

## **Who's Buying Where?** **A Series on Home Buying and Neighborhood Change in the Chicago Area in the 1990s**

### **Part I: Home Buying by Income, 1993-2000**

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This report is the first in a series of analyses that will provide in-depth information on neighborhood-level home buying patterns in the 1990s for the six-county Chicago metropolitan area, with a closer look at the city of Chicago. Our goal is to provide policy makers, planners, and communities with key information on changes in neighborhood demographics and housing markets. These brief reports are aimed at going beyond anecdotes or simple data on building activity to answer questions on how various communities are changing.

This first report focuses on changes in home buying from 1993 to 2000 by income of homebuyers. Follow-up reports will examine changes in the racial patterns of home buying and on the prospects for maintaining stable, racially, and economically diverse neighborhoods.

#### **Key Findings**

The focus of this report is an analysis of changes in home buying in the Chicago area among different income groups.<sup>1</sup> We compare buyers in 1993 and 1994 (combined) to those in 1999 and 2000 (combined). Key findings include:

- Home buying by all income groups in the metropolitan area increased. Low- and moderate-income home buying increased at a much faster rate from 1993 to 2000 than middle- and upper-income buying.
- In the city of Chicago, upper-income buying grew at a substantially faster rate (86 percent) than buying by other income groups. Almost one-half of the increase in home buying in the city was due to upper-income buyers. The majority (58 percent) of the increase in upper-income homebuyers in the metropolitan area occurred in the city.

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<sup>1</sup>Low-income includes buyers with family incomes under 50 percent of the metropolitan median family income; moderate-income includes those from 50 to 79 percent of the median; middle-income includes those from 80 to 119 percent; and upper-income includes those from 120 percent or above the median.

- Unlike the city, the rate of increase in low- and moderate-income home buying exceeded that of middle- and upper-income buying in all five collar counties as well as suburban Cook County. In many suburban areas, low- and moderate-income buyers accounted for a large portion of the increase in homebuyers. Low- and moderate-income buyers comprised 86 percent of the increase in home purchases in suburban Cook County; 84 percent in DuPage County; 61 percent in McHenry County; and 54 percent in Lake County.
- The suburbs accounted for 76 percent of the increase in the metropolitan area's low- and moderate-income buying.
- Suburban Cook County now has more low- and moderate-income buyers, as a share of all local buyers, than the city of Chicago does (41.7 percent versus 38.2 percent).
- The bulk of the increase in upper-income home buying in the city of Chicago occurred on the city's North Side, the Near Loop, and on the Near Northwest Side. Only three percent of the increase in upper-income buyers occurred on the city's West, Southwest, and South Sides.<sup>2</sup>
- The Near Loop area (Near North Side, Loop, Near West Side, and Near South Side community areas) saw home purchases increase from 3,779 in 1993-1994 to 10,660 in 1999-2000, an increase of 182 percent. Sixty-one percent of this increase was due to upper-income buyers.
- Large segments of the older-inner ring suburbs, especially in western and southern Cook County are experiencing significant shifts to low- and moderate-income home buying. At the same time, some of the farthest out newer suburbs in outer Kane, McHenry, and Lake Counties are also experiencing a shift to low- and moderate-income buying.
- Mapping home buying by income indicates a series of concentric rings of increased buying by low- and moderate-income families. Near the center of the city and on the North Side, buying has shifted from lower- to higher-incomes. Then there is a ring of increased low-mod buying in outer city neighborhoods and near-in suburbs (except for northern suburbs), with another ring of increased low-mod buying on the outskirts of the metropolitan area.

### **Background for the Series on Home Buying in the Chicago Area in the 1990s**

Over the last decade, there has been increasing interest in prospects for the development and sustainability of mixed-income and racially diverse communities. The long economic expansion in the 1990s helped many cities -- including Chicago -- experience a slowing and, in some

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<sup>2</sup>The Near Loop includes the Near West Side, the Loop, the Near North Side and the Near South Side (community areas 28, 8, 32, and 33). See the appendix for a full description of the regions within the city.

cases, a complete turn around, in the population losses they suffered in the 1970s and 1980s. Chicago, like a number of other large cities, experienced a significant increase in the interest of middle- and upper-income families in the central city. By avoiding the devastating trends of deindustrialization and large-scale population losses, the 1990s provided at least the potential for the growth and sustainability of mixed-income, and perhaps even racially diverse, communities.

The influx of higher-income residents into the city can have some benefits. From the perspective of municipal government, higher-income residents and higher property values can yield a stronger tax base and more revenue to spend on citizens, including those with lower-incomes. In areas where few middle- or higher-income residents are present, the influx of such households can create a more diverse community and reduce the concentration of poverty in a community. Mixed-income areas are likely to have better schools, more amenities, and lower crime rates than high-poverty areas. They are also likely to sustain a broader and stronger mix of businesses.

At the same time, during the latter half of the 1990s, many housing planners, activists, and policy-makers became increasingly concerned that the demand for higher-end housing in Chicago and some other central cities was resulting in the displacement of lower-income residents from their communities. Unfortunately, the prospects for an influx of higher-income residents resulting in mixed-income neighborhoods are not, on their face, very promising. In many cases, rapid neighborhood change is fueled by real estate speculation, higher property taxes, and other factors. Instead of creating a mixed-income neighborhood, this change can displace less affluent residents – primarily through rising rents and higher taxes – and force them to relocate to other, less affluent areas. Many of the benefits of such transitions frequently accrue to those property-owners in the area with significant amounts of real estate, realtors, and the city's revenue base. To the extent that the city as a whole is gentrifying, a greater share of the tax-base benefits, in turn, are likely to accrue to wealthier households than in the past.

