What Works

Tackling persistent residential vacancy, abandonment, & disrepair

Vacant homes can create a cycle of economic decline that depresses property values, limits economic activity, and contributes to physical disrepair of homes. This can destabilize whole neighborhoods and also makes it harder for households to stay in their homes, access quality education or workforce opportunities, and build wealth. JPMorganChase is sharing lessons learned from our multi-faceted approach leveraging the public and private sectors, philanthropy, and community partners to help advance place-based neighborhood development strategies.

Place-based neighborhood development strategies

1. **Build local capacity:** Affordable housing and community development practitioners, such as Community Development Financial Institutions (CDFIs), often serve as the linchpin of public-private partnerships, providing essential technical and financial expertise that can meaningfully increase local capacity to invest in vacancy reduction initiatives.
2. **Leverage diverse financing sources:** Municipalities can take inventory of existing federal, state, and local policies and programs that may already be attempting to tackle similar systemic challenges and support the creation of new financing tools to tackle vacancy, like a Neighborhood Homes Tax Credit.
3. **Create & expand land banks:** Land banks can bring together diverse partners and financing tools to address persistent vacancy at scale. State-enabling legislation is an important first step to establish the authorities for a land bank, and local ordinances can set the parameters and priorities for local or regionally focused land banks.
4. **Leverage home repair, heirs property interventions, & property tax relief to prevent additional vacancy:** Municipalities can prevent additional incidences of vacancy by helping homeowners make home repairs, update their title, or address tax collections and related property expenses that contribute to vacancy.

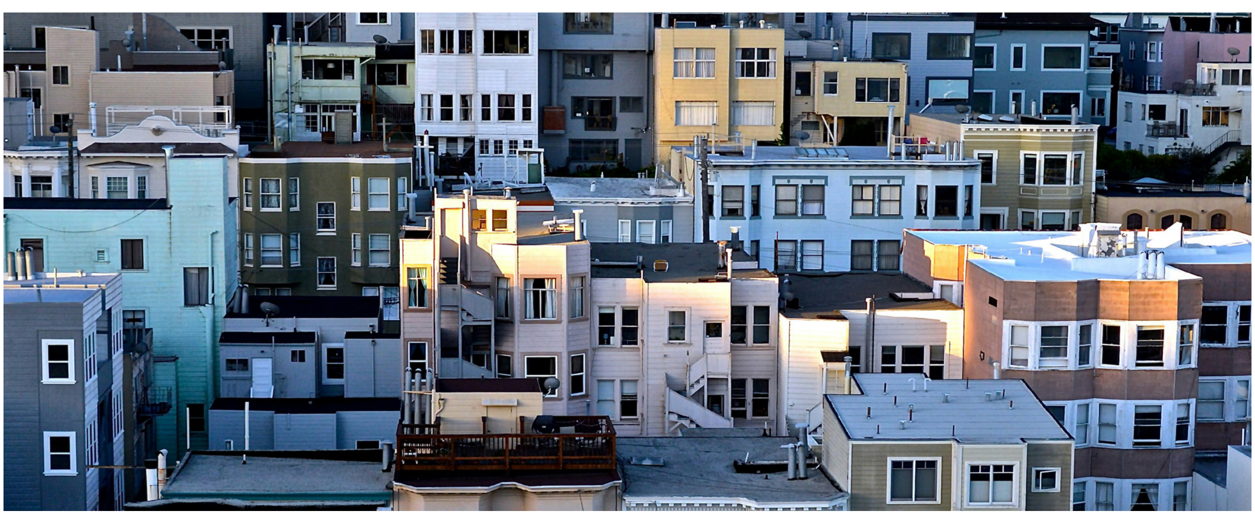
Affordable and adequate housing supply has consistently emerged as one of the top challenges facing households across the country. There is an estimated gap of 3.89 million housing units as of 2020,[1] which has contributed to rising housing costs and economic insecurity for households that are unable to find affordable housing. While underproduction is an acute challenge in many places, certain municipalities face another side of the supply challenge: a housing stock that has high rates of vacancy, abandonment, and disrepair. As opposed to high costs and limited housing options, these communities are more likely to experience depressed property values and limited economic activity.[2]

Solutions to housing supply challenges differ depending on the market. In high-cost markets, increasing the supply of housing units—and particularly those that are affordable to low- and moderate-income communities—is an effective strategy to address the dual supply and affordability crises.[3] Municipalities contending with persistent vacancy are more likely to struggle with an excess of housing units that may be in physical disrepair and/or disconnected from community services and amenities like employment opportunities, schools, health care, grocery stores, and more. As a result, effective housing strategies should be place-based and rooted in the expertise of local residents, businesses, nonprofit organizations, civic leaders, and related stakeholders.

