

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 2022 with Luxury Living's occupancy projections through 2025.



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



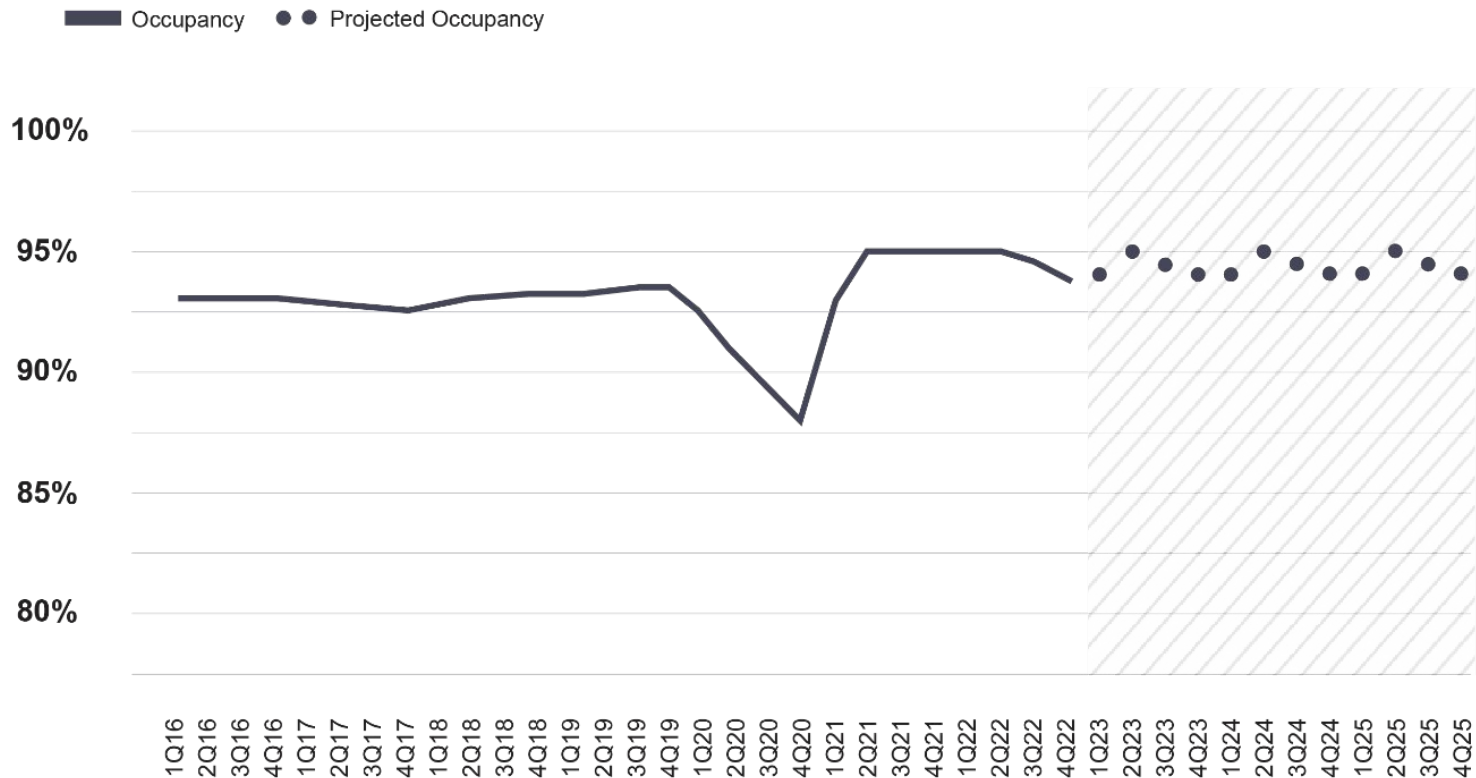
**Occupancy Dipped to  
87% in Q4 2020 Due to  
the COVID-19 Pandemic**