In many ways, the Chicago metropolitan area in the 1990s is an ideal laboratory in which to examine the degree to which sustainable economic and racial diversity occurs in the context of an otherwise economically healthy metropolitan area. The region and the city are large enough to contain many different communities that have (or in some cases, have not) attempted to deal with economic and racial diversity in many different ways. Certainly, there are overarching problems that constrain communities' abilities to respond to gentrification and segregation pressures (e.g., the dearth of funding for affordable housing). However, there are also many differences in how neighborhoods and municipalities deal with these larger forces.

## The 1990s – A Decade of Change in Housing Markets

Housing markets and neighborhoods in many metropolitan areas underwent significant change in the 1990s. For example, homeownership rates (the percent of households living in owner-occupied units) increased significantly in the 1990s, especially for Latinos and African-Americans. The general trajectory of metropolitan housing markets in the U.S. over the last fifty years, however, has been one of persistent economic and racial polarization. Generally, since 1970, racial segregation appears to have declined in very small amounts in older cities. Meanwhile, economic segregation increased, at least from 1970 to 1990, in most cities, including Chicago.<sup>3</sup> The geographic size of high-poverty areas increased, and the number of people living in such communities also increased (as a result of the geographic expansion).

Despite the general trends of persistent segregation and economic polarization, there appear to have been some significant changes in some metropolitan areas in the last ten years that could influence prospects for racial and economic diversity at the neighborhood level. First, in some central cities, including Chicago, there have been noticeable increases in the number of middle- and upper-income households choosing to move into some city neighborhoods. In Chicago, the development of new condominiums and townhomes and the conversion of rental to owner-occupied units have clearly been significant, especially in many communities near downtown and the city's North Side.

Second, there have been a number of changes in financial markets that have enabled many more low- and moderate-income and minority households to purchase homes than in the past. While the mechanisms are somewhat complex, many of these changes are rooted in improved federal policies (and the improvement of their enforcement) for increasing access to credit for underserved populations and for reducing problems of discrimination and redlining.<sup>4</sup> In the Chicago area, the homeownership rate among African-Americans, for example, grew from 37.5 percent in 1990 to 42.2 percent in 2000. Moreover, there has been a large amount of immigration into the city and metropolitan area, particularly by Latino households. The city of Chicago is now home to the second largest number of Mexican-Americans in the country, behind Los Angeles. At the same time, many existing immigrants have matured from renters to owners.

The extent to which the broad forces of gentrification and lower-income and minority home buying have changed the dynamic of neighborhood income and racial segregation in Chicago and other cities is not clear. Efforts to promote mixed-income and racially diverse communities are also operating in an unclear context. Planners and policy makers are primarily working with

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<sup>3</sup>Paul Jargowsky, *Poverty and Place: Ghettos, Barrios, and the American City*. New York: Russell Sage Foundation, 1997.

<sup>4</sup>Examples of policy changes include improved enforcement of the Community Reinvestment Act and fair lending laws.

a series of images of visible developments in certain parts of the region and stories of prominent, but often modest-scale, interventions.

Recently released 2000 census data give us some information on changes in renter versus owner-occupied housing units at the neighborhood level. More data on changes in aggregate incomes at the neighborhood level will become available in 2002. However, small area census data are inherently limited by their aggregate nature — they do not provide information at the household level. These data also do not distinguish between new and old residents or between new and old homeowners. So, although some information is available on the current income and racial distribution of tract populations, these data do not identify flows of homebuyers into a neighborhood. Flow data are, in many ways, much more useful than cross-sectional stock data on neighborhood demographics.

There is a source of data on homebuyers that is quite comprehensive and that provides information at the household level: The Home Mortgage Disclosure Act (HMDA) data set that is collected and assembled by federal banking regulators. These data are estimated to capture more than 85-90 percent of home purchases in large metropolitan areas. The vast majority of banks, thrifts and mortgage companies must report home purchase loans under HMDA. The data include race/ethnicity, gender, and income of homebuyer.

This report will use HMDA data to examine home buying patterns within the Chicago metropolitan area. Later papers in the series will explore race-based patterns of home buying and attempt to identify economically and racially diverse neighborhoods. Conversely, these reports will identify communities that have experienced rapid increases in home buying without significant levels of racial and/or economic diversity.

Although the HMDA data have many advantages in exploring home ownership and buying patterns, they will not answer all questions about residential change. These data give no information on rental housing units. They also do not provide information on the characteristics of home *sellers*. While most homebuyers are in-movers into a census tract, we do not know where they came from--whether it was from the same city, the same region, etc. Despite these limitations, the mortgage data provide invaluable information on the demographics of homebuyers at the neighborhood level. And because the data describe recent homebuyers, they can be more indicative of future neighborhood composition (at least for the owner-occupied segment of the neighborhood) than decennial census data, which does not distinguish the demographics of recent in-movers from other residents.

