

Ready to 'pop' — so why don't they?

By Lisa Bertagnoli
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Albany Park. Uptown. Beverly. Rogers Park. All these Chicago neighborhoods have been touted as the next hot residential area, but have yet to live up to their potential.

What's up with that?

Lack of retail is one reason areas simmer but never quite heat up. Beverly, for instance, has always been a stable area, with a good selection of vintage single-family homes.

The median household income in 2004 in the area was a healthy \$80,000, according to the U.S. Census Bureau. However, the businesses at Beverly's epicenter, around Western Avenue and 95th Street, have been limited to storefront beauty shops and currency exchanges — not the types of places that draw wider interest in an area.

The Beverly retail scene is changing somewhat. A 23,000-square-foot shopping center containing a Panera Bread cafe, Cold Stone Creamery ice cream store and Chipotle Mexican Grill opened about a year ago at 95th and Western.

Still, Beverly "is never going to be a Lincoln Park or Wicker Park, and it doesn't want to be," says Joe Esselman, vice-president at Chicago-based Zifkin Realty & Development, the company that developed the retail center.



Beverly has fine houses and a good income base, but its retail areas aren't a lure. Photo: Erik Unger

Mr. Esselman, 32, bought a three-bedroom frame bungalow in Beverly six years ago and guesses that the house has appreciated 25% to 30%.

"That's a little better than most of your standard neighborhoods, but it's not Lincoln Park or Logan Square," Mr. Esselman says.

Would-be trendy Albany Park, meanwhile, suffers from a variety of woes: It's too far from the lake and downtown, and the housing stock is too varied.

"I don't think we have quite the range of single-family housing here that we saw in Lincoln Park, Wicker Park or Ravenswood," says Joseph Spellman, master sommelier and director of education at Joseph Phelps Vineyards. Mr. Spellman, 47, bought a two-bedroom rehabbed condo in Albany Park 2½ years ago after living in many of the city's "hot" neighborhoods.

The area's equal proximity to the expressways and the El, plus the restaurants and nightlife in nearby Lincoln Square, attracted him to the neighborhood, he says.

He hasn't checked to see if his condo has appreciated, but suspects a "cooling off" because of a surplus of condos in the area. "Some have been on the market a long time," he says.

Politics can also chill an area's potential. One example is Uptown, which is near the lake and the El and filled with vintage buildings. Politics plays out in two ways in the area when it comes to real estate: Some buildings are protected from development for conservation reasons; and politicians also want to preserve affordable housing for constituents.

Ironically, too much interest also can stifle an up-and-coming area's potential.

Douglas Fisher, managing director of Essex Realty Group in Chicago, points to Rogers Park as an example: "It's definitely an improving area — that's why there are so many developers in that market.

"It's so desirable that it could suffer from oversupply," Mr. Fisher says.