

MARKET INSIGHTS

From Boardrooms to Bedrooms: A Record 55K Office-to-Apartments Expected in Major Cities

Andrea Neculae - January 30, 2024

- **From 2021 to 2024, the number of apartments scheduled for conversion from old office spaces increased from 12,100 to 55,300.**
- **Office conversions now represent 38% of the 147,000 apartments in future adaptive reuse projects.**
- **The average age of office buildings to be transformed into rentals is 72 years, 20 years younger than those previously converted.**
- **The trend is most prominent in Washington, D.C. (5,820 units), followed by New York (5,215 units) and Dallas (3,163 units).**

Entering 2024, our cities are riding a wave of change that's been building up for the last four years. The urban landscape is getting a makeover, shifting from corporate to community. Office buildings, once the epicenters of the 9-to-5 grind, are being transformed into the new homes of urbanites, in a pandemic-driven remote-work new reality.

Over the last four years, we've seen extraordinary growth in the conversion of office buildings into living spaces. Back in 2021, a modest 12,100 apartments were being crafted out of old office spaces. By 2022, that number had nearly doubled to 23,100. The climb continued as 2023 saw an increase to 45,200, and now, as we step into 2024, the pipeline has reached an impressive 55,300. That's more than a fourfold increase since the trend began. It's a testament to how our cities are transforming for a new generation that wants to live where they used to work.

Behind this shift lies a crucial factor: the \$150 billion in [office mortgages](#) due by 2024. As residential space demand surges, developers are leaping at the chance to repurpose these aging giants. Currently, office conversions represent a staggering 38% of the 147,000 apartments in future adaptive reuse projects,

outpacing any other building type. That's not just the largest slice of the redevelopment pie—it's a record high since 2020. Clearly, the buzz of business is giving way to the hum of home life, right where the city's heartbeat used to be.

The offices that are being picked for makeovers are newer spaces. They are on average, 72 years old. That's 20 years less than the ones already converted. This suggests a strategic preference for buildings that might require less investment in refurbishment and are more likely to meet modern standards, potentially simplifying the conversion process.

But where are these conversions taking place? This trend is most prominent in Washington, D.C., where 5,820 units are set to transition from office-to-apartment spaces, followed closely by New York, with 5,215 units in the pipeline. Dallas, TX, is also making waves with 3,163 units, reflecting an impressive 58% increase from 2023.

Top 15 Metros for Future Office-to-Apartment Conversions Underway in 2024

Key metros like [Washington, D.C.](#); [New York](#); [Chicago](#); [Dallas](#); [Los Angeles](#); and [Seattle](#) are leading the future trend of urban redevelopment, reflecting a nationwide adoption of adaptive reuse. This movement is not just about adding housing; it's a shift towards more sustainable and community-focused urban environments, indicative of changing lifestyles and priorities in American cities.

Planned Office-to-Apartment Conversions by Metro Area

Table with 5 columns and 20 rows.

	Metro Area	2024 Office-to-Apartments Pipeline	Office-to-Apartments Pipeline Y-o-Y % Change	Share of Office-to-Apartments 2024	Total Future Conversions
1	Washington, D.C.	5,820	88%	65%	9,021
2	New York, NY	5,215	18%	45%	11,485
3	Dallas, TX	3,163	58%	83%	3,833
4	Chicago, IL	2,822	-9%	55%	5,140
5	Los Angeles, CA	2,442	6%	37%	6,660
6	Cleveland, OH	2,012	-10%	63%	3,210
7	Cincinnati, OH	1,563	-6%	81%	1,919
8	Kansas City, MO	1,510	84%	50%	3,033
9	Atlanta, GA	1,422	40%	52%	2,713
10	Phoenix, AZ	1,377	114%	63%	2,172
11	Minneapolis, MN	1,334	13%	59%	2,244
12	Detroit, MI	1,070	40%	27%	3,905
13	Columbus, OH	1,006	35%	58%	1,740
14	Philadelphia, PA	975	136%	19%	5,092
15	Seattle, WA	973	5%	46%	2,138
16	Birmingham, AL	942	41%	50%	1,875
17	Hartford, CT	930	61%	37%	2,523
18	Milwaukee, WI	911	-8%	41%	2,217
19	Denver, CO	902	0%	36%	2,528
20	Charlotte, NC	864	8%	45	

1. Washington, D.C.

The Washington-Arlington-Alexandria metro area is at the forefront of adaptive reuse, with a planned 5,820 units set to transition from office-to-apartment spaces, representing a 64.5% share of the area's total conversions. This marks a staggering 88% increase compared to a year ago, underscoring a robust growth in the region's housing solutions. The Fort Myers Drive project in Arlington, VA, is the standout in this transformation, aiming to repurpose an office building into 691 new homes.

2. New York, NY

The iconic New York-Newark-Jersey City metro is not just a cultural hub but also a leader in reinventing its skyline, with 5,215 units in the office-to-apartment pipeline. These conversions make up 45.4% of the metro's future apartment projects, with an 18% uptick since the previous year. The 25 Water Street project in Manhattan epitomizes this surge. This former office building will be transformed into 1,263 new apartments.

