ZILLOW GROUP

NEWS RELEASE

# Chicago shows how private listings can reinforce segregation in housing - and it's a warning for the nation

2025-11-20

The impact of Chicago's long-running private listing network serves as a warning as some push hidden listing inventory nationwide that threatens fair housing

SEATTLE, Nov. 20, 2025 /PRNewswire/ -- Homes in majority-white neighborhoods across Chicagoland are more than twice as likely to be listed out of public view than homes in neighborhoods with a larger share of non-white residents, a new Zillow® analysis shows.

The research offers a cautionary example as some large brokerages are pushing to expand private marketing of homes nationwide — a trend poised to amplify inequity if it spreads.

For nearly a decade, Midwest Real Estate Data (MRED), the multiple listing service that covers the Chicago area, has operated and promoted its own private listing network. These listings aren't made available for public display on real estate portals and other brokerage websites where consumers go to view homes. Instead, they're visible only to agents working with their network.  Buyers not working with one of the insiders don't have access to these home listings.

Zillow researchers examined MRED data, as distributed by MLS GRID,  from Oct. 21 and found that homes for sale in its private listing network are 2.2 times more likely to be in majority-white neighborhoods, even after controlling for price, home type, location and broker activity.

- In majority-white areas, 7.9% of homes for sale within MRED were listed privately.
- In majority-non-white areas, that share was 3.4%.

"Chicago shows what can happen when parts of the housing market move into the shadows," said Zillow Senior Economist Orphe Divounguy. "Private marketing might sound appealing, but it risks deepening segregation and limiting opportunity, moving us further from the fair and open housing market consumers deserve. The data show clear disparities, and good intentions are no longer an excuse for expanding digital redlining."

Private listing networks are being touted by some brokerages as a way to quietly test the price and limit the time a home appears for sale online. But as those brokerages lean into "exclusive access" as a business strategy, dangling their private listings as an enticement to add new buyer clients, the risks to fairness and transparency across the market are growing.

"Fifty-seven years after the Fair Housing Act promised an end to housing segregation, we are still waiting for that promise to be fulfilled," said Michael Chavarria, executive director of the HOPE Fair Housing Center, which works to eliminate discrimination in housing across much of Illinois. "Zillow's decision to confront the data and its calls for the real estate community to open listings to all consumers is an example the industry must follow. Homebuyers deserve the right to see all the homes available in an area — not to have those choices quietly made for them."

A study by a University of North Carolina professor described how private listings unintentionally reinforce racial segregation, exactly what Zillow's analysis sees playing out in Chicago.

"I learned that the real estate agents tap their social networks as primary tools for generating business. Because those networks are racially structured, white real estate agents end up working primarily with white home buyers and sellers, while Black and Latino agents deal with more diverse sets of clients," Elizabeth Korver-Glenn wrote. "Because white agents' networks are overwhelmingly comprised of other whites, this means that Asian, Black and Latino consumers are disproportionately excluded from finding out about informally listed homes for sale handled by white agents."

Korver-Glenn wrote that private listings are "a prime example of a practice that legislators [who are] committed to interrupting stubbornly persistent racial segregation in housing markets can and should target."

## About Zillow Group:

Zillow Group, Inc. (Nasdaq: Z and ZG) is reimagining real estate to make home a reality for more and more people. As the most visited real estate app and website in the United States, Zillow and its affiliates help people find and get the home they want by connecting them with digital solutions, dedicated real estate professionals, and easier buying, selling, financing, and renting experiences.

Zillow Group's affiliates, subsidiaries and brands include Zillow®, Zillow Premier Agent®, Zillow Home Loans℠,

Zillow Rentals®, Trulia®, Out East®, StreetEasy®, HotPads®, ShowingTime+℠, Spruce®, and Follow Up Boss®.

All marks herein are owned by MFTB Holdco, Inc., a Zillow affiliate. Zillow Home Loans, LLC is an Equal Housing Lender, NMLS #10287 (www.nmlsconsumeraccess.org). © 2025 MFTB Holdco, Inc., a Zillow affiliate.

(ZFIN)

View original content to download multimedia:https://www.prnewswire.com/news-releases/chicago-shows-how-private-listings-can-reinforce-segregation-in-housing--and-its-a-warning-for-the-nation-302621190.html

SOURCE Zillow