



Housing market conditions and trends in Chicago neighborhoods

Presented by the Institute for Housing Studies

Institute for Housing Studies





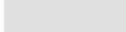
- IHS's mission is to provide reliable, impartial, and timely data and research to inform housing and community development policy decisions and discussions in the Chicago region and nationally
- IHS accomplishes this through an applied research model
 - Data collection and improvement
 - Research
 - Technical assistance
- Housing market conditions in Chicago
 - Disproportionate impact of disinvestment, foreclosure crisis, and lack of mortgage credit on communities of color – particularly African American neighborhoods
 - Recent positive trends in house prices and increased mortgage credit illustrate that the housing market recovery was finally reaching most of Chicago by 2019

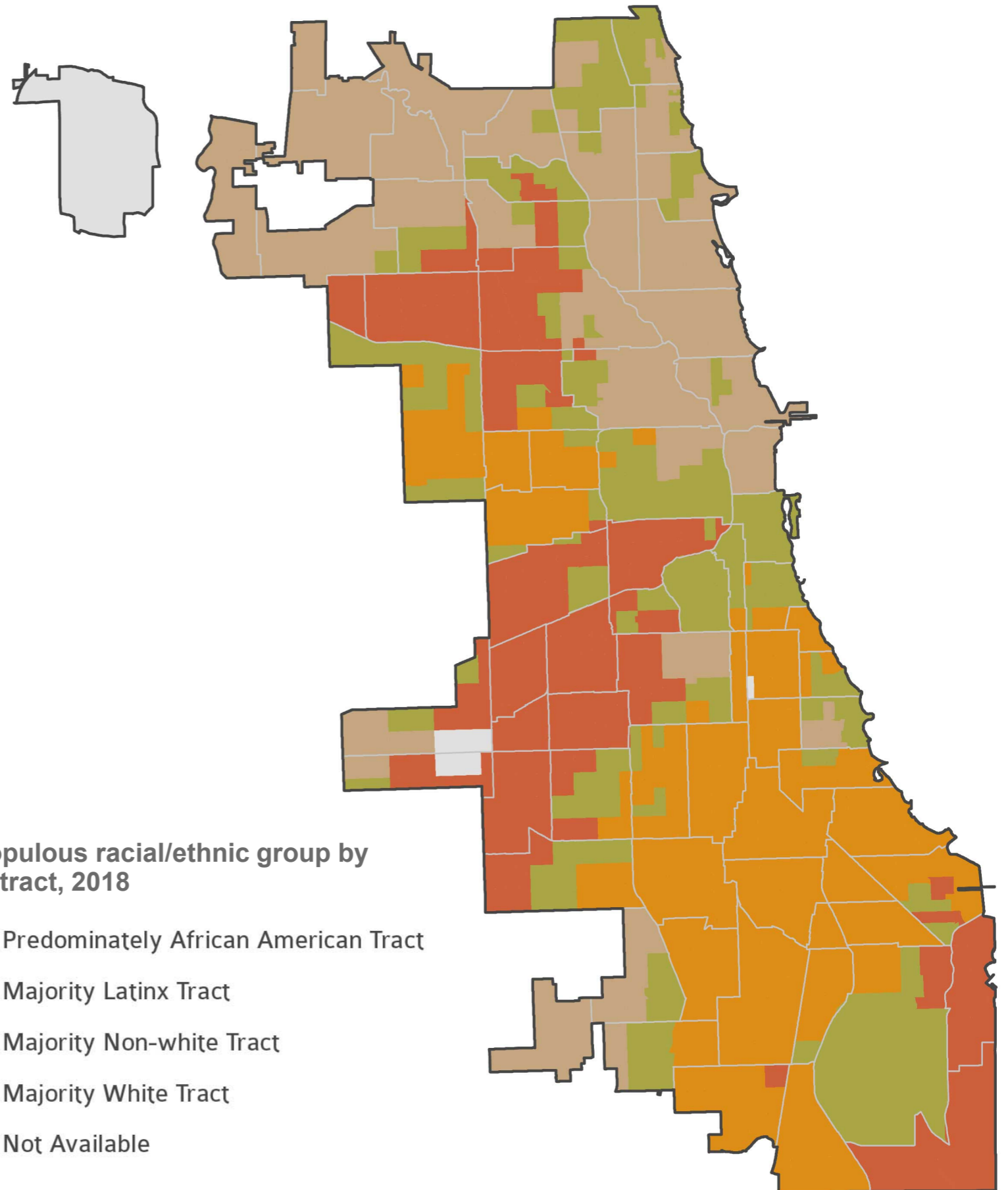
Housing market trends and conditions by neighborhood race/ethnic composition



SOURCE: 2018 ACS 5-YEAR ESTIMATES

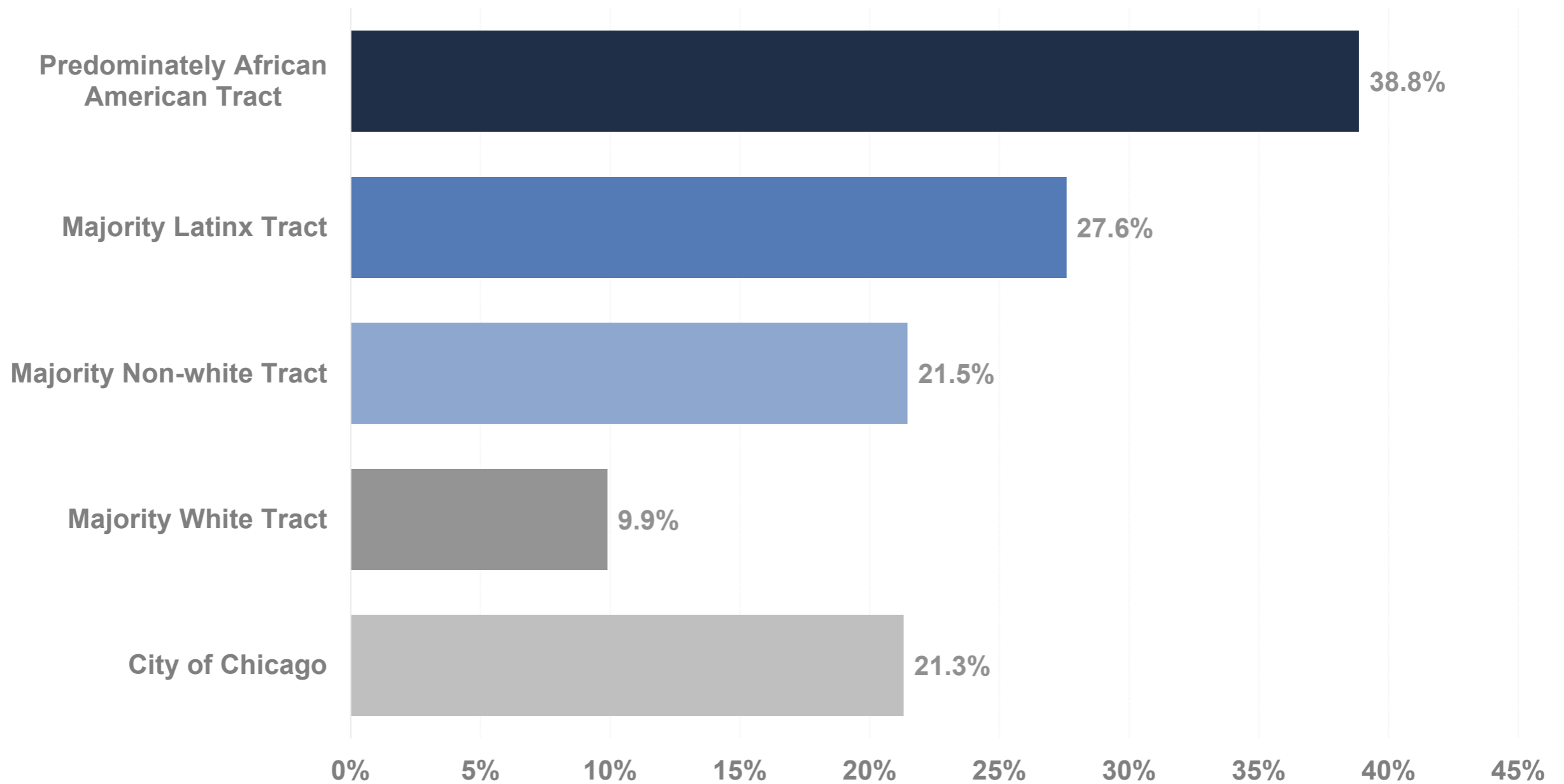
Most populous racial/ethnic group by census tract, 2018

-  Predominately African American Tract
-  Majority Latinx Tract
-  Majority Non-white Tract
-  Majority White Tract
-  Not Available



Legacy of the foreclosure crisis remains key issue

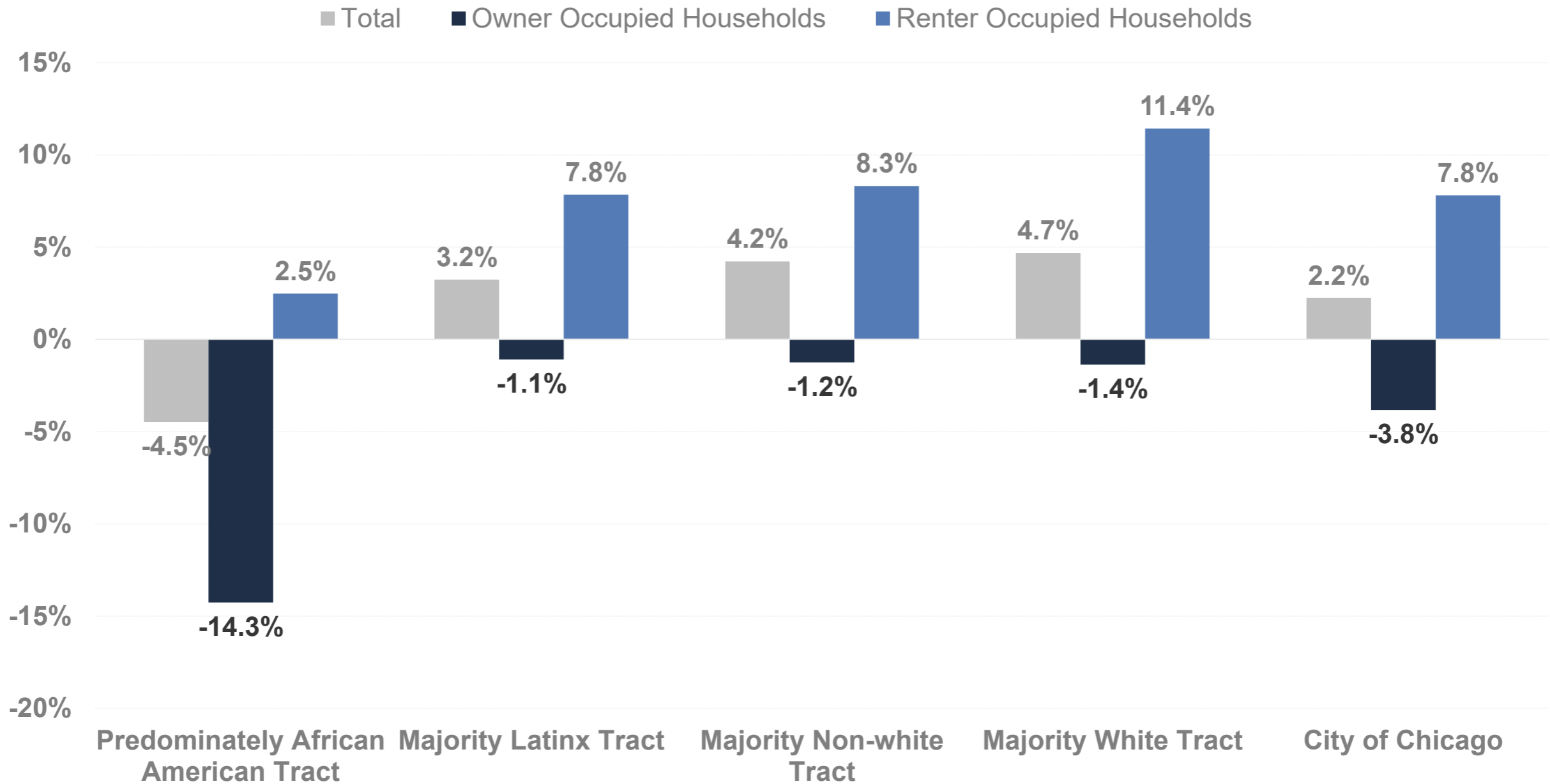
Cumulative Residential Foreclosure Activity by Neighborhood Race and Ethnicity Typology in the City of Chicago, 2019