### **Home Buying By Different Income Groups in the Chicago Area**

Home buying in the Chicago region increased substantially in the mid- and late-1990s. From 1993-1994 to 1999-2000, the number of owner-occupied home purchases increased by 33

**Table 1. Home Purchases in the Chicago Area  
1993-1994 Versus 1999-2000**

	<b>Purchases in 93-94</b>	<b>Purchases in 99-00</b>	<b>Increase</b>	<b>Percent Increase</b>
City of Chicago	45,289	70,449	25,160	55.6%
Suburban Cook	71,000	85,420	14,420	20.3%
DuPage	34,931	39,532	4,601	13.2%
Kane	12,772	19,438	6,666	52.2%
Lake	22,713	28,313	5,600	24.7%
McHenry	10,798	13,824	3,026	28.0%
Will	14,919	25,024	10,105	67.7%
<b>Total 6-County</b>	<b>212,422</b>	<b>282,000</b>	<b>69,578</b>	<b>32.8%</b>
<b>Parts of City</b>				
North Side	10,807	18,225	7,418	68.6%
Northwest Side	11,623	17,005	5,382	46.3%
West Side	2,209	2,838	629	28.5%
Southwest Side	11,988	14,686	2,698	22.5%
South Side	4,883	7,035	2,152	44.1%
Near Loop	3,779	10,660	6,881	182.1%

Source: Calculations from Home Mortgage Disclosure Act Data

percent in the six-county area, to 282,000. Table 1 shows that the rates of increase varied significantly within the metro area, with faster increases in the city of Chicago, Will County, and Kane County.<sup>5</sup> Much slower increases occurred in DuPage County and Suburban Cook County, with moderate increases in Lake and McHenry counties. In fact, 36 percent of the increase in home purchases in the six-county area occurred in the city of Chicago, exceeding the city's 25 percent share of six-county owner-occupied housing units in 2000.

Table 1 also breaks out home buying within the city of Chicago. It shows that the Near Loop area had by far the greatest rate of increase in home buying, increasing by almost three-fold over the six-year period. The North Side also experienced a rapid increase in home buying. In fact, these two segments of the city accounted for approximately 57 percent of the citywide increase in homebuyers. The Northwest Side, which includes West Town and Logan Square as well as farther northwest community areas, and the South Side also saw significant increases in home buying, although not at the citywide rate. The West Side and the Southwest Side grew at significantly slower rates.

<sup>5</sup>See Figure 7a at the end of this report for a map of the six-county region.

**Table 2. Homeownership Rates in the Chicago Area, 1990 and 2000**

	1990			2000			1990-2000 Change in H-O Rate
	Owner- Occupied	Renter- Occupied	Homeowner- ship Rate	Owner- Occupied	Renter- Occupied	Homeowner- ship Rate	
City of Chicago	425,229	599,926	41.5%	464,644	596,774	43.8%	2.3%
Suburban Cook	617,675	236,658	72.3%	678,033	234,730	74.3%	2.0%
DuPage	207,956	71,388	74.4%	248,762	76,839	76.4%	2.0%
Kane	74,508	32,661	69.5%	101,739	32,162	76.0%	6.5%
Lake	129,036	44,930	74.2%	168,301	47,996	77.8%	3.6%
McHenry	50,289	12,651	79.9%	74,391	15,012	83.2%	3.3%
Will	90,488	26,445	77.4%	139,311	28,231	83.1%	5.8%
Total 6-County	1,595,181	1,024,659	60.9%	1,875,181	1,031,744	64.5%	3.6%
<u>Parts of City</u>							
North Side	63,401	164,555	27.8%	77,221	161,496	32.3%	4.5%
Northwest Side	108,295	111,531	49.3%	117,777	120,535	49.4%	0.2%
West Side	27,980	52,901	34.6%	28,919	50,008	36.6%	2.1%
Southwest Side	134,864	100,394	57.3%	135,287	102,119	57.0%	-0.3%
South Side	74,874	122,768	37.9%	76,047	114,759	39.9%	2.0%
Near Loop	15,815	47,777	24.9%	29,393	47,857	38.0%	13.2%

Source: 1990 and 2000 Census data.

Table 2 shows that increased home buying in the 1990s resulted in generally higher homeownership rates in 2000 than in 1990. In the city of Chicago, the largest increases were in the Near Loop and North Side areas. The Near Loop saw a very large increase – over 13 percentage points – in its homeownership rate. In the suburbs, Will and Kane Counties saw the largest increases.

Figure 1 provides a breakdown of the increase in homebuyers for the Chicago area by income group.<sup>6</sup> It shows that the majority of increase in upper-income homebuyers in the metropolitan area occurred in the city of Chicago. The city accounted for 58 percent of the increase in upper-income buyers in the region. At the same time, the city accounted for only 24 percent of the increase in low- and moderate-income homebuyers. Almost half of the city's increase in home buyers – 46 percent – were in the upper-income bracket, compared to 29 percent for the region overall.

<sup>6</sup>U.S. Department of Housing and Urban Development estimated median family incomes were used to determine income levels for each year.