3. Dallas, TX

Dallas-Fort Worth-Arlington is redefining Texan living with an ambitious 82.5% of its future apartments in the pipeline, hailing from office buildings, totaling 3,163 units. This is a notable 58% jump from last year, reflecting the area's dynamic adaptability. The Renaissance Tower on Elm Street Redevelopment will contribute 500 units to the Dallas cityscape, further invigorating the local community.

4. Chicago, IL

In the heart of the Midwest, the Chicago metropolitan area is making a mark in the world of adaptive reuse. Despite experiencing a 9% decrease in office-to-apartment conversions from the previous year, the region still manages to register 2,822 future apartments from former offices, 55% of the total conversions. Leading the movement is the massive project at 135 South LaSalle St. in Chicago, the largest adaptive reuse endeavor in the metro. With 430 units, it's not just a big project; it's reshaping how people will live in the Windy City.

5. Los Angeles, CA

Los Angeles is embracing its architectural evolution, with 2,442 units transitioning from office spaces to apartments, accounting for 36.7% of the metro's conversions and marking a 6% increase from last year. The largest project at 695 South Vermont Avenue is set to offer 255 apartments, blending LA's vibrant urban lifestyle with new residential opportunities.

6. Cleveland, OH

Former offices are claiming an impressive 63% of the total conversions in Cleveland, with 2,012 units. Unlike the national trajectory, the metro area witnessed a 10% slowdown in future office-to-apartment conversions from the previous year. Taking center stage is The Centennial, a monumental project on Cleveland's 925 Euclid Avenue that will introduce 584 living spaces.

7. Cincinnati, OH

Cincinnati's adaptive reuse efforts are evident, with 1,563 office-to-apartment units planned, comprising an 81.4% share of conversions. A slight 6% decrease from the previous year hasn't dampened the metro's progress. The Macy's Redevelopment project is the largest, repurposing a downtown building into 338 apartments.

8. Kansas City, MO

Kansas City is on the rise, with 1,510 units earmarked for conversion, representing 49.8% of all future apartment projects. This is an impressive 84% surge in the pipeline, highlighting rapid growth. The 1 W. Armour project is the largest in the metro, converting a bank building into 325 residential units.

9. Atlanta, GA

Atlanta is bringing to life 1,422 office units into apartments, making up 52.4% of the metro's future apartment spaces. With a 40% increase from the previous year, Atlanta's adaptive reuse landscape is a busy one. The Broadstone Peachtree Corners project will be the largest, offering 295 new apartments.

10. Phoenix, AZ

Phoenix-Mesa-Chandler boasts a conversion of 1,377 units, making up 63.4% of all future apartments. A notable 114% increase compared to just one year ago shows the metro's aggressive push for redevelopment. Kierland Sky, set to transform an office building into 420 apartments, is at the forefront.

11. Minneapolis, MN

The Minneapolis-St. Paul-Bloomington metro repurposes 1,334 office units to apartments, accounting for 59.4% of the region's conversions. This reflects a 13% increase. The Northstar Center East project leads the way, with plans to offer 216 apartments in the Twin Cities' urban heart.

12. Detroit, MI

Detroit's rich history is being woven into its future with 1,070 office units becoming apartments, which is 27.4% of the metro's total. This represents a 40% uptick in the pipeline of office-to-apartment conversions. The Book Tower project is a significant contributor, aiming to bring 229 new homes to the cityscape.

13. Columbus, OH

Columbus is transforming 1,006 units from office buildings into living spaces, representing 57.8% of its future apartment projects and a 35% growth from the previous year. The Continental Centre Redevelopment is the largest project, signaling a new chapter for a 1973 office building with 409 apartments.

14. Philadelphia, PA

The Philadelphia metro area is converting 975 units from office spaces, which is 19.1% of the region's conversions and a notable 136% increase from last year. The 1701 Market Street project is at the forefront, set to repurpose an office building into 325 new apartments.

15. Seattle, WA

Seattle-Tacoma-Bellevue is repurposing 973 units from former offices, making up 45.5% of the metro's apartment conversions, with a 5% increase since last year. The City Hall Redevelopment project in Renton, WA, is the largest, aiming to

convert a 1968 office building into 618 apartments, blending civic history with modern living.

Methodology

- [RentCafe.com](https://rentcafe.com) is a nationwide apartment search website that enables renters to easily find apartments and houses for rent throughout the United States. This report was compiled by the RentCafe research team based on apartment data provided by our sister company, [Yardi Matrix](https://yardimatrix.com).
- Adaptive reuse refers to repurposing an existing building into rental apartments. This study is based on apartment data related to buildings containing 50 or more units.
- Future projects include projects that are under conversion, as well as planned and prospective redevelopment.
- Data is subject to change.
- Yardi Matrix defines completed buildings as those that have received a certification of occupancy, while those under conversion have yet to receive it or are currently being developed. Planned projects are actively engaged in the redevelopment approval process, while prospective redevelopments hold lower status in the probability of completion because they remain subject to entitlement approvals.

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