



Chicago Muckrakers

[Home](#)
[About](#)
[Archive](#)

Report shows another casualty of foreclosure crisis: renters

0

[Tweet](#) 26

[Like](#) 57

By [YanaKunichoff](#), June 25, 2013 at 1:00 pm



Leftover signs from Hal Baskin's 2011 campaign for 16th Ward Alderman remain on a boarded entrance of the South Side Masonic Temple in Englewood. The building, which once housed a clubhouse and an auditorium for the fraternal organization, has been abandoned since the mid-1980s. Photo by Jonathan Gibby.

You hear a lot about the foreclosure crisis and its impact on homeowners. It [tore through black and Latino communities](#) like a tornado. But homeowners weren't the only ones affected. When rental buildings go into foreclosure, the impact on renters can have long-lasting effects—and foreclosures have hit low-income neighborhoods the hardest.

[The 2012 annual foreclosure report](#) by the Lawyers' Committee for Better Housing, a Chicago-based non-profit law firm that focuses on housing issues, lays bare the little-known effects of foreclosures on the Chicago rental market. It found that not only were people displaced when a building went into foreclosure, but some were forced into paying higher rents.



Welcome to [ChicagoNow](#).

[Meet](#) our bloggers, [post](#) comments, or [pitch](#) your blog idea.

[Sign in](#)
[Pitch your idea](#)


WHO WE ARE

Chicago Reporter Logo



Metro Chicago's best source for investigative reporting with a focus on race and poverty.

www.chicagoreporter.com

FIND US ON FACEBOOK



FOLLOW US ON TWITTER

SUBSCRIBE TO CHICAGO MUCKRAKERS

Displaced tenants in foreclosure struggle to find new housing. Of the renters surveyed by LCBH, 50 percent had

to seek some form of temporary housing before securing new, stable housing .

50 percent of renters surveyed by LCBH paid higher rent after being forced to leave their homes as a result of foreclosure. For 31 percent of surveyed renters, that increase was more than \$200 per month.

Foreclosure filings on apartment buildings have been slowing down since 2009, the report found, but 2012 was notable in that it had the smallest decrease since 2009 in foreclosure filings. But in a few notable Chicago neighborhoods, foreclosure filings actually increased. [These included](#) Austin, Englewood, South Shore, Greater Grand Crossing, North Lawndale and South Lawndale.

How many renters have actually been impacted? In 2012, there were 4,346 new foreclosure filings on apartment buildings in Chicago, which affected 11,932 units. Over the past four years, the number of housing units affected has been staggering—**20,279 apartment buildings** entered foreclosure in Chicago, a total of **61,561 units**.

Much like the [foreclosure crisis that hit single-family homes](#), big banks are mostly the ones behind the apartment foreclosures:

Big banks are repeat offenders, filing foreclosures on apartment buildings in consistently high numbers each year. In 2012, five lenders/servicers—JP Morgan Chase Bank, Bank of America, Wells Fargo Bank, US Bank and Deutsche Bank—filed 2,183 (50 percent) of the foreclosures.

The concern, the report says, is that these lenders aren't interested in keeping the apartments in good shape, a [long-time complaint](#) in communities with many foreclosures.

The vast majority of foreclosure sales result in bank ownership, leaving renters vulnerable to the harmful practices of lenders uninterested in the responsibilities of property management. Of 1,613 apartment building foreclosures reaching sale this year, 86 percent (1,391) resulted in bank ownership, compared to 84 percent in 2011.

And neighborhood blight isn't the only social consequence of apartment building foreclosure, the report says.

Children displaced by foreclosure suffer educational

Enter your email address:

[Subscribe](#)

Delivered by [FeedBurner](#)

MONTHLY ARCHIVES

[July 2013](#)
[June 2013](#)
[May 2013](#)
[April 2013](#)
[March 2013](#)
[February 2013](#)
[January 2013](#)
[December 2012](#)
[November 2012](#)
[October 2012](#)
[September 2012](#)

[More »](#)

LATEST ON CHICAGONOW

[FIJI Water Heads to Chicago for Sampling Tour](#)

from [CHI-lebrity](#) by Jessica McCafferty
 posted today at 10:00 pm

[Chicago Treasure: Zamin - see them this Sunday](#)

from [Successful In Chicago](#) by Catherine Morgan
 posted today at 9:58 pm

[Weird Star Wars Decor in Chicago: A Wizard Wookiee Mystery](#)

from [Geek Girl Chicago](#) by Lauren Rapciak
 posted today at 9:52 pm

[5 reasons humanity bores the hell out of me](#)

from [High Fives with Maggie](#) by Maggie
 posted today at 9:44 pm

[Documenting life in the digital age](#)

from [Swirleytime](#) by Annie Swingen
 posted today at 9:19 pm

RELATED POSTS

From [News: City Life](#) »

[Huge art project at new CTA 95th St. Red Line terminal to create jobs, give skills](#)

consequences. Of the surveyed families with children, over half were forced to switch schools as a result of their displacement.

The report looks at statistics from 2012 – before the city passed the [Keep Chicago Renting ordinance](#) on June 5. Underwritten by a coalition of groups that included the Lawyers' Committee for Better Housing, the ordinance requires a foreclosing bank to give tenants a rent-controlled lease until the property is sold, or offer a "relocation assistance" fee of \$10,600 per unit.

