

CHICAGO, IL

2023 MARKET AT A GLANCE

Occupancy Rate

95.4%



DOWN 30 BPS YOY

Effective Rent

\$1,927



UP 3.3% YOY

Rent Share of Wallet

26.4%



UNCHANGED YOY

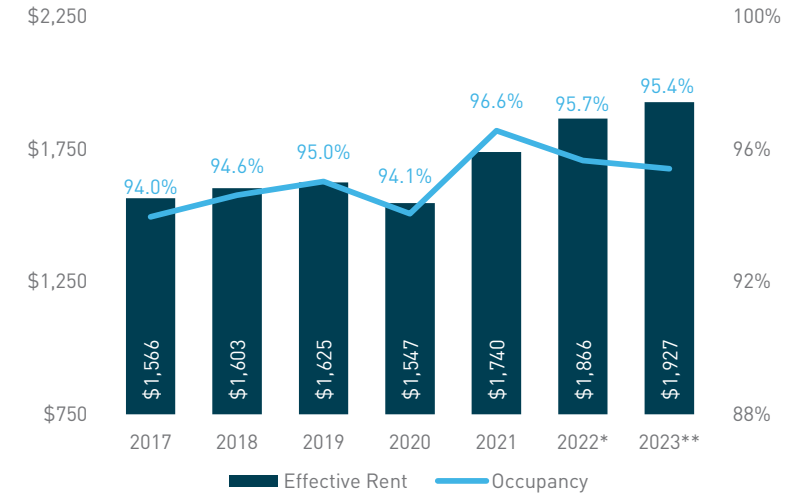
Healthy Economy and Robust Demand Spur Strong Apartment Fundamentals Spurs

Greater Chicago's apartment fundamentals are projected to return to pre-pandemic norms in 2023, reflecting the resiliency of the market. By end-of-year 2023, effective rent is expected to increase 3.3% to \$1,927 per month. While growth would slow from one year prior, the 2023 change would outpace the 2.9% average annual effective increase during the pre-pandemic cycle from 2010 to 2019. The year-over-year moderation is expected as a heightened supply of 8,000 units come online this year. Elevated demand in 2021 and a strong economy encouraged the incoming inventory, which will push down occupancy rate 30 basis points. At 95.4% in the fourth quarter of 2023, occupancy will remain above the pre-pandemic cycle norm of 94.6%. The healthy apartment fundamentals will be supported by ascending apartment leasing activity. More than 5,700 net units are expected to be absorbed, nearly one-fifth of which are in The Loop submarket. High leasing activity in the heart of the city is encouraged by the metro's affordability compared to other large coastal cities like New York and San Francisco. Chicago's thriving economy also will contribute to housing demand. Employment is projected to grow 0.7% this year. Home to 34 Fortune 500 companies—14 located downtown—Chicago is one of the top city for corporate expansion and relocation. With the resurgence of residents and visitors returning to downtown, the leisure and hospitality sector is projected to add the greatest job growth in 2023, with the addition of approximately 13,800 employees.

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 2022 are projected values. 2023 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.