“Effective housing strategies should be place-based and rooted in the expertise of local residents, businesses, nonprofit organizations, civic leaders, and related stakeholders.”

JPMorganChase is committed to helping communities increase economic opportunity. Since 2021, JPMorganChase has deployed low-cost loans, equity, and grants to more than a hundred organizations to advance housing affordability and stability in underserved communities across the U.S., which has helped these organizations to preserve or create more than 14,500 housing units, serve more than 157,000 households, and leverage an additional $1.8 billion in capital to support equitable development. This brief provides an overview of promising solutions we have observed through our support for organizations working to reduce persistent vacancy, abandonment, and disrepair.

Note: The metrics in this paper are derived from a variety of public and private sources, including data that were self-reported by JPMorganChase grant recipients. JPMorganChase has not independently verified these data and makes no representation or warranty as to the quality, completeness, accuracy or fitness for a particular purpose. The metrics as reported are not directly tied to funds or other support provided by JPMorganChase but rather are a result of a variety of factors.



Addressing residential vacancy, abandonment, & disrepair through place-based development

Based on 2020 census data, there are more than 16 million vacant properties nationally.[4] The highest concentrations of persistently vacant properties tend to be in cities across the Southeast and in rust belt cities across the Northeast and Midwest.[5] Persistent vacancy can contribute to a cycle of economic decline by depressing property values, weakening real estate markets, and eroding tax revenue sources for municipal and state governments.[6] In Chicago, research found that it costs local governments an average of $430 if a foreclosed property is quickly put back on the market, as opposed to over $34,000 if the home is abandoned and requires demolition.[7] In Atlanta, a conservative measure of the costs of vacancy found that the City incurred "$1.67 to $2.96 million in annual Code Enforcement, Fire, and Police direct service costs" related to vacant properties, with an estimated decline of $2.7 million in property tax revenue per year.[8]

"Vacancy can contribute to a cycle of economic decline by depressing property values, weakening real estate markets, and eroding tax revenue sources for municipal and state governments."

Vacancy may look different in rural and small towns compared to urban or post-industrial cities. Rural communities often contend with an aging housing stock that makes it more expensive to maintain or improve older homes and can exacerbate abandonment or disrepair.[9] At the same time, certain rural or small towns have a higher prevalence of 'vacation homes' which can increase the vacancy rate due to seasonal and recreational occupancy trends.[10] This leads to its own impacts on the local economy, including an inability for the local workforce to find housing options they can afford.[11]

While each community has its unique challenges and opportunities, insights derived from JPMorganChase's own businesses, philanthropic capital, and data-driven policy expertise indicate that solutions are often most effective when they center on the needs of the communities most impacted by disinvestment.[12] For example, in 2019, JPMorganChase supported the National Association for Latino Community Asset Builders (NALCAB) to produce the Guide to Equitable Neighborhood Development.[13] This guide establishes principles that can be applied to help ensure those most impacted by residential vacancy participate in and reap the benefits of neighborhood change:

"Insights derived from JPMorgan's own businesses, philanthropic capital, and data-driven policy expertise indicate that solutions are often most effective when they center on the needs of the communities most impacted by disinvestment."

- **Importance of place:** Respect local history and culture, while acknowledging legacies of racial and ethnic inequities.
- **Data-driven:** Use data to inform approaches that promote resiliency for the built environment and vulnerable communities.
- **Transparent community engagement:** Promote transparency and public accountability in decision-making by prioritizing both public participation (including forms that address disparities in access for different populations) and technical expertise.
- **Align investment to serve a public interest:** Ensure that private and public sector investment are aligned with planning efforts related to housing, transportation, economic development, and health priorities, centering the advancement of economic security and mobility for low -and moderate-income communities.

This framework can help ground local investment strategies and bring together government, the private sector, community-based organizations, philanthropy, and community finance practitioners to support neighborhood development. Public-private partnerships between these stakeholders are key to successful implementation: the public sector can help de-risk investment opportunities by creating funding opportunities that help tackle persistent vacancy; philanthropic capital can fund and help scale innovative local solutions; and the private sector can help create sustainable financing structures for long-term success, all informed by the importance of place and community participation.

