CHICAGO REHAB NETWORK
53 WEST JACKSON BLVD.
CHICAGO, ILLINOIS 60604
FACSIMILE:
312.663.3562
TELEPHONE:
312.663.3936

Chicago Rehab Network
Analysis of the DCD Quarterly Report
2nd Quarter, 2009
Presented September 10, 2009

Introduction

We are pleased to present our analysis of the Second Quarter housing production under the fourth Five Year Affordable Housing Plan, 2009-2013, *Accepting the Challenge*.

We open our report with some findings from a recent study by the DePaul University Institute for Housing Studies on the impact of the housing slump on the rental market. It finds that the weak economy and increased joblessness are contributing to the high vacancies in rental housing. The report indicates that the unemployment and the slow economy have lowered incomes and have caused many families to "double up" or move in with another family resulting in a stagnant rental market and higher vacancies. The study also shows that with unemployment affecting blue collar workers more, low and moderate income neighborhoods are disparately impacted by vacancies which add blight to communities. Further contributing to the instability of the local economy is the loss of rental incomes among multifamily owners.

The study highlights what has been years of high rents and inflated housing costs that were not in line with the incomes of Chicagoans and are now exacerbated by the economic downturn. Between 2000 and 2007, well before the recession and during what was the housing boom, the median household income in Chicago shows a 5 percent decline while housing cost burden rates increased 13 percentage points to 44 percent among renters, and nearly doubled from 26 percent to 41 percent among homeowners (*see attached Housing Cost Burden*). The need for affordable housing is great and prioritizing the creation and preservation of rental housing stock is necessary for stability in this time of crisis.

Neighborhood Stabilization Program

We learned at the First Quarter Report hearing last month that the Department has completed site assessments, made 60 offers on foreclosed properties and has 30 under contract.

The Department also indicates that updates will be posted at www.chicagonsp.org. To date, the website only has information on RFPs and no further details such as the list of qualified developers.

The Department states that it will use a reporting template that will include property-level information such as address, units, ward and community area. In order to fully assess the impact of NSP, we recommend that the financing details similar to those in the new multifamily development reports are included in NSP reporting. Additionally, it would be beneficial to include the number of units per targeted income level and rent levels. As we mentioned at the last quarterly hearing, the Department should report on all activities identified in the NSP Plan.

Low Income Housing Tax Credit - TCAP/TCEP

As the only source of financing for new and rehab multifamily housing under the Stimulus Act, the Low Income Housing Tax Credit is the most critical component in the creation of affordable rental housing today. The Tax Credit program, which relies on private investment, has been especially hit hard by the decrease in the pool of investors and the volatility of the market. As a result, many multifamily projects in the pipeline, including many public housing redevelopments, have stalled and are at risk of not being able to secure financing.

To respond to this emerging crisis, the Recovery Act included two programs—the Tax Credit Exchange Program (**TCEP**) and the Tax Credit Assistance Program (**TCAP**)—that will give a significant boost for the Tax Credit program and will allow housing finance agencies like the Department of Community Development and Illinois Housing Development Authority to assist shovel-ready tax credit projects impacted by the housing slump[1].

As we have reported in past quarters, IHDA has already received $95 million in Tax Credit allocation under the Recovery Act. This is a significant investment to the State and the City of Chicago is due to receive a portion of these funds for affordable housing projects already in the pipeline. The funds must be committed by February 2010.

When the City released its list of stimulus-funded projects in May, it indicated that the City will receive $39 million in TCAP funds and another $22.5 million in TCEP for a total of about $62.5 million. We have asked on a many occasions for more detail and clarification on the Department's priorities and process for selecting projects that will receive this significant investment. We again ask for a status report and information on how shovel-ready tax credit projects are able to access these funds.

In the meantime, IHDA will begin its second round of applications on September 21-October 5. A list of first round applicants located in Chicago is below:

2009 EQUITY REPLACEMENT PROGRAM APPLICATIONS RECEIVED FROM IHDA - ROUND I							
PID	**Project Name**	**City**	**Units**	**Population Served**	**Ward**	**Community Area**	**Owner**
2944	Hancock House	Chicago	89	Elderly	34	West Pullman	Hancock House LP
2729	Rosa Parks Apartments	Chicago	94	Family	27	Humboldt Park	Rosa Parks Limited Partnership c/o Bickerdike
2874	Victory Centre of South Chicago SA	Chicago	72	Elderly	10	South Chicago	South Chicago SA Associates, L.P.

[1] Developers can apply for tax credits through the state (IHDA) or the City of Chicago (Department of Community Development).

New Unit Production: January 2009 – June 2008

Halfway through the first year of the 2009-2013 Affordable Housing Plan, the Department reports assisting 51 percent of its total unit goal for 2009 and 29 percent of its commitment goal.

CRN's analysis of multifamily unit production in the second quarter is shown in Table 1. After subtracting Rental Subsidy units, which are renewed annually, and Heat Receivership units, which is a program under Safety and Code Enforcement, the net year-to-date multifamily new production amount to 158 units.

Table 1.Unit Production by Income- January 1, 2009 – June 30, 2009

	PROJECTED UNITS	0-15%	16-30%	31-50%	51-60%	60-80%	81-100%	101+%	YTD TOTAL	% OF GOAL
Multi-Family*	7,365	3,073	39	285	199	200	18	55	3,857	52.53%
Less Rental Subsidy Units	*-3410*	*-3,134*							-3,134	
Less Site Improvements and Heat Receivership Units	*-277*	*-63*	*-103*	*-281*	*-85*	*-40*	-4	-1	-577	
Net MF New Units**	*3,678*	*-124*	*-64*	*4*	*114*	*160*	*14*	*54*	*158*	4.30%
Single Family less Multiple Benefits	1,126	0	3	18	25	111	132	188	477	42.36%
Improve and Preserve	2,085	38	212	299	42	67	41	26	725	34.77%

*Net Multi Family units after subtracting units receiving multiple benefits
**These are new Multi Family units created through DCD programs not counting units assisted by the Low-Income Housing Trust Fund which are renewed every year, Supportive Housing Rental Assistance, and Safety and Code Enforcement Programs.

