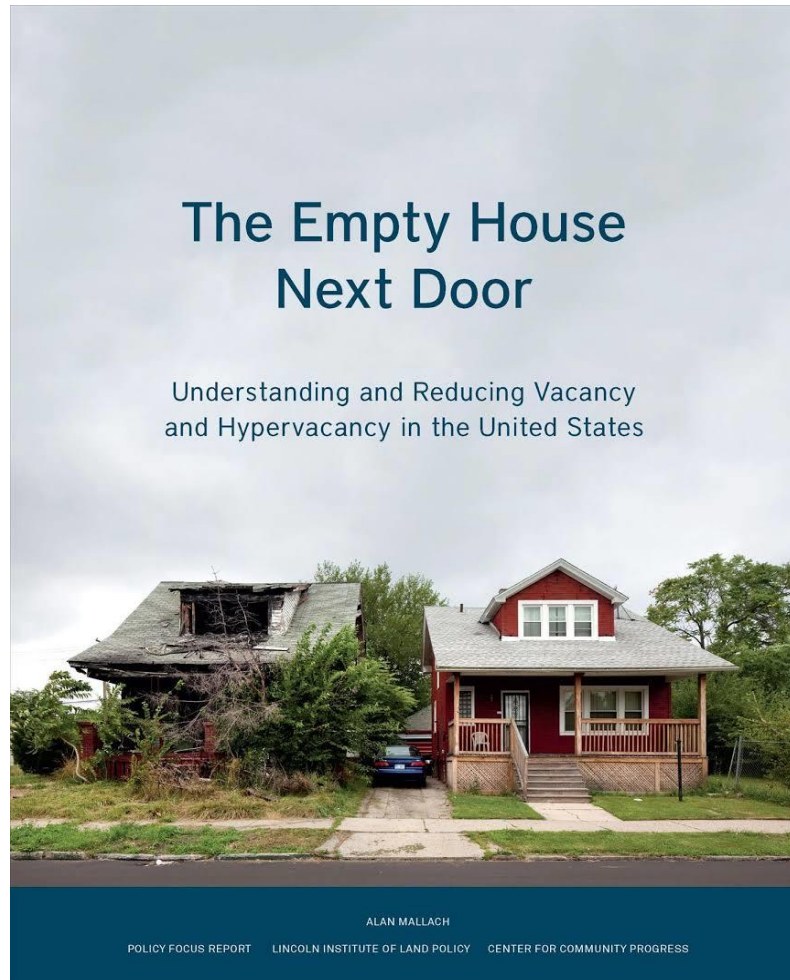




The Empty House Next Door: Understanding Vacancy and Abandonment in the United States

Alan Mallach
November 7, 2018

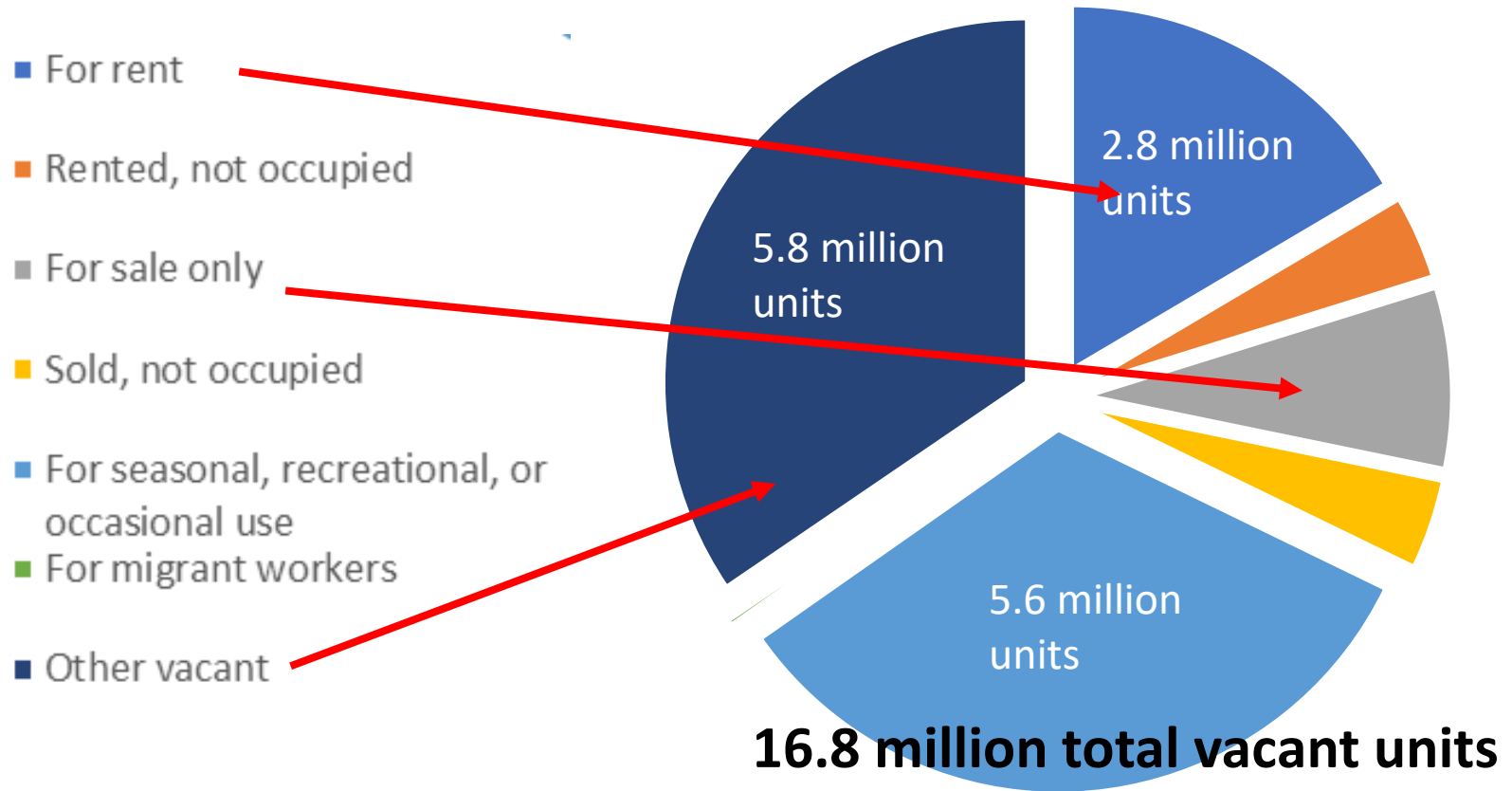
The Empty House Next Door



This presentation is based on this report.

