



MARKET FUNDAMENTALS

	YOY Chg	Outlook
95.4% Occupancy Rate	▲	▲
4,337 YTD Net Absorption, Units	▼	▲
\$1,922 Effective Rent, Unit	▲	▲

Source: CoStar, Cushman & Wakefield Research

ECONOMIC INDICATORS

	YOY Chg	Outlook
4.7M Chicago Employment	▲	▲
5.1% Chicago Unemployment Rate	▼	▲
0.4% Chicago Household Growth Rate	▲	▼

Source: BLS

ECONOMIC OVERVIEW

Despite a challenging economic environment, the Chicago region continued to demonstrate resilience, exhibiting signs of stability and growth. Chicago's labor pool expanded, with non-farm employment reaching 4.7 million individuals in Q2 2025. During the same period, the number of households increased 0.4% year-over-year (YOY) to 3.7 million. Additionally, the median household income increased 3.9% YOY to \$92,800.

SUPPLY & DEMAND: STABLE GROWTH

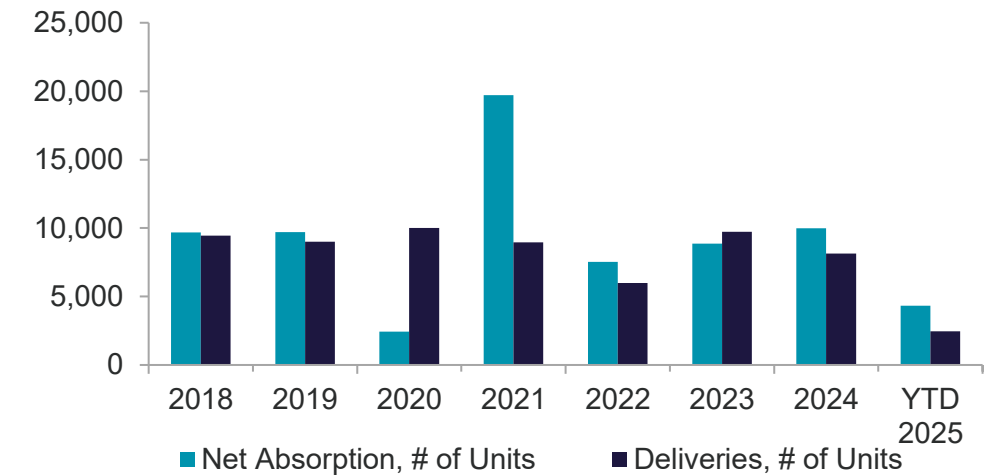
By mid-2025, occupancy rose to 95.4%, up 1.1% YOY and well above the 10-year average of 93.5%. Of the 26 submarkets, 24 maintained occupancy rates of 93.0% or higher. Submarkets with notable increases in occupancy included Kendall County, West Loop/Fulton Market and Will County, up 9.8%, 5.2%, and 3.7% YOY, respectively. There were 4,337 total units absorbed through mid-2025, down 22.4% YOY. Projects currently under construction in submarkets like West Loop/Fulton Market, Gold Coast/Old Town/Near North, and Lakeview/Lincoln Park/Roscoe Village should allow for greater market stability and absorption once delivered. Five submarkets: West Loop/Fulton Market, Far North Chicago/Uptown, DuPage County, Lake County and South Loop accounted for nearly half (45.2%) of total units absorbed, despite making up just 31.4% of the overall market.

Apartment deliveries through Q2 2025 totaled 2,448 units, down 61.3% YOY. Nearly half (47.9%) of newly delivered units in 2025 were in the suburbs, centralized in the Lake County, DuPage County and Aurora/Naperville submarkets. Inventory growth has moderated, reported at just 0.5%, down 1.2% YOY. Currently, there are 20,596 proposed units in the Chicago area market, 56.1% of which are downtown. The West Loop/Fulton Market and Gold Coast/Old Town/Near North submarkets are leading, with 4,740 and 3,693 proposed new units, respectively.

