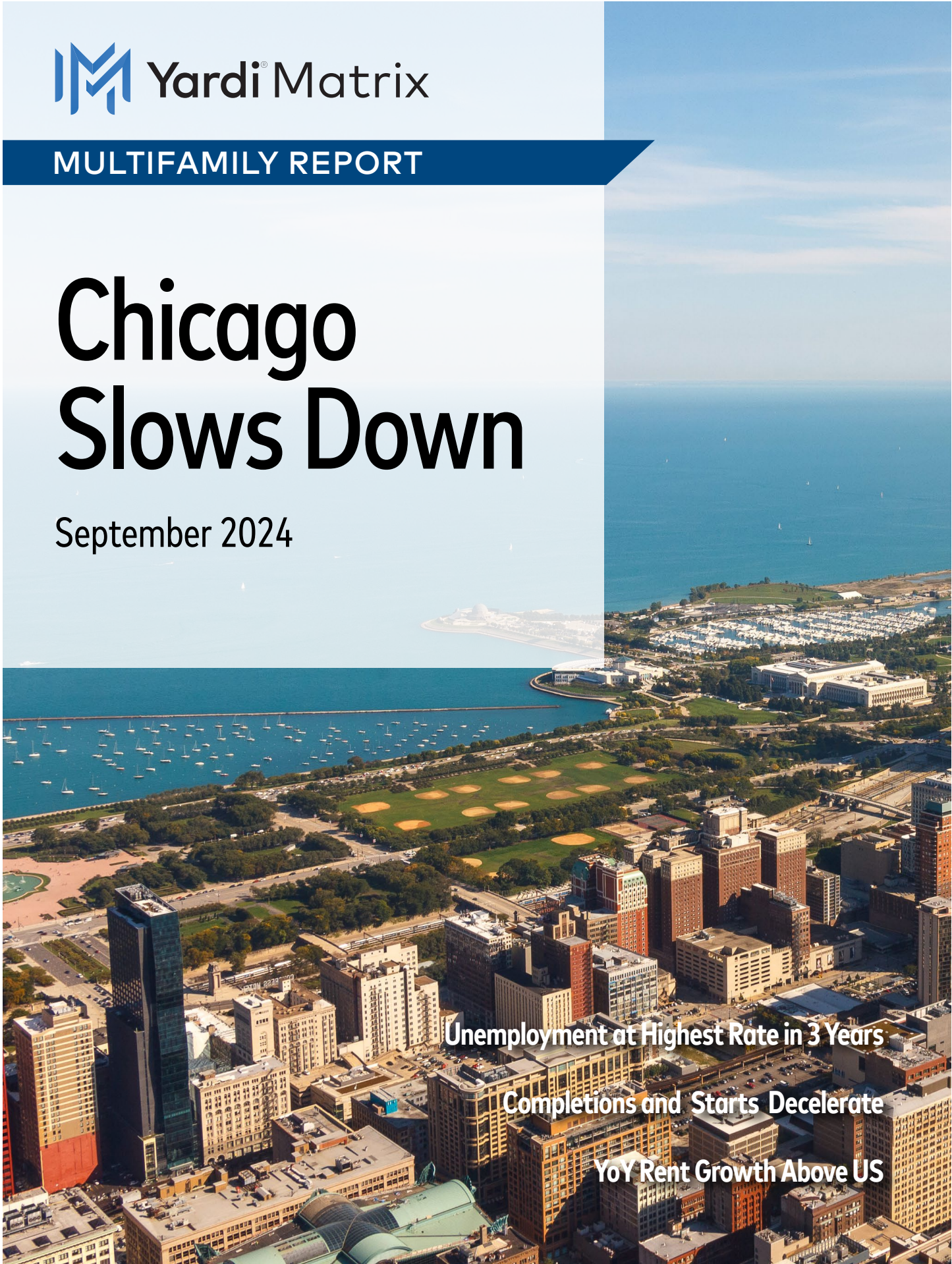




MULTIFAMILY REPORT

Chicago Slows Down

September 2024



Unemployment at Highest Rate in 3 Years

Completions and Starts Decelerate

YoY Rent Growth Above US

CHICAGO MULTIFAMILY



Employment Struggles, Rents Lead US

Chicago's multifamily fundamentals were mixed in the third quarter. Advertised asking rents were up 0.4%, to \$1,938, on a trailing three-month basis, 10 basis points above the U.S. Rates in the metro were up 2.0% year-over-year, which was more than double the 0.8% national figure. Occupancy remained healthy, dipping only 20 basis points year-over-year, to 95.6% in June, above the U.S.' 94.6%.

Unemployment reached its highest rate since August 2021, at 6.4% in July, according to preliminary data from the Bureau of Labor Statistics. It also stood 230 basis points higher than the U.S. figure. Over the 12 months ending in May, Chicago gained 12,700 net jobs, or a 0.2% expansion. Growth significantly lagged the nation's 1.3%. Education and health services led gains with 22,200 jobs, while professional and business services recorded a loss of 30,400 positions.

Chicago's multifamily supply pipeline saw some disruptions, as only 2,957 units were added in the first seven months of the year. This accounted for 0.7% of existing stock, significantly below the national 1.4% rate. Starts were also down, with 15,257 units under construction. Meanwhile, investment volume totaled \$651 million year-to-date through July, less than half of last year's \$1.5 billion.

Market Analysis | September 2024

Contacts

Jeff Adler

Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x14006

Doug Ressler

Media Contact
Doug.Ressler@Yardi.com
(480) 695-3365

Author

Tudor Scolca-Seuşan

Senior Associate Editor

Recent Chicago Transactions

Willow Crossings



City: Elk Grove Village, Ill.
Buyer: Royal Imperial Group
Purchase Price: \$89 MM
Price per Unit: \$154,231

Sixteen30



City: Plainfield, Ill.
Buyer: Continental Properties
Purchase Price: \$78 MM
Price per Unit: \$276,056

Maynard at 5718 Winthrop



City: Chicago
Buyer: Becovic
Purchase Price: \$10 MM
Price per Unit: \$136,667