SOURCE: IHS DATA CLEARINGHOUSE

Loss of owner households in African American tracts

Net Change in Tenure in the City of Chicago by Neighborhood Race and Ethnicity Typology, 2010 to 2018



SOURCE: IHS DATA CLEARINGHOUSE, 2018 ACS 5-YEAR ESTIMATES

Vacant land is concentrated in African American tracts

Distribution of Privately Held Vacant Land by Neighborhood Race and Ethnicity Typology in the City of Chicago, 2019

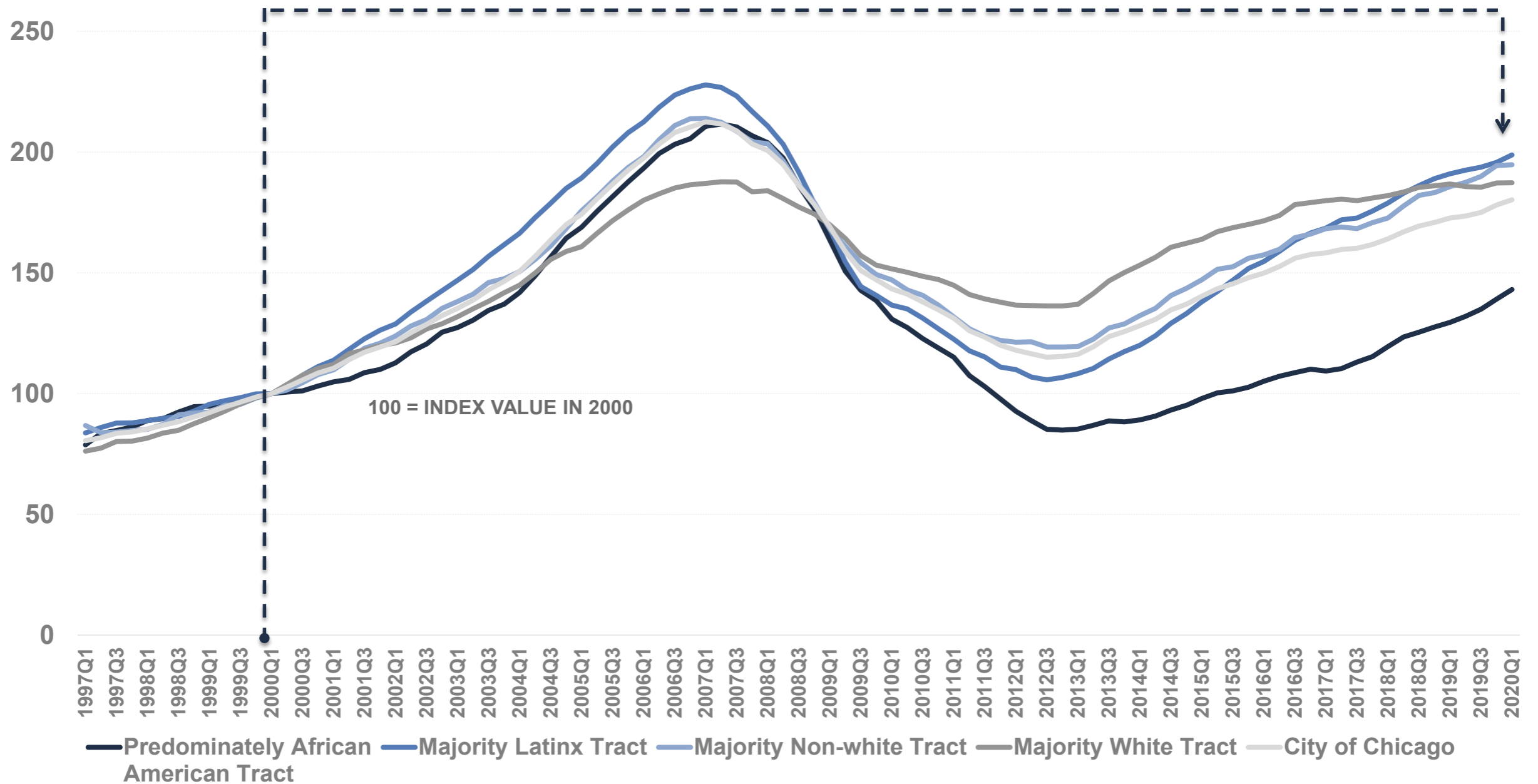


■ Predominately African American Tract ■ Majority Latinx Tract ■ Majority Non-white Tract ■ Majority White Tract

SOURCE: IHS DATA CLEARINGHOUSE

The nature of the market recovery varies across neighborhoods

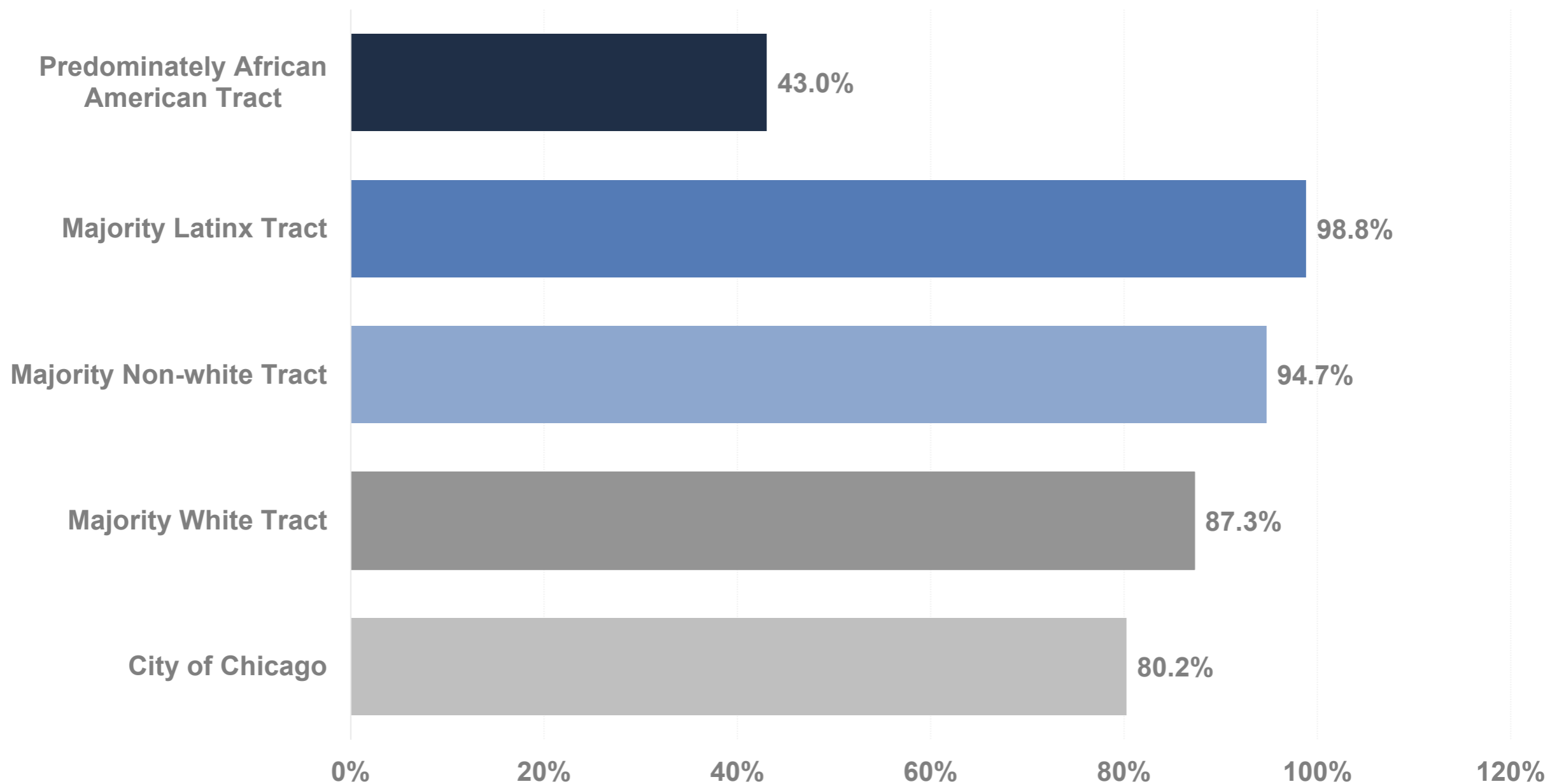
Price Trends for Single Family Homes by Neighborhood Race and Ethnicity Typology in Chicago, 1997 to 2020



SOURCE: IHS SINGLE FAMILY HOUSE PRICE INDEX, 2018 ACS 5-YEAR ESTIMATES

Long term price trends illustrate uneven wealth gains

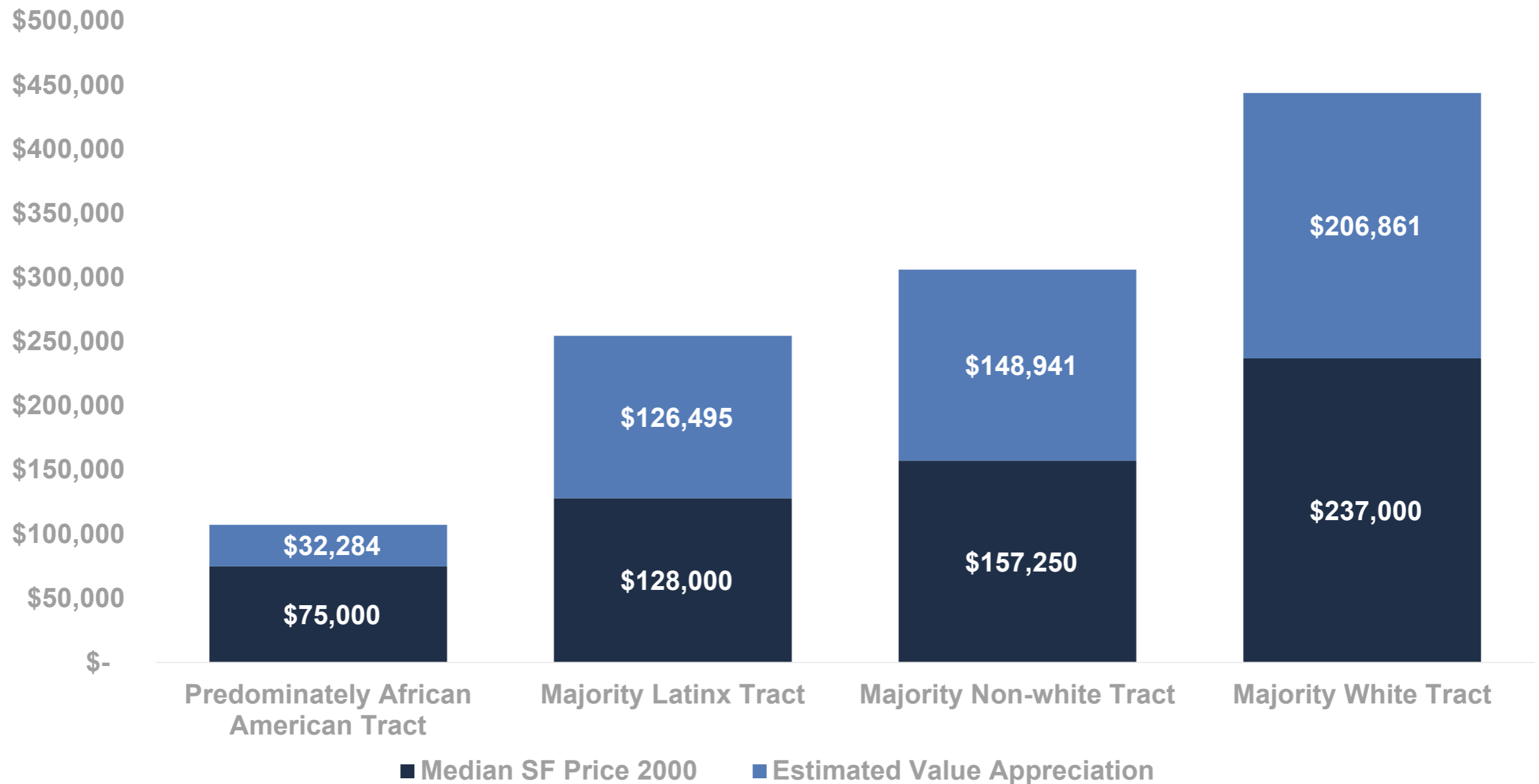
Single Family Price change since 2000 by Neighborhood Race and Ethnicity Typology in Chicago, 1997 to 2020