**Figure 1. Increase in Number of Home Buyers by Income in Chicago Area, 1993-1994 to 1999-2000**

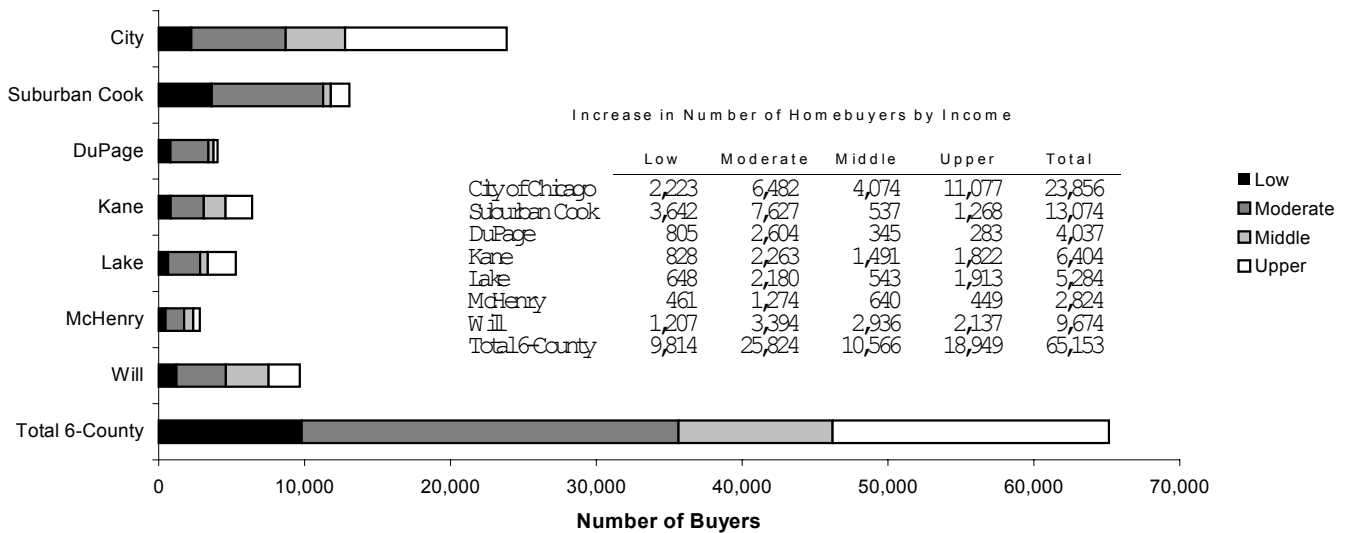


Figure 1 also shows that there were significant increases in low- and especially moderate-income homebuyers in Suburban Cook, DuPage, Kane, and Lake Counties. Suburban Cook County accounted for approximately 32 percent of the increase in low- and moderate-income buyers in the region, a third larger than the city’s 24 percent share.

In Suburban Cook and DuPage Counties, low- and moderate-income homebuyers accounted for the great majority of the increase in home purchases. In Suburban Cook, 86 percent of the increase in purchases was due to low- and moderate-income buyers, and in DuPage 84 percent of the increase was due to such buyers. This compares to only 36 percent of the increase in city buyers falling into this income group.

Figure 2 indicates the percentage increases in home buying for each income group for each part of the metro area. For the region as a whole, the number of low- and moderate-income buyers increased at the fastest rate, at 72 percent and 51 percent, respectively. This reflects, in part, the significant gains in access to credit that occurred among lower-income homebuyers in the 1990s. What is also true, however, is that the number of upper-income buyers increased considerably faster than the number of middle-income buyers. In effect, there has been a “shrinking” middle-income segment of homebuyers in the region. The strong economy has increased the ranks of wealthy buyers, while public policy and market forces have pulled more modest-income people into homeownership.

