



Lawyers' Committee  
for Better Housing

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Lawyers' Committee for Better Housing

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**CHICAGO RENTERS AND COMMUNITIES CONTINUE TO SUFFER  
DESTABILIZING EFFECTS OF THE FORECLOSURE CRISIS—  
PARTICULARLY IN LOW TO MODERATE INCOME  
AREAS/COMMUNITIES OF COLOR.**

*New study shows that recovery from the foreclosure crisis slowed dramatically for Chicago renters in 2012 with over 33 apartment units entering foreclosure daily, resulting in great human costs for displaced renters who struggled to find new homes, were forced to pay significantly higher rent, and whose children were often forced to change schools.*

CHICAGO – The Lawyers' Committee for Better Housing's (LCBH) 2012 Foreclosure Report, *Housing Instability for Renters Continues: Chicago Responds with Adoption of New Tenant Protections*, found that foreclosure filing rates on multi-unit buildings remained persistently high in 2012 and continue to have a significant and detrimental impact, displacing families, destabilizing communities, and driving the rapid loss of affordable rental stock in the City.

LCBH has been compiling foreclosure data since 2009 and found that in 2012 the City of Chicago experienced the smallest year-to-year decrease in foreclosure filings since the beginning of the foreclosure crisis. Not only did the foreclosure crisis recovery slow citywide, but filings actually increased in Austin, Englewood and other neighborhoods already suffering some of the worst effects of the foreclosure crisis.

Large banks continued to play a significant role in foreclosure and foreclosure-related eviction filings, with Wells Fargo, Bank of America, JP Morgan Chase, US Bank and Deutsche Bank responsible for over half of the 2012 foreclosure filings. Evidence indicates foreclosure-related eviction filings by banks account for at least 11.4% of Chicago's total eviction filings, with 1,928 eviction cases filed by banks in just the last six months of 2012.

LCBH found one of the greatest costs of the foreclosure crisis is continued housing instability for renters. LCBH's renter follow-up survey found that renters displaced by foreclosure struggled to find new homes with 50% forced to find temporary housing. Once renters found housing, many faced rent increases with approximately half of the renters paying higher rent for their new home.

For more than 30% of these renters the increase was more than \$200 a month. Children of displaced renters also suffered educational consequences. Of the surveyed families with children, over half were forced to switch schools.

LCBH intends for the 2012 foreclosure report to serve as a point-in-time assessment as a basis for future projections and recommendations. LCBH Buildings Program Administrator, Patricia Fron stated, “New protections for renters, like the City’s recently passed Keep Chicago Renting Ordinance are an important first step. However, we need a rigorous education campaign to ensure proper implementation and enforcement. The effectiveness of this ordinance also requires lenders to adopt a more community minded approach to handling bank owned properties in order to keep renters in their homes, prevent buildings from becoming vacant, and protect Chicago’s vibrant neighborhoods.”

The attached fact sheet provides a summary of LCBH’s key findings. LCBH’s full report is available on LCBH’s website [www.lcbh.org](http://www.lcbh.org)

### **About Lawyers’ Committee for Better Housing**

Lawyers’ Committee for Better Housing (LCBH) is the only non-profit law firm in the Chicago area that focuses solely on low- and moderate-income renters in the private housing market. LCBH empowers truly disadvantaged renters, prevents wrongful eviction, and fights sub-standard living conditions so renters have a safe and decent place to live. LCBH provides free, comprehensive legal representation so that renters have a trusted advocate in court. Combined with education, outreach, supportive services and policy initiatives, our programs holistically address both the short-term housing crisis and its underlying causes, so families can move from a path leading to homelessness to one of safe and stable housing.

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