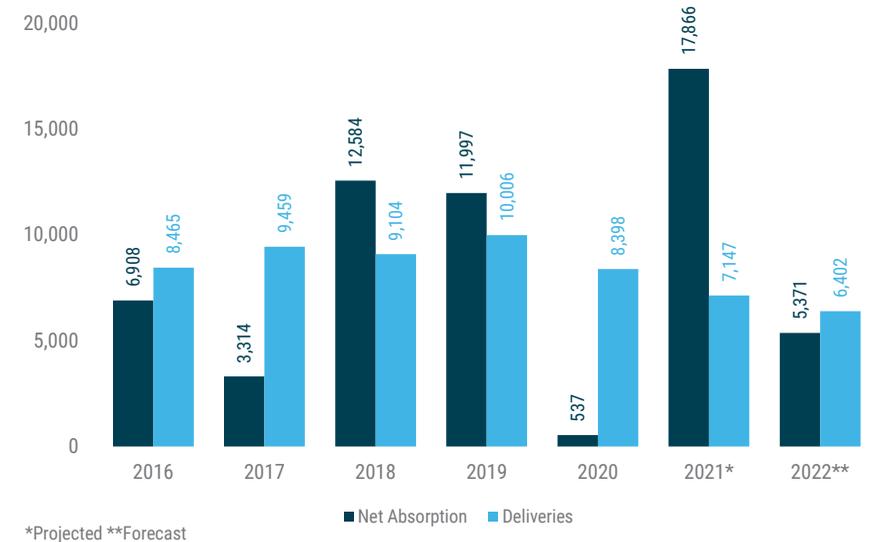
2022 FORECAST

## APARTMENT TRENDS

### Effective Rent & Occupancy

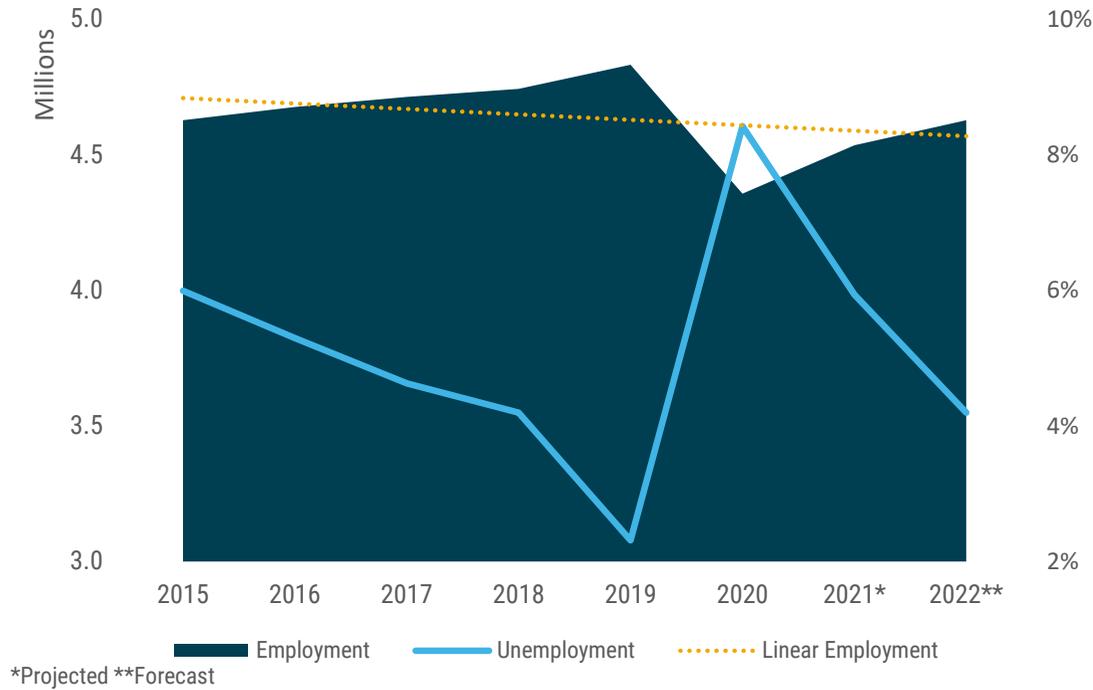


### Absorption & Deliveries



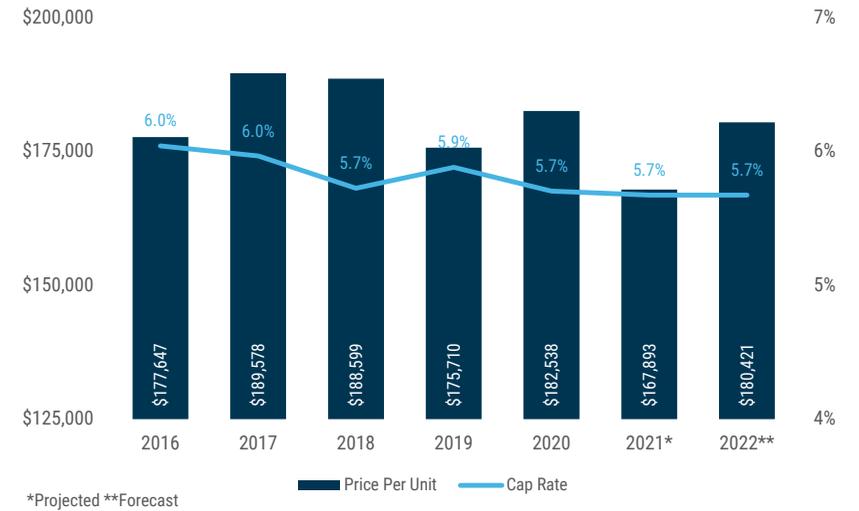
## EMPLOYMENT TRENDS

### Market Employment Trends



## SALES TRENDS

### Price Per Unit & Cap Rate



<p><b>Employment</b></p> <p>4,627,900</p> <p>↑</p> <p>UP 2.0% YOY</p>	<p><b>Unemployment</b></p> <p>4.2%</p> <p>↓</p> <p>DOWN 170 BPS YOY</p>	<p><b>Median Household Income</b></p> <p>\$78,810</p> <p>↑</p> <p>UP 3.5% YOY</p>
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<p><b>Price Per Unit</b></p> <p>\$180,421</p> <p>↑</p> <p>UP 7.5% YOY</p>	<p><b>Cap Rate</b></p> <p>5.7%</p> <p>=</p> <p>UNCHANGED YOY</p>
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