



MULTIFAMILY REPORT

Chicago's Momentum

June 2025

T3 Rents Accelerate Ahead of US
Completions, Starts Slow Down
Employment Inches Up

CHICAGO MULTIFAMILY



Rent Growth Recovers, Supply Slows

Chicago's multifamily sector started the new year on a positive note, with fundamentals at healthy levels, relative to the overall economic uncertainty. Average advertised asking rent growth recovered 0.5%, on a trailing three-month basis through April, to \$2,011, 30 basis points ahead of the national rate. Following two years of strong supply expansion, the metro's average occupancy for stabilized assets remained solid, at 95.9% in March, ahead of the 94.4% U.S. figure.

Employment growth showed signs of recovery after a tepid 2024, with the year-over-year rate clocking in at 0.8% in February, just 10 basis points behind the U.S. figure. Unemployment did not improve much, landing at 5.3% in March, according to preliminary data from the Bureau of Labor Statistics. Over the 12-month period ending in February, Chicago gained 8,300 net jobs, with education and health services (4,500 jobs) and government (3,400 jobs) leading growth. Vacant or underutilized office buildings are increasingly becoming potential candidates for multifamily conversions, especially with help from the LaSalle Corridor Revitalization program. So far, six projects have been approved, totaling \$900 million in investments and 1,765 units.

In line with nationwide trends, development is slowing down after two solid years—Chicago added 1,277 units in the first four months of the year, while another 9,607 were under construction.

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Recent Chicago Transactions

ELEVATE Lincoln Park



City: Chicago
Buyer: Tishman Speyer
Purchase Price: \$114 MM
Price per Unit: \$595,550

Catalyst



City: Chicago
Buyer: The Green Cities Co.
Purchase Price: \$94 MM
Price per Unit: \$421,525

The Easton Downers Grove



City: Downers Grove, Ill.
Buyer: Laramar Group
Purchase Price: \$72 MM
Price per Unit: \$245,238

ReNew on Naper



City: Naperville, Ill.
Buyer: FPA Multifamily
Purchase Price: \$68 MM
Price per Unit: \$191,549