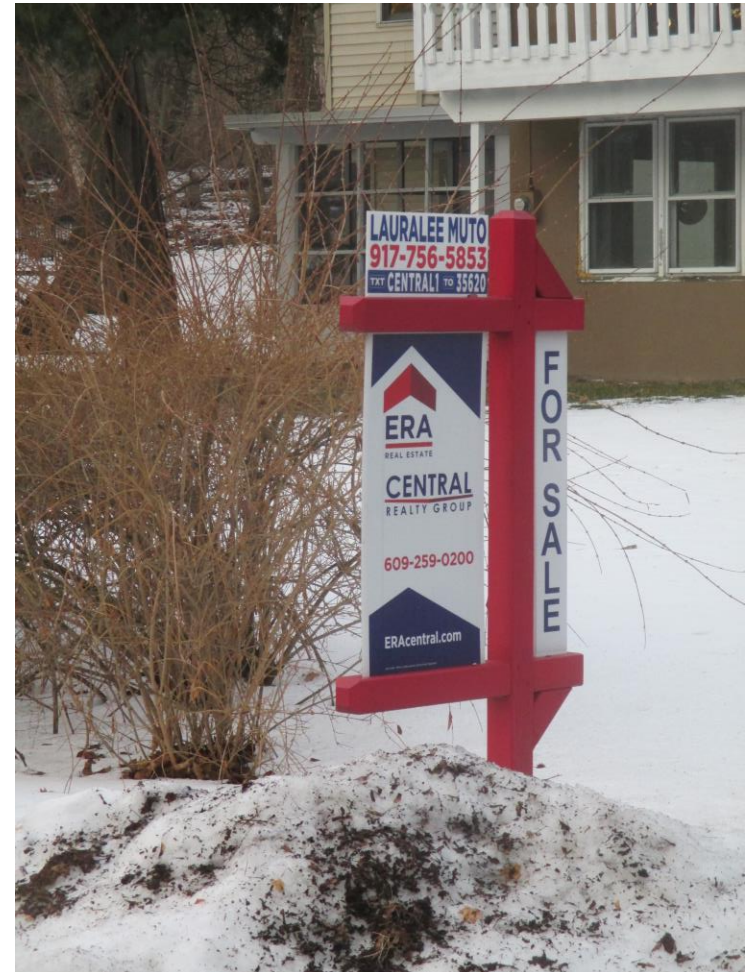
The report was created with the support of the Center for Community Progress and the Lincoln Institute of Land Policy

Vacancy can mean many different things

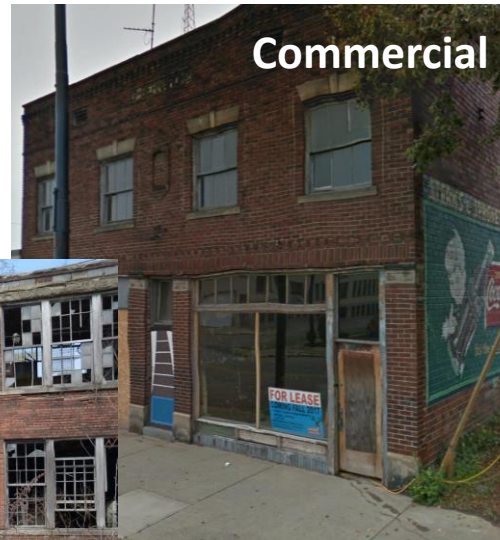
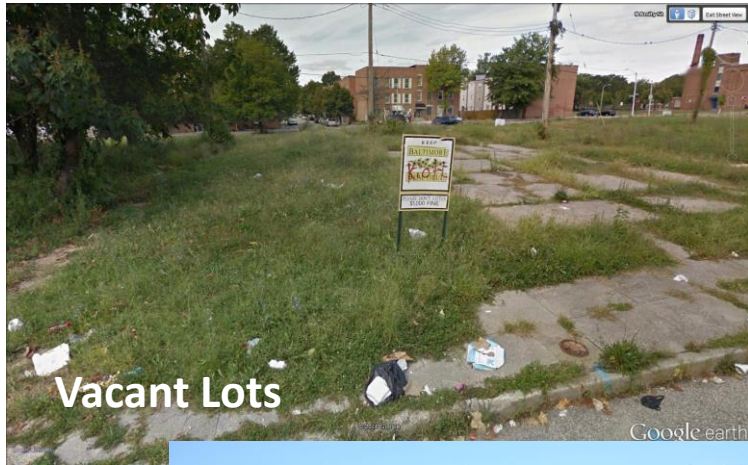