SOURCE: IHS SINGLE FAMILY HOUSE PRICE INDEX, & 2018 ACS 5-YEAR ESTIMATES

Long term price trends illustrate uneven wealth gains

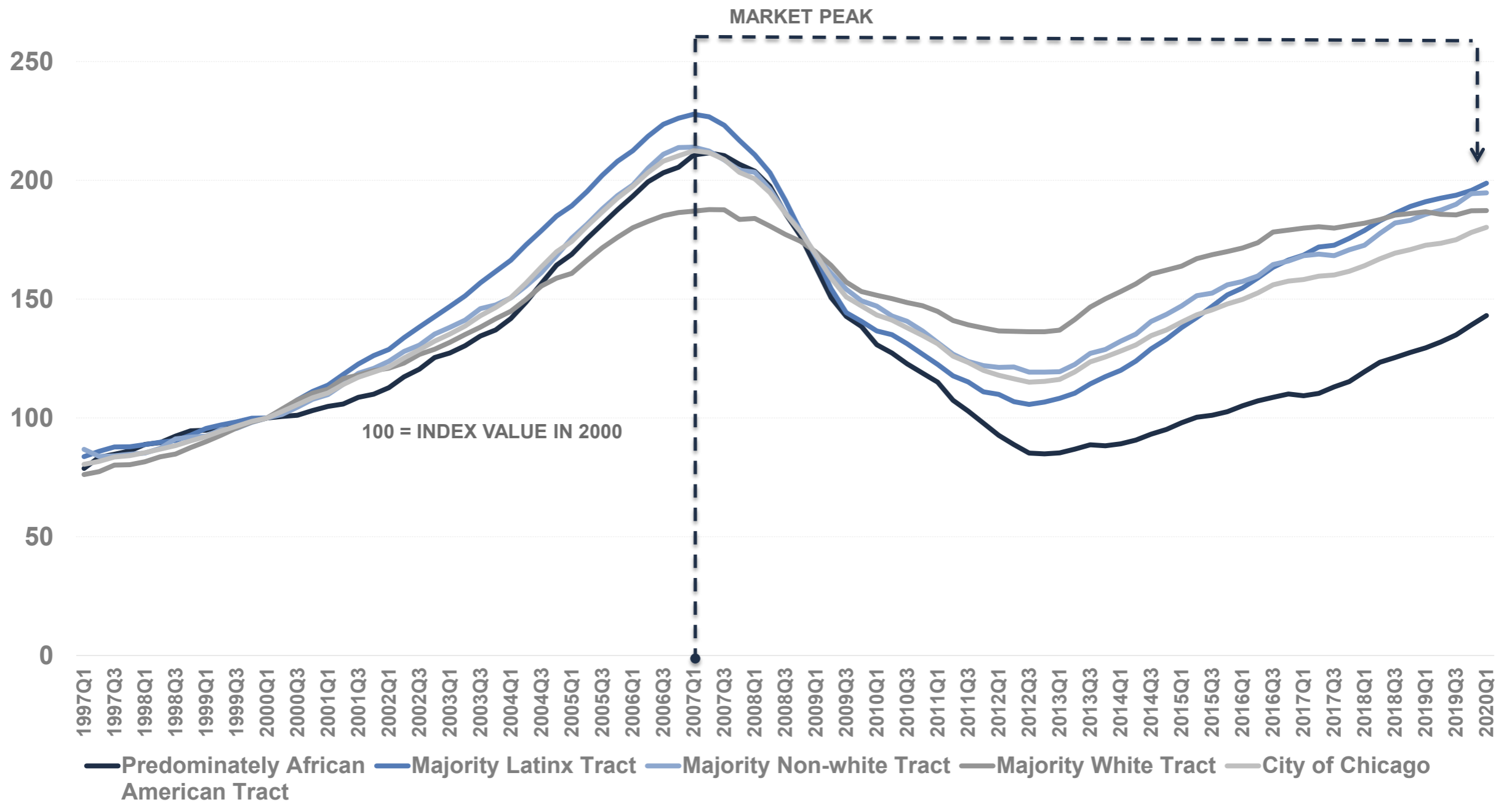
Equity Estimate Using IHS HPI Values by Neighborhood Race and Ethnicity Typology and Chicago, 2000 to 2020



SOURCE: IHS SINGLE FAMILY HOUSE PRICE INDEX, IHS DATA CLEARINGHOUSE

The nature of the market recovery varies across neighborhoods

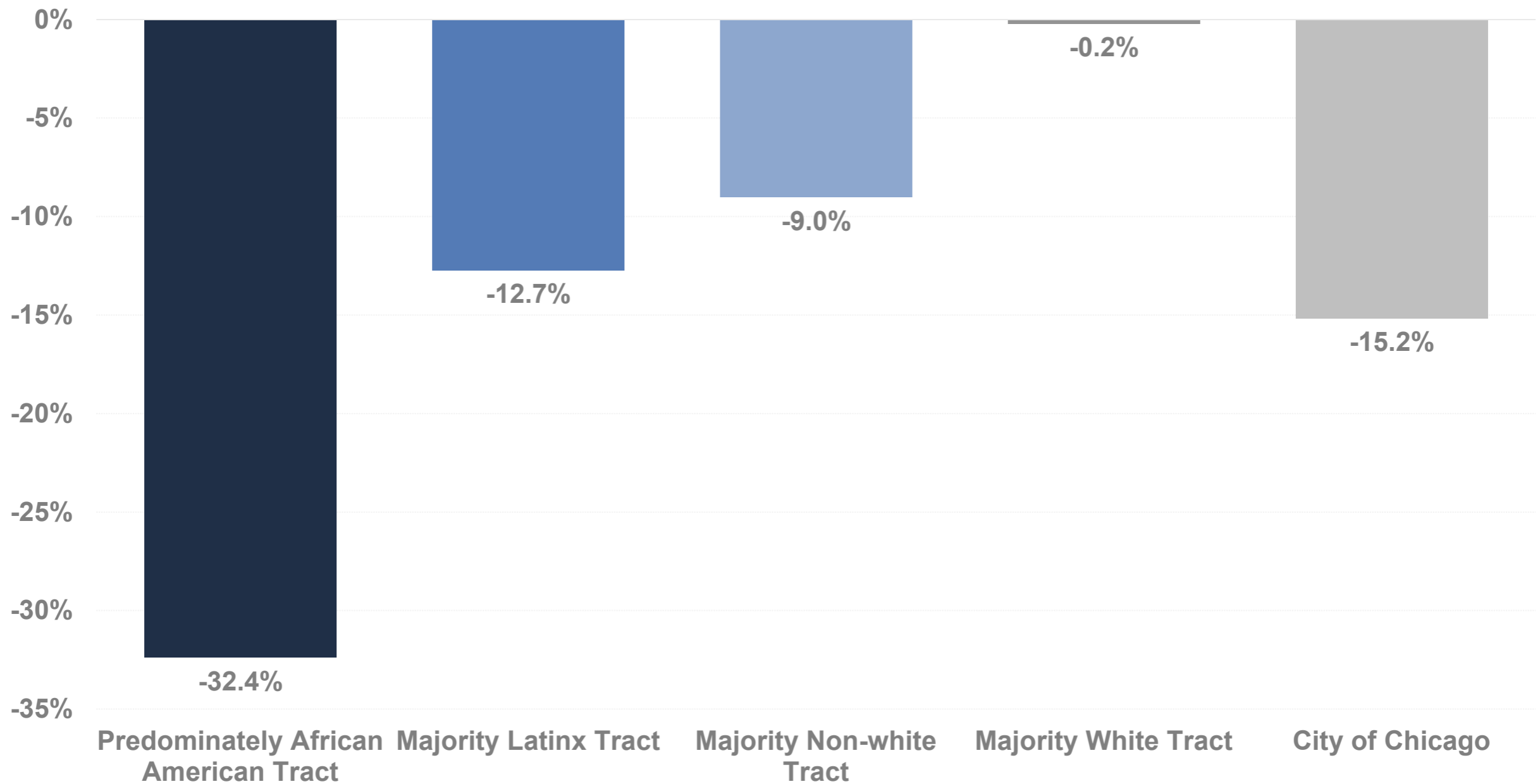
Price Trends for Single Family Homes by Neighborhood Race and Ethnicity Typology in Chicago, 1997 to 2020



SOURCE: IHS SINGLE FAMILY HOUSE PRICE INDEX, 2018 ACS 5-YEAR ESTIMATES

Negative equity creates challenges with mobility and appraisals

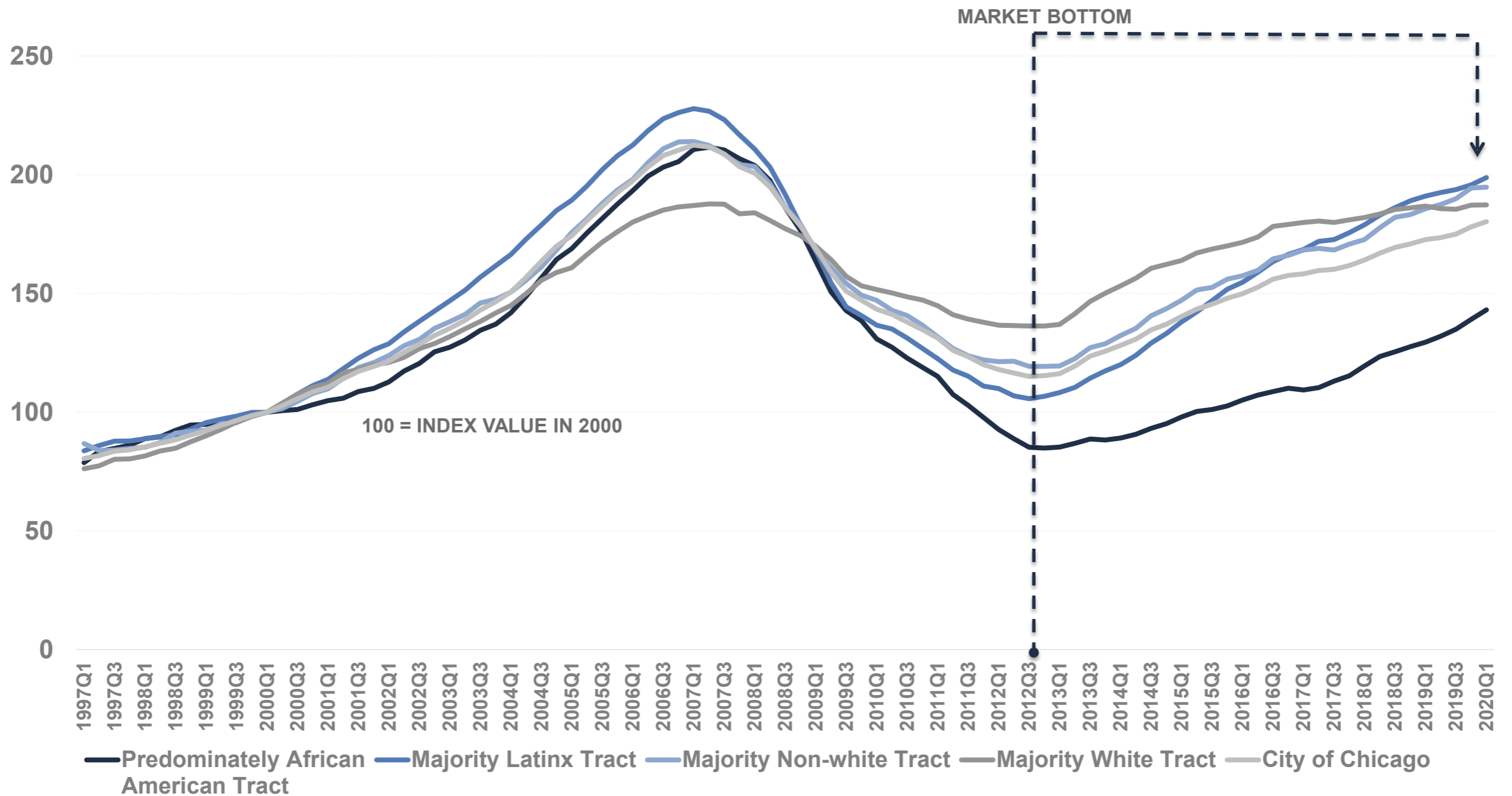
Single Family Peak to Current House Prices by Neighborhood Race and Ethnicity Typology and the City of Chicago



