CHICAGO, IL

2024 MARKET AT A GLANCE

OCCUPANCY RATE (Q4 2024)	EFFECTIVE RENT (Q4 2024)	RENT SHARE OF WALLET (Q4 2024)
95.0%	$2,010	26.7%
DOWN 10 BPS YOY	UP 3.0% YOY	UP 10 BPS YOY

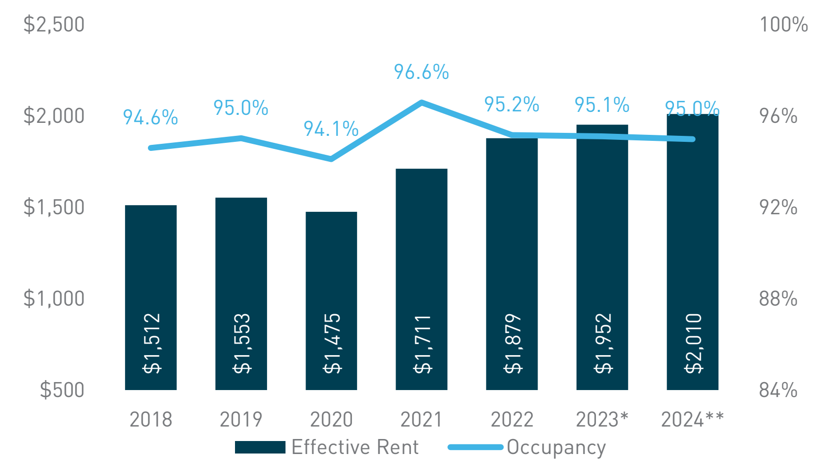
Healthy Economy and Robust Demand Spur Strong Apartment Fundamentals Spurs

As more and more Chicago workers come back to the office, healthy apartment demand is expected to continue this year. Weekly security badge swipes at offices rose to approximately 50% of the pre-pandemic levels across Chicago in 2023. Local employers' emphasis on in-person work put the office bounce back among the strongest of the large metros across the country. This benefited apartment operators, especially in the urban core. Of the more than 6,800 net units absorbed metrowide in 2023, approximately 2,900 additional leases were signed in the neighboring Bronzeville/Hyde Park/South Shore and The Loop submarkets. Each area features a high concentration of office jobs, highly sought after community amenities, and limited, high-cost housing for sale. These trends have persisted in recent years and apartment operators worked to fill the housing demand, especially in The Loop. The submarket is expected to again lead the metro for deliveries, with approximately 2,400 units scheduled to come online by year-end. The new inventory will facilitate robust leasing activity. Even so, the combination of new leases and rental renewals are projected to slightly trail inventory growth and lead to a dip in occupancy. These trends will be reflected metrowide, as Greater Chicago apartment occupancy is forecast to lower 10 basis points year over year to an average of 95% in the fourth quarter of 2024. Occupancy will still be 10 basis points higher than the five-year average leading up to the pandemic. Effective rent is projected to rise 3% over the next four quarters.

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 2023 are projected values. 2024 figures are forecast projections.

APARTMENT TRENDS

Effective Rent & Occupancy

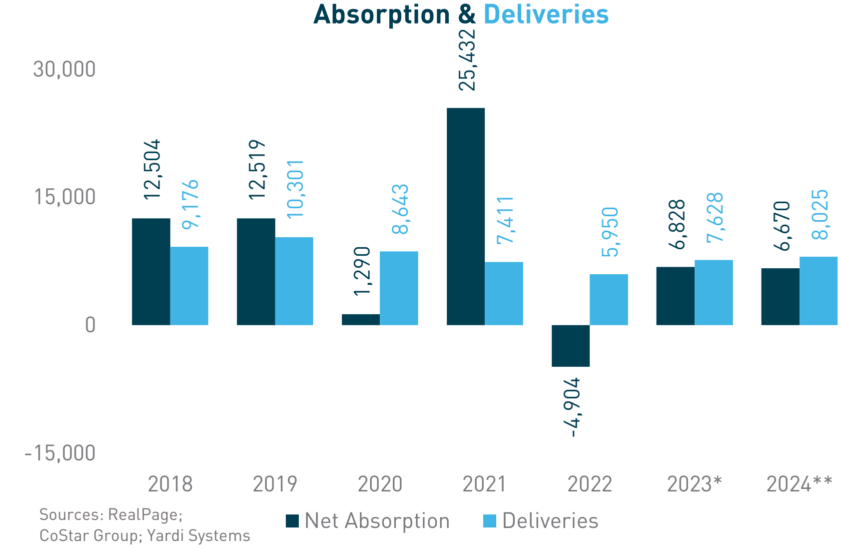


Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

Note: Effective rent and occupancy reflect stabilized properties and does not include preleased units or properties in lease-up. A newly constructed property is considered stabilized once it becomes 85% occupied.