**Figure 2. Percent Increase in Home Buying by Income, Chicago Area, 1993-1994 to 1999-2000**

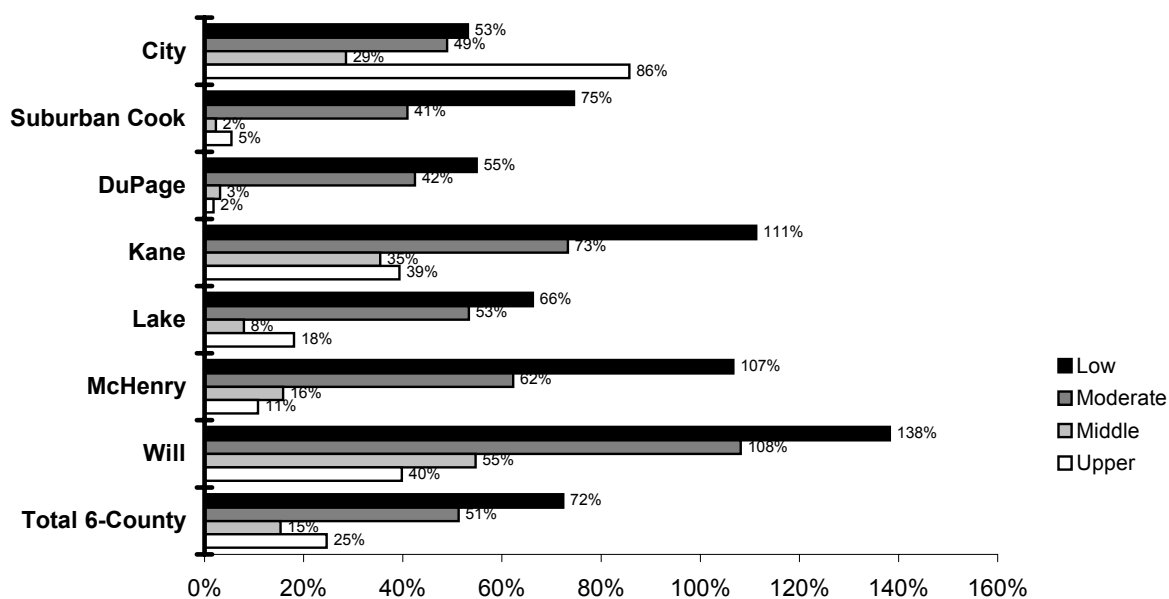
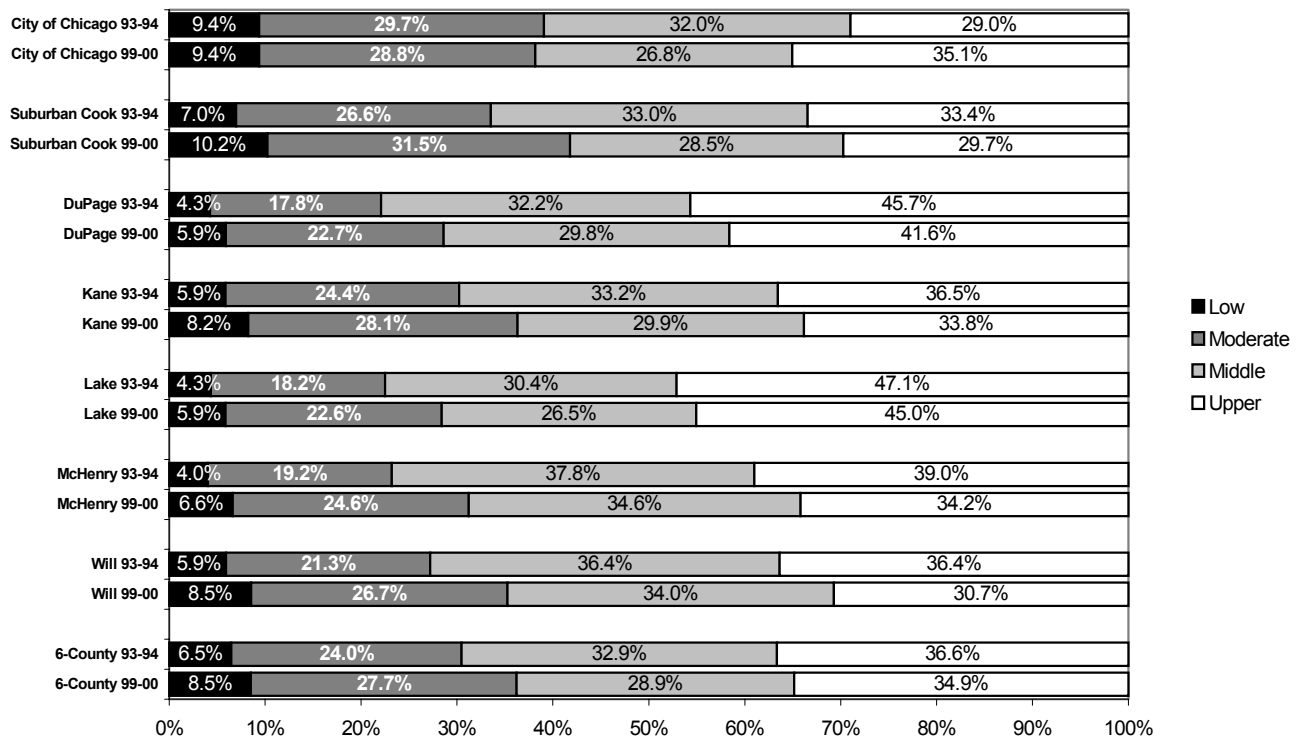


Figure 2 also shows that, while low- and moderate-income buying increased at much faster rates in suburban areas than middle- and upper-income buying, in Chicago, upper-income buying outpaced all other groups. In Suburban Cook and DuPage counties, middle- and upper-income home buying remained essentially flat, despite significant growth elsewhere.

Figure 3 analyzes the *composition* of homebuyers in different parts of the metropolitan area, as well as how this composition changes over the 1993-2000 period. The chart does not indicate changes in magnitudes of homebuyers, but rather compares changes in the percent of buyers falling into various income groups. The figure indicates that in all of the collar counties and in suburban Cook County, the percentage of homebuyers who were in the upper-income bracket fell, while the proportion in low- and moderate-income categories rose. Over the same period, the percentage of city of Chicago homebuyers who were in the upper-income bracket increased significantly, from 29 percent to 35.1 percent. The general decline in the percentage of buyers in the upper-income bracket does not necessarily mean that the raw number of buyers in this income range fell. Rather, this group's home buying did not increase as fast as other income groups. In particular, the proportion of buyers in both low- and moderate-income groups increased in every collar county as well as in suburban Cook County. Only in Chicago did this proportion decline, although only slightly. In all parts of the metro area, the proportion of buyers falling into the middle-income category declined.

**Figure 3. Composition of Home Buyers by Income in Chicago Area, 1993-1994 Versus 1999-2000**



These changes are significant. In contrast to the 1993-1994 period, when the share of suburban Cook County’s buyers who were upper-income exceeded the city of Chicago’s share (by 33.4 to 29 percent), the share of city buyers who are upper-income now exceeds that of suburban Cook (by 35.1 percent to 29.7 percent). Moreover, suburban Cook County now has more low- and moderate-income buyers, as a share of all buyers, than the city of Chicago does (41.7 percent versus 38.2 percent).