Insight: Local capacity is foundational to the success of place-based development and should be intentionally cultivated.

Municipalities have an important role to play in identifying, developing, and scaling practitioner capacity to tackle local challenges—particularly complex challenges like persistent residential vacancy.[14] These issues are often multi-faceted and rooted in complex local dynamics that require holistic solutions embedded in place. Affordable housing and community development practitioners are essential partners in this work.[15] States and localities often rely on these practitioners to facilitate meaningful community engagement and address financing gaps that limit housing development and rehabilitation.[16]

For example, the City of Detroit launched a series of efforts to address persistent vacancy and abandonment that brought together city leaders, private stakeholders, funders, and community organizations. Invest Detroit, a Community Development Financial Institution (CDFI), joined city leaders and corporate donors—including JPMorganChase—to launch the Strategic Neighborhood Fund (SNF) in 2016.[17] The SNF helped connect community developers with private, philanthropic, and public capital to support and stabilize distressed neighborhoods.[18] Since 2014, JPMorganChase has invested $17 million in the SNF to support neighborhood improvements through commercial corridor revitalization, housing stabilization, catalytic park investment, and streetscape improvements.[19] These and other targeted investments contributed to a meaningful impact on the city's housing market. Between 2013 and 2021, there was nearly a 20 percent decrease in vacant housing in Detroit, and the median owner-occupied home value rose to $69,300 in 2021, an increase of more than 88 percent since 2013.[20] The city also saw its local CDFI capacity expand from just three CDFIs in 2005 to 16 by 2016, signaling a rebound in the local market.[21]

An important component of place-based development is building the capacity of local practitioners who are embedded in the community and can help navigate local dynamics and relationships to increase buy-in and engagement. Local developers often understand the opportunities and challenges in their communities, hire and spend locally, and contribute to generational wealth building for themselves and their communities. However, development firms owned or managed by people of color are underrepresented in the real estate industry, with Black and Hispanic developers combined comprising less than 1 percent of their industry.[22] Several CDFIs and affordable housing practitioners have created strategic financing sources to build the capacity of local housing developers. In Detroit, for example, the SNF responded to local conversations about the underrepresentation of developers of color rebuilding the city by ensuring that developers of color or community development organizations led over 70 percent of SNF projects.[23] In addition, JPMorganChase provided $1 million to Capital Impact Partners in 2017 to launch the Equitable Development Initiative, a program that offers development training and workshops, 1:1 mentorship, and access to capital to developers of color in Cleveland, Dallas, Detroit, the Washington metropolitan area, and the San Francisco Bay Area.[24] These efforts can help strengthen the community development ecosystem by increasing industry diversity and building local developer capacity.

Recommendation

Build community development practitioner capacity by creating training and mentorship programs tailored to emerging and existing developers. This can include training opportunities, like programs that offer an introduction to affordable housing, and mentorship opportunities that pair new practitioners with more experienced partners. Importantly, capacity building programs should be paired with a broader suite of tools and resources that practitioners—both new and experienced—may need to scale their work and be successful. Particularly for real estate developers who disproportionately experience barriers accessing capital, including developers of color, assistance could include targeted financing options that offer a range of capital products, such as low-cost debt, philanthropic capital, equity, and other affordable capital.[25]

Insight: Public-private partnerships can accelerate efficiency by leveraging diverse funding sources and targeting place-based development.

Many communities facing persistent residential vacancy, abandonment, and disrepair also experience an "appraisal gap" in which the costs to acquire and rehabilitate a home exceed the ultimate sale price of the home.[26] This can be an obstacle for homeowners, affordable housing developers, and other potential place-based investors who find it economically infeasible to invest in these neighborhoods. Public-private partnerships that leverage affordable housing and community development practitioners are one tool that municipalities can prioritize to align public subsidies with private sector capital and community practitioner expertise.[27] An important starting point is taking inventory of existing federal, state, and local policies and programs that may already be available to support economically distressed neighborhoods.[28]

For example, the Treasury Department's Capital Magnet Fund (CMF) and New Markets Tax Credit (NMTC) are two federal financing tools that could be leveraged as part of a local revitalization strategy. Similarly, federal subsidies that help homeowners and affordable housing operators maintain properties can help prevent future vacancy and abandonment, particularly in areas where frequent natural disasters may accelerate structural damage and disrepair.

