CHICAGO
MULTIFAMILY REPORT

THIRD QUARTER 2020

MARKET AT A GLANCE

OCCUPANCY RATE 95.0%
Down **70 bps** since 3Q19

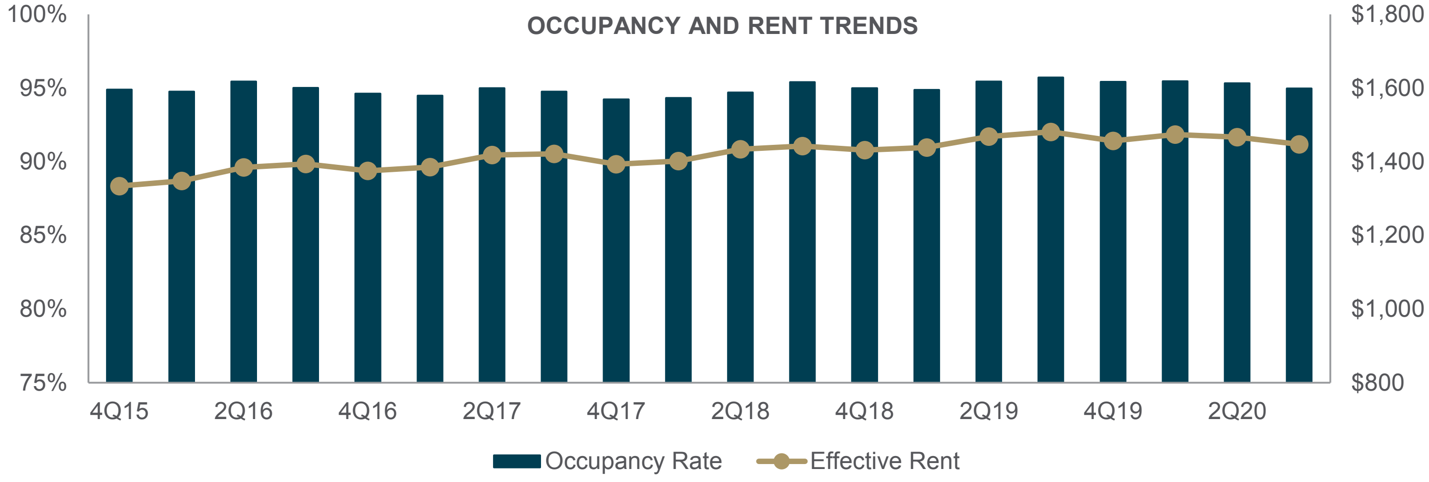
EFFECTIVE RENT $1,447
Down **2.3%** since 3Q19

RENT PAYMENT TRACKER (Oct. 1-6) 85.6%
Down **150 bps** since Sept. 1-6

OCCUPANCY AND RENT TRENDS

OCCUPANCIES REMAIN ELEVATED AMID EVICTION MORATORIUM EXTENSION

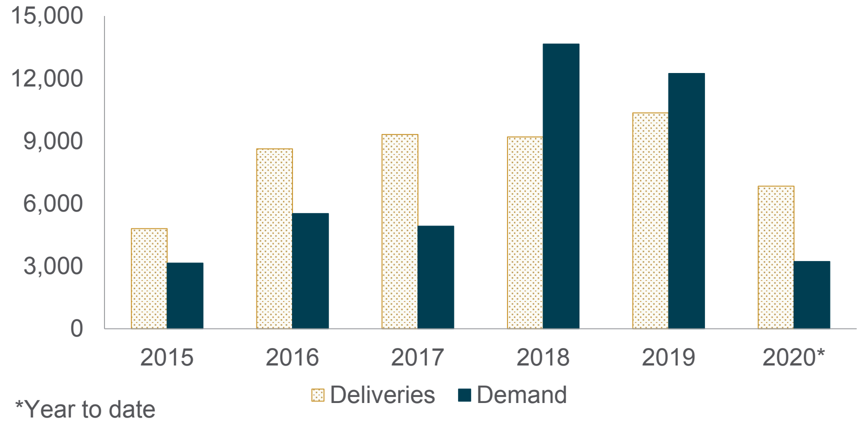
Eviction bans have been in effect in Illinois since March 2020 and are positioned to stay in place through the end of the year. These protections have saved tenants with unpaid rents from having to relocate, keeping many statewide apartment markets at a standstill, including the Chicago metro area. The changes induced by the ongoing pandemic shifted what would have been a robust summer for new development and renter activity. Despite this, Chicago still stands as one of the most prominent regions for developers to break ground, having added 2,330 new multifamily units during the third quarter. Prior to COVID-19, rent growth usually fell around 2.3%, but the recent lack of mobility has apartment operators focusing on keeping occupancies elevated. Apartment operators adjusted their expectations by raising concessions and reducing effective rents 1.3% quarterly to $1,447 per month. In effect, the average occupancy rate for the third quarter was 95.0%, staying 20 basis points above the market's five-year average. In the near-term, renters may reassess which desired apartment locations take priority. Living in proximity to the Loop or downtown neighborhoods may no longer take precedence as more residents telecommute.



