



CASE STUDY   LLCR ONGOING BROKERAGE LEASING

The Details

In the Spring of 2019, Luxury Living Chicago Realty (LLCR) was engaged by Bond Companies and Bentall Green Oak to run an exclusive leasing program at Spoke Apartments, a recently leased-up luxury multifamily building in River West. The overall goals for the project were to maximize rents, optimize the expiration schedule and lower marketing costs.

LLCR served as the exclusive leasing brokerage for Spoke, working collaboratively with property management to create the best service experience for current and potential renters. The partnership resulted in a surge of leases at higher prices than ever achieved at Spoke as both teams worked cohesively and collaboratively.

In working with LLCR, ownership was able to increase the number of showings, maximize rents on new leases and renewal rents, and position the property for long term success, while saving additional operating expenses and staffing costs.

The Results

During the 8.5 month engagement in 2019, LLCR leased 94% of all available inventory at net effective pricing 12% higher than the previous rents achieved during the lease-up. This equates to over \$26,000 in monthly income for the property on units with previous rents.

LLCR optimized the expiration schedule on units LLCR leased. Most importantly, this resulted in Q4 of all future years with only 11% of expirations (40), down from 30% of expirations in that same period (109) when LLCR started leasing.

LLCR reduced digital marketing costs by 50% and limited cooperating broker commissions to only 12% of all units leased, saving the property over \$200,000 in expenses as compared to the prior year.

LLCR provided market informed renewal pricing guidance to help find the balance between increasing rents, adjusting expirations and maximizing revenue for the property. This resulted in over 16% net rent growth on units renewed during this period.

How Did We Do It?

We appointed several dedicated LLCR leasing professionals to the Spoke team, who became experts on the Spoke brand and showcased the amenities and features and benefits of the property.

LLCR handled all leasing inquiries, empowering the property management team to focus on current residents, plan more community-building events and ensure an even higher level of service.

LLCR and property management collaborated to create a hand-off process, which resulted in the seamless transition of the customer from our leasing team member to the property management team. This avoided customer confusion and allowed property management to establish a relationship with the incoming resident immediately.

LLCR replaced automated revenue management software with strategic, unit-specific pricing and lease terms. This resulted in more targeted pricing/lease term optimization.

SPOKE

- 111 Number of Units Leased by LLCR
- 34 Average Number of Days from Showing to Lease Start
- 28% Applications to Showing Ratio
- \$3.31 Average PSF for LLCR Generated Leases