SOURCE: IHS SINGLE FAMILY HOUSE PRICE INDEX, 2018 ACS 5-YEAR ESTIMATES

The nature of the market recovery varies across neighborhoods

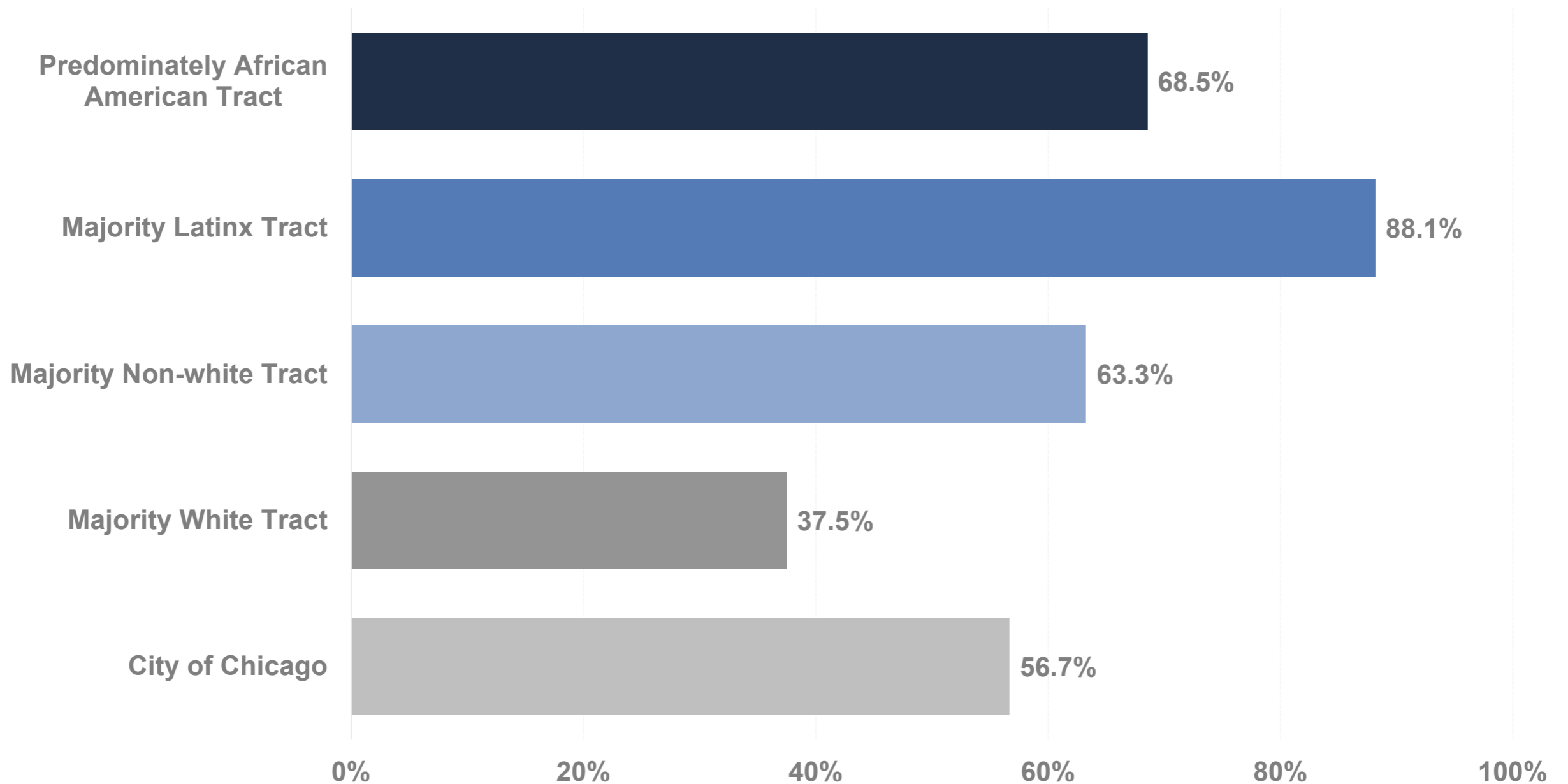
Price Trends for Single Family Homes by Neighborhood Race and Ethnicity Typology in Chicago, 1997 to 2020



SOURCE: IHS SINGLE FAMILY HOUSE PRICE INDEX, 2018 ACS 5-YEAR ESTIMATES

House prices indicate strong recovery from price lows

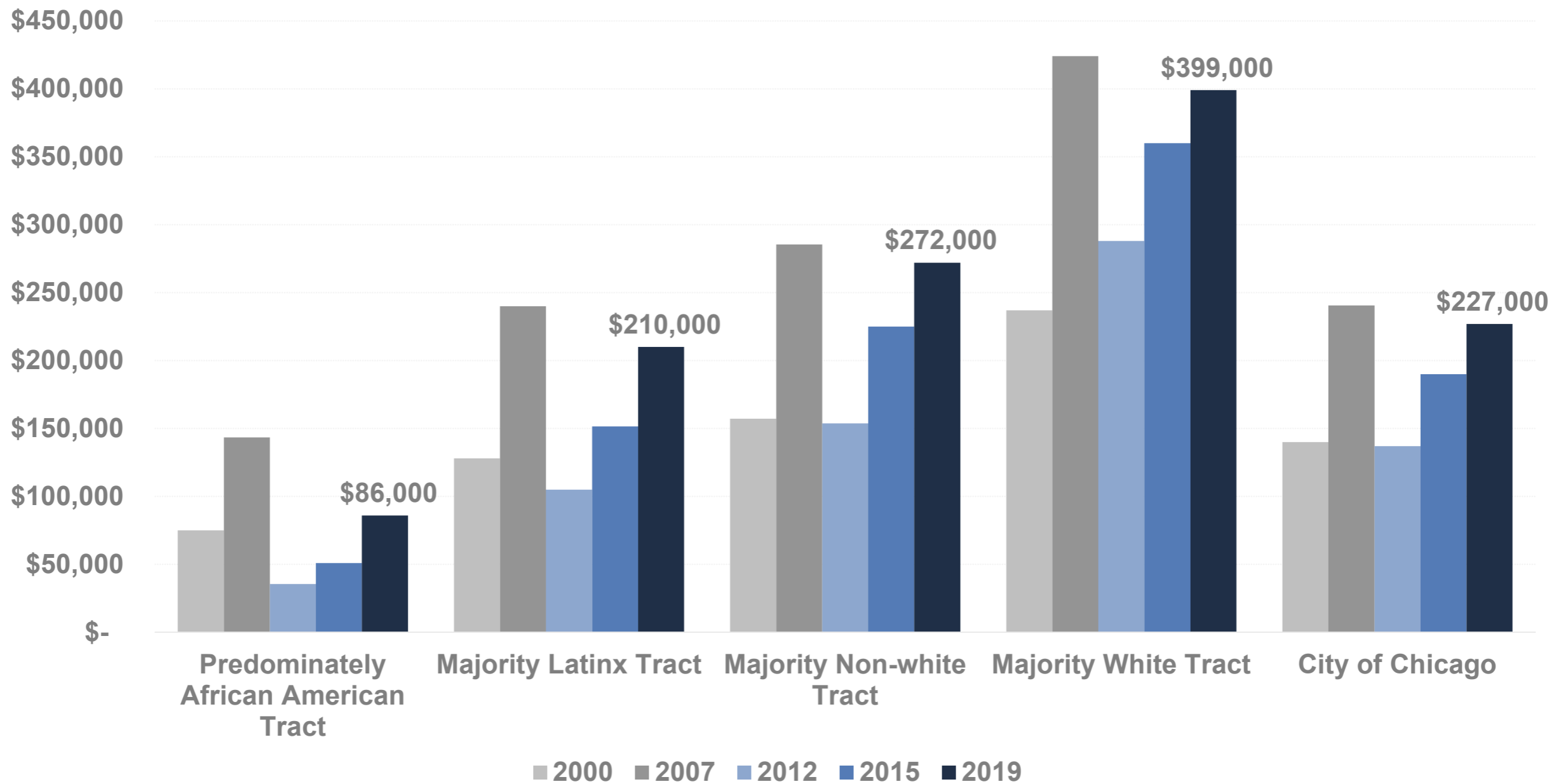
Single Family Bottom to Current House Prices by Neighborhood Race and Ethnicity Typology and the City of Chicago



