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# DOWNTOWN CHICAGO CLASS A MULTIFAMILY MARKET UPDATE

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APRIL 2024

# Occupancy

## Chicago Multifamily Historical Absorption and Pipeline

The downtown Chicago Class A multifamily market consists of approximately 43,000 apartment units. Overall, the Downtown Chicago residential market extends from North Avenue (1600 north) on the north to Cermak Road (2200 south) on the south, and from Lake Michigan on the east to portions of the Chicago River and Ashland Avenue on the west. The Downtown market includes the Gold Coast/Old Town, Streeterville, Loop/Lakeshore East, River North, South Loop, and West Loop/Fulton Market submarkets.

Prior to the COVID-19 pandemic, the Class A Chicago market absorbed nearly all inventory and maintained occupancy rates above 93%. In Q4 2020, due to the COVID-19 pandemic, the market decreased to an average of 87% occupancy. However, leasing velocity in Q4 2020 and throughout 2021 remained unseasonably high and occupancy percentages quickly increased to pre-pandemic levels in the first half of 2021. Current occupancy levels are at an all-time high at just under 94%. With manageable new supply, we expect occupancy rates to remain at historically high averages for the foreseeable future with slight variances for seasonality.

On the next slide is a graph showing market-wide occupancy from 2016 – Q1 2024 with Luxury Living's occupancy projections through 2025.



**Chicago Class A  
Multifamily Market  
Consists of ≈40,000 Units**



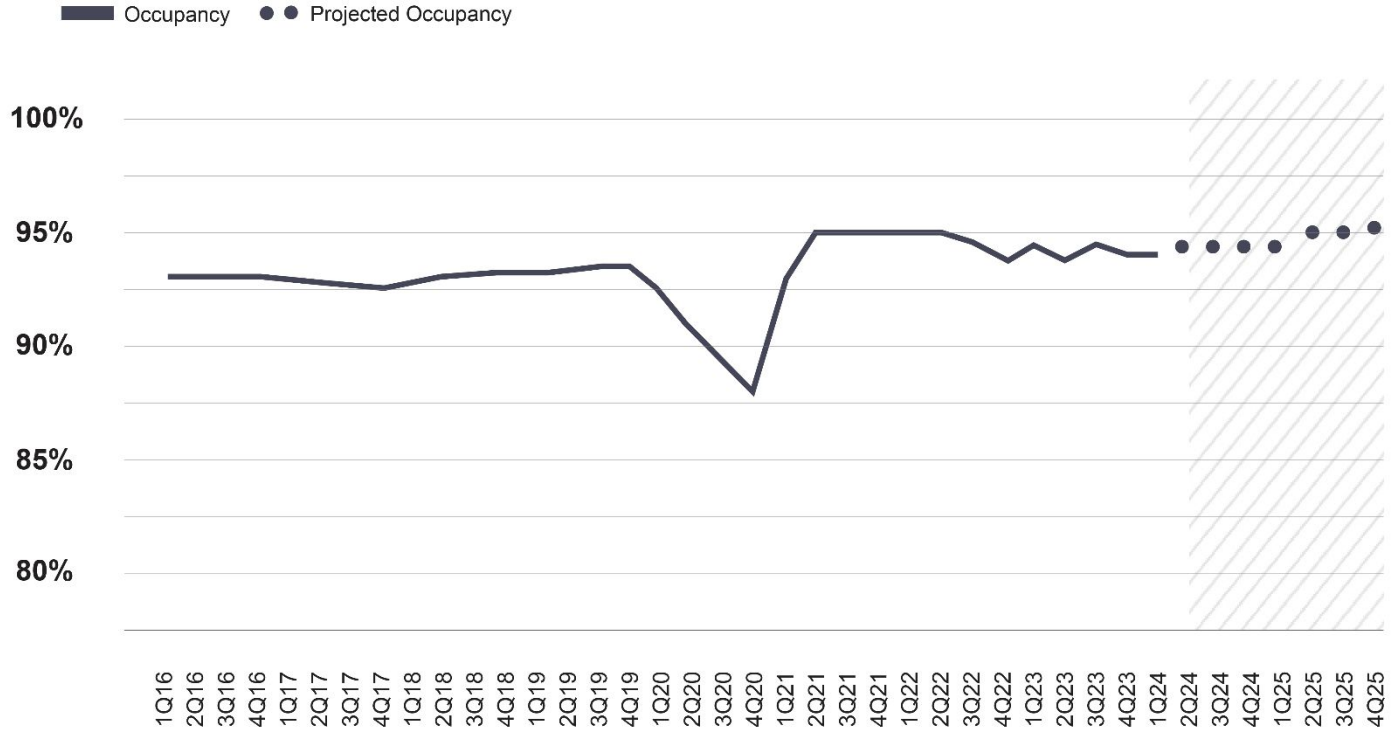
**Occupancy Dipped to  
87% in Q4 2020 Due to  
the COVID-19 Pandemic**



