

Economic Trends

Chicago employers grew payrolls by 23,300 heads over the first seven months of the year, helping the market come within 0.1 percent of its pre-pandemic total. Local gains were the most prominent in leisure and hospitality, as well as the education and health services industries, each adding at least 8,000 jobs during this time frame. Hiring across all sectors is anticipated to ebb slightly over the remaining half of the year, however, as the metro's net total number of positions gained reaches 32,000 annually by December.

Demographic Trends

Although the local populace is set to shift down for the fifth consecutive year in 2023, a growing population share of residents over the age of 55 is partially backfilling losses among younger generations. These individuals are more likely to possess family heirlooms often passed down to relatives, potentially benefiting self-storage demand. A growing number of age 55-plus locals also aids household income gains, exceeding the metro's 2 percent historical average by 180 basis points this year.

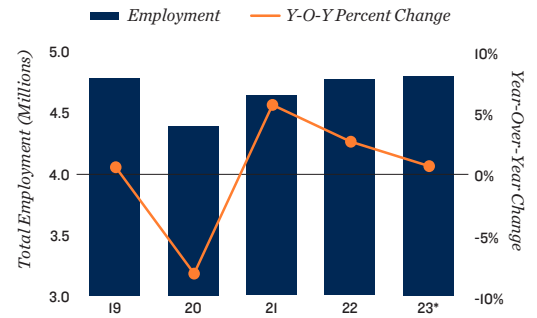
Supply and Demand Trends

The metro welcomes its largest self-storage supply influx since 2016 this year as builders increase local stock by 4.2 percent, with the bulk of deliveries having already been completed through June. Near-term supply pressure maintains upward vacancy movement in 2023, increasing the market's rate to 6.8 percent by year-end.

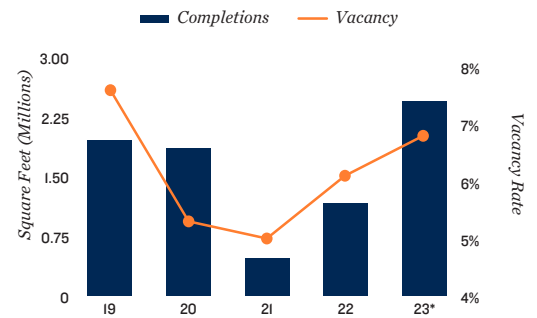
Rent Trends

Notable supply growth and a shrinking population contribute to another year of average rent declines in 2023, following last year's downshift. Settling at \$1.08 per square foot by year-end marketwide, rent reductions will be felt more heavily in Chicago proper than in the suburbs as their average rates shift 8.5 and 3.8 percent, respectively.

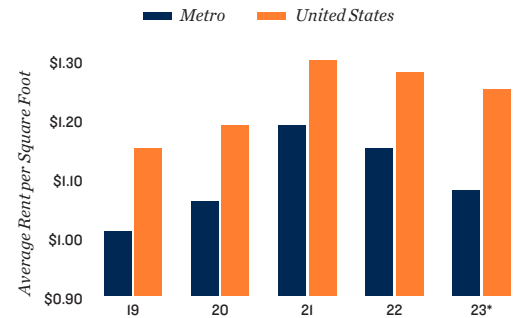
Employment Trends



Supply and Demand Trends



Rent Trends



* Forecast

Sources: BLS; Moody's Analytics; Radius+; Yardi Matrix; U.S. Census Bureau

FORECAST

EMPLOYMENT

▲ +0.7%

CONSTRUCTION

▲ 2,442,238
square feet

VACANCY

▲ 70
basis points

RENT

▼ -6.1%

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