Overview of Lower-Cost Rental Housing Stock in Chicago

Presented by the Institute for Housing Studies
Share of units that are affordable

SOURCE: US CENSUS BUREAU, PUBLIC USE MICRONETDATA SAMPLES (PUMS)
Percentage point change in the share of units that are affordable

SOURCE: US CENSUS BUREAU, PUBLIC USE MICRODATA SAMPLES (PUMS)
Rental housing challenges vary by neighborhood market type

SOURCE: IHS DATA CLEARINGHOUSE
In lower-cost areas, income remains a challenge

Mean of Median income of Renter Households in the City of Chicago by Neighborhood Market Type, 2010* and 2018


SOURCE: 2010 ACS 5-YEAR ESTIMATES & 2018 ACS 5-YEAR ESTIMATES, IHS DATA CLEARINGHOUSE
*2010 INCOME IS NOT ADJUSTED FOR INFLATION
Most housing is not connected to subsidy

Share of Total Housing Units in Project-Based Section 8 and Housing Choice Vouchers in the City of Chicago by Neighborhood Market Type, 2018

![Bar Chart]

Lower-Cost: 4.1% Project-Based Section 8, 15.7% Housing Choice Voucher
Moderate-Cost: 2.6% Project-Based Section 8, 4.7% Housing Choice Voucher
High-Cost: 1.8% Project-Based Section 8, 1.4% Housing Choice Voucher
City of Chicago: 2.5% Project-Based Section 8, 5.2% Housing Choice Voucher

SOURCE: HUD PICTURE OF SUBSIDIZED HOUSEHOLDS, 2018
Loss of lower-cost rental housing

Share of Rental Units with Gross Rent below $900 in the City of Chicago by Neighborhood Market Type, 2010 and 2018

- **Lower-cost**: 59.4% in 2010, 50.6% in 2018
- **Moderate-cost**: 59.8% in 2010, 41.6% in 2018
- **High-Cost**: 39.8% in 2010, 19.1% in 2018
- **City of Chicago**: 50.6% in 2010, 33.1% in 2018

*SOURCE: 2010 ACS 5-YEAR ESTIMATES & 2018 ACS 5-YEAR ESTIMATES, IHS DATA CLEARINGHOUSE*
Biggest impact is in high-cost markets

Net Change in Units with Gross Rent above/below $900 in the City of Chicago by Neighborhood Market Type, 2010 & 2018

SOURCE: 2010 ACS 5-YEAR ESTIMATES & 2018 ACS 5-YEAR ESTIMATES, IHS DATA CLEARINGHOUSE
Changing nature of stock leads to rising rents in strong markets

Mean of Median Gross Rent in the City of Chicago by Neighborhood Market Type, 2010* and 2018

![Bar chart showing average gross rents in 2010 and 2018 for Lower-cost, Moderate-cost, High-Cost, and City of Chicago neighborhoods.]

SOURCE: 2010 ACS 5-YEAR ESTIMATES & 2018 ACS 5-YEAR ESTIMATES, IHS DATA CLEARINGHOUSE

*2010 GROSS RENTS ARE NOT ADJUSTED FOR INFLATION
Rental housing supply varies by market type

Composition of Rental Stock by Housing Market Type, 2018

SOURCE: U.S. CENSUS BUREAU, 2018 ACS 5-YEAR ESTIMATES, B25032
Changes to housing supply by property type

Net Change in Total Housing Units by Building Size in the City of Chicago by Neighborhood Market Type, 2010 to 2018

SOURCE: 2010 ACS 5-YEAR ESTIMATES & 2018 ACS 5-YEAR ESTIMATES, IHS DATA CLEARINGHOUSE
Where is the loss of two-flats greatest?

Change in 2 to 6 Unit Parcels by Market Type in City of Chicago, 2013 to 2018

- Lower-Cost: -2.8%
- Moderate-Cost: -1.3%
- High-Cost: -5.4%
- City of Chicago: -3.2%

Source: IHS Calculations of Data from Cook County Assessor
Market context is important to understanding lost 2-flats

Distribution of 2 to 6 Unit Parcels (2018) and Parcels that Shifted to New Category (2013 to 2018)

SOUCE: IHS CALCULATIONS OF DATA FROM COOK COUNTY ASSESSOR
Share of working renter households in COVID-vulnerable industries by PUMA

SOURCE: 2018 ACS MICRODATA, IPUMS USA, IHS CALCULATIONS BASED ON CODE DEVELOPED BY NYU FURMAN CENTER
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