New Multifamily Developments

The Department reports four new multifamily developments this quarter:

Wrightwood Senior Apartments – NHS Redevelopment Corporation will develop 85 studios, one- and two-bedroom units of senior housing units in the 18th Ward which will serve households with incomes at 60 percent or below the area median income ($36,180 for a 2-person household). The project will receive TIF assistance from the 79th Street/Southwest Highway TIF.

Roseland Senior Apartments - NHS Redevelopment will also another senior housing project in the 9th Ward with 60 one-bedroom units for senior households with incomes at 50 percent or below the area median income. The project is assisted by Low Income Housing Tax Credits

King Legacy Apartments - Lawndale Christian Development Corporation's project in the 24th Ward will include 42 family housing units serving households betweeen 15 - 60 percent of the area median income ($11,310-$45,240 for a four-person household) with 3 market rate units. The project will offer 2- to 4-bedroom units with ten units for Section 8 voucher holders. The development will be assisted by Low Income Housing Tax Credits and a $1.4 million land write-down

TRC Senior Village I - The Renaissance Collaborative will develop 71 affordable senior housing units in the 3rd Ward for senior households earning 50 percent or below the area median income ($30,150 for a two-person household). The project will be assisted by

Multifamily loans, a $1.2 million land write-down and TIF assistance from the 47th/State TIF District.

Senior Housing Plan

Three of the four multifamily developments approved this quarter are senior housing projects with a total of 216 units. In 2006, the Department launched a Senior Housing Plan which is set to be completed next year. We would like a status update on the plan's progress.

Chicago Citywide Land Trust

For four years the Citywide Land Trust has been a valuable tool for the preservation of long-term affordability. Although the Land Trust has been successfully implemented in a homeownership capacity, we recommend that the Department find ways to extend the Land Trust to rental housing in those instances where long term affordability is at risk. It is especially important at this time to preserve affordability in the rental stock. Units that will be created under the new TBI Condominium Deconversion program would be an excellent opportunity to implement the Land Trust for rental housing.

Downtown Density Bonus

Reporting for cancelled Downtown Density Bonus projects demonstrates that the program has certainly felt the effects of the housing slump. According to the department, seven DDB developments have been cancelled, representing more than $4.5 million in lost anticipated revenue. What contingency plans may be implemented to fill this gap?

Chicago City Budget

CRN testified at the recent budget hearings and called for the safeguard of funding levels for the Department. DCD plays a fundamental role in the recovery and stabilization efforts in Chicago and for its critical role, it is essential that DCD are provided with sufficient funding for their work in affordable housing. *(see attached Budget Testimony)*

Olympics Updates

On September 2nd, the Finance Committee held a special meeting to discuss and ultimately approved the City's Olympic Bid financing and oversight of the 2016 Olympics should the Chicago win the bid. The new oversight will include housing provisions in the Memorandum of Understanding and represents an important step forward in our mutual interest in transparency and public accounting for Chicago 2016. We look forward to working with this committee and the Department in pursuing the housing goals. Beyond the MOU the review and selection of the development team also requires keen attention and transparent accounting.

Affordable Housing in the Capital Bill

The State of Illinois has authorized, for the first time, an affordable housing capital bill. Governor Quinn signed an allocation of **$130 million** in the Illinois capital bill under the Illinois Jobs Now! plan. The bill is a result of years of efforts from housing advocates who worked tirelessly to secure this commitment for affordable housing as part of the state's capital construction plan. The funds, $30 million of which are targeted for veterans and the disabled, will be administered by the Illinois Housing Development Authority.

APPENDIX

A. 2Q 2009 Commitments and Unit Production Totals Reported by Department of Community Development

	Total Projected Units	1st Quarter Commitments	2nd Quarter Commitments	3rd Quarter Commitments	4th Quarter Commitments	YTD	% of Goal
Multi Family	$190,424,953	$17,309,305	$36,288,590			$53,597,895	28.15%
Single Family	$112,708,750	$14,423,249	$19,026,645			$33,449,894	29.68%
Improve and Preserve	$20,029,688	$2,020,456	$4,420,672			$6,441,128	32.16%
Programmatic Applications	$1,250,000	$0				$0	0.00%
Total	$324,413,391	$33,753,010	$59,735,907			$93,488,917	28.82%

	Total Projected Units	1st Quarter Units	2nd Quarter Units	3rd Quarter Units	4th Quarter Units	YTD	% of Goal
Multi Family	7,365	3,831	415			4,246	57.65%
Single Family	1,126	182	268			450	39.96%
Improve and Preserve	2,085	243	482			725	34.77%
Total	10,576	4,256	1,165			5,421	51.26%

Chicago Rehab Network

2010 Preliminary City Budget Summary

The City of Chicago projects **$2.796 billion** in Corporate Fund availability in 2010 and expenditures totaling **$3.346 billion**. The 2010 preliminary budget shows a 5 percent increase in corporate expenses, or $129.5 million, over the 2009 year-end estimates, while available funding shows a decrease of 11 percent in revenue, or $441.5 million. **This represents a total shortfall of $519.7 million for the year 2010** and already includes the infusion of $51.3 million from the Parking Meter Lease Rainy Day Fund.

The city attributes the bulk of this shortfall to "economically-sensitive" revenue sources. The Real Estate Transaction Tax revenue continues to fall since the beginning of the recession. By the year's end, the City estimates real estate transaction tax revenue to drop by nearly 54 percent from $120 million collected in 2008 to just under $55 million by the end of 2009. The City's 2010 preliminary budget estimates real estate transaction tax revenue of just $52.5 million compared to a high of $242.3 million in 2006.