Absorption & Deliveries



Sources: RealPage; CoStar Group; Yardi Systems

*Projected **Forecast

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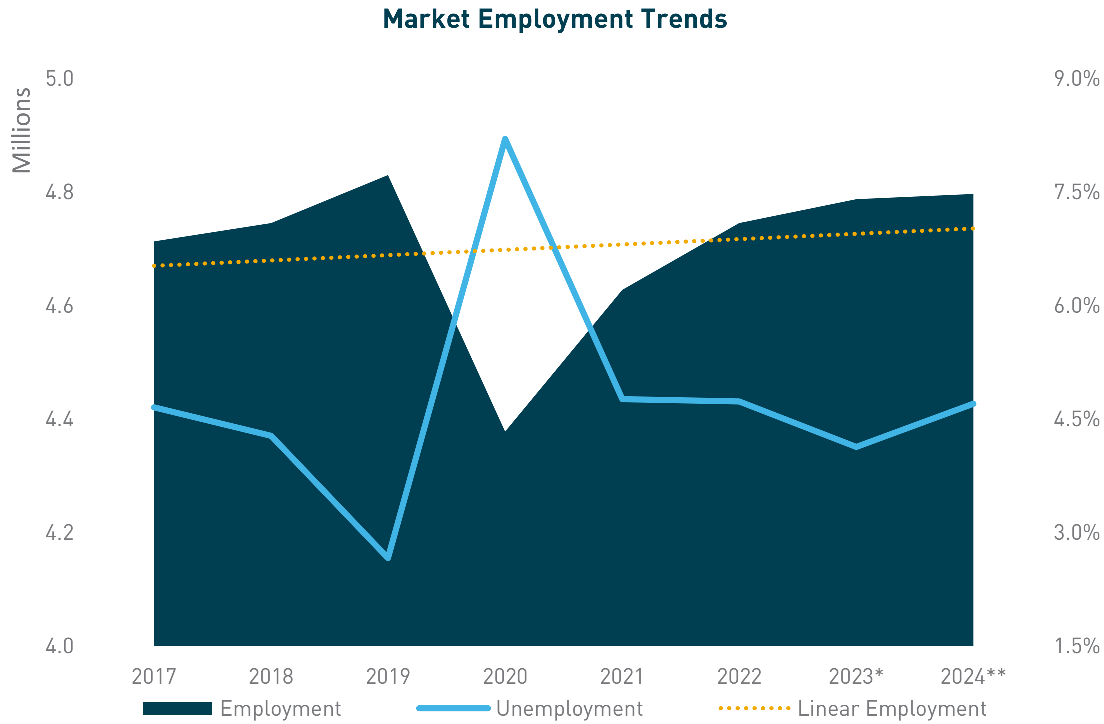
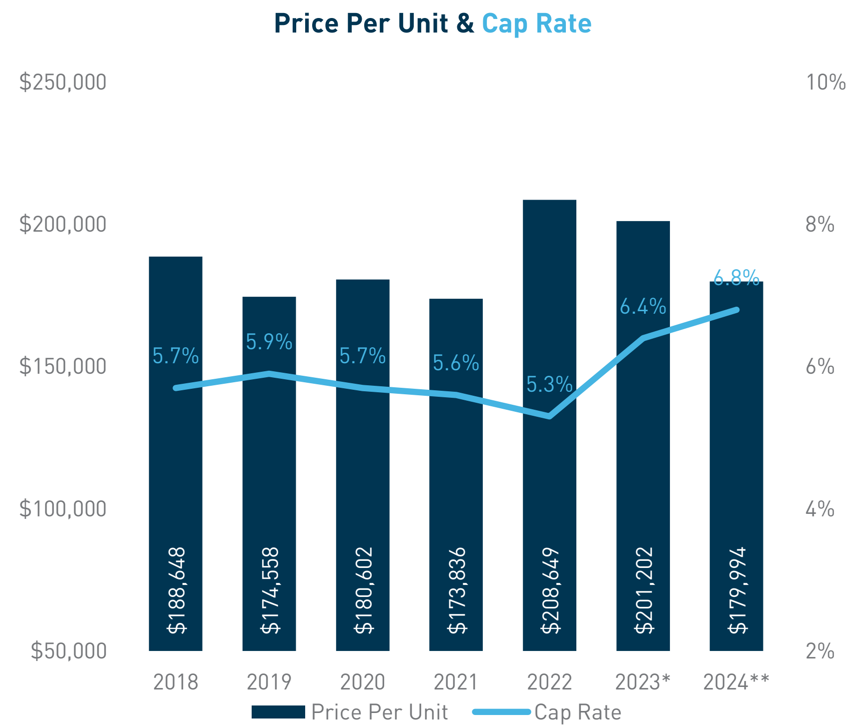
EMPLOYMENT TRENDS



Source: Moody's Analytics

*Projected **Forecast

SALES TRENDS



Sources: Berkadia; CoStar Group; MSCI

*Projected **Forecast

The apartment sales information represents transactions of apartment properties with a sales price of $2.5 million or more, unless otherwise indicated.

EMPLOYMENT (DEC. 2024)	UNEMPLOYMENT (DEC. 2024)	MEDIAN HOUSEHOLD INCOME (DEC. 2024 SAAR)
4,796,800	4.7%	$90,491
UP 0.2% YOY	UP 60 BPS YOY	UP 2.9% YOY

PRICE PER UNIT (2024 AVG.)	CAP RATE (2024 AVG.)
$179,994	6.8%
DOWN 10.5% YOY	UP 40 BPS YOY