SOURCE: IHS SINGLE FAMILY HOUSE PRICE INDEX, 2018 ACS 5-YEAR ESTIMATES

Despite recovery, prices vary by race/ethnic composition

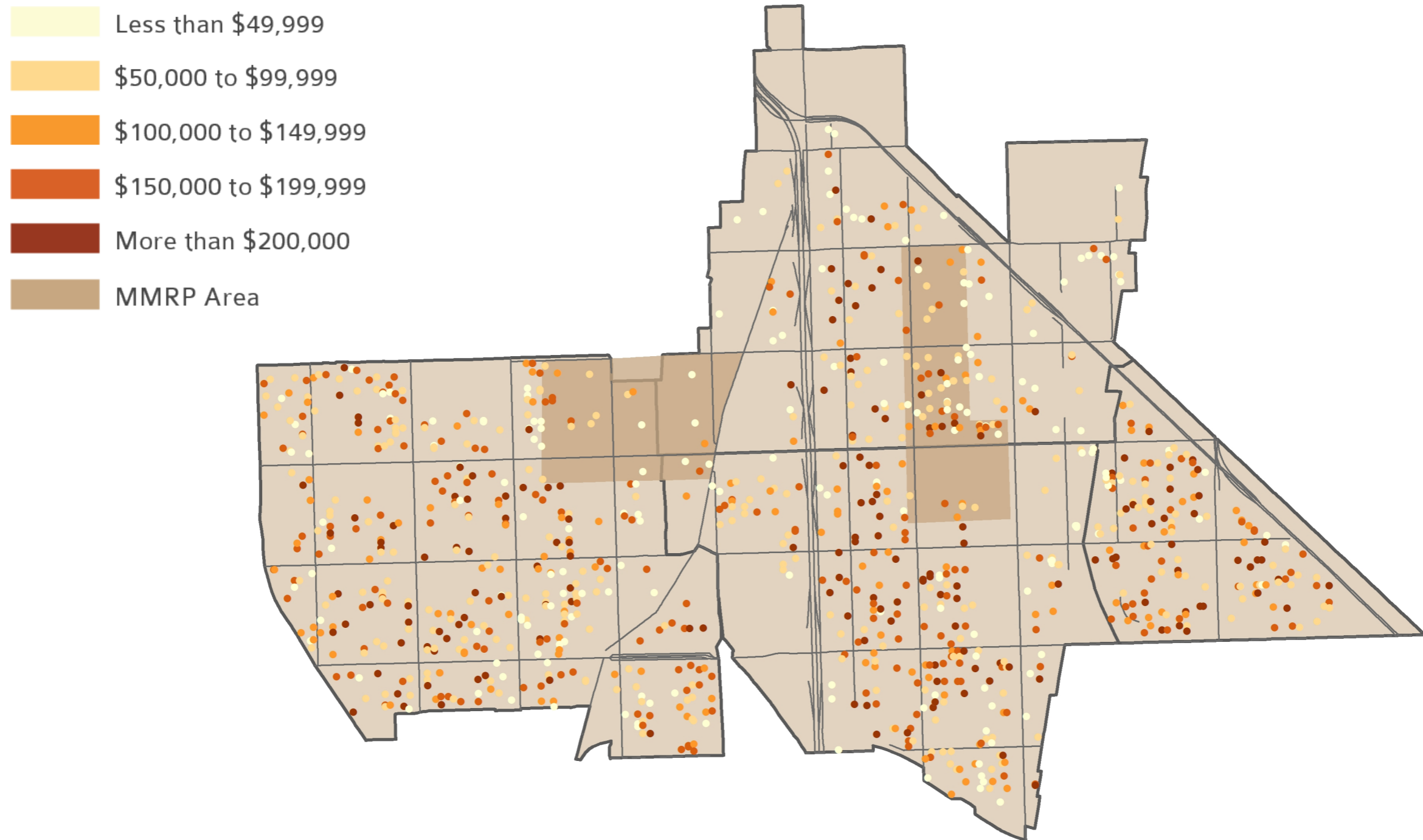
Single Family Median Sale Prices by Neighborhood Race and Ethnicity Typology and in the City of Chicago, 2000-2019



SOURCE: IHS DATA CLEARINGHOUSE

Markets are not homogenous – Greater Chatham Case Study

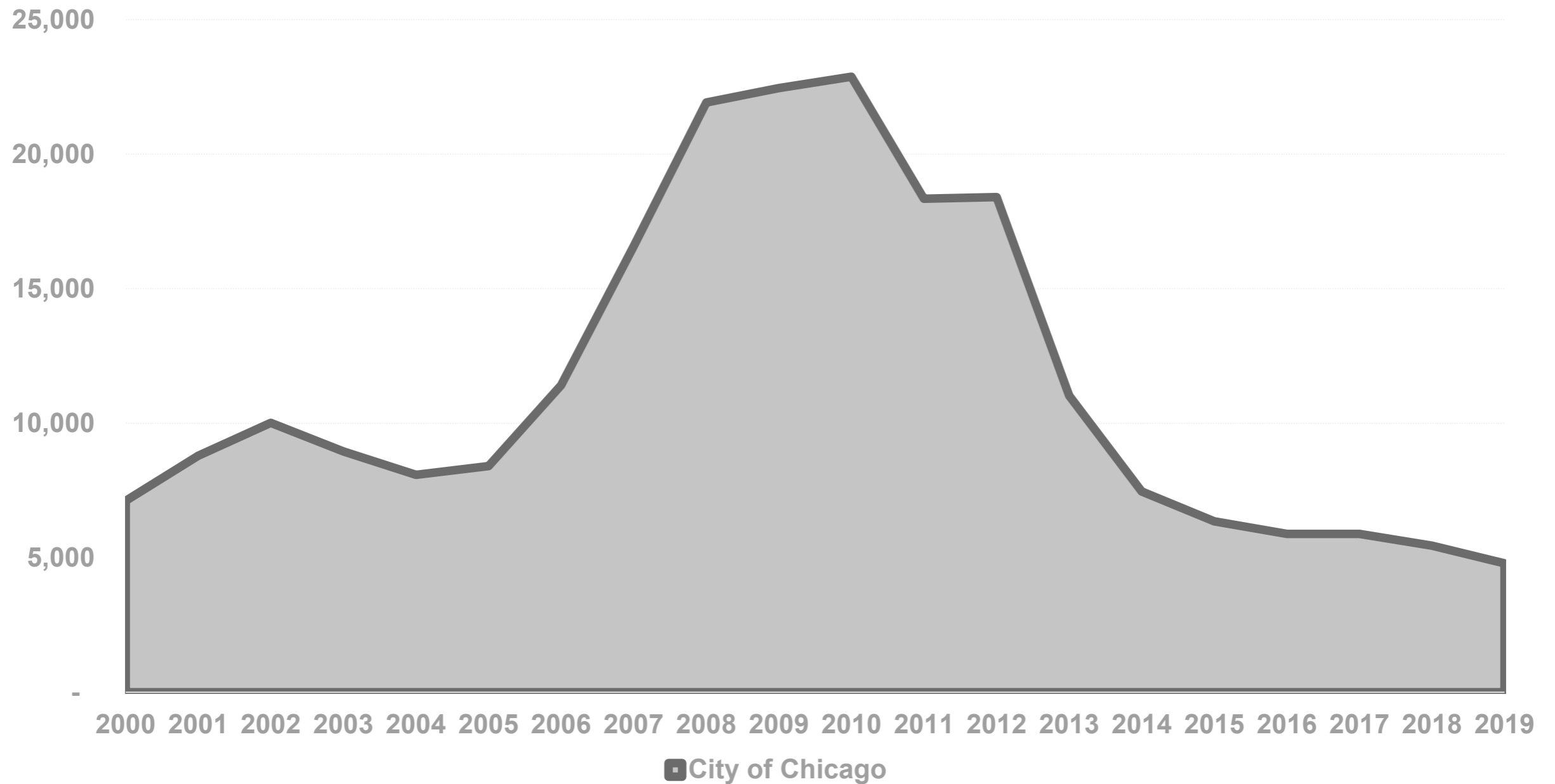
Single family sales in Greater Chatham, 2019



SOURCE: IHS DATA CLEARINGHOUSE

Citywide, foreclosure activity is at its lowest levels

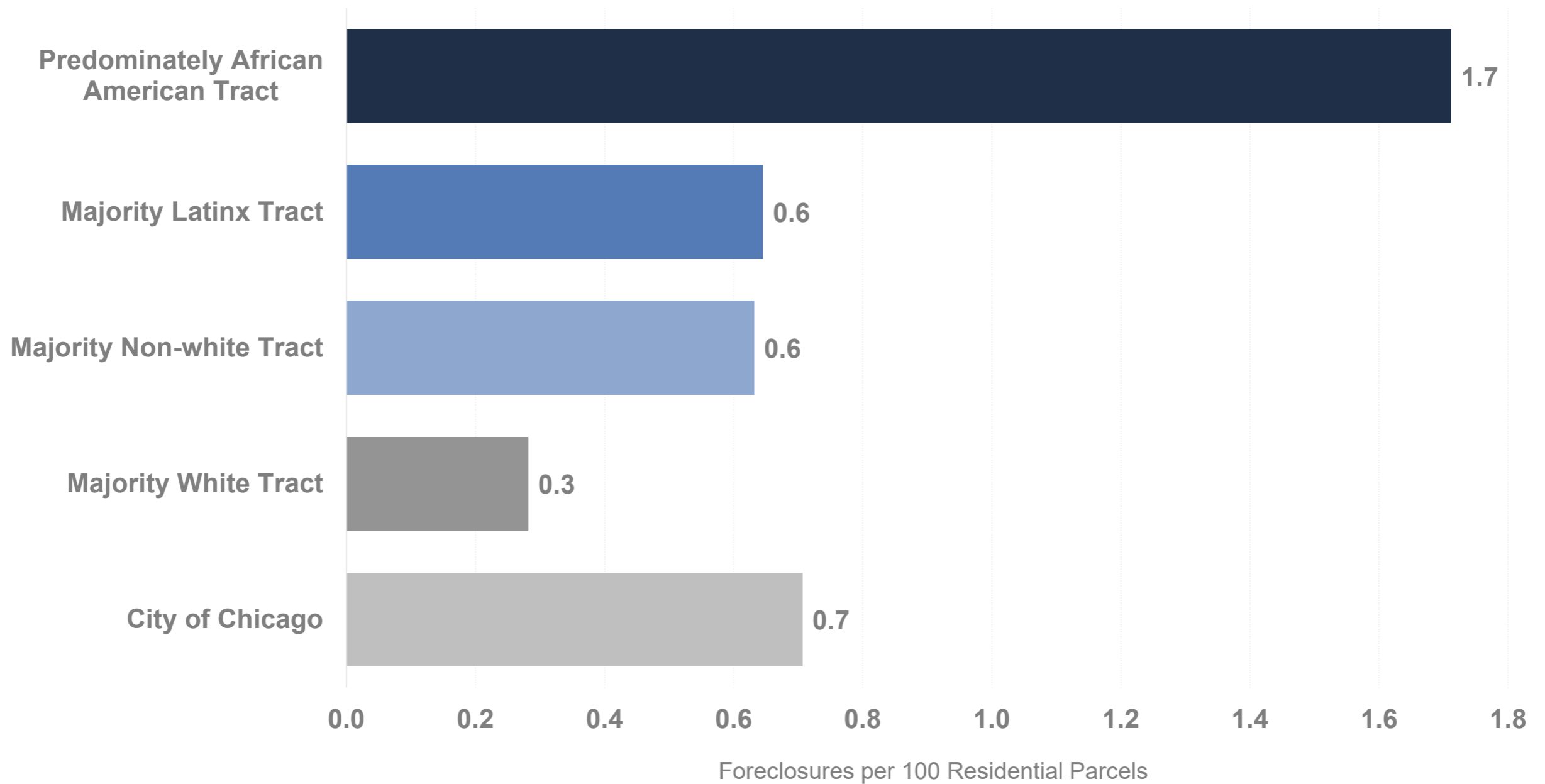
Residential Foreclosure Activity in the City of Chicago, 2000 to 2019