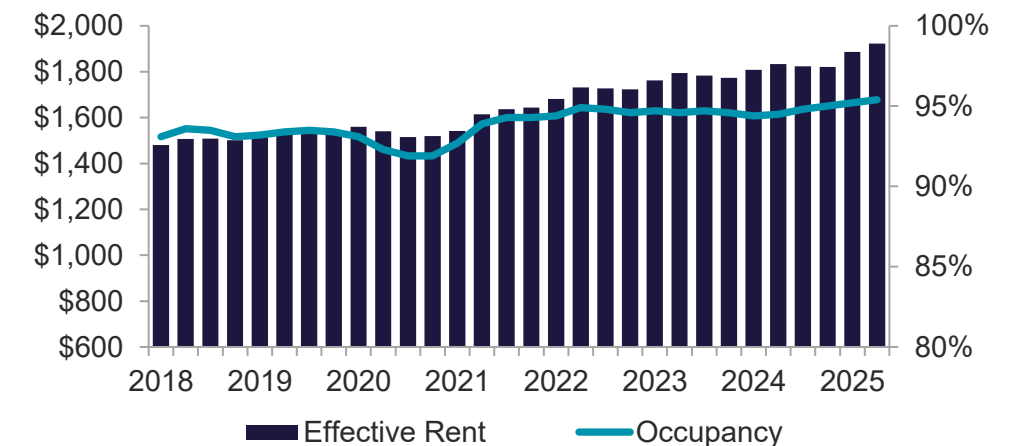
PRICING: RENTS CONTINUE TO INCREASE

The Chicago market recorded the second-highest rent growth among the top 50 U.S. markets, rising 4.4% year-over-year as of Q2 2025. Average rents reached \$1,922 per unit and \$2.36 per square foot (psf). The Chicago Downtown market posted the highest rental rates and rent growth by a wide margin, with averages of \$3,029 per unit and \$3.77 psf, up 5.1% YOY. Meanwhile, Chicago's Non-Downtown market increased more modestly, up 3.8% YOY to \$1,565 per unit and \$2.15 psf.

SPACE DEMAND / DELIVERIES



OVERALL OCCUPANCY & EFFECTIVE RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (UNITS)	YTD DELIVERIES (UNITS)	YTD % INVENTORY GROWTH	UNDER CONSTRUCTION (UNITS)	PROPOSED UNITS	YTD OVERALL NET ABSORPTION (UNITS)	OCCUPANCY RATE	YOY % OCCUPANCY GROWTH	AVG EFFECTIVE RENT/UNIT	AVG EFFECTIVE RENT PSF	YOY EFFECTIVE RENT GROWTH %
Gold Coast/Old Town/Near North	16,408	0	0	99	3,693	120	95.3%	2.0%	\$2,820	\$3.70	4.9%
New East Side	6,068	0	0	0	500	77	95.4%	0.7%	\$3,092	\$3.94	5.8%
River North	10,962	44	0.4%	0	302	197	95.7%	1.9%	\$3,365	\$4.01	5.3%
South Loop	12,628	281	2.3%	0	444	313	92.9%	3.0%	\$2,925	\$3.51	4.5%
Streeterville	8,462	0	0	635	500	76	95.2%	2.4%	\$3,235	\$3.83	4.3%
The Loop	3,714	0	0	117	1,368	54	95.6%	2.2%	\$2,768	\$3.55	5.9%
West Loop/Fulton Market	15,559	0	0	921	4,740	540	94.1%	5.2%	\$3,018	\$3.82	6.0%
DOWNTOWN TOTALS	73,801	325	0.4%	1,772	11,547	1,377	94.7%	2.8%	\$3,029	\$3.77	5.1%
Wicker Park/Ukrainian Village/West Town	4,732	0	0	99	107	17	96.4%	0.6%	\$2,178	\$2.65	2.5%
Bucktown/Logan Square/Avondale	9,415	0	0	67	16	23	96.2%	-0.2%	\$1,939	\$2.45	2.5%
Lakeview/Lincoln Park/Roscoe Village	35,569	47	0.1%	95	1,966	143	96.6%	0.3%	\$2,059	\$2.98	4.8%
Far North Chicago/Uptown	60,878	156	0.3%	343	62	393	96.0%	0.9%	\$1,450	\$2.11	3.7%
River West	1,715	22	1.3%	34	0	11	95.6%	-0.1%	\$2,917	\$3.56	5.5%
South Lakefront	42,641	76	0.2%	0	377	172	94.7%	0.5%	\$1,392	\$1.81	2.7%
Northwest Chicago	23,201	96	0.4%	108	501	108	95.4%	0.6%	\$1,349	\$1.70	3.3%
Southwest Chicago	27,199	92	0.3%	0	183	125	93.9%	0.5%	\$1,131	\$1.49	5.4%
NON-DOWNTOWN TOTALS	205,272	489	0.3%	746	3,212	992	95.5%	0.6%	\$1,565	\$2.15	3.8%
Lake County	24,918	450	0.6%	461	508	347	95.1%	-0.2%	\$1,724	\$1.95	3.9%
McHenry County	7,186	260	3.6%	50	0	317	92.6%	3.3%	\$1,542	\$1.65	1.9%
Kane County	10,053	0	0	977	692	10	96.5%	0.3%	\$1,877	\$1.97	3.5%
Kendall County	3,344	0	0	0	0	91	88.0%	9.8%	\$1,928	\$1.93	5.9%
DuPage County	47,670	399	0.8%	643	481	369	95.0%	0.0%	\$1,863	\$2.10	3.2%
Aurora/Naperville	16,367	323	2.0%	246	0	170	93.7%	-1.4%	\$1,872	\$2.07	3.4%
Will County	11,837	0	0	1,064	0	212	96.3%	3.7%	\$1,774	\$1.93	3.5%
Northwest Cook County	39,112	58	0.1%	301	719	203	96.3%	0.4%	\$1,869	\$2.11	3.5%
Northshore	19,423	0	0	741	1,542	-58	95.4%	1.0%	\$2,108	\$2.45	4.3%
Southwest Cook County	38,576	44	0.1%	0	30	158	96.8%	1.3%	\$1,472	\$1.90	3.6%
Kenosha	10,002	0	0	158	1,865	45	97.9%	1.0%	\$1,385	\$1.50	2.5%
North Lake County Indiana	9,351	100	1.1%	0	0	104	95.0%	0.4%	\$1,186	\$1.38	4.8%
SUBURBAN TOTALS	237,839	1,634	0.7%	4,641	5,837	1,968	95.5%	0.7%	\$1,763	\$2.00	3.5%
CHICAGO AREA TOTALS	514,150	2,448	0.5%	7,159	20,596	4,337	95.4%	1.0%	\$1,922	\$2.36	4.1%