**Occupancy Levels Have  
Exceeded Pre-Pandemic  
Levels**

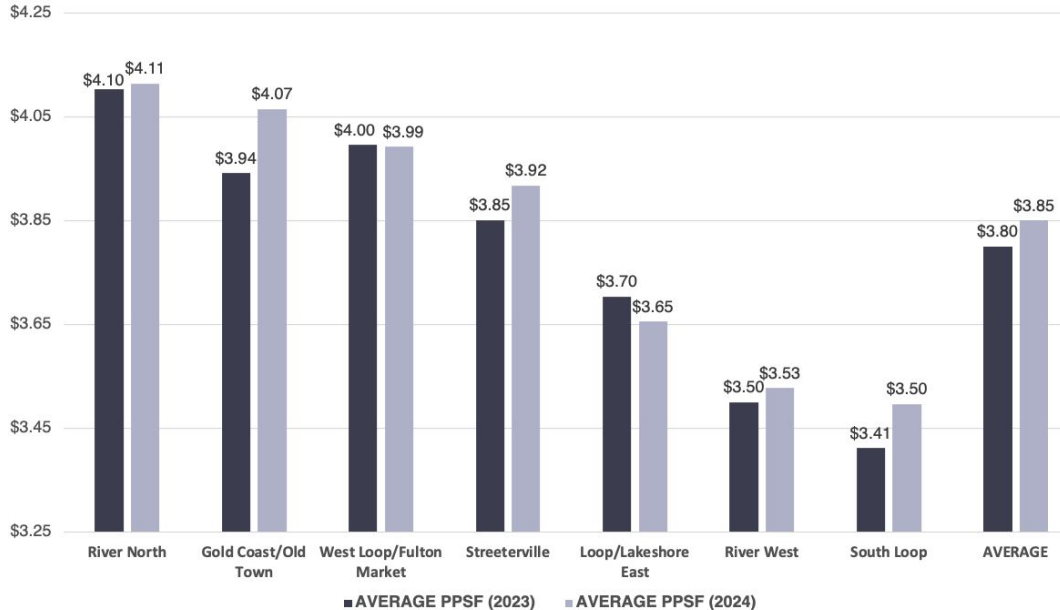


# CHICAGO CLASS A OCCUPANCY 2016-2025



## Average Gross PPSF (Q1 2023/2024)

Below is a chart showing the most recent rent trends by submarket in Downtown Chicago on a PSF basis. The data includes 2,600 leased units in Q1 2023 and 2,995 leased in Q1 2024 across 78 different properties **delivered** since 2016.