In the city of Chicago, there has been a significant net shift in buying from middle-income to upper-income households. In 1993-1994, less than 17 percent of upper-income buyers bought in the city. By 1999-2000, that figure was up to more than 25 percent. In the suburbs, the shift has been predominantly from upper-income to moderate-income buyers.

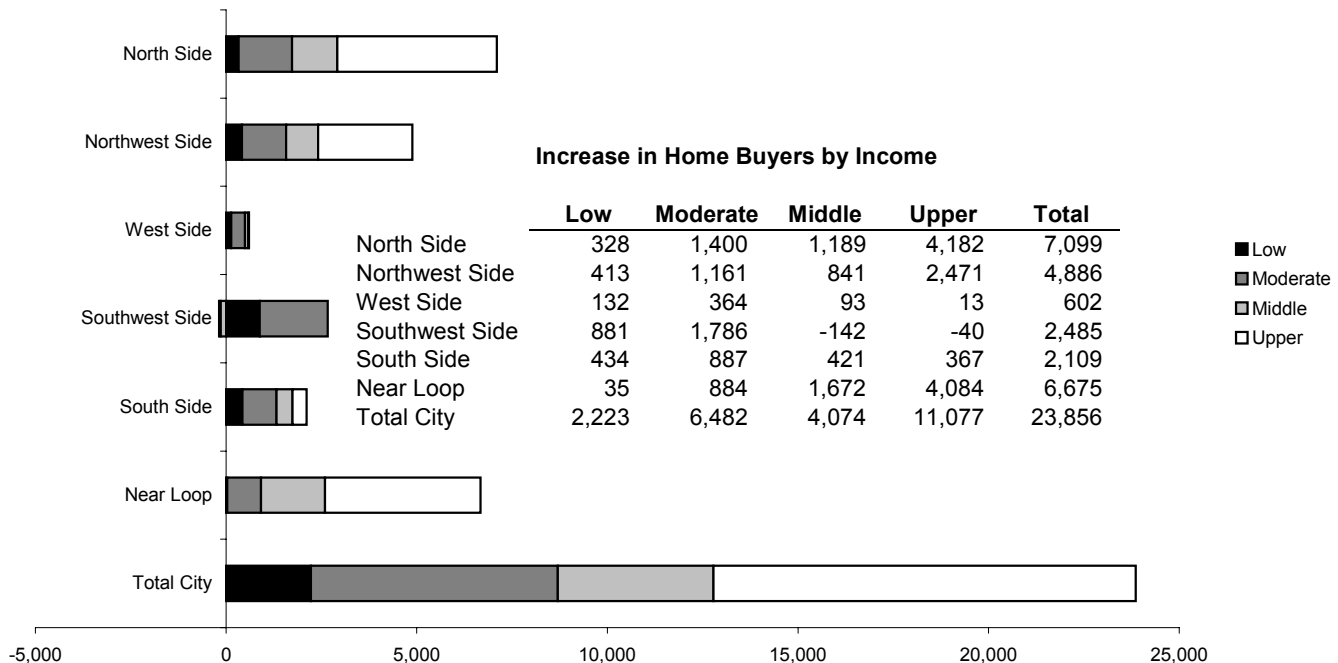
These changes give some hope for increased housing opportunities in the suburbs and the potential for mixed-income residential communities in the city. Indeed, the growth of upper-income home buying in the city can have many positive benefits, especially for the city’s tax base. And the increase in low- and moderate-income buyers in suburban areas generally may be a good thing. However, it is important to look at the distribution of buyers of different income groups at a smaller geographic level than what we have done so far. Is the increase in

upper-income buyers in the city highly concentrated or widely disbursed? Are some suburbs accounting for a disproportionate share of the increase in low- and moderate-income homebuyers? In areas with increasing upper-income buying, is the shift from middle- or low- and moderate-income buying? The remainder of this report is aimed at informing such questions.