DELIVERIES AND DEMAND

DELIVERIES 6,836
Units YTD

NET ABSORPTION 3,222
Units YTD



ECONOMIC TRENDS

2019		2020
3.6%	UNEMPLOYMENT* **800 BPS** CHANGE	11.6%
4.8m	EMPLOYMENT* **-7.4%** CHANGE	4.4m
136.1k	EXISTING SFH SALES** **-7.1%** CHANGE	126.4k
9.4m	POPULATION** **0.0%** CHANGE	9.4m
1.70%	10-YEAR TREASURY** **-100 BPS** CHANGE	0.68%

**August; **September*

SUBMARKET BREAKDOWN

	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
SUBMARKET NAME	3Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	3Q20	Q-o-Q Change	Y-o-Y Change	3Q20	Annual	3Q20	Annual
Arlington Heights/Palatine/Wheeling	94.4%	-10	-110	$1,323	-1.4%	-3.5%	73	-29	96	224
Aurora	95.0%	40	-110	$1,403	4.0%	0.5%	69	-98	9	55
Bronzeville/Hyde Park/South Shore	94.5%	-90	-30	$1,383	-1.0%	-0.3%	-263	267	275	501
Central Cook County	95.7%	-70	-110	$1,350	-1.8%	-2.3%	-599	-742	141	478
Central DuPage County	95.2%	-30	-110	$1,505	0.5%	-1.6%	18	-109	72	72
Evanston/Rogers Park/Uptown	93.9%	-130	-130	$1,570	-0.8%	-1.5%	-1,000	-104	55	1,075
Far Northwest Chicago Suburbs	95.8%	80	-60	$1,201	0.7%	0.4%	415	541	198	745
Gary/Hammond	99.2%	170	200	$920	-0.6%	0.3%	262	319	0	0
Lake County/Kenosha	96.1%	30	-90	$1,227	0.4%	0.0%	184	75	106	533
Lincoln Park/Lakeview	93.1%	-200	-220	$1,758	-3.9%	-5.1%	-916	-845	16	159
Merrillville/Portage/Valparaiso	97.6%	210	200	$1,024	4.6%	5.9%	354	337	0	0
Naperville	95.5%	70	80	$1,462	0.2%	-3.2%	68	79	0	0
North Cook County	94.3%	130	50	$1,431	1.7%	-2.4%	326	691	0	611
North DuPage County	95.7%	10	-50	$1,251	-0.4%	0.0%	21	-95	0	0
Schaumburg	92.1%	-140	-230	$1,293	-2.3%	-4.6%	-33	-77	174	260
South Cook County	97.5%	80	140	$1,064	0.7%	2.8%	646	1,135	0	0
Southeast DuPage County	95.1%	-20	-110	$1,345	1.2%	0.6%	-36	-219	0	0
Streeterville/River North	92.5%	-150	-270	$2,309	-4.2%	-7.9%	-509	318	255	1,735
The Loop	92.4%	-170	-200	$2,102	-5.8%	-10.0%	168	1,416	860	2,294
Will County	95.1%	210	10	$1,306	1.1%	2.2%	417	222	73	213
TOTALS	**95.0%**	**-30**	**-70**	**$1,447**	**-1.3%**	**-2.3%**	**-337**	**3,081**	**2,330**	**8,955**

Document sources: Berkadia Research; RealPage; National Multifamily Housing Council; Federal Reserve Bank of St. Louis; Moody's

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