



## MULTIFAMILY REPORT

# Chicago Outlines Recovery Path

Summer 2021

Rental Rates on Upward Trend

Transaction Activity on the Rebound

Deliveries Favor Lifestyle Segment

# CHICAGO MULTIFAMILY



## Gateway Markets Begin Recovery, Chicago Follows Suit

As Illinois nears the final steps in the state's reopening plan, the road to economic recovery is slowly gaining ground. As is the case with other hard-hit gateway markets, Chicago's rebound is gradually taking shape. Although faced with challenges through 2020, the metro's multifamily fundamentals have endured—as of April, rents were up 0.5% on a trailing three-month basis, to \$1,532, above the \$1,417 U.S. average.

In the 12 months ending in February, Chicago lost a combined 394,300 jobs, for an 8.4% contraction. As of March, unemployment stood at 7.1% in Illinois and 7.7% in metro Chicago, both behind the 6.0% U.S. rate. The \$1.9 trillion American Rescue Plan allocated an estimated \$7.5 billion in direct aid to Illinois and \$5.5 billion to local governments, including \$1.8 billion earmarked for the city of Chicago.

Chicago had 16,959 rental units under construction as of April, with 86% of those targeting high-income renters. In total, Yardi Matrix expects 7,855 units to come online across the metro this year, virtually on par with deliveries recorded in 2020. Meanwhile, investment sales were off to a solid start in 2021, with 22 assets totaling 4,760 units trading for \$522 million in the first quarter of the year.

## Market Analysis | Summer 2021

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### Recent Chicago Transactions

#### Circle Park



City: Chicago  
Buyer: Related Cos.  
Purchase Price: \$98 MM  
Price per Unit: \$234,450

#### Windsor Lakes



City: Woodridge, Ill.  
Buyer: Morgan Properties  
Purchase Price: \$80 MM  
Price per Unit: \$104,987

#### Aspen Ridge



City: West Chicago, Ill.  
Buyer: RuMe Holdings  
Purchase Price: \$28 MM  
Price per Unit: \$111,249

#### Wing Park



City: Elgin, Ill.  
Buyer: Cunat  
Purchase Price: \$24 MM  
Price per Unit: \$128,804