

The Preservation Compact brings together the region's public, private, and nonprofit leaders to preserve affordable multifamily rental housing in Cook County.

Coordinated by Community Investment Corporation (CIC) with support from The John D. and Catherine T. MacArthur Foundation, Compact activities focus on multifamily rental properties and include:

Expanding Availability of Energy Retrofits

The Compact is developing strategies to bring multifamily rental energy retrofits to a larger scale. We are gauging demand for energy loans and identifying resources and mechanisms to provide more audits and loans.

Ensuring Fair and Consistent Property Taxes

The Compact is investigating ways to make the property tax system more predictable for rental buildings and working with city and suburban collaborations to educate owners about property tax appeals.

Developing Preservation Strategies for 2-4 Unit Buildings

Buildings with 2- to 4-units comprise approximately one-third of the rental stock in Cook County. The Compact is developing strategies to rehab and stabilize distressed 2- to 4-unit properties.

Streamlining Government Processes

The Compact is identifying recommendations for an improved and streamlined system for inspections, permits, and building codes.

Collecting & Analyzing Data

Preservation Compact partner, The Institute for Housing Studies at DePaul University, creates accessible information and analysis to assist preservation practitioners.

Coordinating with Public Agencies on At-Risk Properties

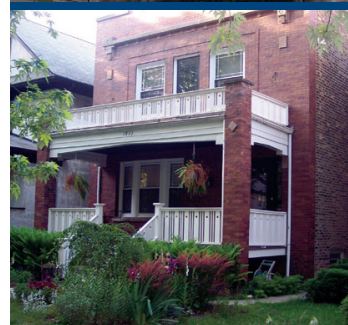
The Compact works with public agencies, as well as tenant and community groups, to develop joint solutions for at-risk properties.

The Preservation Compact

A Rental Housing Strategy for Cook County

THE PRESERVATION COMPACT

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The Preservation Compact

Preservation Forum 2- to 4-Unit Rental Stock

Wednesday, June 13, 2012
8:30 – 11:00 am
DePaul Center, Room 8005
1 East Jackson Boulevard
Chicago, IL 60604

The Preservation Compact convened a working group of experts and stakeholders to examine the issues facing the 2- to 4-unit rental stock.

The working group identified three purchaser profiles to rehabilitate and manage 2- to 4-unit properties in Cook County: the owner-occupant, the neighborhood investor, and the professional investor.

Owner Occupants

In today's market, owner-occupants who have sufficient credit and income to secure a loan have options in many neighborhoods, and are difficult to attract to more challenging areas.

Neighborhood Investors

Neighborhood investors are established residents who might buy a 2-flat or a 3-flat next door or on their block. Not only do they have a vested interest in maintaining the properties on their block, but they have the benefit of proximity for property management purposes.

Professional Investors

2- to 4-unit properties are appealing to some investors because many are available at very low purchase prices, and because of the income potential inherent in their use as rental property. Many investors can obtain acquisition and construction financing, but cannot find long term takeout financing in order to continue purchase and rehab activities.

Buildings with 2- to 4-units account for 38 percent of the rental stock in Chicago and 33 percent in Cook County.

Unfortunately, these same buildings also make up a large portion of the foreclosed and vacant stock.

Given weak demand for homeownership in distressed areas, along with restricted access to credit and a lack of financing tools for investors, 2- to 4-unit properties are at risk.

Agenda

8:30 – 9:00 am

Breakfast

9:00 – 9:15 am

Welcome

9:15 – 9:45 am

Data Presentation

Geoff Smith

Institute for Housing Studies, DePaul University

Jane Bilger

Community Strategies

9:45 – 11:00 am

Financing Panel

Moderator: Jack Markowski

Community Investment Corporation

Thurman “Tony” Smith

PNC Bank

Jay Fahn

First Eagle Bank

James Athanasopoulos

SLM Realty

Anthony Oliver

Community Venture Investment Corporation