



17 hours ago - Business

# New tool combines data and policy to help protect housing affordability

JPMorganChase [A message from: JPMorganChase](#)




Naturally Occurring Affordable Housing (NOAH) makes up 70% of the nation's affordable rental market.

**🔑 Why it's important:** NOAH refers to typically older, privately-owned buildings that remain affordable *without* government subsidies. Preserving and rehabilitating these existing units is crucial as housing costs rise nationwide.


- **Chicago**, in particular, has seen home prices grow 40% faster than average incomes over the past 30 years. Additionally, the city is short an estimated 142,000 homes.

**The benefits:** Preserving NOAH is generally more cost effective than constructing new affordable housing units. In Chicago, for example, rehabilitation costs an estimated 80% less than new construction.


- Preserving this existing housing is oftentimes more environmentally friendly and helps maintain the historic integrity of neighborhoods.

 **Okay, but:** NOAH preservation efforts face several hurdles, including:


- Aging properties can require significant investment.
- Unpredictable costs, like property tax increases, insurance hikes and rising maintenance expenses, can lead to challenging operating margins — and ultimately property loss.
- Different markets and buildings require different preservation strategies.

 **A new approach:** The Community Investment Corporation (CIC) created a national online resource called [Preserve NOAH](#).

- CIC has helped support neighborhood revitalization efforts across Chicago for 50+ years with NOAH preservation central to its mission.
- Preserve NOAH integrates data analysis with policy tools to help practitioners and policymakers around the U.S. explore successful preservation strategies based on their city's unique characteristics.


 **How it was created:** The site showcases research conducted by CIC's Preservation Compact and the Institute for Housing Studies at DePaul University.

- The analysis examines different factors that influence housing affordability across the U.S., breaking down the differences and similarities between communities.
- **Six rental market types** (or clusters) emerged from across the 50 largest U.S. metropolitan areas. These clusters are based on factors like renter concentration, demographics, housing stock and development patterns.
- This analysis, combined with interviews of stakeholders from cities representing different market contexts, helped create Preserve NOAH.

 **An example:** Most NOAH in Chicago is located in [Cluster 1](#). Looking at low- to moderate-income renters in Cluster 1 (these are the renters most impacted by NOAH supply), you can begin to better understand the rental patterns in this market, like:

- There's a high concentration of renters.
- Disinvestment is a key affordability challenge.
- New development is limited.

**Going deeper,** you can see what programs are active in Cluster 1, like the [Community Investment Corporation's Multifamily Loan Pool](#) in Chicago, and details on building type, target tenants, affordability restrictions, funding and more.

 **Take note:** In each cluster, you'll notice which financing tools are effective for preserving unsubsidized rental housing to meet market needs.

- For example, JPMorganChase has supported CIC through targeted lending activities in Chicago's South Side through the [Woodlawn Construction Loan Fund and Line of Credit](#). The

...with Construction Loan Fund and Line of Credit. The fund is providing low-cost financing to developers for acquiring and rehabbing housing.

**The takeaway:** NOAH preservation is an important component to embedding housing affordability (or housing supply that is affordable) in Chicago and in communities across the U.S. With the right strategies tailored locally — and the right funding — NOAH can help keep people housed.

 [Explore Preserve NOAH.](#)

 [Learn more](#) about reimagining the future of American communities.

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