The ordinance is expected to go into effect in fall 2013 – and the Lawyers Committee for Better Housing hopes it will impact the adverse effects of foreclosure on renters around the city.

Filed under: [Housing](#)

Tags: [apartment](#), [building](#), [Chicago Muckrakers](#), [Chicago Reporter](#), [children](#), [foreclosure](#), [housing](#), [Keep Chicago Renting Ordinance](#), [Lawyers Committee for Better Housing](#), [prices](#), [rent](#), [renter](#), [report](#), [suffer](#), [Yana Kunichoff](#)

0

Tweet 26

Like 57

MORE FROM CHICAGONOW

[Top 11 Things I Wish I Had Known as a Heterosexual Christian Female Before Going to the 2013 Pride Fest](#)

[Barber Shop Show: Chicago media legend Merri Dee on surviving gun violence](#)

[One in 6 hungry in Cook County, food stamp cuts in Senate Farm Bill could make it worse](#)

[Suit accuses director of Federal Housing Finance Agency of starving low-income rental housing program](#)

[Barber Shop Show review: Mid-Month Mash Up on gay marriage, demographic changes, and more](#)

FROM AROUND THE WEB

[Cory Monteith & Lea Michele's Engagement Wasn't Far Off When Tragedy Struck](#) | *CafeMom*

[Kate Middleton & Royal Baby's First Portrait Is Just Plain Creepy \(PHOTO\)](#) | *CafeMom*

[Doctors Confirm Fibromyalgia Is Not Imaginary](#) | *redOrbit*

[Dog Breed That Is Arguably the World's Smartest](#) | *Vetstreet*

[Catherine Zeta-Jones Shows Off Some Killer Curves in Black Lace](#) | *StyleBistro*

[\[what's this\]](#)

[training »](#)

Kevin O'Neil on [CTA Tattler](#)

Posted Monday at 7:01 pm

[When Does A Spanking Go Too Far: Why I Didn't Call The Police »](#)

Woodlawn Wonder on [I Hate My Developer](#)

Posted July 12, 2013 at 8:56 am

[Facebook impersonators: Here's something you should know »](#)

Kim Strickland on [A City Mom](#)

Posted July 11, 2013 at 6:21 pm

[Groupon offers fancy dining at a discount through Reserve, here's who's participating in Chicago »](#)

Ximena on [Collecting Chicago](#)

Posted July 1, 2013 at 12:13 pm

[Growing Up In Cabrini-Green »](#)

Kelley Farrell on [Neighboring The Neighborless](#)

Posted June 10, 2013 at 12:04 am

RELATED BLOGS



[CTA Tattler](#)

All things seen and heard on the Chicago Transit Authority.



[I Hate My Developer](#)

Woodlawn, South Side & Chicago Observations



[A City Mom](#)

Chicago author Kim Strickland takes a humorous look at parenting and family life in the big city.



[Collecting Chicago](#)

A collection of 'love-its' and 'leave-its' in Chicago.



[Neighboring The Neighborless](#)

My blog gives faces and voices to the thousands of "forgettable" homeless people surviving day by day on the streets of Chicago.

More from [News: City Life](#)

READ THESE CHICAGONOW BLOGS

[Rent To Own Homes \\$365/mo](#)www.RentToOwn.org

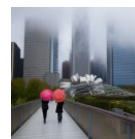
Bad Credit OK, No Money Down. Instant Access To Rent To Own Homes

[Stop Foreclosure In VA](#)www.TheForeclosureLawCenter.co

Virginia Foreclosure Attorneys. Free Consult. No Upfront Fees.

[HUD Homes - \\$10,000](#)www.HUDforeclosed.com

Leave a comment

You must be [logged in](#) to buy a HUD Home at huge 50% savings.Register for \$1 to search your area [AdChoices](#)**[The Ernest James Theory](#)**

Recounting real-life stories told to me while offering advice on relationships, dating, sex and other real-life situations.

- [The Law Saved George Zimmerman. Costing Trayvon Martin His Life](#)

**[The Recovery Gazette](#)**

Commentary and articles regarding addiction, addiction research and recovery.

- [Cory Monteith, talented 'Glee' Star, drug related death? Not yet known...](#)

**[One Cause At A Time](#)**

Focusing on tech (and other) issues relating to non-profits.

- [Networking Events for Social Good in Chicago](#)

READ THESE CHICAGONOW BLOGGERS

**Beth Rago**from [Parenting Without A Parachute](#):[From Sprout to Blossom: When Kids Grow Up](#)**Patrick O'Hara**from [Comedy, Tragedy or Me?](#):[An MS'd up diagnosis, see what I did there?](#)**Lira**from [Arch-X-Perience](#):[Building Blogs of a Better World](#)

[About ChicagoNow](#) • [FAQs](#) • [Advertise](#) • [Recent posts RSS](#) • [Privacy policy](#) • [Comment policy](#) • [Terms of service](#) •
Chicago Internet Marketing Services

©2013 CTMG - A Chicago Tribune website - Crafted by the News Apps team