Fig. 1. Real Estate Transaction Tax Growth

Real Estate Transaction Tax Growth				
Year	**Amount ($)**	**Corporate Fund ($)**	**% Corporate Revenues**	**% Change from prior year**
1998	87,400,000	2,173,200,000	4.02%	
1999	89,500,000	2,234,100,000	4.01%	2.40%
2000	101,700,000	2,370,400,000	4.29%	13.63%
2001	108,000,000	2,423,000,000	4.46%	6.19%
2002	125,600,000	2,438,400,000	5.15%	16.30%
2003	145,400,000	2,598,600,000	5.60%	15.76%
2004	190,800,000	2,601,600,000	7.33%	31.22%
2005	236,300,000	2,839,700,000	8.32%	23.85%
2006	242,300,000	2,941,700,000	8.24%	2.54%
2007	205,766,000	3,116,700,000	6.60%	-15.08%
2008	119,462,000	3,139,600,000	3.81%	-41.94%
2009 Est. Year-End	*54,778,000*	*3,152,272,000*	1.74%	-54.15%
2010 Preliminary	*52,587,000*	*2,796,261,000*	1.88%	-4.17%

Resources for Housing

In the preliminary 2010 budget, the Department of Community Development is estimated to receive just under **$30 million** from the corporate fund, about $3.5 million less than the estimated year-end total for 2009. The Department also has additional grants of **$170.3 million**, which includes the $55 million from the Neighborhood Stabilization Program, and another $80.4 million in Recovery Act funds. The Recovery Act funds are from the following three programs: $39.1 million from the Tax Credit Assistance Program, $22.5 million from the Tax Credit Exchange Program, and $18.8 million from the Workforce Investment Act. The Department will also utilize **$5.4 million** in CDBG Recovery dollars for foreclosure mitigation, prevention, and expansion of the Troubled Buildings Initiative to include distressed condominiums.

The total estimated resources for the Department of Community Development, including corporate funds, grants, and Recovery Act funds are approximately $286 million.

Fig. 2. Corporate Funds to Department of Community Development

Corporate Funds to DCD	
2003	$14,268,618
2004	$13,640,000
2005	$15,205,000
2006	$12,603,000
2007	$31,301,000
2008	$20,859,000
Est. Year-End 2009	$33,492,000
Prelim Est 2010	$29,983,000

Chicago Rehab Network's Recommendations:

With the significant budget deficit facing the city and the ongoing recession, it is ever more important to support the work of the Department of Community Development. Unemployment in the City of Chicago is more than 11 percent. The City is proposing even more furlough days for its employees. Incomes and jobs are unstable but what Chicagoans need to be able to count on is access to safe, decent, affordable housing.

We have and continue to maintain that affordable housing is foundational for stable and healthy communities. Affordable housing provides a true economic stimulus: when families can afford housing, it leaves more of their income to spend on groceries, healthcare, and education. The Association of Homebuilders calculate 1.6 new jobs for every unit of housing The city should orient its policies and priorities to programs and activities that will advance affordability and spur growth in Chicago's neighborhoods. We offer the following recommendations:

1. **Prioritize Multifamily Family Rental Housing.** An unmistakable outcome of the rise and fall of the housing market is the considerable loss of rental housing stock to condominium conversions. Shifting housing policy priorities to rental housing is necessary: a recent report states that one-third of the nation's homeowners are underwater (Source: First American

CoreLogic). Condominiums reconverting to rental will unlikely be at an affordable rent to meet the City's median household income ($45,505 in 2007). The trend in recent years has been anything but affordable—since 2000 the number of homeowners paying $2,000 or more in their monthly mortgage increased by over 650 percent without a commensurate increase in household incomes (See CRN 2007 Affordable Housing Fact Sheet) . This places a premium on preservation of rental housing. The immense demand for rental housing was also made clear recently by CRN member, Bickerdike Redevelopment Corporation, who received 5,000 applications in response to opening its Section 8 waiting list for only 40 available spots in May.

2. **Safeguard funding levels for the Department of Community Development that will sustain services critical to affordable housing.** More than half of Recovery Act funds coming to Chicago will be administered through the Department of Community Development. Additionally, the Department is leading the city's foreclosure efforts through Neighborhood Stabilization Program and the forthcoming foreclosure mitigation, counseling and condominium deconversion programs. With the severity of the economic downturn, the City must fundamentally safeguard the Department of Community Development's budget. The Corporate Fund supports the Department's **Low-Income Housing Trust Fund Rental Subsidy** program. For this year alone, the Department estimates that the subsidy will assist more that 3,000 units of rental housing for households earning less that 30 percent of the median income, or $22,500 for a family of four.

   The Corporate revenue also funds the Department's **Multifamily Loan Program** and as many are aware, the credit crunch has made obtaining development and construction loans more difficult. In addition, the Low-Income Housing Tax Credit, a major Federal resource for affordable rental housing creation, has also suffered from the downturn. The Multifamily Loan program provides much-needed gap financing for affordable rental projects, especially as Federal and private financing sources continue to dwindle.

3. **Prioritize Non-profit community development corporations for new funds towards affordable housing**. Non-profit community development corporations are driven by their mission to create stable, healthy and affordable communities and are guaranteed to be long-term stewards of affordable housing. Non-profit shovel-ready projects should be given a higher level of priority to receive gap assistance from the Tax Credit Assistance Program and Tax Credit Exchange Program funds under the Recovery Act.

Transparency and Accountability

CRN also recommends the following changes to the budget reporting process which can greatly improve transparency and accounting for revenues going towards affordable housing and coming from affordable housing programs.

1. The Affordable Housing Opportunities Fund should be reported as its own separate item similar to the reporting for Special Revenue Funds like the CTA Real Estate Transfer Tax Fund. Revenue sources for the Affordable Housing Opportunities Fund, which includes fees from the Downtown Density Bonus, and its expenditures, should also be reported in the

budget. Currently, fees from the Downtown Density Bonus are being reported under the Licenses and Permits subcategory under the Corporate Fund.

2. All Tax Increment Financing information should be included in the budget. TIF funds are essential to the City's finances and operations and are funded through taxpayer dollars. Therefore it is important that the City includes TIF finances as part the budget.

3. An in-depth review of the Chicago Housing Authority's finances should be conducted in order to provide a complete picture of its revenue sources, expenses, and budget priorities. As the largest single recipient of affordable housing resources from the City and allocation of stimulus dollars for housing, CHA has largely operated with very little public discourse and dialogue between the communities it impacts through its Plan for Transformation. The economic crisis and the challenges it brings requires greater transparency and accountability but also calls on improved partnership and cooperation from all stakeholders in order to bring back stability in Chicago's communities.

