

LUXURY | LIVING

DOWNTOWN CHICAGO CLASS A MULTIFAMILY MARKET UPDATE

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Occupancy

Chicago Multifamily Historical Absorption and Pipeline

The downtown Chicago Class A multifamily market consists of approximately 40,000 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 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 – Q4 2024 with Luxury Living's occupancy projections through 2025.



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



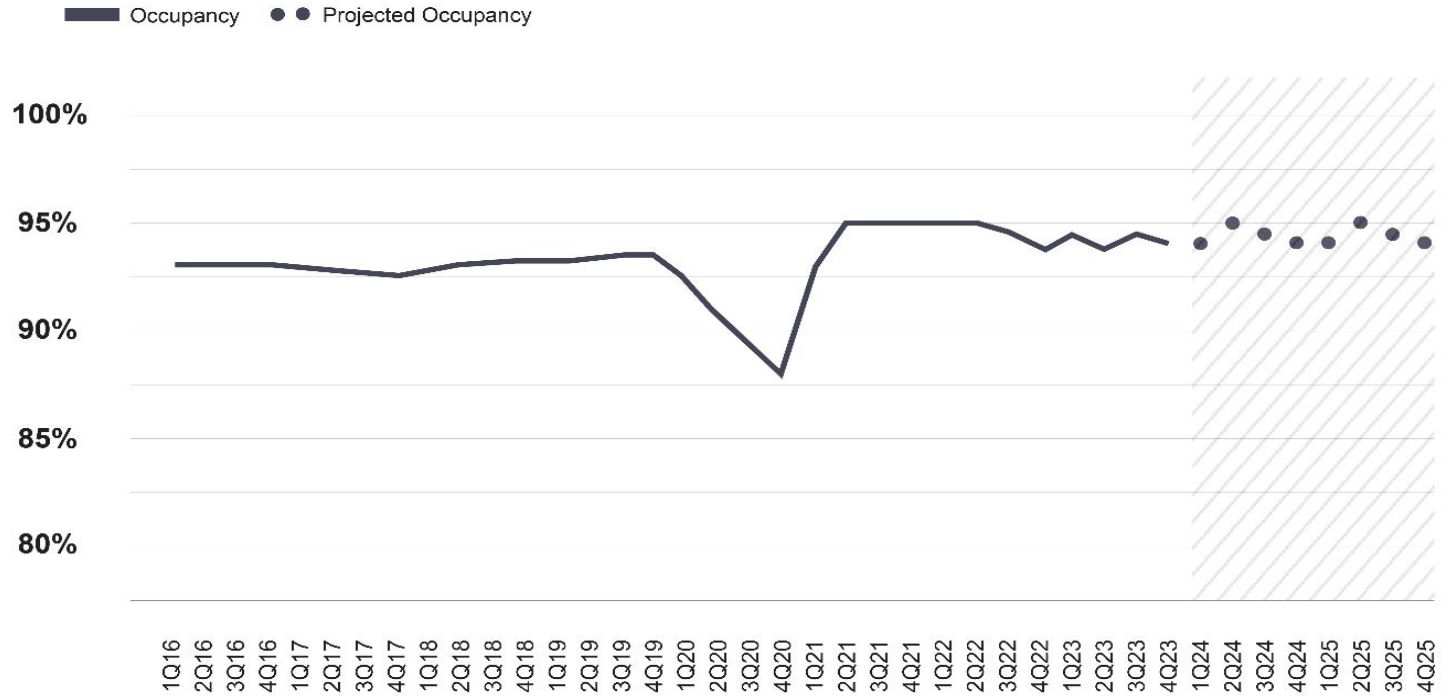
**Occupancy Dipped to
87% in Q4 2020 Due to
the COVID-19 Pandemic**



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

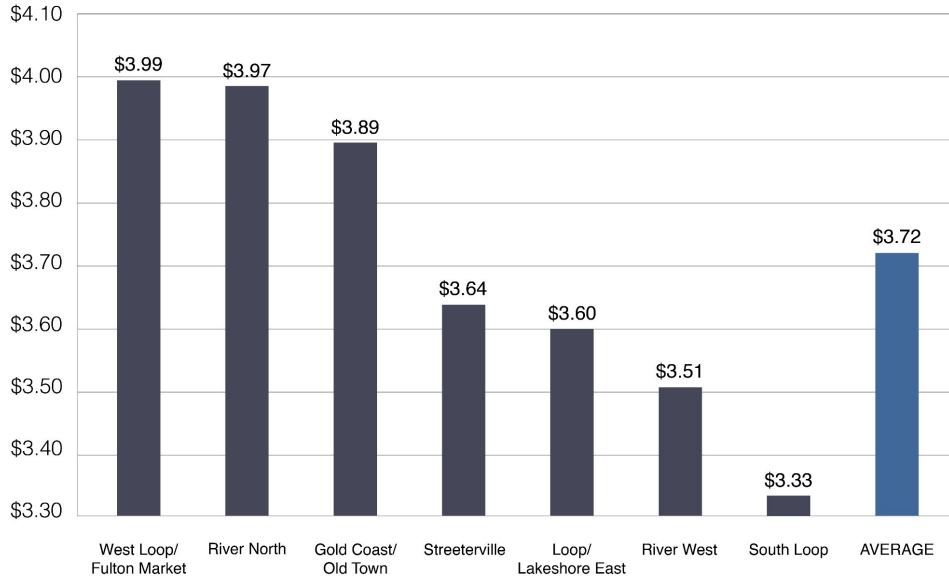


CHICAGO CLASS A OCCUPANCY 2016-2025



Average Gross PPSF

Below is a chart showing the most recent rent trends by submarket in Downtown Chicago on a PSF basis. The data includes 1,923 units leased in Q4 2023 across 72 different properties delivered since 2016.