SOURCE: IHS DATA CLEARINGHOUSE

Foreclosure remains elevated in African American tracts

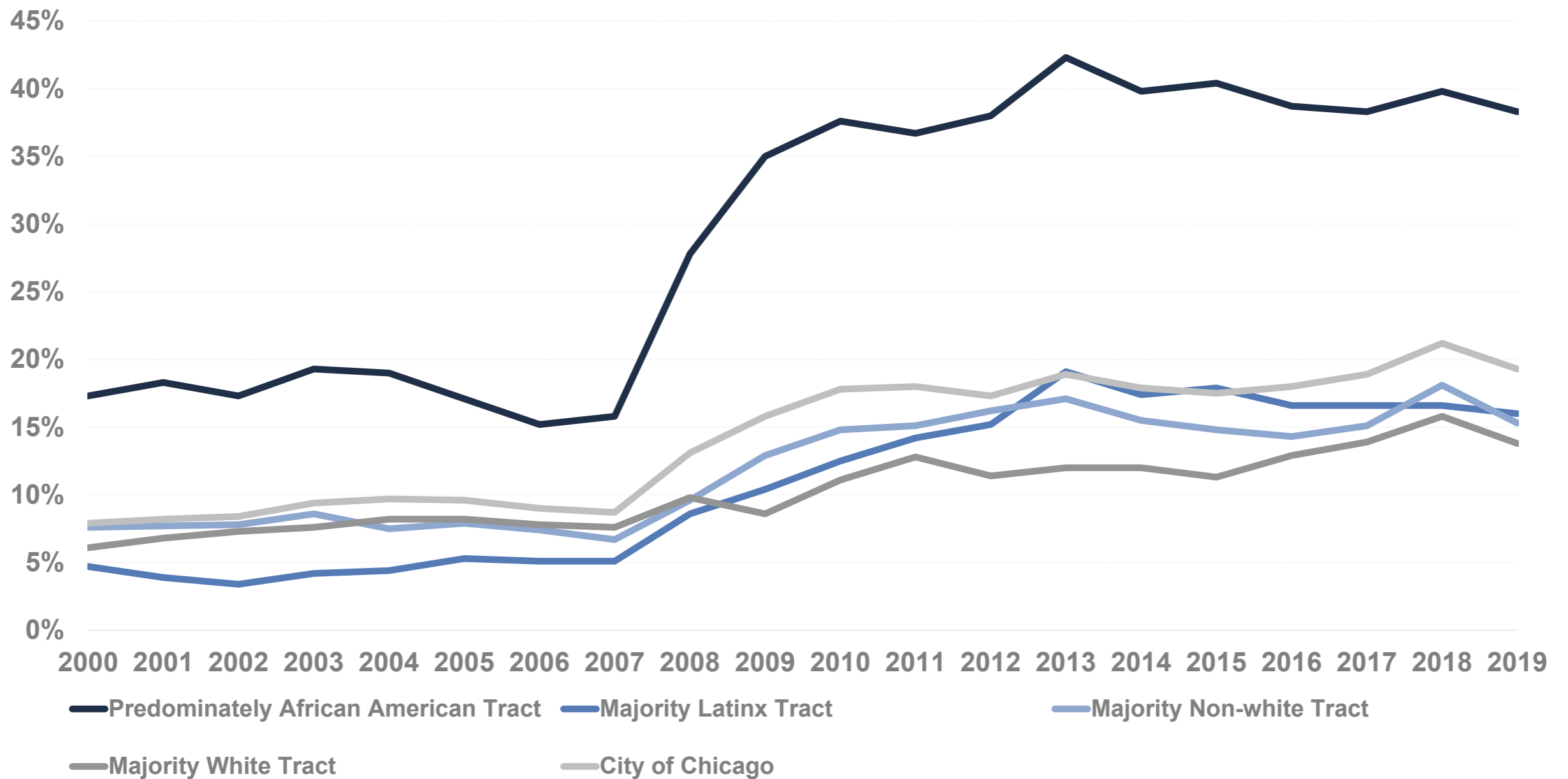
Residential Foreclosure Activity by Neighborhood Race and Ethnicity Typology in the City of Chicago, 2019



SOURCE: IHS DATA CLEARINGHOUSE

Investors active purchasing foreclosed and low cost properties

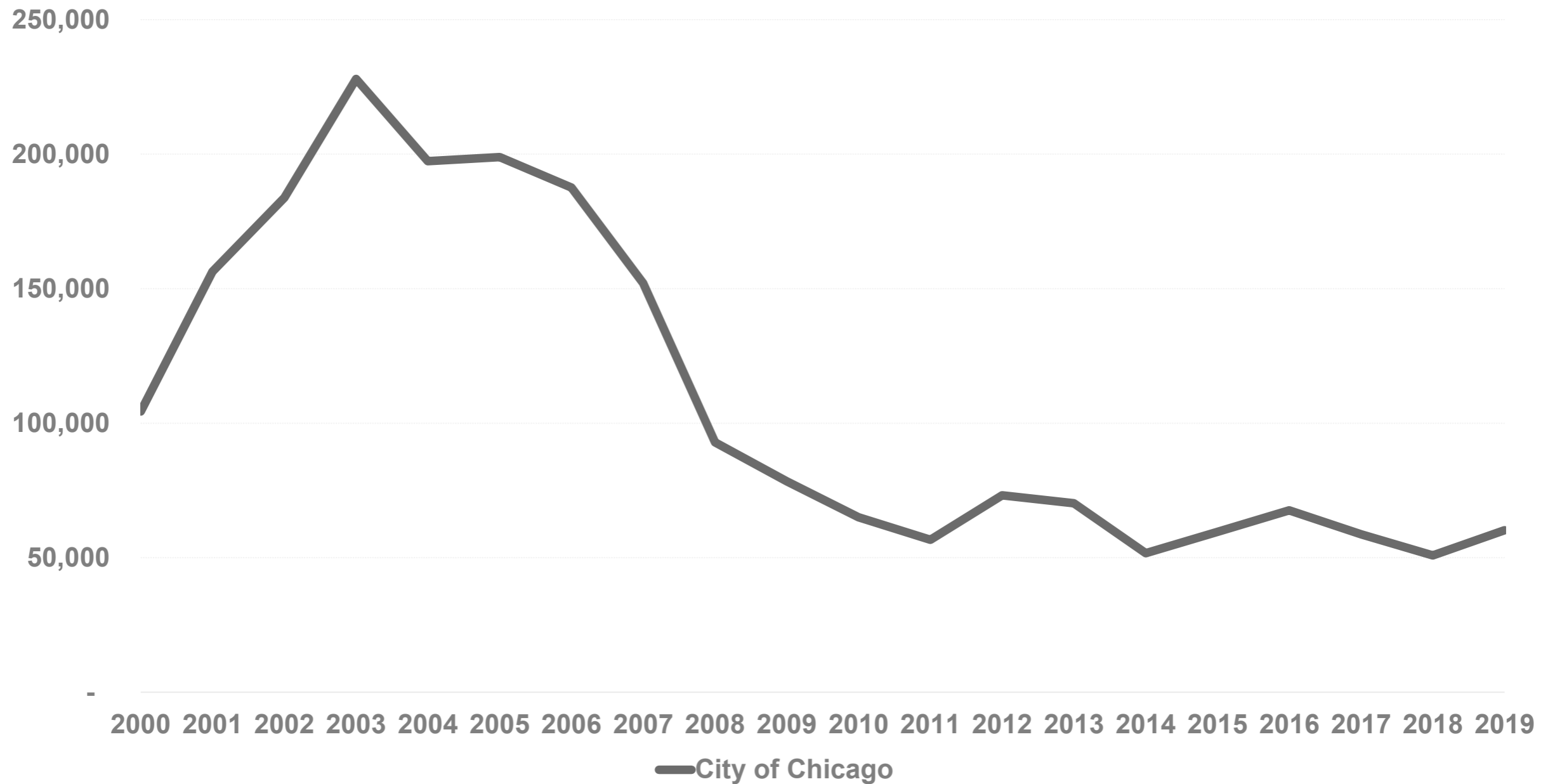
Sales Purchased by Business Buyers by Neighborhood Race and Ethnicity Typology in the City of Chicago, 2019



SOURCE: IHS DATA CLEARINGHOUSE

Citywide, mortgage activity remains low

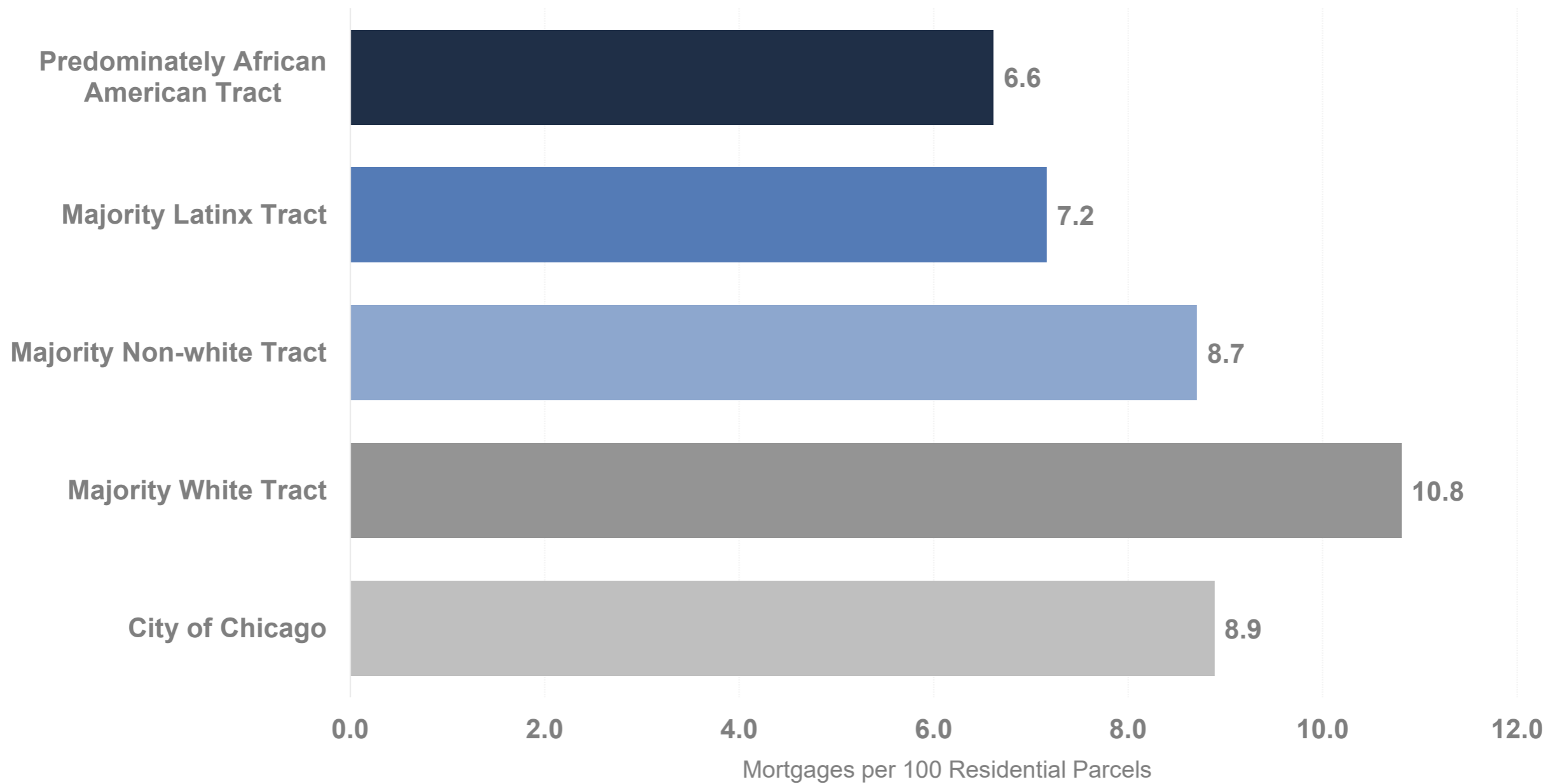
Residential Mortgage Activity in the City of Chicago, 2000 to 2019