WHO WE ARE Established in 1977, the **Chicago Rehab Network (CRN)** is a citywide coalition of neighborhood-based nonprofit housing organizations working to create and preserve affordable housing in Chicago and the region. Through research, publications, policy and advocacy, training and technical assistance CRN advocates for affordable housing resources at the local, state, and national levels.

CHICAGO REHAB NETWORK

53 WEST JACKSON BLVD.
CHICAGO, ILLINOIS 60604

FACSIMILE:
312.663.3562

TELEPHONE:
312.663.3936

September 2, 2009

Dear Alderman:

Yesterday's public review of the Civic Federation report of Olympic bid financing and concurrent calls for intensive council oversight should Chicago be awarded the right to host the 2016 Olympics is certainly appropriate. We recommend the oversight should include quarterly accounting of each aspect of the Memorandum of Understanding passed by the council in March.

Whereas tracking on hiring commitments for MBE/WBE for the Michael Reese contracts is already in place, we ask that you expand that accounting to include the housing elements found in the MOU, including important strategies for the preservation of affordable housing. The spirit of the 2016 Affordable Housing Subcommittee's recommendations was not exclusively about the inclusion of affordable housing in the Olympic Village, but further to extend and preserve affordable housing opportunities throughout the Olympic development areas.

As demonstrated by this week's release of DePaul University's study ("Softening Conditions in the Chicago Rental Market"), affordable rental housing is a fundamental requirement for Chicagoans to succeed. The study's findings are not surprising when keeping in mind the housing trend for this decade has seen growth only in households with mortgages of over $2000 a month when average Chicago household income is decreasing (Chicago Rehab Network 2007 Housing Factsheet).

Principles of transparency and inclusion are already a part of the Olympic spirit and the MOU between the City Council and Chicago 2016. The only way to ensure that these principles endure is through a regular tracking procedure. Alongside the Olympic community development legacy, the Chicago Rehab Network has called for a public review on the selection of the development plan for the Olympic Village (CRN 2008 4th Quarter report).

CRN has long been committed to fostering community empowerment and development without displacement, just like the hope of this Olympic movement. A transparent, accountable, and inclusive process as well as strong partnerships between the community and the Olympic organizations will create not just success in the Olympics and in the City, but excellence for both.

Sincerely,

Kevin Jackson
Executive Director, Chicago Rehab Network

A Picture of Chicago Foreclosures: January-March 2009 (First Quarter)

Source: www.realinfo.net

In the first quarter of 2009 (January-March), there were 6,964[1] foreclosures filings in Chicago. The following report examines the trends illustrated by this quarter's foreclosure data.

Foreclosures on Recent Purchases	
Foreclosures with available date of deed	6,964
Purchased since 2000	5,361 (76%)
Purchased since 2007	1,118 (16%)

Every property had an available date of deed. Recent homeowners comprised most of the quarter's foreclosures with 76 percent or 5,361 properties purchased since 2000 and 16 percent or 1,118 purchased just since 2007. Four-hundred-seventy foreclosed homeowners owned their homes for at least two decades. This quarter, the median length of stay was four years and 22 days and the average length was six years and 284 days. Fifty-nine percent or 4,138 foreclosures were on homes owned for less than five years.

Two-thirds of the properties (4,382) had both primary and secondary mortgages. The average amount owed was $288,472 while the median was $210,824. The majority owed on properties was between $100,000 and $399,000 with the heaviest numbers in the $100,0000 to $199,0000 bracket. Altogether, outstanding mortgages amounted to over $2 billion ($2,008,920,460) in the first quarter of 2009. Of the listings with the primary mortgage type available, conventional mortgages made up 6,303 properties with 274 (4%) of primary mortgages listed as FHA and 7 listed as VA mortgages. Half of primary mortgages (48%) had adjustable rates and approximately half had (45%) fixed rates[2].

Properties and Foreclosure Amount	
$1-99k	871 properties
$100k-199k	2357
$200k-299k	2014
$300k-399k	962
$400k-499k	343
$500k-1m	245
$1m+	172

Amount of Current Year Taxes	
$0-$1,000	874 properties
$1,001-$5,000	5192
$5,001-$10,000	735
$10,001 +	163

Current year taxes ranged as high as $447,909 in one property. The average current year taxes owed per property was $3,317 with majority of properties having tax burdens between $1,000 and $5,000. Altogether, the amount of tax liability for all properties this quarter was approximately $23 million ($23,106,327).

[1] Includes residential, multifamily, and vacant land property classes
[2] The breakdown of properties with disclosed primary mortgage loan type is as follows: Adjustable: 923; Fixed: 767; Equity-Fixed: 17; Equity-Variable: 12; Second Mortgage Loan:18

Altogether there were 36 lenders who held the primary mortgages for 45 or more foreclosed properties, accounting for 3708 of all foreclosures. An additional 42 primary lenders with 15-44 foreclosed properties accounted for another 1069 foreclosures.