SOURCE: 2016 American Community Survey

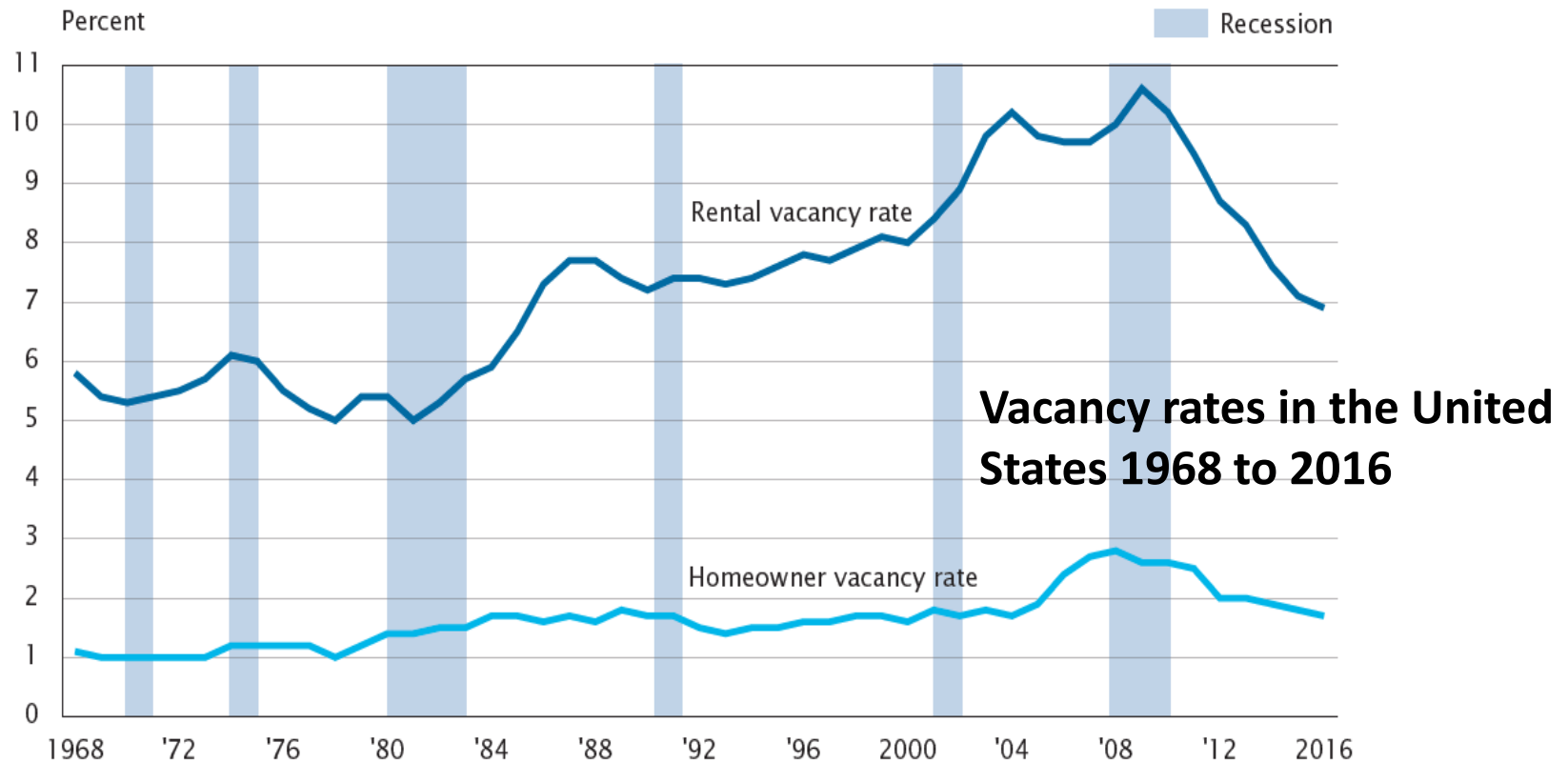
Most vacant properties are not abandoned



...but many are. They come in many different varieties



What is a 'normal' vacancy rate?

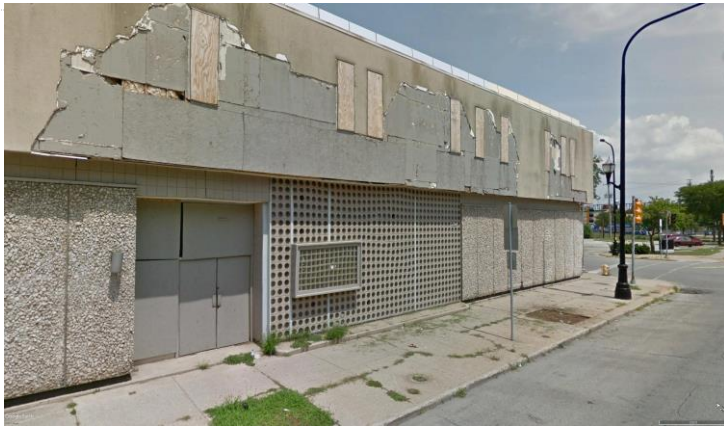


SOURCE: Bureau of the Census

A vacancy typology

VACANCY RATE	DESCRIPTION	
Under 4%	Low vacancy	
4%-7.99%	Reasonable vacancy	
8%-11.99%	Moderately high vacancy	
12%-19.99%	High vacancy	
20%-29.99%	Very high vacancy	} HYPERVACANCY
30% or more	Extremely high vacancy	

Why are properties abandoned?



**One reason dominates:
weak market conditions and
lack of demand**

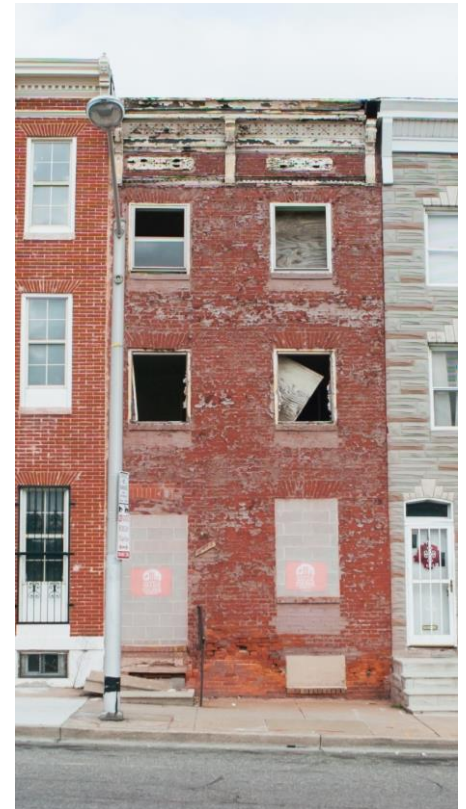
**....But problems can be made
worse by bad laws, policies
and practices**