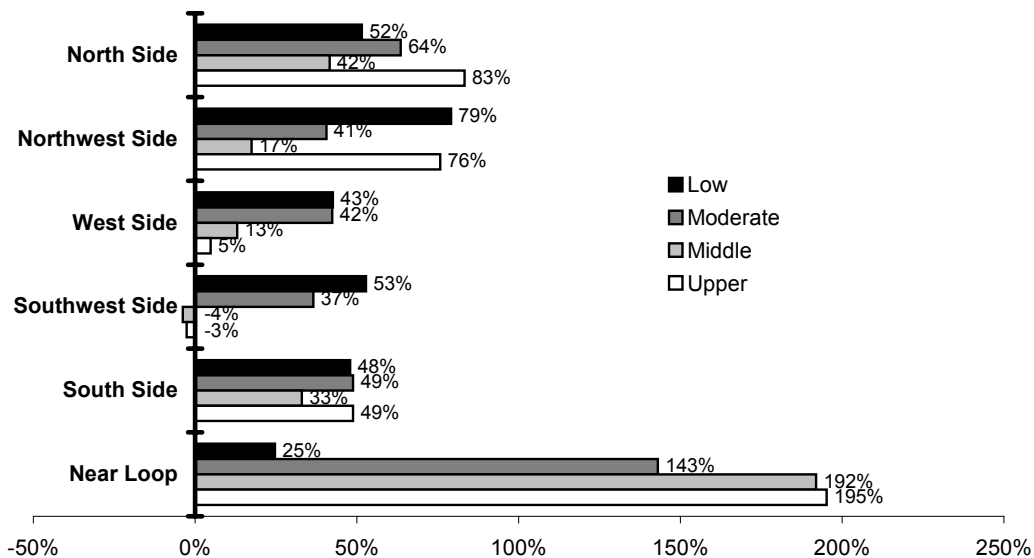
### Zooming In on Home Buying Patterns

To take a closer look at changes in home buying, we begin by examining trends within the city of Chicago. Figure 4 breaks out the increases in home buying in different parts of the city by income. It shows that the bulk of the increase in middle- and upper-income home buying in the city occurred in the Near Loop and North Side areas, and to a lesser extent on the Northwest Side. These three areas accounted for 97 percent of the increase in upper-income buyers in the city, and 91 percent of the increase in middle-income city buyers. Moreover, in the Near Loop and the North Side, approximately 60 percent of the increase in homebuyers was due to upper-income buyers, compared to just two percent on the West Side and a small drop on the Southwest Side.

**Figure 4. Increase in Number of Home Buyers by Income in the City of Chicago, 1993-1994 to 1999-2000**



**Figure 5. Percent Increase in Home Buying by Income, City of Chicago, 1993-1994 to 1999-2000**

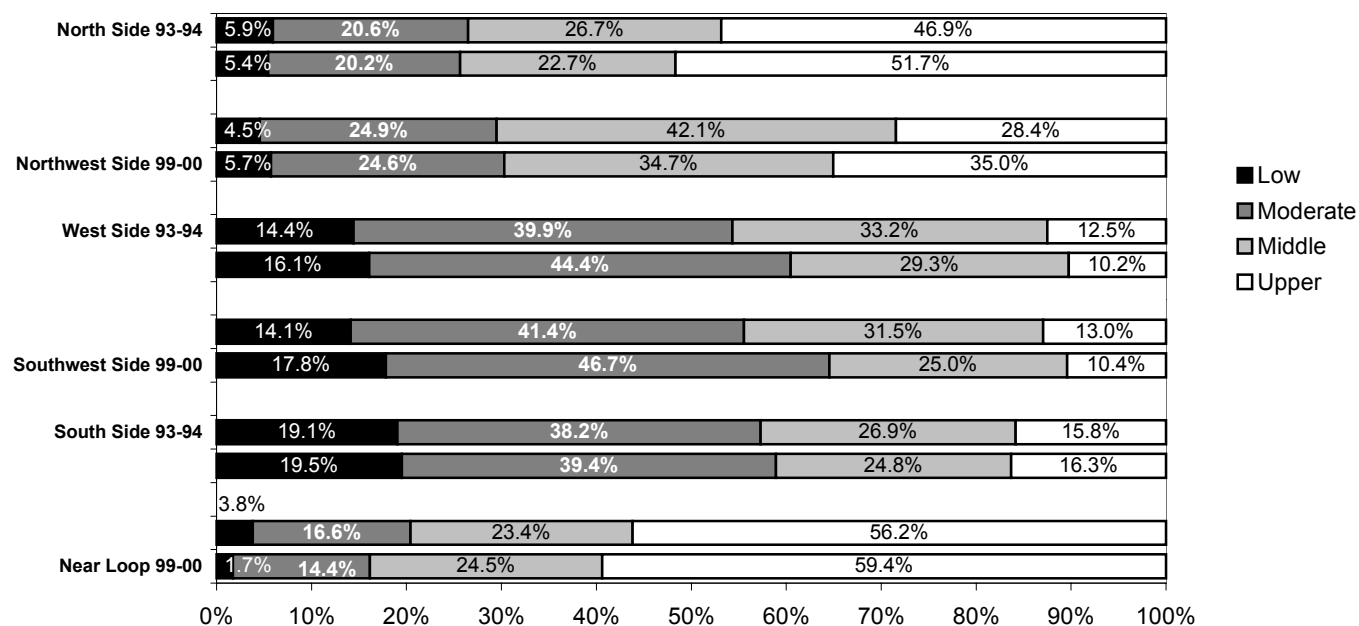


The bulk of the increase in home buying on the City’s West and Southwest Sides was due to increases in low- and moderate-income buyers. (In fact, more than 100 percent of the increase on the Southeast Side was due to increases in low-mod buyers, since the number of middle- and upper-income buyers actually declined.) On the South Side, 63 percent of the increase was due to such buyers.

Figure 5 shows that, on the North Side, buying by all income groups increased, but increases by upper-income groups far outpaced those of other groups. On the West Side and the Southwest Side, increases in low- and moderate-income buyers far outpaced buying by middle- and upper-income households. The South Side saw relatively uniform increases across all income groups, while the Near Loop area saw increases heavily skewed to middle- and upper-income buyers, although even moderate-income buyers saw a significant rate of increase.

Figure 6 shows how the *composition* of homebuyers changed in different parts of the city over the 1993-2000 period. The North Side and Northwest Side saw significant shifts from middle-income to upper-income buyers. The Near Loop saw more of a shift from low- and moderate-income buyers to middle and upper-income buyers. Meanwhile, the proportion of buyers who were low- or moderate-income increased significantly on the West Side and the Southwest Side, with minor increases on the South Side and Northwest Side.

