CHICAGO LOOP ALLIANCE

State of the Loop

Q1 2026 (January-March)

Executive Summary: Indicators of Acceleration in the Loop

Momentum in real estate and development marked the first quarter of 2026, reinforcing the Loop's role as a center of business, culture, and daily activity. Companies cemented their investment in office and retail spaces, while new proposals signaled renewed confidence in long-term growth. Simultaneously, rising visitor numbers and strong attendance at cultural events reflected the Loop's ongoing recovery as a destination for Chicagoans and visitors. Pedestrian activity and transit ridership held steady in Q1, underscoring the Loop's resilience and its importance as a transportation hub for commuters and visitors alike.

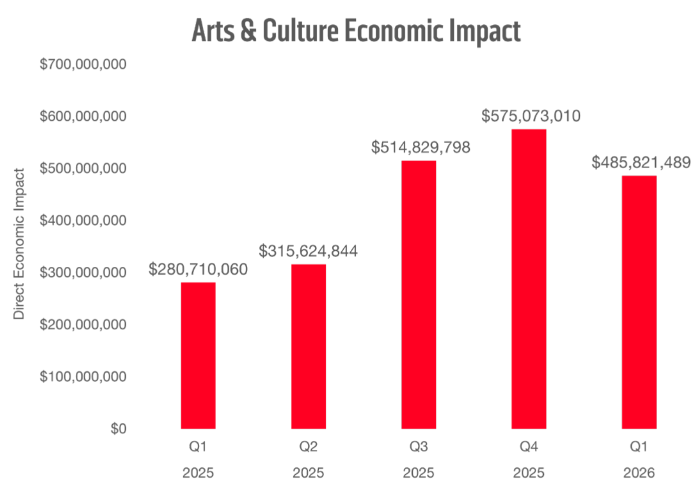
Transportation

Despite record winter weather, **quarterly pedestrian activity on State Street reached 118% of 2025 levels** at its peak in February and averaged 92% of 2019 levels.

CTA buses and trains had an average ridership of one million on weekdays in Q4 2025, demonstrating consistent reliance on the Loop's most popular mode of transportation. Metra saw 2.8 million riders in January, a 5% increase from the same time last year. This increased ridership is proportionate across all lines with a terminus in the Loop, showing continued demand for frequent and reliable transit among commuters.

Arts and Culture

Over 1.7 million visitors flocked to the Loop this quarter, generating **$485 million in economic impact**. The St. Patrick's Day Parade, River Dyeing, and Shamrock Shuffle drew over 200,000 pedestrians to State Street alone, and more than 800,000 visitors to the Loop. Theatergoers and other cultural event attendees totaled 957,000 over the first few months of the 2026 season, **15% higher than Q1 last year.**



Sources: Choose Chicago, CLA estimates

Economic Investment

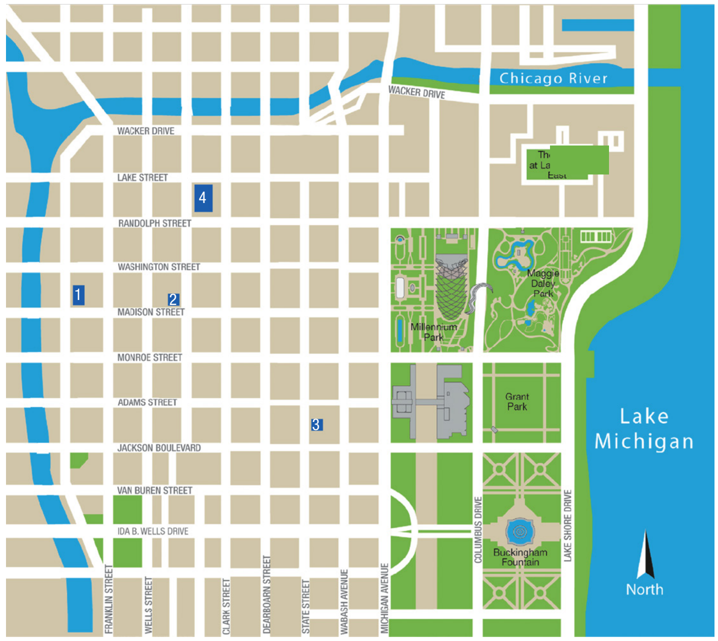
Emerging investment in retail, office, and residential projects continued in Q1. Eight new businesses opened in the Loop with 20 more to open in the coming months. Loop office buildings saw an influx of new restaurants catering to the steady return of in-person workers, as **office occupancy rose to 104% of 2024 levels on average** (*Avison Young Technologies, Placer.ai*). Retail continued to invest in State Street, with Barnes and Noble signing the largest lease the corridor has seen in recent years at 150 N. State Street. **Overall, retail vacancy in the Loop was down about 1% in 2025 compared to 2024**, supporting steady progress in the Loop's retail market (*Stone Real Estate*).

Also on State Street, a developer has plans to revitalize the vacant historic building at 401 S. State Street. Plans include converting much of the building into a vertical farm; a health research center; an incubator for farming startups; and student and senior housing. In addition, in February the City announced a proposal selection for a vacant site near Harold Washington Library. The proposal calls for a 25-story residential building and improvements to nearby Pritzker Park, bringing new life to an area of high vacancy in the Loop. **Investment in the Loop's built environment throughout Q1 totaled $848 million.**

> "[The Loop] is the economic engine for the entire city. We are everyone's neighborhood because we affect everyone's neighborhood. We employ. We educate. We entertain. We house. The Loop is just a critically important place."
>
> \- Rich Gamble, Interim President & CEO, Chicago Loop Alliance

Source: Chicago Sun-Times

New Developments in the Loop



1 1 N Wacker

A **$32 million**, eight floor renovation began in December

2 213-227 S State

A vacant retail building was sold to the Downtown Islamic Center, a **longtime Loop occupant**

3 30 N LaSalle

City Council approved another **office-to-residential conversion**

4 Thompson Center

Construction continued on Google's overhaul and is set to open in **early 2027**

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