**Properties can be abandoned
for many different reasons...**

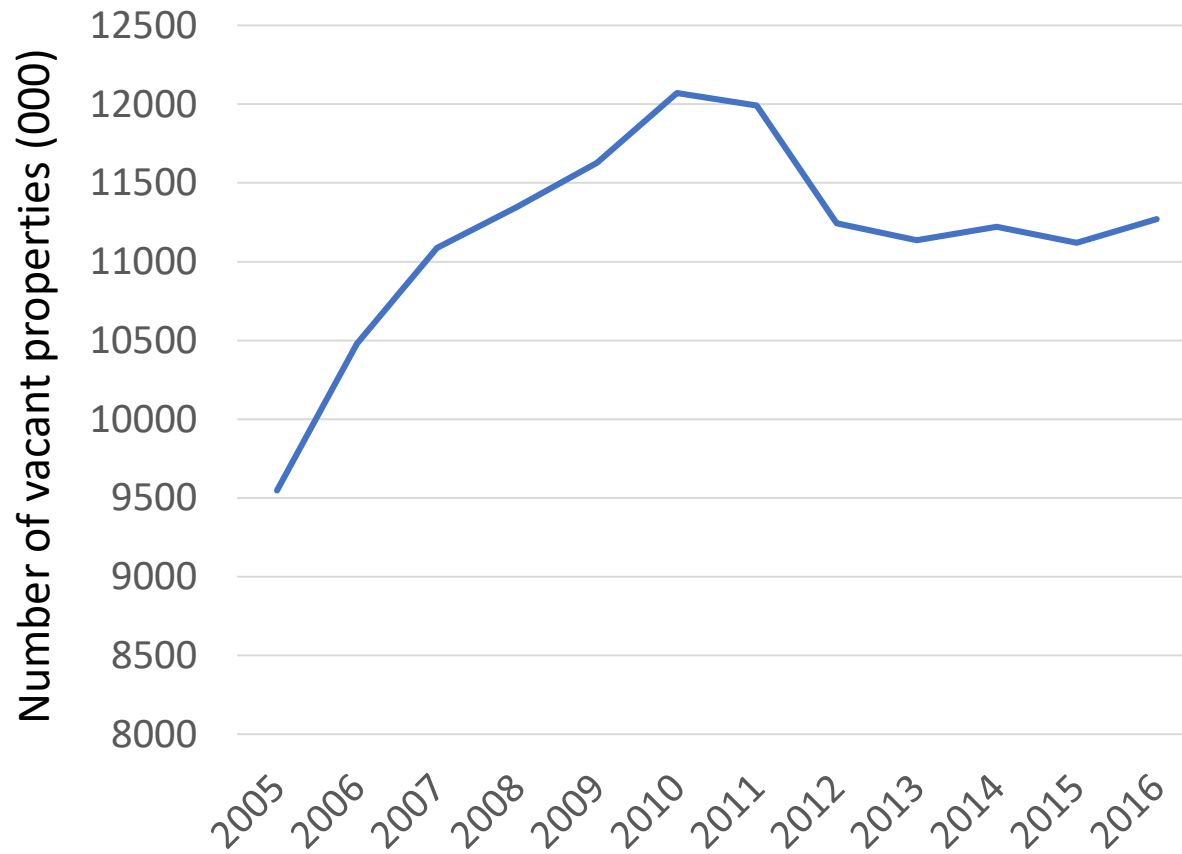


Abandoned properties are a major problem in American communities

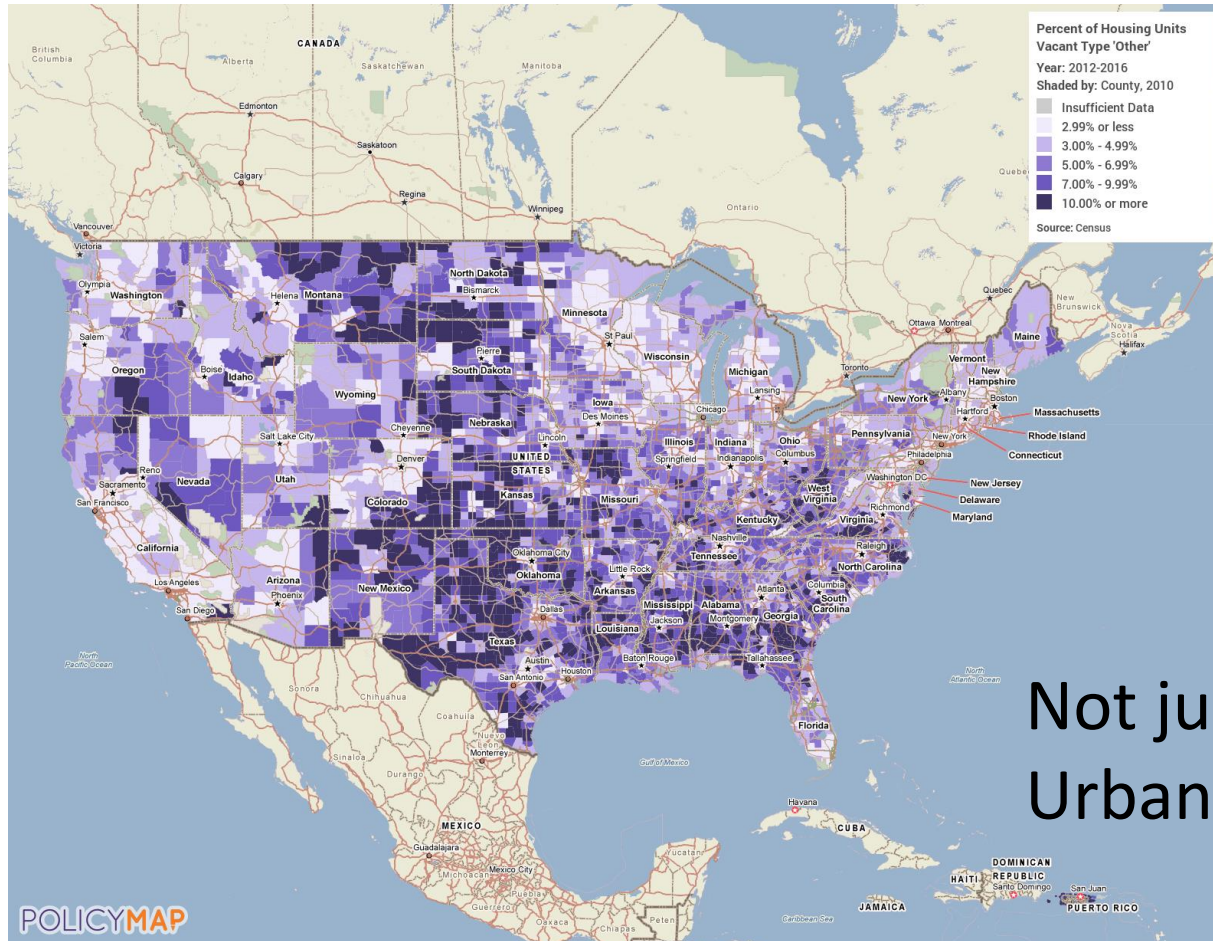
- ✓ They reduce the value of nearby properties
- ✓ They encourage illegal activity
- ✓ They create unhealthy conditions and undermine the neighborhood's quality of life
- ✓ They reduce neighborhood confidence and stability
- ✓ They reduce municipal property tax revenues
- ✓ They increase municipal cost burdens for fire, police and code enforcement