**26,000 Class A Luxury Apartments Delivered Since 2016**

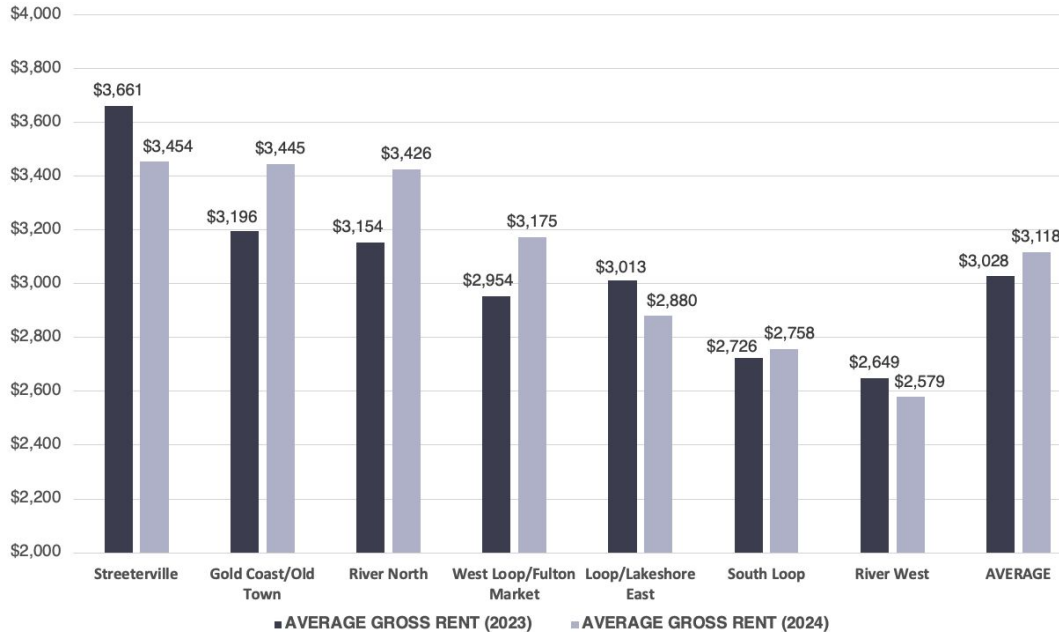
**Q1 2024 Saw a 15.2% Increase in Total Rentals Compared to Q1 2023**

**Average Gross PPSF was 1.3% Higher in Q1 2024 Compared to Q1 2023**

**Two Submarkets Averaged \$4.00+ PSF in Q1 2024**

# Average Gross Rent (Q1 2023/2024)

Below is a chart showing the most year-over-year rent trends by submarket in Downtown Chicago on a Gross Rent basis. The data includes leased units in Q1 2023 and 2,995 leased in Q1 2024 across 78 different properties **delivered** since 2016.



**Market Average Gross Rent Increased \$90 in Q1 2024 compared to Q1 2023**

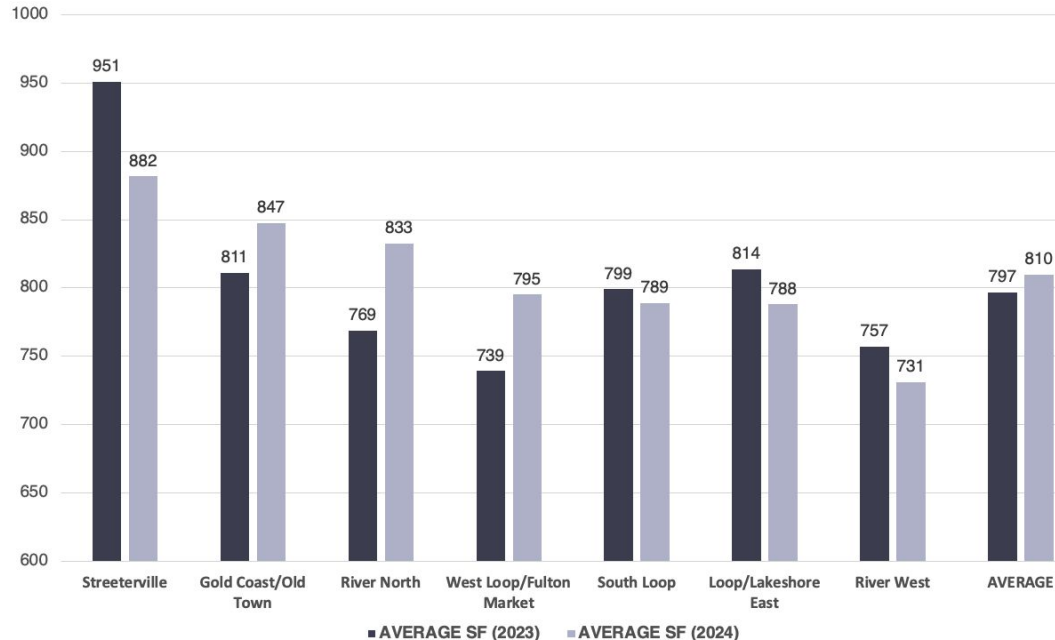
**Four of Seven Submarkets with Average Rent \$3,000+**