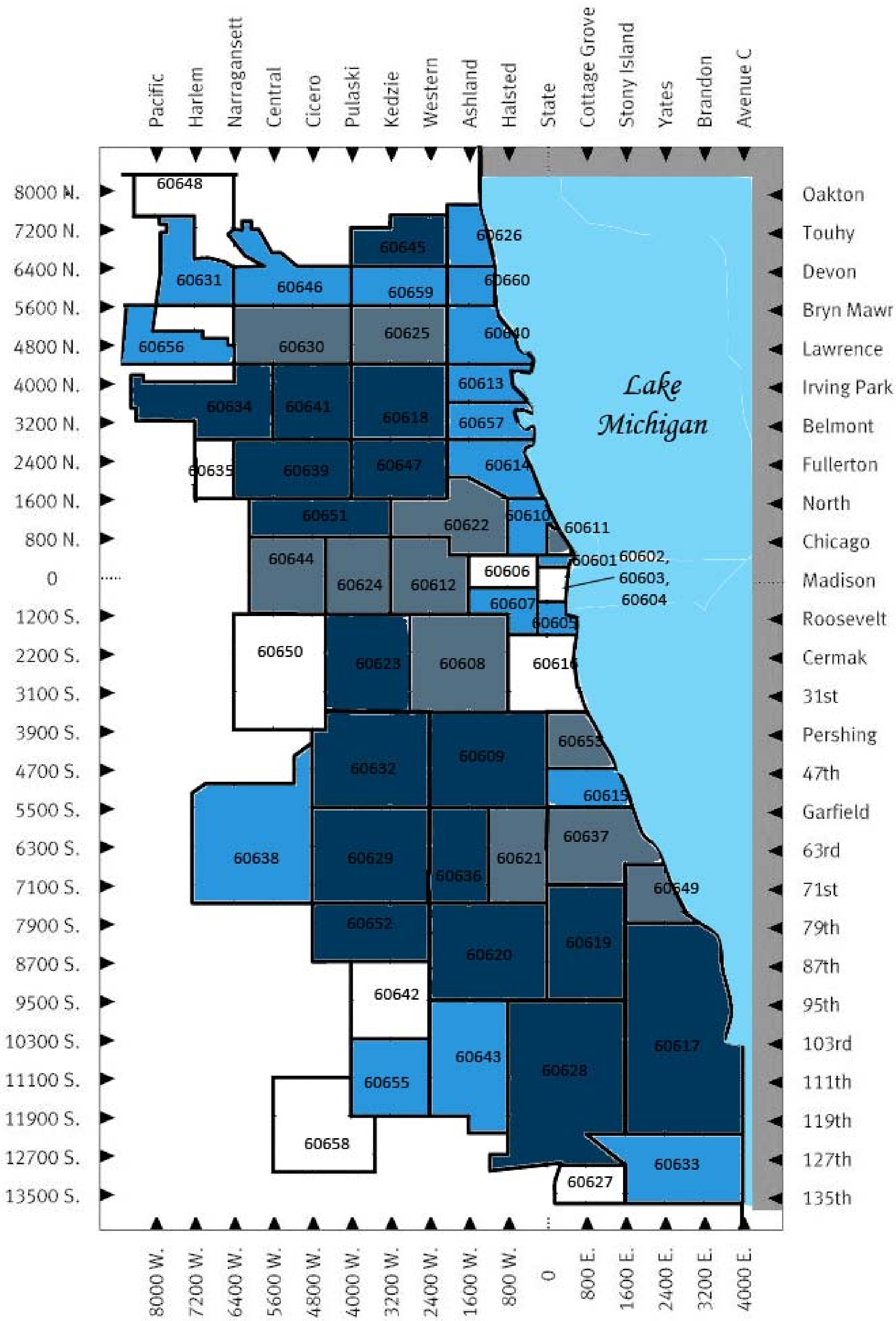
Primary Mortgage Lenders with 45 or more foreclosures in Jan-Mar 2009	
Lender	**# of Foreclosures**
WAMU BANK FA,	473
COUNTRYWIDE BANK FSB MERS	212
INDMAC BANK FSB MERS	207
WELLLS FARGO BANK NA,	189
FIRST FRANKILIN FINANCIAL CORP MERS	164
LONG BAECH MTG CO,	164
FREEMONT INVESTMENT & LOAN MERS	150
CHASE BANK USA NA,	140
ARGEN MORTGAGE COMPANY, L.L.C.,	129
BNC MORT INC MERS	111
CITIFINANCIAL SERVICES INC,	110
MID AMERICA BANK FSB,	110
NATIONAL CITY BANK MERS	100
BANK OF AMERICA N.A.,	99
EQUIFIREST CORP MERS	92
NEW CENTURY MORTGAGE CORP MERS	92
TAYLOR BEAN & WHITAKER MORTGAGE CORP (LE MERS	81
FIFTH THIRD BANK (CHGO),	80
ACCREDITED HOME LENDERS MERS	76
ABN AMRO MORTGAGE GROUP INC,	68
FIRST NLC FINANCIAL SERVICES LLC (LENDER MERS	68
AMERICAS WHOLESALE LENDER MERS	63
FIRST MAGNUS FINANCIAL CORP MERS	63
RESMAE MORTGAGE CORP MERS	62
WMC MORTGAGE CORP MERS	62
HOMECOMING FINANCIAL NETWORK INC MERS	54
AMERICAN MORTGAGE NETWORK INC (DBA@ AMNE MERS	53
LEHMAN BROTHERS BANK FSB MERS	53
GUARANTEED RATE INC MERS	51
AEGIS FUNDING CORP MERS	50
MILA INC (DBA @MORTGAGE INVESTMENT ASSOC MERS	50
AMERICAN HOME MORTGAGE MERS	49
ENCORE CREDIT MERS	48
AMERICAN BORKERS CONDUIT MERS	45
DECISION ONE MORTGAGE CO LLC MERS	45
DELTA FUNDING CORP MERS	45
TOTAL	**3708**

Primary Mortgage Lenders with 15-44 foreclosures in Jan-March 2009	
Lender	**# of Foreclosures**
OPTION HOME LENDING INC,	44
GREENPOINT MORTGAGE FUNDING INC MERS	42
BANKUNITED FSB MERS	41
HLB MTG MERS	41
CHARTER ONE BANK N.A.,	40
FIRST NATIONAL BANK OF ARIZONA MERS	40
PEOPELS CHOICE HOME LOAN INC MERS	40
FIELDSTONE MORTGAGE CO MERS	38
WILMINGTON FINANCE (DIV OF @AIG FSB) MERS	38
THE CIT GROUP/CONSUMER FINANCE INC (LEND MERS	36
HARRIS N.A.,	30
WORLD SAVINGS BANK FSB,	30
AMERICAN CHARTERED BANK MERS	29
MORTGAGE LENDERS NETWORK INC MERS	27
CHICAGO BANCORP MERS	26
DRAPER & KRAMER MORTGAGE CORP MERS	26
MB FINANCIAL BANK N.A.,	26
SOUTHPORT BANK MERS	26
LASALLE BANK N.A. MERS	25
RESIDENTIAL LOAN CENTERS OF AMERICA (LEN MERS	24
PROFESSIONAL MORTGAGE PARTNERS INC (LEND MERS	23
HSBC MORTGAGE CORP (USA) MERS	22
FINANCE AMERICA MERS	21
CREDIT SUISSE FINANCIAL CORP MERS	20
PARKWAY BANK & TRUST CO,	20
TAMAYO FINANCIAL SERVICES MERS	20
WEBSTER BANK MERS	20
EQUITY MORTGAGE CORP MERS	19
GMAC BANK FSB MERS	19
NOVASTAR MORTGAGE INC MERS	19
ROSE MORTGAGE CORP,	19
SUNTRUST MORTGAGE INC MERS	19
METROPOLITAN BANK & TR CO,	17
TCF MORTGAGE CORP,	17
CITIBANK FSB,	16
COLUMBIA HOME LOANS LLC MERS	16
MARIBELLA MORTGAGE LLC MERS	16
STATE BANK OF COUNTRYSIDE,	16
WACHOVIA MORTGAGE CORP MERS	16
BANK ONE LAGRANGE,	15
CLEARWATER MORTGAGE MERS	15
IMPAC FUNDING CORP (DBA @IMPAC LENDING G MERS	15
TOTAL	**1069**

