



## MULTIFAMILY REPORT

# Chicago's Challenges

January 2025



# CHICAGO MULTIFAMILY



## Rent Growth Down, Occupancy Moves Up

Mirroring the national negative movement, Chicago's average advertised asking rents were down 0.2%, on a trailing three-month basis, through November. Short-term rent growth crested in the summer, reaching 0.8%, but turned negative as fall moved in. The metro's occupancy rate was 95.7% as of October, outpacing the U.S. average of 94.8%.

Metro Chicago's unemployment rate stood at 5.1% as of September, based on data from The Bureau of Labor Statistics. The average was a full percentage point above the U.S. figure. Metro Chicago added a net total of 4,600 jobs during the year ending in September, impacted by four sectors that shed a total of 40,500 jobs. The Committee on Zoning recently approved two adaptive reuse projects. One would transform an office building at 65 E. Wacker into a 252-unit residential tower and the second would convert The Evergreen Building into a 47-unit property. Additionally, Prologis is converting a warehouse at 800 E. Devon Ave. into a data center.

Chicago developers completed 4,919 units year-to-date through November and had an additional 12,756 units under construction. Investment activity has gained momentum compared to the first half of the year. In the first half of 2024, sales totaled \$699 million, but with one month left in the year, total sales volume was \$1.9 billion.

## Market Analysis | January 2025

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### Recent Chicago Transactions

#### Railway Plaza



City: Naperville, Ill.  
Buyer: Abacus Capital Group  
Purchase Price: \$109 MM  
Price per Unit: \$261,391

#### Cobbler Square



City: Chicago  
Buyer: JDL Development  
Purchase Price: \$90 MM  
Price per Unit: \$308,219

#### Chestnut Place



City: Chicago  
Buyer: Farallon Capital  
Management  
Purchase Price: \$85 MM  
Price per Unit: \$304,286

#### Webster House



City: Chicago  
Buyer: Jonathan Rose Cos.  
Purchase Price: \$55 MM  
Price per Unit: \$296,000