- CMF provides flexible capital to nonprofit affordable housing developers and CDFIs, which must be leveraged with other public and private resources to support affordable rental and homeownership opportunities for low- and moderate-income households.[29] CMF is a particularly valuable source of funding to subsidize the acquisition and rehab of housing units and could be a valuable tool to address vacancy alongside a local revitalization strategy.[30]
- NMTCs are allocated to Community Development Entities on an annual basis through a competitive application process that incentivizes private capital to spur investments in low-income communities.[31] NMTC helps subsidize the costs of developing important community facilities and businesses, which can include the revitalization of vacant properties.[32]
- The Inflation Reduction Act (IRA) included resources for home retrofits and upgrades that could layer with other public and private financing to reduce development or operations costs, thereby making rehabilitation of vacant properties more economically feasible.[33] JPMorganChase is supporting nonprofit organizations in building their capacity to access and deploy public funds and help inform effective implementation of climate resilient home improvement programs. For

example, we committed $5 million to Solar and Energy Loan Fund (SELF) to scale their climate resiliency and clean energy home improvement program to help increase the supply of resilient and sustainable affordable housing.[34] [35]

Community development practitioners can layer existing resources to maximize the capital to acquire, rehabilitate, and retrofit homes. In addition to federal funding sources, several states have taken steps to leverage cross-sector partners and financial resources to purchase, renovate, or replace vacant and dilapidated properties. The State of Delaware created the Delaware Catalyst Fund in 2022.[36] This public-private partnership leverages financial expertise and lending capacity from Cinnaire (a CDFI) and public resources from the Delaware State Housing Authority. Developers have access to subsidies through the American Rescue Plan Act (ARPA) and lending capital from Cinnaire to create affordable homeownership opportunities for low- and moderate-income residents while addressing vacancy and disrepair.[37] Similarly, in 2023, Maryland enacted the Appraisal Gap From Historic Redlining Financial Assistance program, which provides financial assistance to affordable housing developers to help close appraisal gaps in formerly redlined neighborhoods.[38] These and other federal, state, and local public-private partnerships can help align capacity, funding, and place-based development priorities.

Recommendation

Support the creation of new resources that help address persistent vacancy, such as the Neighborhood Homes Tax Credit. This proposed federal tax credit builds on the successful Low Income Housing Tax Credit and New Markets Tax Credit programs—both public-private partnerships that JPMorganChase has long supported—by creating a financing tool to subsidize the acquisition and rehab of single-family homes in housing markets where the cost to acquire and rehabilitate a home exceeds the ultimate sale price of the renovated home.[39] This gap makes it financially infeasible for developers or potential homeowners to invest in these neighborhoods. The Neighborhood Homes Tax Credit could create greater opportunity to bring vacant or dilapidated properties back into productive use while simultaneously creating additional avenues for affordable homeownership.

Insight: Land banks are an effective strategy that can efficiently acquire and manage vacant property.

Despite time and resources devoted to addressing vacancy and abandonment, these challenges persist across the U.S., particularly in legacy industrial cities (e.g. Detroit, Baltimore, Cleveland).[40] Many communities have found success through land banks, which are public or quasi-public entities that manage and repurpose vacant, abandoned, or underutilized properties acquired primarily through the property tax foreclosure system.[41] Land banks can help address a range of housing market failures, such as property market value gaps (in which tax liabilities or deferred maintenance costs exceed the value of a property) or where concentrations of vacancy depress housing values across a block or neighborhood.[42] While land banks can operate at the state, regional, or local level, the vast majority of the more than 300 operational land banks across the country work in alignment with municipal (city or county) governments.[43] These entities can align existing local policies, programs, and investments with community and stakeholder participation and technical expertise.

Since vacancy often takes root at the neighborhood level, addressing single or small clusters of vacant homes is not sufficient to stabilize community blocks or neighborhoods while more vacant properties continue to emerge.[44] Land banks can centralize neighborhood development strategies and embed property acquisition and disposition across departments, such as transportation, housing, small business, and more.[45] Land banks can also hold properties and tailor development practices based on community input and broader neighborhood development priorities; if a community has identified affordable housing supply as a priority, a land bank can amass and hold properties for local developers to finalize the capital stack necessary to develop affordable housing.[46] This added capacity increases efficiency, particularly as many city agencies are constrained by budget and staff and may only be able to tackle vacant properties in small numbers at a time.[47] Public sector involvement and scrutiny remain important to ensure developers who have access to public inventory are prioritizing wealth building opportunities for communities and residents.[48]