Vacant properties in the United States 2005 to 2016



“Other Vacant” properties in the United States



Not just an
Urban issue

On average, vacancy rates are higher in rural than in urban areas

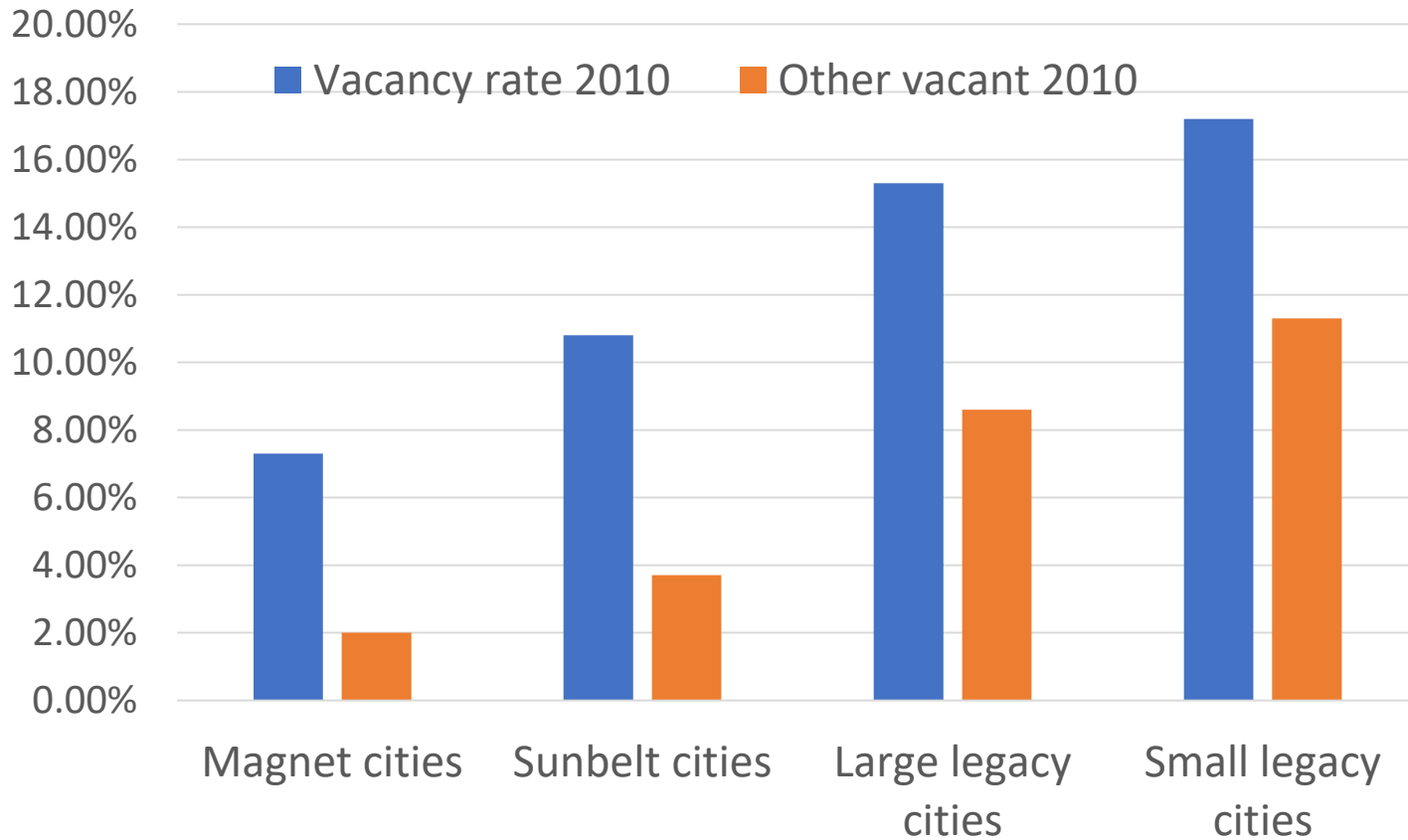


- ✓ The Deep South
- ✓ Appalachia
- ✓ The Great Plains

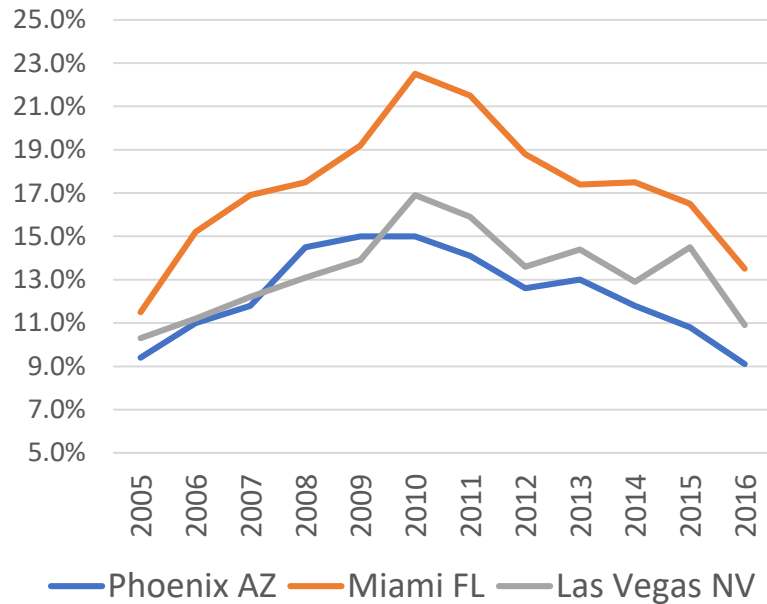
Abandoned properties are found throughout rural America, but most heavily concentrated in three areas:



Vacancy rates vary widely from city to city



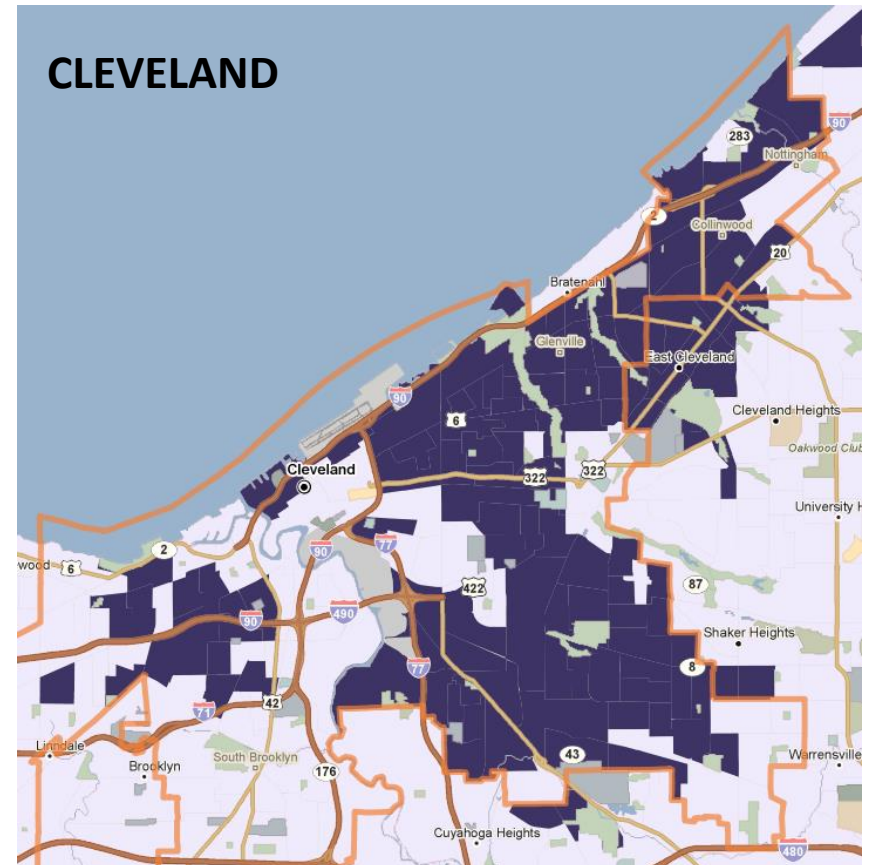
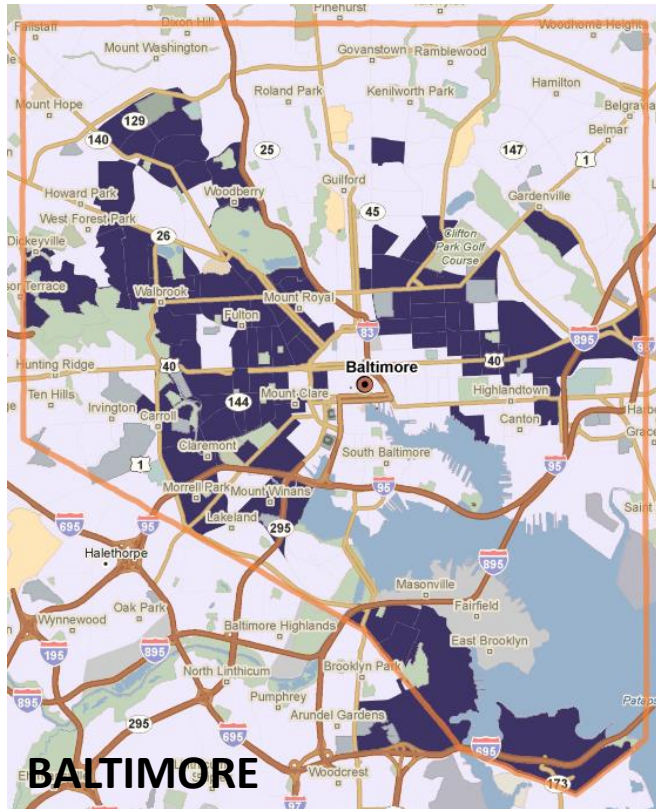
...as do trends