Foreclosure by Zip Code

0-10	60004	1	60681	1
	60005	1	60687	1
	60007	1	60691	1
	60018	1	60693	1
	60021	1	60706	1
	60062	1	60714	1
	60063	1	61628	1
	60068	1	61629	1
	60077	1	66024	1
	60104	1	60015	2
	60164	1	60067	2
	60169	1	60074	2
	60173	1	60133	2
	60195	1	60176	2
	60228	1	60193	2
	60304	1	60305	2
	60339	1	60445	2
	60406	1	60492	2
	60426	1	60604	2
	60428	1	60635	2
	60429	1	60650	2
	60443	1	60712	2
	60457	1	60803	2
	60458	1	60016	3
	60459	1	60076	3
	60461	1	60402	3
	60467	1	60411	3
	60477	1	60453	3
	60513	1	60465	3
	60551	1	60627	3
	60565	1	60805	3
	60586	1	60194	4
	60603	1	60602	4
	60642	1	60804	5
	60648	1	60606	7
	60680	1	60827	10

11-90	60633	11
	60661	11
	60655	23
	60601	25
	60631	28
	60646	35
	60607	39
	60657	45
	60616	49
	60605	51
	60707	51
	60656	57
	60613	67
	60615	67
	60660	73
	60626	76
	60640	77
	60659	82
	60610	85
	60614	90
100-150	60653	103
	60611	108
	60612	109
	60630	113
	60644	116
	60649	116
	60624	119
	60638	120
	60625	121
	60637	133
	60622	138
	60621	150
150+	60652	155
	60643	156
	60645	158
	60609	168
	60623	182
	60647	182
	60641	189
	60651	193
	60636	194
	60618	196
	60634	209
	60619	212
	60632	217
	60620	225
	60617	249
	60639	282
	60628	298
	60629	477


Pacific
Harlem
Narragansett
Central
Cicero
Pulaski
Kedzie
Western
Ashland
Halsted
State
Cottage Grove
Stony Island
Yates
Brandon
Avenue C
8000 N.
7200 N.
6400 N.
5600 N.
4800 N.
4000 N.
3200 N.
2400 N.
1600 N.
800 N.
0
1200 S.
2200 S.
3100 S.
3900 S.
4700 S.
5500 S.
6300 S.
7100 S.
7900 S.
8700 S.
9500 S.
10300 S.
11100 S.
11900 S.
12700 S.
13500 S.
Oakton
Touhy
Devon
Bryn Mawr
Lawrence
Irving Park
Belmont
Fullerton
North
Chicago
Madison
Roosevelt
Cermak
31st
Pershing
47th
Garfield
63rd
71st
79th
87th
95th
103rd
111th
119th
127th
135th
8000 W.
7200 W.
6400 W.
5600 W.
4800 W.
4000 W.
3200 W.
2400 W.
1600 W.
800 W.
0
800 E.
1600 E.
2400 E.
3200 E.
4000 E.
Lake Michigan
60648
60626
60645
60631
60646
60659
60660
60656
60630
60625
60640
60634
60641
60618
60613
60657
60635
60639
60647
60614
60651
60622
60610
60611
60644
60624
60612
60606
60601
60602, 60603, 60604
60607
60605
60650
60623
60608
60616
60653
60632
60609
60615
60638
60629
60636
60621
60637
60649
60652
60620
60619
60642
60617
60643
60628
60655
60658
60633
60627

Of the foreclosures this quarter with disclosed property classifications[3], 2980 properties were classified as single family or individually-owned townhomes or rowhouses and 1840 were small multifamily or mixed-use buildings with two to six apartment units. There were 99 properties classified as larger multifamily rental or mixed-use rental buildings with seven or more units, and 1401 condominium units. There were 364 properties classified as vacant land.

The distribution of foreclosures by specific property type and by zip code is as follows:

Vacant Land or with Minor Improvements			
Zipcode	# of Properties	Zipcode	# of Properties
60628	13	60613	2
60609	10	60618	2
60636	10	60634	2
60619	9	60649	2
60621	9	60608	2
60639	9	60614	2
60617	8	60620	2
60638	8	60628	2
60643	8	60632	2
60601	7	60639	2
60614	7	60647	2
60623	7	60653	2
60624	7	60411	1
60629	7	60622	1
60607	6	60625	1
60612	6	60630	1
60615	6	60633	1
60632	6	60645	1
60620	5	60651	1
60647	5	60305	1
60622	5	60426	1
60644	4	60609	1
60653	4	60616	1
60657	4	60621	1
60629	4	60636	1
60637	3	60641	1
60827	3	60644	1
60617	3	60645	1

[3] Property types are based on the Cook County Assessor's Office classification system.