The establishment of and authorities given to a land bank depend on state-enabling legislation. According to the National Land Bank Map created and maintained by Center for Community Progress, as of February 2024, 18 states and Puerto Rico have passed state-enabling land bank legislation.[49] For example, in 2012, the Georgia State legislature reformed its original 1991 land bank statute to grant special authority to facilitate the acquisition and sale of properties, bringing vacant properties to productive use and incentivizing revitalization in historically disinvested communities.[50] The Metro Atlanta Land Bank operates with a Board of Directors appointed by the City of Atlanta and Fulton County. This local alignment allows land banks to accelerate place-based neighborhood development goals, including helping to tackle vacancy and abandonment at scale by acquiring more vacant properties than a city agency could manage alone.[51]

There are significant upfront costs in order to establish a land bank and build a pipeline of properties,[52] so in addition to state-enabling legislation, land banks are often reliant on a range of partnerships across public entities, philanthropy, community finance partners, and private investment to seed and sustain funding. Philanthropic and private capital can be a valuable source of seed funding, particularly when there is a commitment from the public sector for ongoing support.[53] While many land banks can eventually leverage property sale proceeds and other tax recapture mechanisms to self-fund a limited subset of its activities, the vast majority of sustainable and effective land banks rely on annual budget allocations or other dedicated funding from state or local sources.[54]

JPMorganChase has supported nonprofit organizations that have worked in partnership with several communities to create, test, and scale successful land bank models. The following examples are highlights of what is possible when a land bank is intentionally established to meet local priorities.

- **Detroit:**
  The Detroit Land Bank Authority (DLBA) was established in 2008 with a three-pronged approach to target vacancy at scale: 1) take ownership of abandoned properties and demolish properties where necessary, 2) increase code enforcement to incentivize owners to remediate properties before the Land Bank takes possession, and 3) auction homes and, in some cases, entire blocks of abandoned properties.[55] JPMorganChase provided a $5 million grant to the Detroit Land Bank Community Development Corporation in 2014 to help scale and strengthen the Land Bank[56], and provided a $1 million grant to Michigan Nonprofit Association to support the data integrity of Detroit's Motor City Mapping project—a centralized technology resource that DLBA and others use to manage, share, and update millions of pieces of property data.[57] These and related initiatives across the City helped strengthen the DLBA's ability to tackle vacancy challenges at scale.[58] Between 2013 and 2018, the DLBA received a series of property transfers from the City and County that substantially increased its ownership in target markets—from less than 700 properties in 2013 to more than 99,000 residential parcels in 2016.[59] Controlling the majority of the inventory allowed the DLBA to prioritize areas where market indicators suggested the neighborhood was at a tipping point, ultimately allowing a more efficient approach to reestablishing healthy market conditions.[60]

- **Baton Rouge:**
  Through JPMorganChase's AdvancingCities Challenge, we provided a $5 million grant to Build Baton Rouge in 2020 to advance an equitable development plan for the Plank Road corridor, including bus rapid transit, small business growth, and affordable housing development.[61] This included testing the development of a hybrid land bank and community land trust that would pair the land bank's acquisition and title clearance authority with the trust's ability to hold land in perpetuity, supporting long-term affordability.[62] This shared-equity approach aims to address vacancy while expanding economic security, intergenerational wealth-building, and long-term housing affordability.[63] The effort additionally helps promote neighborhood stabilization and is aimed at mitigating displacement and gentrification as the area draws new investments by discouraging quick flips.[64]

- **Chicago:**
  The Cook County Land Bank Authority (CCLBA) was created in 2013 as a direct response to the County's foreclosure crisis and has become the largest land bank by geography in the country.[65] A 2023 analysis of the CCLBA's economic impact found that the land bank delivers an estimated $5 million back to the tax rolls each year through property rehab programs and stabilizes neighborhoods by increasing home values and strengthening the tax base.[66] CCLBA has been a leader in innovative community development initiatives, including supporting a "Buy Back the Block" initiative that was spearheaded by a team of five Black developers who acquired 11 vacant lots on a single block to build homes and reinvest wealth into the community.[67] CCLBA has also transferred deeds to vacant lots to developers and nonprofit organizations that commit to develop the land for valuable community uses.[68] Through the Connecting Capital and Community (3C) initiative, an initiative led by JPMorganChase and the Center for Community Investment, The Chicago Community Trust and its over 20 local partners have collaborated with CCLBA to help advance innovative revitalization initiatives by acquiring its land to concentrate affordable home construction efforts in the neighboring communities of Humboldt Park and Garfield Park, bringing community organizations and developers together towards coordinated reinvestment efforts.[69]