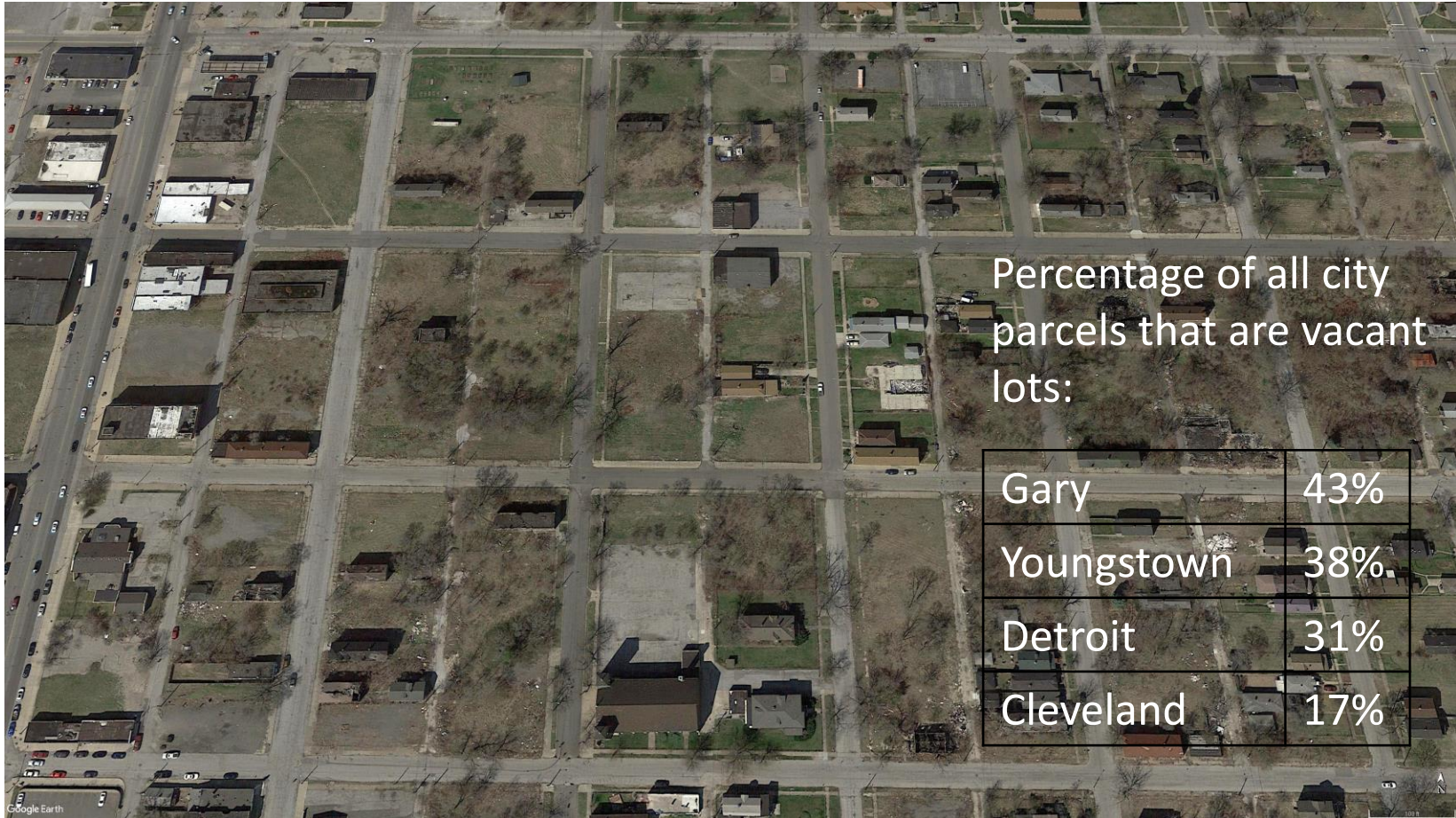
In contrast to magnet cities, where vacancy rates have steadily declined, and legacy cities, where they have stayed consistently high, vacancy rates in Sunbelt cities rose sharply during the foreclosure crisis – and have since come back down again.

Hypervacancy

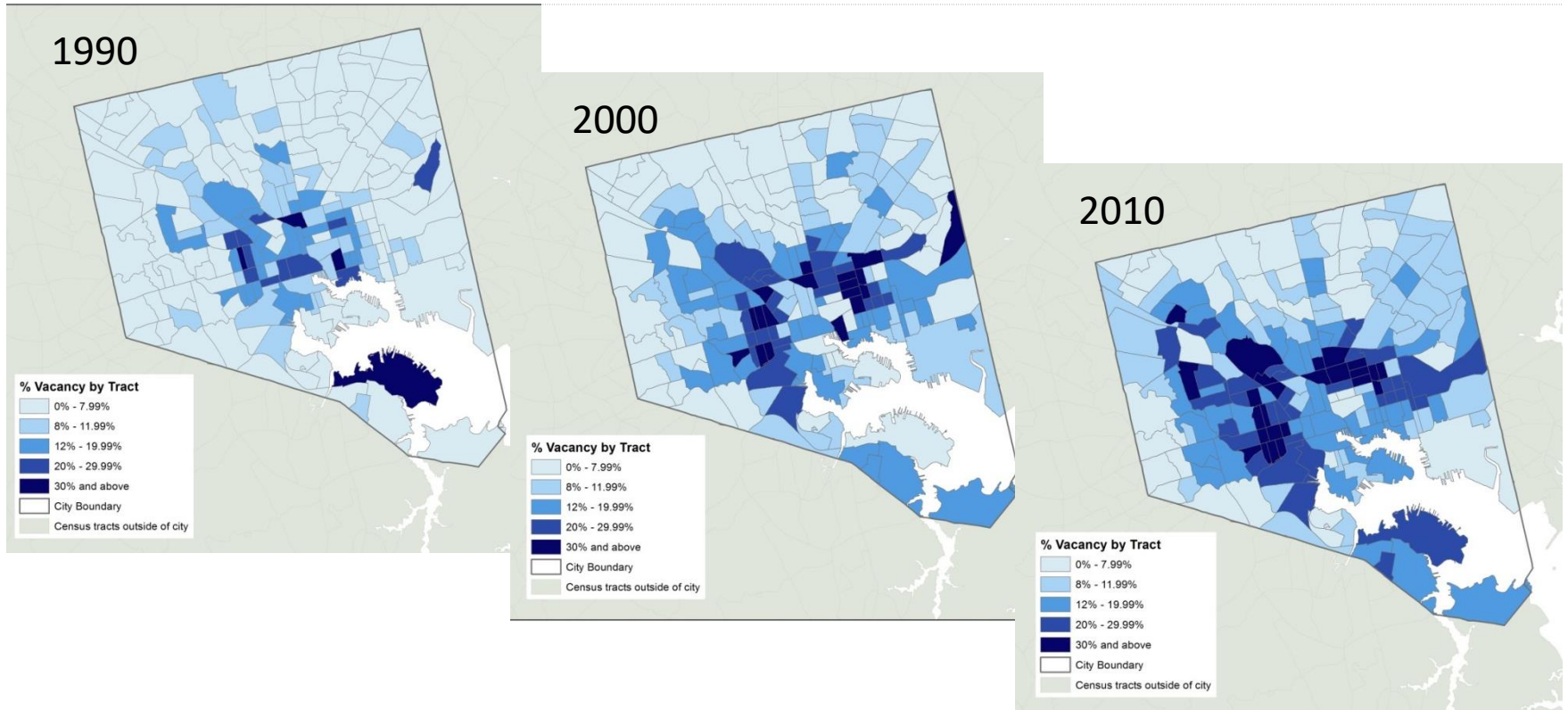
Census tracts where 20% or more of all housing units are vacant