SOURCE: IHS DATA CLEARINGHOUSE

Disparities in mortgage credit are pervasive

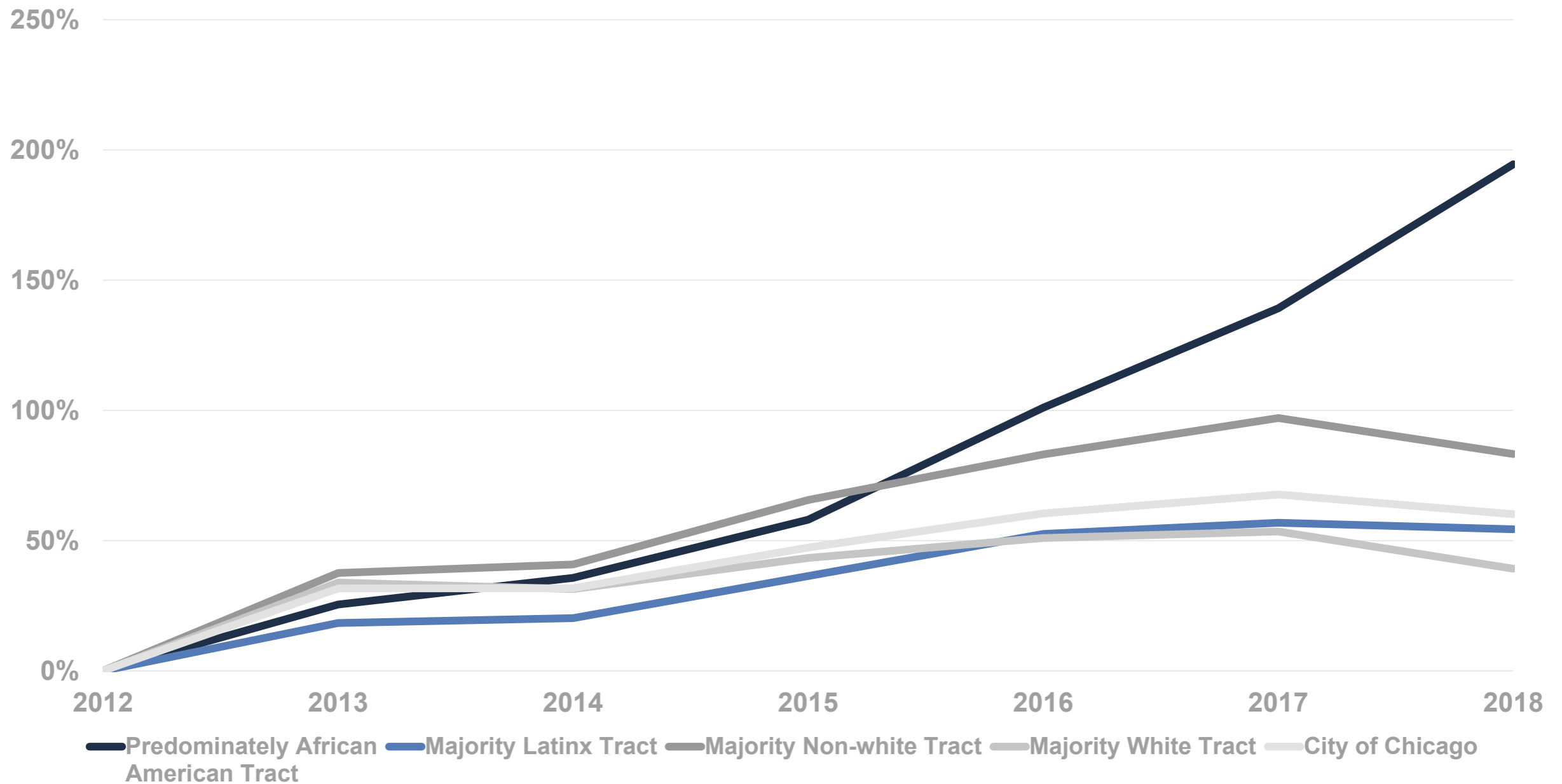
Residential Mortgage Activity by Neighborhood Race and Ethnicity Typology in the City of Chicago, 2019



SOURCE: IHS DATA CLEARINGHOUSE

Home purchase loans to African American tracts increased since 2012

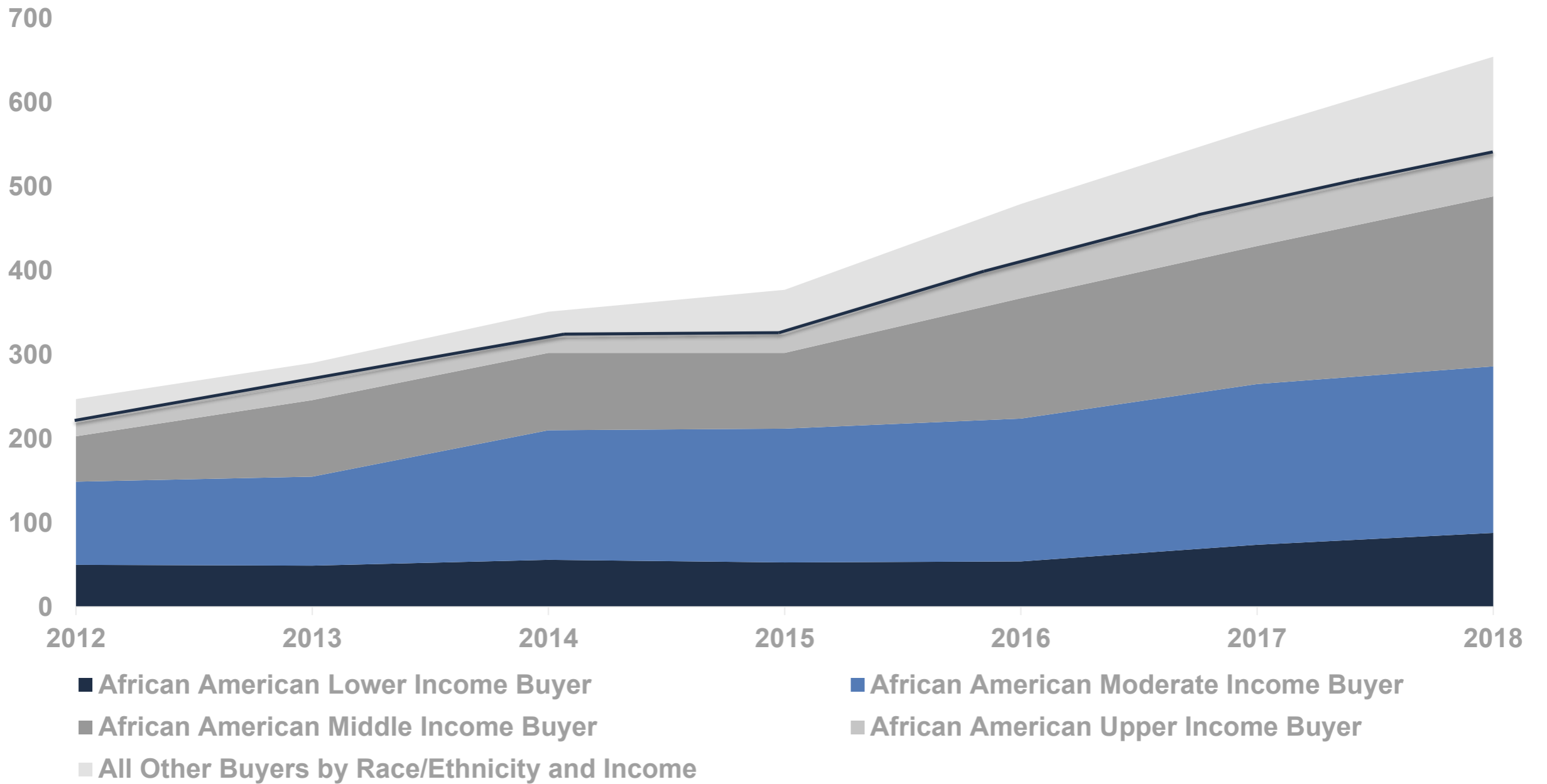
Indexed chance in first lien home purchase loans by neighborhood race/ethnicity in Chicago, 2012-2018



SOURCE: IHS CALCULATIONS OF HOME MORTGAGE DISCLOSURE ACT DATA

Growth in African American homebuying – Greater Chatham

Composition of buyers by borrower race/ethnicity and income in Greater Chatham, 2012-2018



SOURCE: IHS CALCULATIONS OF HOME MORTGAGE DISCLOSURE ACT DATA

Summary

- Chicago's neighborhoods of color have dealt with long term challenges related to disinvestment, the foreclosure crisis, lack of mortgage credit
- Recent indicators show positive trends in house price increases and increased mortgage lending
- Uncertainty about future as COVID-19 is having disproportionate health and economic impacts on people and communities of color



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Contact: gsmith33@depaul.edu or sduda1@depaul.edu

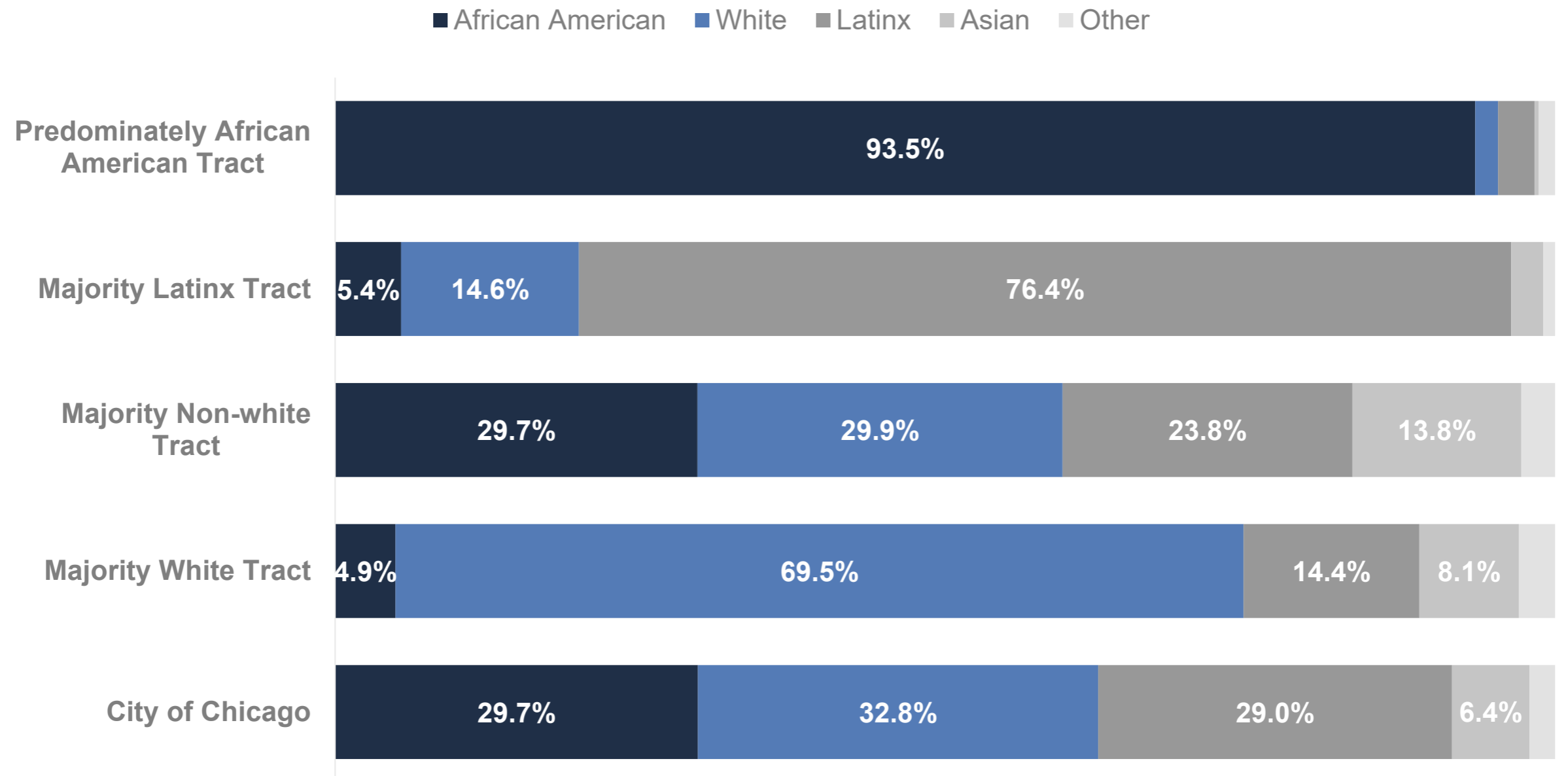


Housing market conditions and trends in Chicago neighborhoods – Supplemental Data Appendix