**Occupancy Levels Have  
Exceeded Pre-Pandemic  
Levels Above 94%**

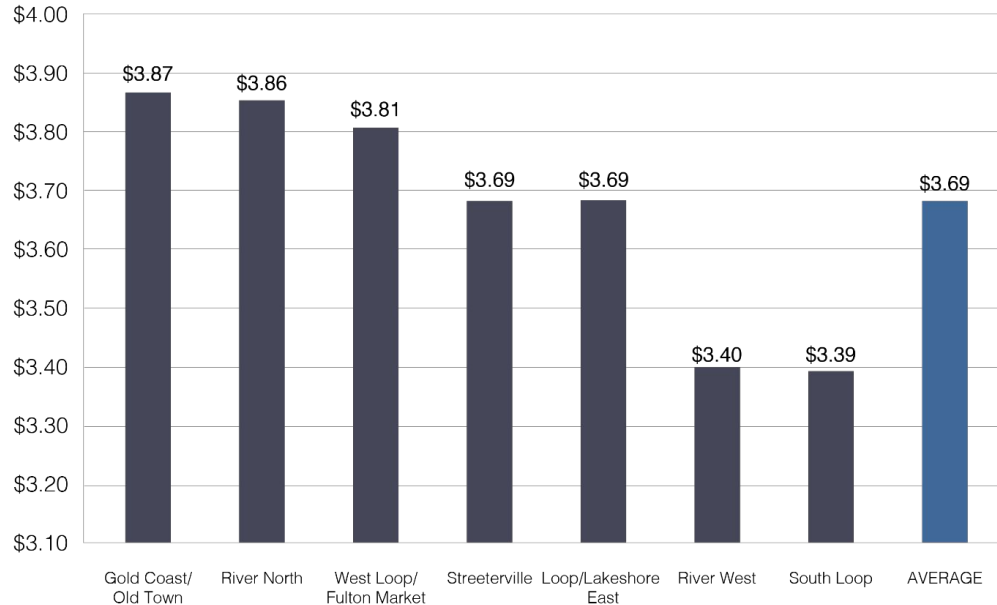


# CHICAGO CLASS A OCCUPANCY 2016-2025



## Average Rents - PPSF

Below is a chart showing the most recent rent trends by submarket in Downtown Chicago on a PSF basis. The data includes 1,700 units leased in Q4 2022 across 66 different properties delivered since 2016.



**25,000 Class A  
Luxury Apartments  
Delivered Since 2016**

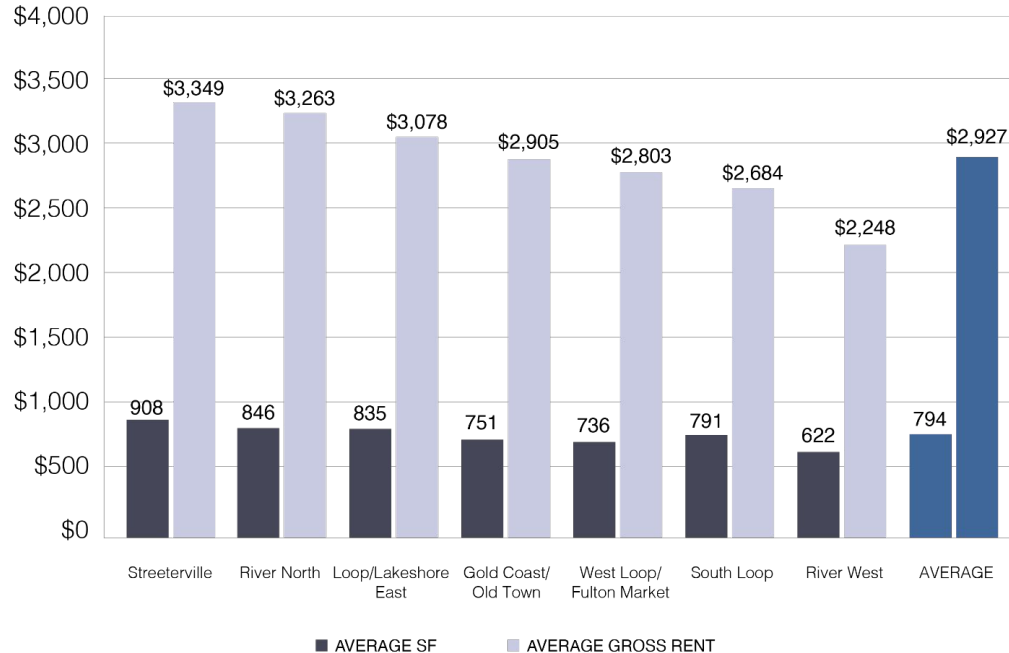
**≈1,700 Leases in Q4  
Across 66 Properties**