**Average Gross Rents Jumped 3.0% in Q1 2024 Compared to Q1 2023**

**Seasonal Concessions were Prevalent Throughout the Market in Q1 2023/2024**

## Average Square Footage (Q1 2023/2024)

Below is a chart showing the most year-over-year average square footage trends by submarket in Downtown Chicago. The data includes leased units in Q1 2023 and 2,995 leased in Q1 2024 across 78 different properties **delivered** since 2016.



**Average SF was up 1.6% in Q1 2024 compared to Q1 2023**

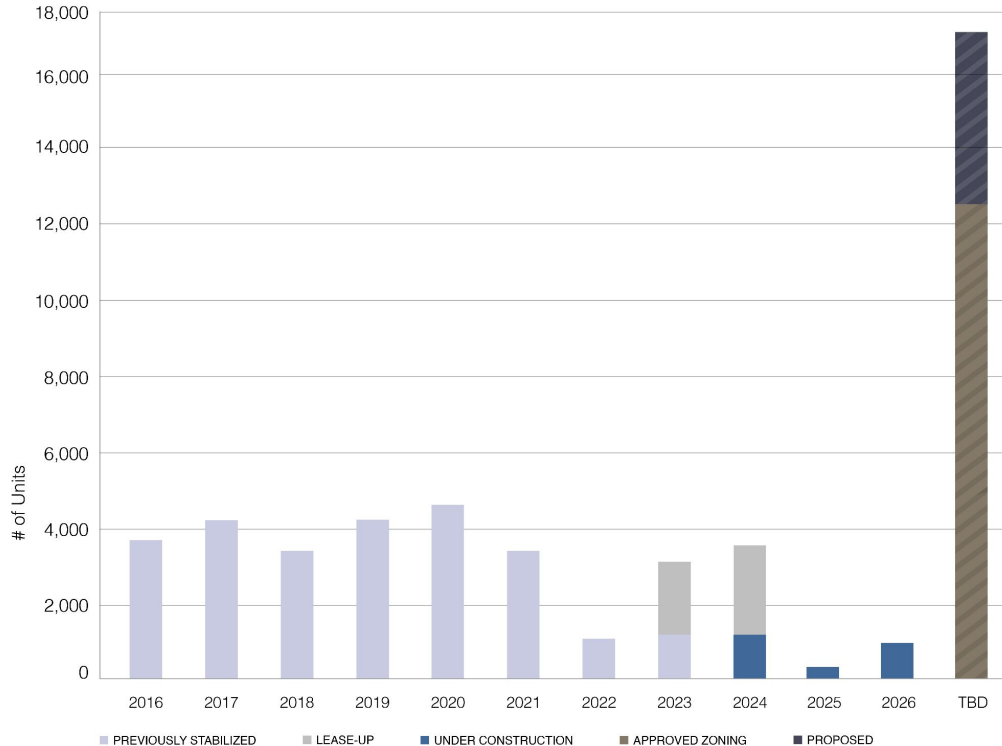
**Streeterville Had the Steepest Decline of 7.8% in Average SF**

**River North had the Highest Increase of 8.3% in Average SF**

**Four Submarkets had Decrease in Average SF in Q1 2024 Compared to Q1 2023**

# Pipeline

## Downtown Chicago Class A Historical Pipeline



↑ **≈26,000 Units  
Delivered Since 2016**

↑ **≈4,600 Units  
In Lease-Up**

↑ **≈2,300 Units Under  
Construction**

↑ **+22,000 Total New  
Apartments in Downtown  
Chicago Pipeline 2024+**

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THANK YOU

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