Presented by the Institute for Housing Studies

Chicago's highly segregated residential patterns

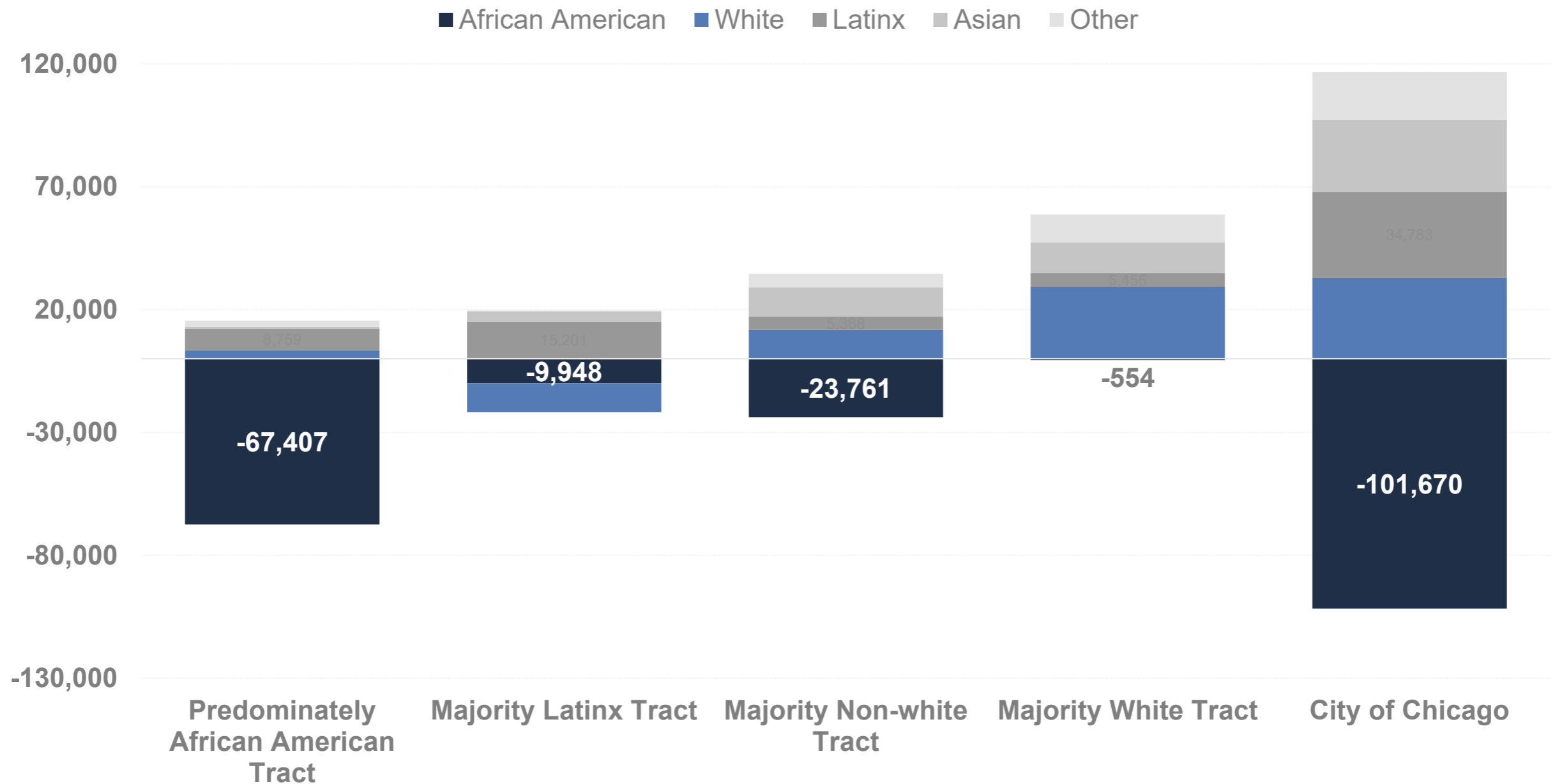
Population by Race/Ethnicity in the City of Chicago by Neighborhood Race and Ethnicity Typology, 2018



SOURCE: IHS DATA CLEARINGHOUSE, 2018 ACS 5-YEAR ESTIMATES

Chicago is losing black population citywide

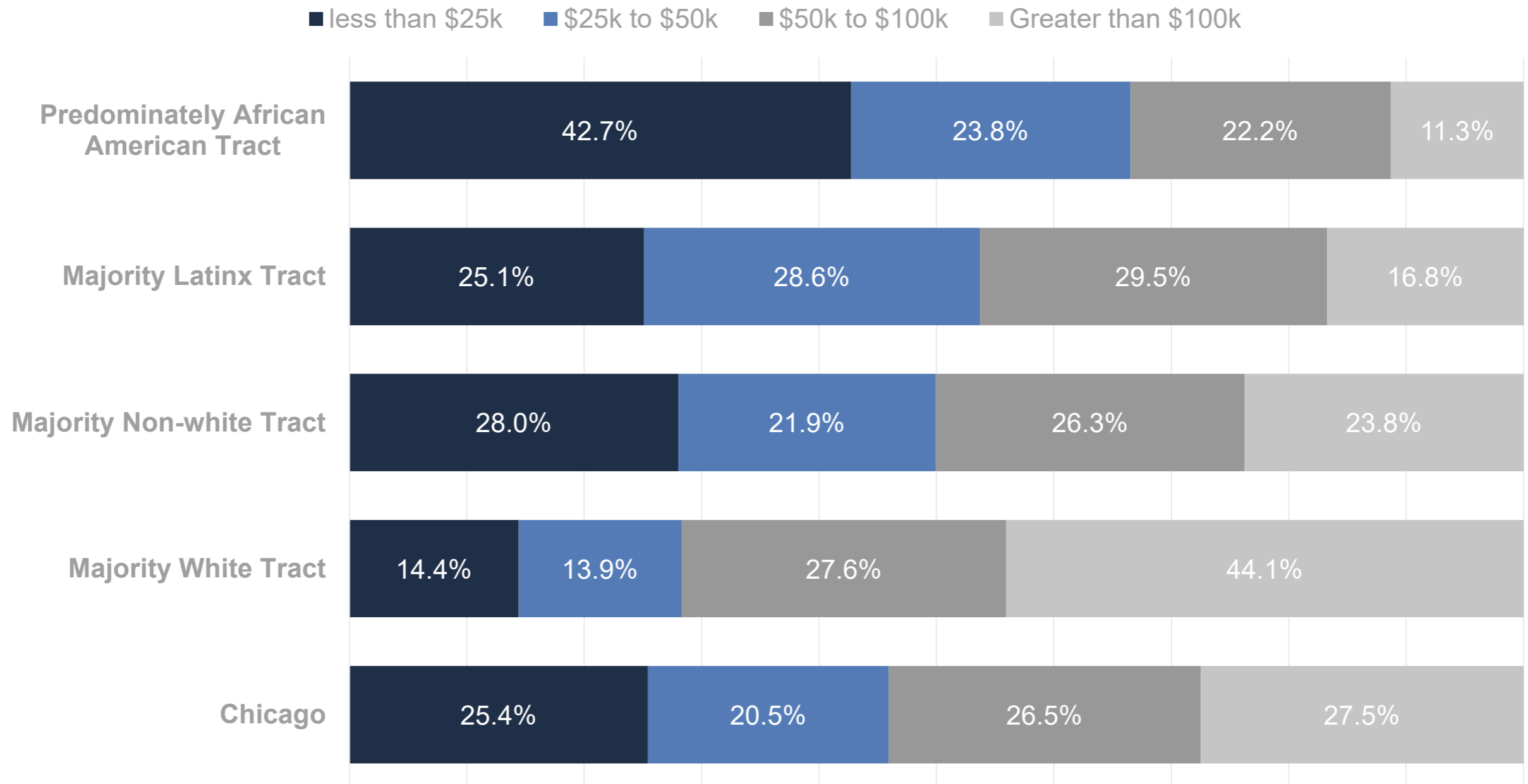
Net Change in Population by Race/Ethnicity in the City of Chicago by Neighborhood Race and Ethnicity Typology, 2018



SOURCE: IHS DATA CLEARINGHOUSE, 2018 ACS 5-YEAR ESTIMATES

Chicago's highly segregated residential patterns

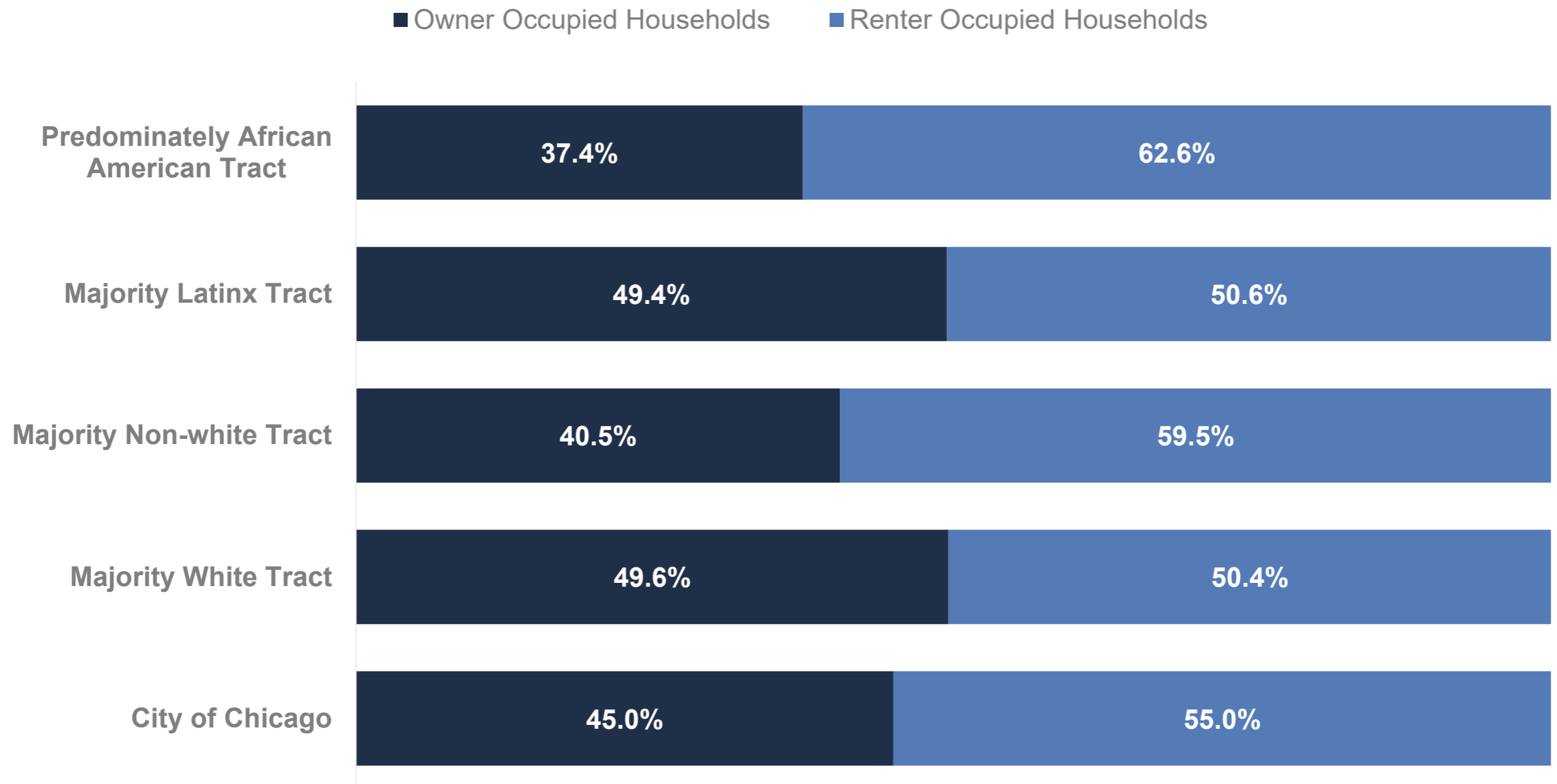
Population by Income Level in the City of Chicago by Neighborhood Race and Ethnicity Typology, 2018



SOURCE: IHS DATA CLEARINGHOUSE, 2018 ACS 5-YEAR ESTIMATES

Chicago's tenure mix varies by area race and ethnic composition

Tenure in the City of Chicago by Neighborhood Race and Ethnicity Typology, 2018



SOURCE: IHS DATA CLEARINGHOUSE, 2018 ACS 5-YEAR ESTIMATES