**Average Gross PPSF  
Dipped Below \$3.75**

**Three Submarkets  
Averaging over \$3.80 PSF**

# Average Rents - Gross Rent

Below is a chart showing the most recent rent trends by submarket in Downtown Chicago on a Gross Rent basis. The data includes 1,700 units leased in Q4 2022 across 66 different properties delivered since 2016.



Market Average Gross Rent of +\$2,900 in Q4

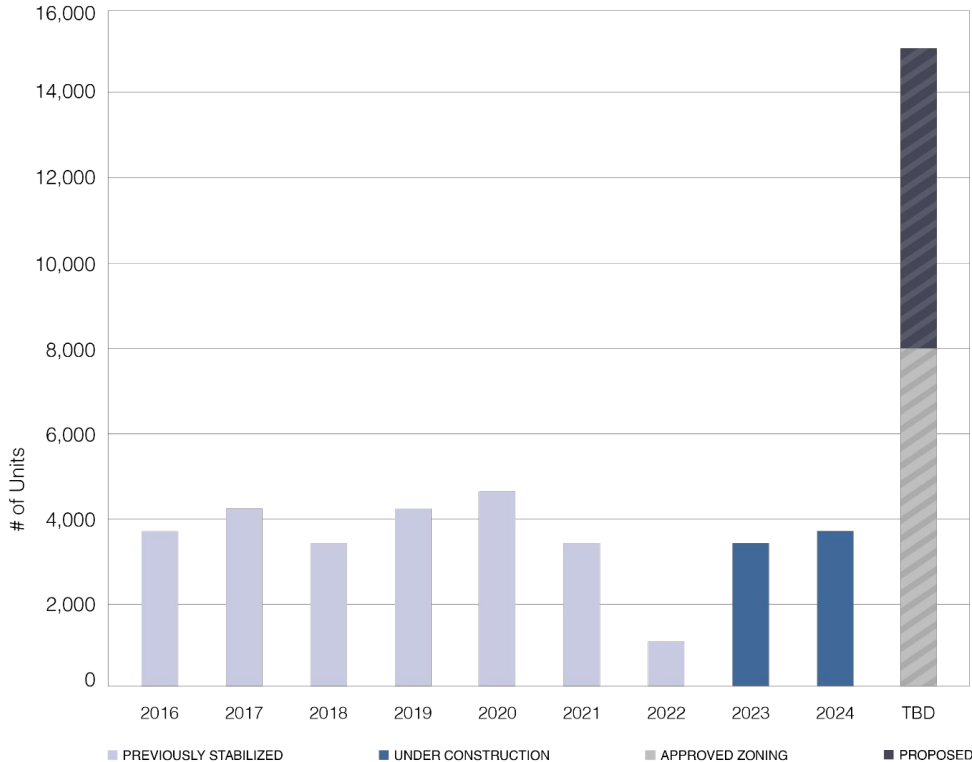
Varying Average SF Across Submarkets

Most Submarkets Average \$2,800+

Three Submarkets Averaging \$3,000+

# Pipeline

## Downtown Chicago Class A Historical Pipeline



↗ **≈22,000 Units  
Delivered Since 2016**

↗ **≈7,000 Units  
Confirmed 2023-2024**

↗ **≈8,000 Units Approved  
For Zoning**

↗ **+15,000 Total New  
Apartments in Downtown  
Chicago Pipeline**

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THANK YOU

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