*Includes buildings with 5 units or greater **Data does not match national statistics

Source: CoStar, Cushman & Wakefield Research

KEY SALES TRANSACTIONS YTD 2025

PROPERTY	SUBMARKET	MARKET	SELLER / BUYER	MANAGEMENT CO.	UNITS	PRICE / \$ UNIT
Fulbrix – 160 N Normandy St	Fulton Market	Downtown	Ares Management Corp / Normandy USA LLC	Willow Bridge	375	\$170.0M / \$453,333
Elevate Lincoln Park – 930 W Altgeld St	Lincoln Park	Non-Downtown	Baker Development Corp / Tishman Speyer	Greystar	191	\$113.7M / \$595,550
Catalyst – 123 N Desplaines St	West Loop	Downtown	DWS Group / The Green Cities Company	Greystar	223	\$94.0M / \$421,525
Emblem Oswego – 200 Emblem Cir	Kendall County	Suburban	Quarterra / J.P. Morgan Investment Management Inc.	Marquette	312	\$84.0M / \$269,231
Hoffman Hills Apartments / 725 W Bode Cir	Northwest Cook County	Suburban	The Wolcott Group, LLC / Eastham Capital, Inc.	Bender	550	\$77.2M / \$140,455
Easton Downers Grove – 2845 Easton St	DuPage County	Suburban	FPA Multifamily LLC / The Laramar Group, LLC	Laramar	294	\$72.1M / \$245,238
Huntington Apartments – 20 S Naper Blvd	Aurora / Naperville	Suburban	Rockwell Property Co. / FPA Multifamily LLC	Trinity	356	\$68.0M / \$191,011
Top of The Mount – 207 S Maple St	Northwest Cook County	Suburban	Wingspan Development Group / TLC Management Co.	TLC	192	\$60.1M / \$313,021

KEY CONSTRUCTION COMPLETIONS YTD 2025

PROPERTY	SUBMARKET	MARKET	UNITS	OWNER / DEVELOPER	MANAGEMENT CO.
Lucca Fox Valley	Aurora / Naperville	Suburban	323	Focus Development, Inc.	Atlantic Residential
The 250	Lake County	Suburban	297	Urban Street Group	RPM Living
Metro 19	DuPage County	Suburban	295	Avgeris & Associates, Inc.	Village Green
Roosevelt Square	Southwest Chicago	Non-Downtown	281	Chicago Housing Authority	Related
Water’s Edge	McHenry County	Suburban	260	Heartland Real Estate Partners	RPM Living
Encuentro Square	Bucktown / Logan Square	Non-Downtown	200	Trust for Public Land	Evergreen

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