



MULTIFAMILY REPORT

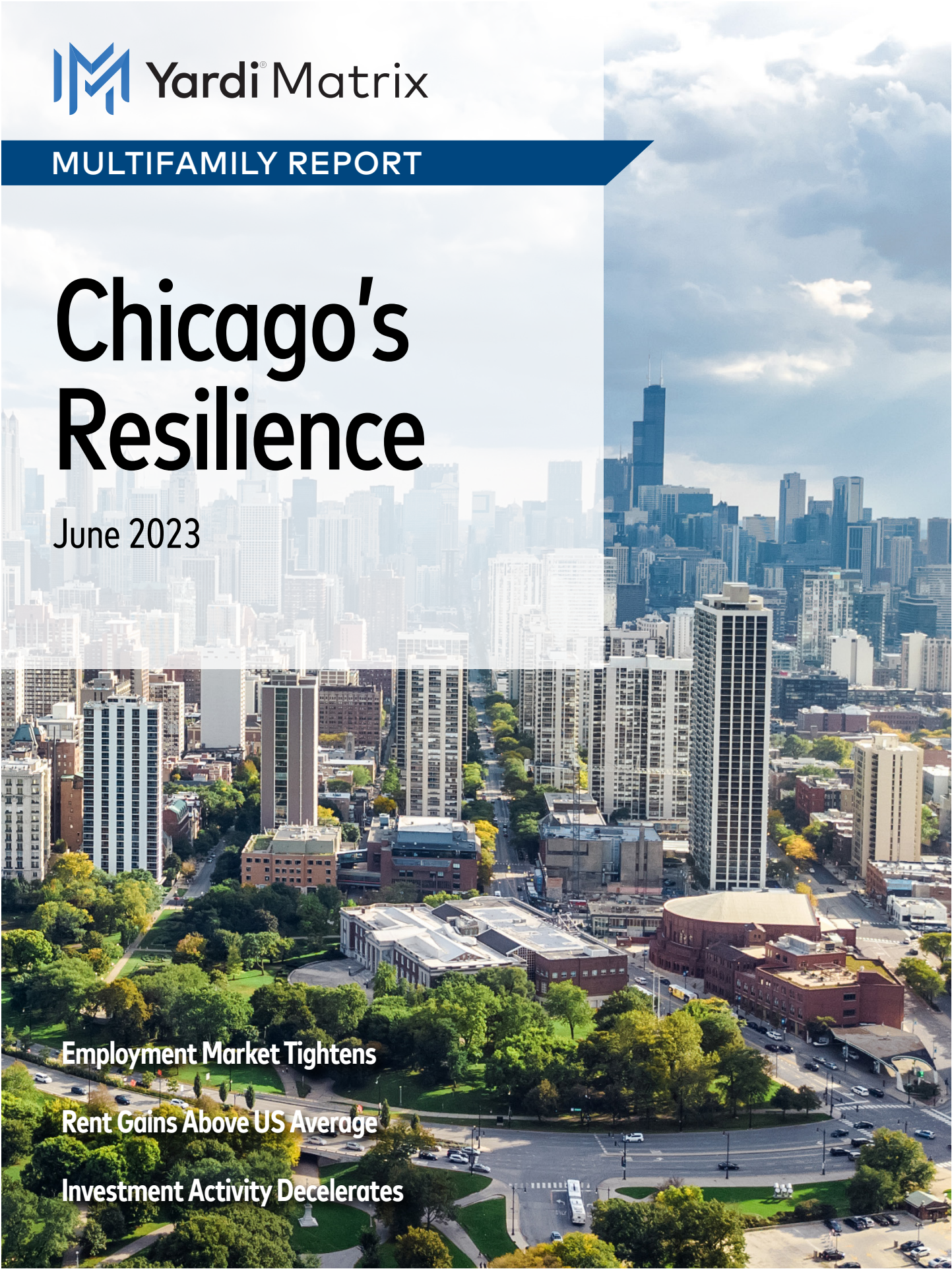
Chicago's Resilience

June 2023

Employment Market Tightens

Rent Gains Above US Average

Investment Activity Decelerates



CHICAGO MULTIFAMILY



Rates, Demand Gain Steam

Chicago fundamentals remained on a positive track during the first four months of 2023, although nationwide economic challenges contributed to a slowdown across multiple metrics. Rent growth clocked in at 0.5% on a trailing three-month basis through April, to \$1,835. Meanwhile, the national average was up 0.2%, to \$1,709. Demand remained healthy, however, with overall occupancy at 95.2%, 20 basis points above the U.S. average.

Unemployment in the metro stood at 4.1% as of March, 60 basis points above the national figure, according to the Bureau of Labor Statistics. Over a 12-month period ending in February, Chicago added 93,000 jobs, for a 2.9% expansion, trailing the national rate by 50 basis points. Leisure and hospitality led growth, with 39,700 jobs added (up 9.8%), followed by education and health services, which added 31,900 positions (up 4.4%). One of the largest ongoing developments in the metro, Lincoln Yards, is scheduled to enter its second phase later this year. Developer Sterling Bay announced that it will break ground on two buildings within the \$6 billion project.

Transactions totaled \$568 million during the first four months of 2023, down 34.6% year-over-year. Meanwhile, 2,275 units came online year-to-date through April, with an additional 13,324 apartments under construction.

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Recent Chicago Transactions

Lincoln Park Plaza



City: Chicago
Buyer: Avanath Capital Management
Purchase Price: \$119 MM
Price per Unit: \$477,912

Anderson Point



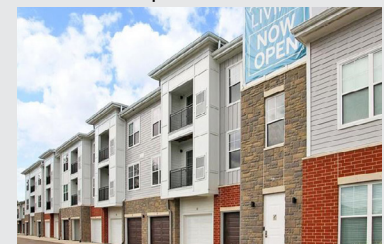
City: Chicago
Buyer: Lake Street Management
Purchase Price: \$53 MM
Price per Unit: \$338,710

Courthouse Square



City: Wheaton, Ill.
Buyer: JVM Realty
Purchase Price: \$51 MM
Price per Unit: \$340,604

Avenida Naperville



City: Naperville, Ill.
Buyer: Greystar
Purchase Price: \$47 MM
Price per Unit: \$318,493