**Figure 6. Composition of Home Buyers by Income in the City of Chicago, 1993-1994 versus 1999-2000**



Figures 7a and 7b (at the end of the report) illustrate how the share of homebuyers who are low- or moderate-income varies across the region and across the city. Figures 8a and 8b indicate the change, from the 1993-1994 to the 1999-2000 period, in the share of homebuyers who fall into the low- and moderate-income category. Figures 8a and 8b are pictures of change over the 1990s, while Figures 7a and 7b provide a "snapshot" – at the end of the 1990s -- of the composition of homebuyers.

Figures 7a and 7b show, as many might expect, that the areas with the largest shares of home buying by low- and moderate-income households include large parts of the Southwest, West, and far South Sides of the city, as well as large parts of the southern, near southwest, and western suburbs. There are also high percentages of low-mod buying in places such as Joliet, Aurora, North Chicago, and Waukegan. The map shows a clear pattern of low- and moderate-income home buying not just in parts of the city, but also in large segments of older suburban and outlying communities. As might be expected, the North Shore as well as parts of northwest Cook County, Lake, DuPage, and Kane Counties still experience very low levels of low- and moderate-income buying, some at less than 10 percent of buyers.

Our focus here is on the change during the 1990s. Figures 8a and 8b indicate that many areas saw a significant increase (more than 5 percentage points) in their share of low- and moderate-income homebuyers. These include large parts of McHenry and Kane County, where new developments have occurred, as well as northern Lake County and southwestern Will County.

Southern and western Cook County also saw significant shifts toward low- and moderate-income buyers. Even many parts of DuPage County and significant parts of northwest Cook County saw such shifts. Some more limited areas (shown in red) saw even higher shifts to low- and moderate-income buying, including pockets of the south suburbs as well as areas south of O'Hare Airport and tracts in DuPage and Lake Counties. In the city, many parts of the Southwest Side, the far South Side, and the Northwest Side experienced significant increases in the percentage of buyers with low- or moderate-incomes.

Figures 9 and 10 (a and b) provide an analysis similar to Figures 7 and 8 but for middle-income homebuyers. Similarly, Figures 11 and 12 illustrate patterns of upper-income home buying.

Comparing Figures 8, 10, and 12 indicates that many areas experiencing a shift towards low- and moderate-income home buying also experienced a relative decline in both middle- and upper-income home buying. However, in other areas, such as parts of the city's Southwest Side and many parts of the southern suburbs, where upper-income buying was already a smaller portion of home purchases, the shift was mostly from middle-income to low- or moderate-income purchases.

These maps also give ample evidence of the shift in the composition of many older "inner-ring" suburban communities, especially those in the western and southern suburbs, towards low- and moderate-income populations. However, Figure 8, in particular, shows that many farther-out areas, including large parts of western Kane County, western McHenry County, northern Lake County, and western Will County, are experiencing a shift towards lower-income homebuyers. This may be in large part because a good deal of the more affordable newly developed single-family housing is located in the outer exurban ring.

Figures 12a and 12b indicate that many parts of the North Side and near Northwest Side experienced an increase in their percentages of upper-income buyers. A comparison to Figures 8 and 10 demonstrates that many of these neighborhoods experienced shifts away from both middle- and low-mod buying.

Figures 8a and 8b, in particular, suggest a series of concentric rings of increases in low- and moderate-income buying. Near the center of the city and on the North Side, buying has shifted from lower- to higher-incomes. Then there is a ring of increased low-mod buying in outer city neighborhoods and near-in suburbs (except for northern suburbs), with another ring of increased low-mod buying on the outskirts of the metropolitan area.

Figures 13 through 15 provide another look at the change in home buying in the region. These maps indicate the net change in the *number* (rather than the percentage point change) of homebuyers for low-mod, middle-, and upper-income groups across the region. Figures 13a and 13b show that the increase in low- and moderate-income homebuyers over the 1993-1994 to

1999-2000 period has been somewhat widely distributed, with some concentrations on the City's far North, far Northwest, and Southwest Sides, as well as in western Cook County, some near southwest suburbs, and other more isolated spots. Some areas in DuPage County, Northwest Cook County, and southwest Cook County saw significant increases in the number of low-mod buyers, as did some outlying areas such as Joliet, Aurora, and Waukegan. Figures 14a and 14b, on the other hand, indicate that far fewer areas saw increases in middle-income buyers, which is to be expected given the much slower overall growth in middle-income buyers. The areas of greatest increase (in raw terms) tend to be on the city's North Side and the Near Loop.

Figures 15a and 15b show that, while the number of upper-income buyers increased in more places than the number of middle-income buyers did, the largest concentrations were in the North Side and Near Loop areas. A large portion of these areas saw substantial increases in upper-income buyers.

This report has described home buying patterns in the Chicago area by households of different income levels. It demonstrates that significant changes occurred in home buying patterns in a large number of suburban and central city communities. It confirms and quantifies the substantial increases in middle- and especially upper-income buyers on the city's North Side and Near Loop areas. It also identifies the magnitude of the significant growth in low- and moderate-income home buying in many suburban communities, especially in the older, inner-ring suburbs to the west and south of the city.

However, this report does not address changes in the racial dynamics of home buying in the Chicago area. It is possible, even likely, that changes in racial patterns may be quite different from changes in economic patterns. Our intent is to look closely at racial and ethnic patterns of home buying in the 1990s in the second report in this series.