**23,000 Class A
Luxury Apartments
Delivered Since 2016**

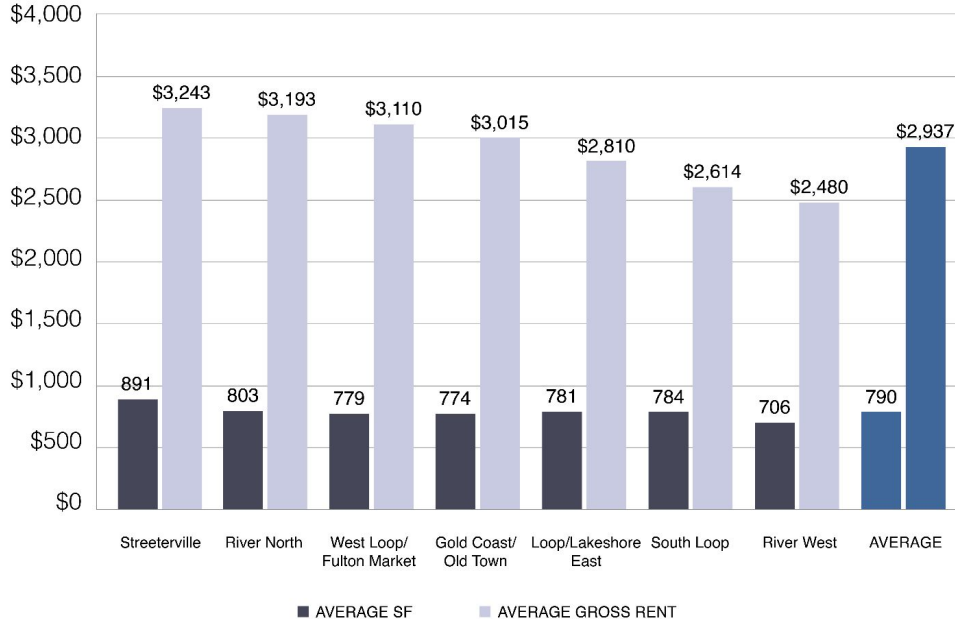
**≈1,900 Rentals in Q4 2023 is
a 40% Decrease from Q3**

**Average Gross PPSF at
\$3.72—5.6% lower than Q3**

**Zero Submarkets
Averaging \$4.00+ PSF**

Average Gross Rent and Average SF

Below is a chart showing the most recent rent trends by submarket in Downtown Chicago on a Gross Rent basis. The data includes just over 1,900 units leased in Q4 2023 across 72 different properties delivered since 2016.



Market Average Gross Rent of ~\$3,000 in Q4

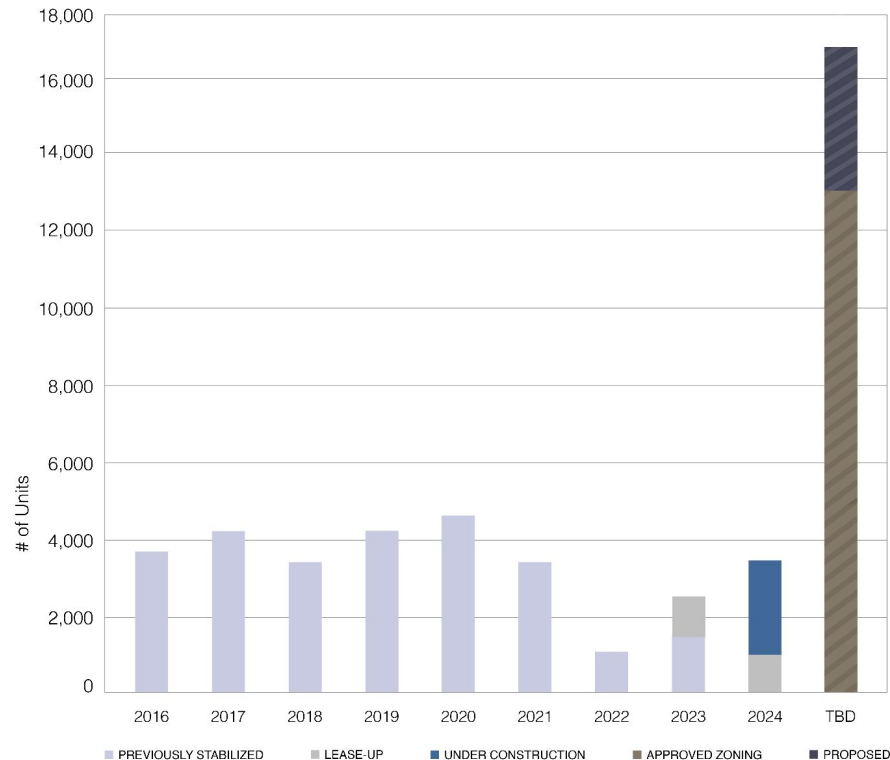
Four of Seven Submarkets with Average Rent in the \$3,000s

Average Gross Rents Remain Flat Compared to Q3 2023

Concessions were Prevalent Throughout the Market in Q4

Pipeline

Downtown Chicago Class A Historical Pipeline



↑ **≈23,000 Units
Delivered Since 2016**

↑ **≈2,600 Units
In Lease-Up**

↑ **≈3,200 Units Under
Construction**

↑ **+23,000 Total New
Apartments in Downtown
Chicago Pipeline 2024+**

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THANK YOU

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