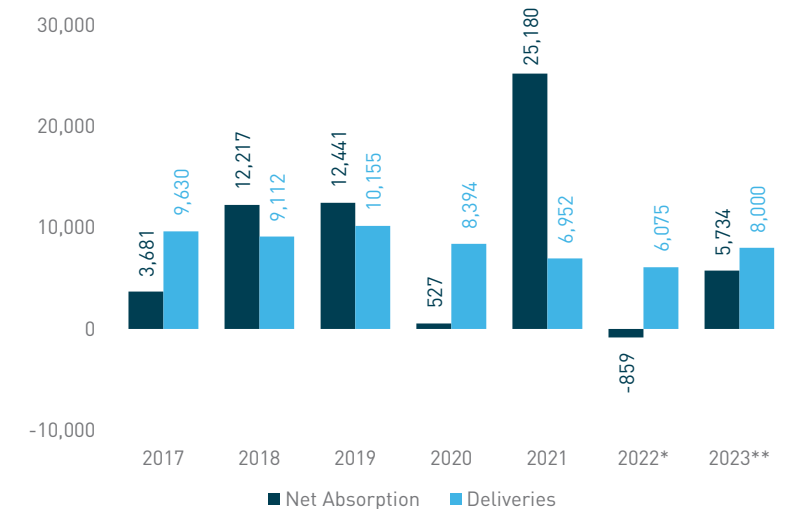
Apartment Trends

Effective Rent & Occupancy



*Projected **Forecast

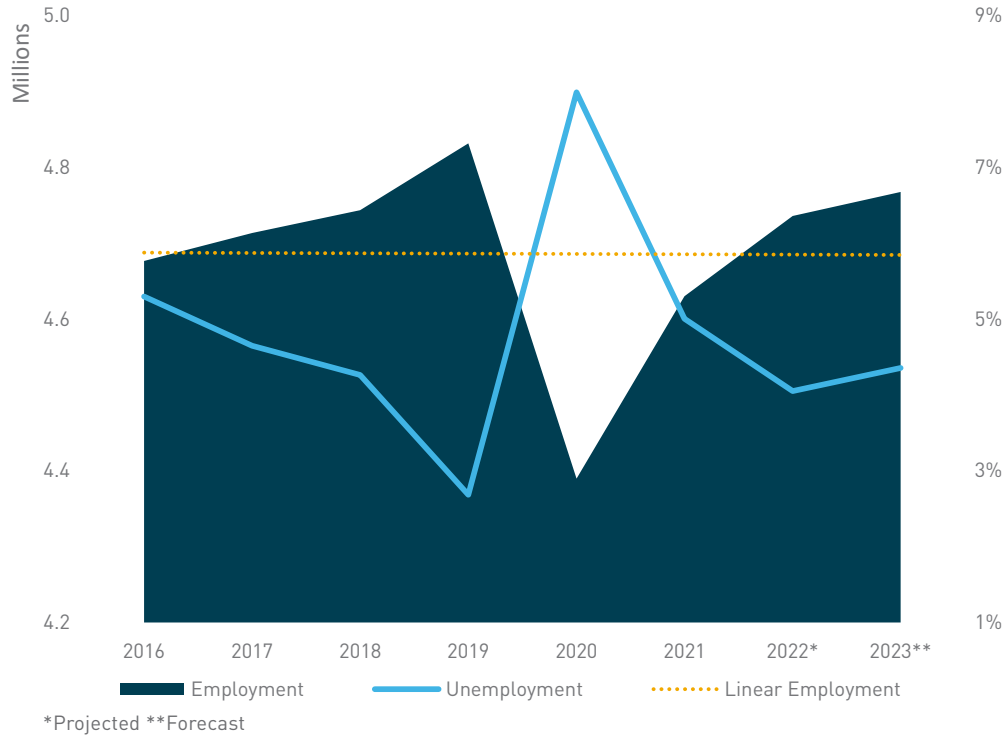
Absorption & Deliveries



*Projected **Forecast

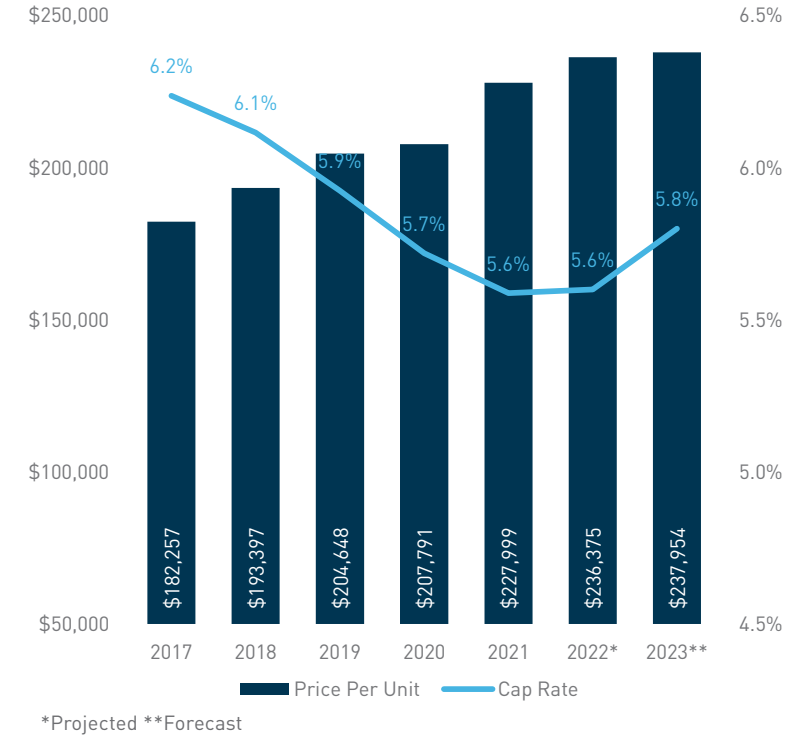
Employment Trends

Market Employment Trends



Sales Trends

Price Per Unit & Cap Rate



<p>Employment</p> <p>4,767,100</p> <p>↑</p> <p>UP 0.7% YOY</p>	<p>Unemployment</p> <p>4.4%</p> <p>↑</p> <p>UP 40 BPS YOY</p>	<p>Median Household Income</p> <p>\$87,742</p> <p>↑</p> <p>UP 3.6% YOY</p>
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<p>Price Per Unit</p> <p>\$237,954</p> <p>↑</p> <p>UP 0.7% YOY</p>	<p>Cap Rate</p> <p>5.8%</p> <p>↑</p> <p>UP 20 BPS YOY</p>
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