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April leasing activity coupled with lower than expected delinquency rates continues to indicate positive momentum in Chicago Multifamily, albeit far below normal April velocity numbers. Here are the top three trends we saw this week in the multifamily market:

1. National April delinquency rates (occupied apartments not receiving rent) increased nearly 12% from the same period in 2019, however in Chicago estimates are closer to 5% increases in delinquency. When evaluating the Class A Chicago apartment market, over 93% of renters paid on time. Landlords and apartments investors are still very concerned about May rents as unemployment numbers escalate.
2. Pricing of multifamily apartments has still not been dramatically impacted by the crisis but rents are also not seeing increases typical for this time of year. We did see more “spot specials” this week where properties are offering up to two months free. An interesting trend to watch is how revenue management pricing models react to significantly lower leasing activity. These automated systems tend to be weeks behind in adjusting rents so it's likely we start seeing more price declines this week.
3. People are becoming more comfortable with remote leasing. The first step in preparing for remote leasing was gathering various digital assets to provide enough for renters to have confidence in leasing from photos and videos. As leasing agents continue to practice, virtual tours are becoming more successful. We are finding when you create a personal connection over video chat and share your screen, guiding a customer through the property virtually and simulating an actual tour, this results in the best conversion rate. Our prediction is that remote leasing is going to have a place in the Multifamily landscape long term.