Large Apartment, 7 or more units	
Zipcode	# of Properties
60617	10
60619	10
60649	9
60645	8
60644	7
60621	5
60620	4
60629	4
60647	4
60651	4
60194	3
60465	3
60622	3
60637	3
60640	3
60608	2
60610	2
60613	2
60615	2
60623	2
60625	2
60626	2
60630	2
60602	1
60609	1
60618	1
60624	1
60628	1
60632	1
60636	1
60639	1
60653	1
60659	1

Apartments, 2-6 units			
Zipcode	# of Properties	Zipcode	# of Properties
60638	128	60641	4
60623	100	60646	3
60632	98	60617	3
60651	90	60620	3
60609	89	60629	3
60647	88	60651	3
60621	84	60604	2
60629	81	60611	2
60624	78	60707	2
60618	75	60827	2
60636	64	60614	2
60619	63	60619	2
60617	59	60647	2
60641	56	60657	2
60608	51	60164	1
60644	50	60228	1
60612	46	60492	1
60637	45	60551	1
60620	43	60586	1
60622	42	60607	1
60625	39	60610	1
60630	31	60627	1
60628	30	60631	1
60634	27	60633	1
60649	20	60635	1
60659	18	60642	1
60614	16	60656	1
60653	16	60661	1
60640	13	60687	1
60645	13	60706	1
60615	9	60714	1
60660	9	60804	1
60609	8	61628	1
60626	7	61629	1
60643	7	60602	1
60657	7	60607	1
60613	6	60612	1
60616	6	60613	1
60608	6	60624	1
60618	6	60625	1
60623	6	60630	1
60628	6	60633	1
60652	5	60634	1
60622	5	60636	1
60632	4	60644	1
60639	4	60804	1

Residential Condominiums			
Zipcode	# of Properties	Zipcode	# of Properties
60645	108	60623	5
60611	106	60639	5
60610	77	60644	5
60653	62	60609	4
60622	59	60617	4
60660	56	60646	4
60637	55	60016	3
60640	54	60453	3
60613	53	60602	3
60626	53	60621	3
60605	51	60643	3
60625	50	60651	3
60659	50	60015	2
60614	40	60074	2
60615	40	60076	2
60649	40	60133	2
60616	36	60176	2
60647	36	60193	2
60618	35	60445	2
60607	29	60620	2
60612	28	60632	2
60656	28	60004	1
60657	28	60005	1
60641	22	60007	1
60630	18	60063	1
60601	17	60077	1
60634	17	60169	1
60608	15	60194	1
60619	10	60195	1
60629	9	60429	1
60661	9	60443	1
60707	9	60458	1
60624	8	60565	1
60606	7	60603	1
60638	6	60691	1
60652	6	60712	1

Single Family Residential - Excludes Condos			
Zipcode	# of Properties	Zipcode	# of Properties
60629	364	60616	6
60628	232	60827	5
60620	165	60610	4
60634	161	60657	4
60617	158	60402	3
60652	143	60613	3
60639	136	60627	3
60643	134	60804	3
60631	127	60805	3
60619	115	60067	2
60636	115	60402	2
60641	105	60411	2
60632	102	60607	2
60638	101	60650	2
60651	88	60803	2
60630	59	60018	1
60609	54	60021	1
60623	53	60062	1
60621	47	60068	1
60618	45	60076	1
60644	45	60104	1
60649	43	60173	1
60647	42	60304	1
60707	40	60305	1
60646	28	60339	1
60656	28	60406	1
60612	26	60428	1
60625	26	60457	1
60637	25	60459	1
60624	24	60461	1
60655	23	60467	1
60608	20	60477	1
60622	20	60513	1
60645	20	60601	1
60614	18	60635	1
60653	17	60648	1
60626	13	60661	1
60659	12	60680	1
60615	10	60681	1
60633	8	60693	1
60660	8	60712	1
60640	7	66024	1

There were 2026 properties not occupied by the taxpayer as a principal residence[4] or 29 percent of foreclosure filings. These properties were likely purchased as investment properties or are renter-occupied. Eighty-five percent of these properties were purchased since 2000 (1724) and 21 percent or 427 properties were purchased since 2007.

Small apartments with 2-6 units make up 557 of these properties representing anywhere between 1114 to 3342 housing units. There were 589 properties classified as single family residential or individually owned townhomes or rowhouses, 575 condominiums, and 91 large apartments (7 or more units).

Forty-six percent (937) have primary mortgages with an adjustable rate and about 45 percent (906) have fixed rate mortgages. Lenders who held primary mortgages for 15 or more non-owner occupied properties accounted for 1066 of these properties and are listed here.

[4] Taxpayer addresses and property addresses were compared to reach this number.

Non-owner-Occupied Properties by Zip Codes			
60628	114	60638	15
60636	90	60660	15
60621	81	60652	14
60611	76	60616	12
60619	75	60630	9
60617	70	60631	6
60645	66	60656	6
60618	65	60661	5
60620	63	60707	4
60629	62	60465	3
60623	59	60646	3
60609	55	60827	3
60637	54	60015	2
60651	54	60133	2
60622	53	60606	2
60649	53	60633	2
60647	52	60803	2
60612	47	60016	1
60614	47	60021	1
60624	46	60062	1
60644	39	60076	1
60653	37	60077	1
60639	36	60176	1
60643	35	60194	1
60613	34	60305	1
60610	33	60339	1
60608	29	60426	1
60641	29	60453	1
60625	28	60513	1
60626	27	60602	1
60640	27	60627	1
60605	24	60635	1
60634	23	60655	1
60615	21	60680	1
60632	19	60687	1
60657	18	60706	1
60601	16	60804	1
60607	16	61628	1
60659	16	61629	1
		66024	1