In many areas, vacant lots may outnumber vacant buildings



Hypervacancy is increasing



Percentage of census tracts with hypervacancy in Baltimore

1990

7.5%

2000

21.5%

2010

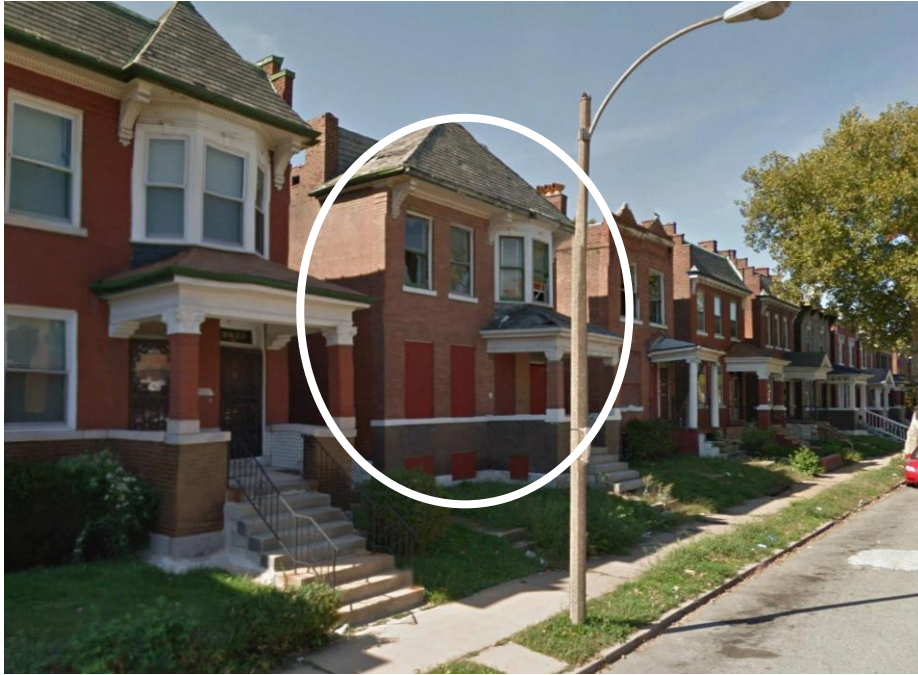
29.5%

Tackling the vacant property challenge

- ✓ Rebuilding distressed housing markets
- ✓ Using demolition strategically
- ✓ Greening vacant land



One size does not fit all



Strategies must be designed to fit
Not only the building but even more
the building's neighborhood and
market context.



Rebuilding broken housing markets

- ✓ Removing obstacles to reuse
- ✓ Land banking
- ✓ Building stronger markets



Demolition as a strategy

- ✓ When to demolish
- ✓ When to preserve?



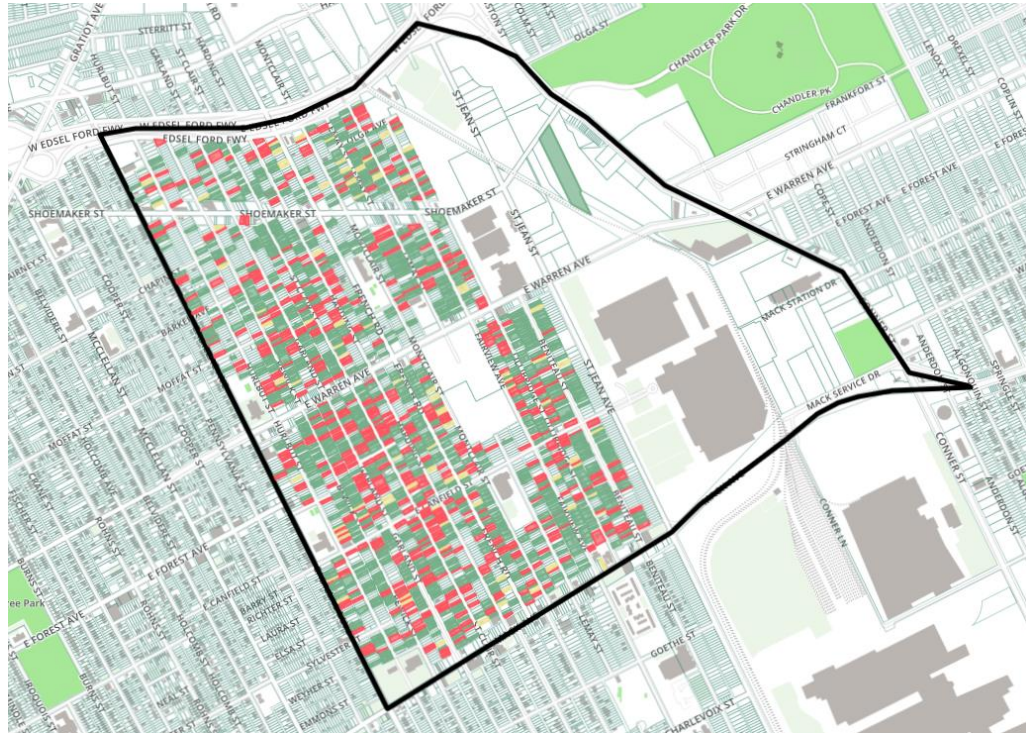
Greening vacant land

- ✓ Beyond community gardens: diversified greening strategies
- ✓ Pattern books and citywide strategies
- ✓ Green CSO overflow strategies
- ✓ Challenges



Moving forward

- ✓ Know the territory



Moving forward

✓ Remove legal barriers to effective local action

313
Homes for Sale


85
Open Houses

839
Recently Sold

0
Price Reduced

Featured Properties

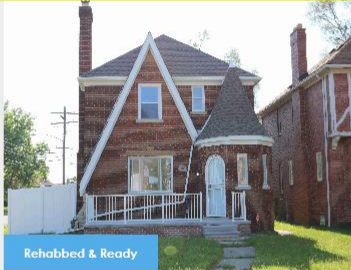
Under Contract



Rehabbed & Ready

5911 Courville
Detroit, District 4


Area: 1924 Sq ft 3 1.5



Rehabbed & Ready

18114 Ohio
Detroit, District 2


Area: 1582 Sq ft 3 1.5




Auction


14763 St Marys
Detroit, District 1

Area: 1536 Sq ft 3 1


Upcoming Events

HELPFUL LINKS


DLBA
renovation discounts



Property Tracker



Financing Resources



Moving forward

- ✓ Increase access to capital and build stronger markets



Moving forward

- ✓ Think strategically: integrate rehab, demolition and greening into long-term stabilization and revival strategies.



Thank you.

amallach@communityprogress.net