Primary Mortgage Lenders with 15 or more Foreclosed Non-Owner Occupied Properties	
WAMU BANK FA	139
COUNTRYWIDE BANK FSB MERS	57
LONG BEACH MORTGAGE CO	56
WELLS FARGO BANK N.A.	53
INDMAC BANK, F.S.B.	44
ARGENT MORTGAGE CO LLC	33
JP MORGAN CHASE BANK NA	33
FIRST FRANKLIN MERS	30
FREMONT INVESMENT & LOAN MERS	30
CITIMORTGAGE INC MERS	29
CHARTER ONE BANK N.A.	27
NATIONAL CITY BANK	27
THE MORTGAGE STORE FINANCIAL INC (LENDER MERS	26
NEW CENTURY MORTGAGE CORP	25
BANK OF AMERICA N.A.	24
BNC MORTGAGE INC MERS	23
MID AMERICA BANK FSB	23
GUARANTEED FINANCIAL MERS	22
LEHMAN BROTHERS BANK FSB MERS	22
PARKWAY B&TCO	22
TAYLOR BEAN & WHITAKER MORTGAGE CORP (LE MERS	22
AMERICAN CHARTERED BANK	20
AMERICAS WHOLESALE LENDER MERS	20
FIFTH THIRD BANK	20
HLB MTG MERS	20
LAKESIDE BANK	20
STATE BANK OF COUNTRYSIDE	20
BANKUNITED FSB MERS	18
FIRST MAGNUS FINANCIAL CORP MERS	18
MB FINANCIAL BANK N.A.	18
GREENPOINT MORTGAGE FUNDING INC MERS	17
HOMECOMING FINANCIAL NETWORK INC	17
MORTGAGE STORE FINANCIAL INC MERS	16
ABN AMRO MORTGAGE GROUP INC	15
AMERICAN BROKERS CONDUIT MERS	15
AMERICAN HOME MORTGAGE MERS	15
RESMAE MORTGAGE CORPORATION MERS	15
WMC MORTGAGE CORP MERS	15
TOTAL	**1066**

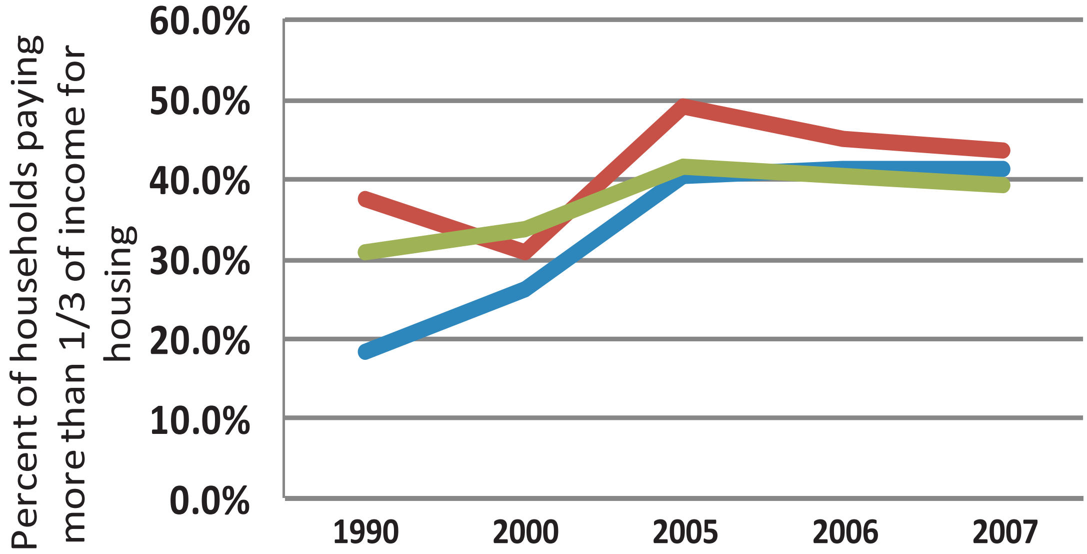
Appendix A:
Number of Foreclosures by Order of Zip Code

60629	477	60610	85
60628	298	60659	82
60639	282	60640	77
60617	249	60626	76
60620	225	60660	73
60632	217	60613	67
60619	212	60615	67
60634	209	60656	57
60618	196	60605	51
60636	194	60707	51
60651	193	60616	49
60641	189	60657	45
60623	182	60607	39
60647	180	60646	35
60609	168	60631	28
60645	158	60601	25
60643	156	60655	23
60652	155	60633	11
60621	150	60661	11
60622	138	60827	10
60637	133	60606	7
60625	121	60602	5
60638	120	60804	5
60624	119	60194	4
60644	116	60627	4
60649	116	60016	3
60630	113	60076	3
60612	109	60402	3
60611	108	60411	3
60653	103	60453	3
60608	96	60465	3
60614	90	60805	3

60015	2	60339	1
60067	2	60406	1
60074	2	60426	1
60133	2	60428	1
60176	2	60429	1
60193	2	60443	1
60305	2	60457	1
60445	2	60458	1
60492	2	60459	1
60604	2	60461	1
60635	2	60467	1
60650	2	60477	1
60712	2	60513	1
60803	2	60551	1
60004	1	60565	1
60005	1	60586	1
60007	1	60603	1
60018	1	60642	1
60021	1	60648	1
60062	1	60680	1
60063	1	60681	1
60068	1	60687	1
60077	1	60691	1
60104	1	60693	1
60164	1	60706	1
60169	1	60714	1
60173	1	61628	1
60195	1	61629	1
60228	1	66024	1
60304	1		

HOUSING COST BURDEN IN CHICAGO

Cost Burdened Households Over Time



	1990	2000	2005	2006	2007
Owners with Mortgages	18.2%	26.2%	40.6%	41.3%	41.3%
Renter Households	37.3%	30.8%	49.0%	44.9%	43.6%
All Households	30.7%	33.5%	41.6%	40.4%	39.3%

Cost Burdened Households By Income

Income level	Renter HH	Owner HH
Less than $20,000	89.2%	99.3%
$20,000 to $49,999	55.0%	90.0%
$50,000 to $74,999	12.3%	64.6%
$75,000 or more	2.6%	20.9%

Median Household Income
2000 **$48,071**
2007 **$45,505**
% change since 2000 **–5.3%**

Rising Rents

% change in number of renters and their monthly payments since 2000

Less than $750	**-51.6%**
$750 to $999	42.8%
$1,000 to $1,499	113.6%
$1,500 or more	124.7%

Higher Mortgages

% change in number of owners and their mortgage payments since 2000

Less than $1,000	-41.4%
$1,000 to $1,499	15.9%
$1,500 to $1,999	203.7%
$2,000 or more	**650.2%**

Rents and mortgages have increased without a corresponding rise in income

Rising housing costs and falling incomes make affordability out of reach for many Chicagoans.