Recommendation

Encourage the formation of local or regional land banks to help tailor place-based priorities, bring together diverse partners and financing tools, and address persistent vacancy at scale. States can enact enabling legislation to grant municipalities the authority to establish a land bank with an independent governing body. And in states that have already enacted enabling legislation, policymakers and community partners can partner to leverage these special powers and allocate needed funding to facilitate the acquisition and sale of vacant or abandoned properties.[70] The Center for Community Progress, a national nonprofit organization specializing in vacant property solutions[71], outlines best practices in a Land Bank FAQ.[72]

Insight: Home repair, heirs property interventions, and property tax relief are effective points of intervention to disrupt the cycle of vacancy and abandonment.

In addition to land banks, municipalities have access to several potential points of intervention that can help disrupt the cycle of vacancy, abandonment, and disrepair, including ensuring property owners have access to the resources necessary to make home repairs and respond to code enforcement rules.[73] In 2024, JPMorganChase supported the Center for Community Progress to publish Reevaluating Code Enforcement: A New Approach to Addressing Problem Properties, in which the Center for Community Progress notes that "code enforcement is perhaps the most critical and impactful government tool to influence the health, safety, and vibrancy of homes, blocks, and neighborhoods—and it is a powerful tool toward equity, inclusion, justice, and resiliency."[74] Rather than a traditional code enforcement approach that is often reactive, underfunded, and punitive towards those with the fewest resources to address violations, the Center for Community Progress supports a shift towards strategic code enforcement that recognizes a range of compliance options based on an owners' willingness and ability to engage.[75] Adopting a more strategic code compliance framework can help municipalities and property owners work together to bring properties into compliance and address disrepair or vacancy before it compounds.[76]

Challenges in the transfer of titles can also contribute to disrepair and vacancy, with broader consequences for neighborhood stability and inclusive development. Heirs property, also known as a "tangled title," occurs when a property owner dies without a will and several people gain rights to indivisible shares in the same land or structure.[77] It is one of the most insecure and unstable forms of real property ownership and places families at an increased risk of property loss due to land speculation, property partition sales, or tax default.[78] Homeowners without clear title—such as those experiencing heirs property cases—are unable to unlock home equity in order to make needed repairs or cover expenses.[79] Many home repair and property tax reduction programs also require a clear title, which excludes heirs property owners from qualifying for important government aid, such as disaster assistance.[80] As a result, heirs property cases can contribute to and exacerbate vacancy, abandonment, and disrepair.

In New Orleans, for example, the City faced challenges at the intersection of vacancy, unclear title and succession documentation, and disaster recovery. The city housed 26,000 vacant properties prior to Hurricane Katrina in 2004, but by 2010 New Orleans recorded more than 43,000 vacant or blighted properties.[81] This accounted for 25 percent of the city's housing stock.[82] In some cases, the challenges were especially acute due to complexities in clearing title and proving ownership. The New Orleans

Redevelopment Authority (NORA) became the City's depository for many of these vacant properties and the de facto land bank following Hurricane Katrina[83] and has helped find innovative approaches to address vacancy and title issues, which includes leveraging vacant lots for rental, homeownership, and adaptive reuse. For example, the NORA Green program transforms NORA-owned properties that are unlikely to be sold into low maintenance urban forests.[84]

The relationship between heirs property and vacancy remains a topic for greater emphasis and exploration, and land banks may be one potential avenue to address vacant properties with title issues through the title-clearing judicial processes. For example, in 2016 Detroit established the Detroit Land Bank Authority Buy Back Program to help secure and stabilize homeownership, "specifically for families and individuals who lost their homes to foreclosure but never left, were victims of real estate or landlord fraud, or have another significant connection to the house."[85] Since its inception, the program has helped more than 1,100 Detroiters get the deed to their home, which both increases stable homeownership opportunities while simultaneously improving dilapidated homes.[86] Similarly, the Metro Atlanta Land Bank has the authority to acquire tax delinquent and vacant property and extinguish overdue tax liens held by the City of Atlanta and Fulton County. Once acquired, the Metro Atlanta Land Bank can clear title issues and prioritize community development corporations in the purchase of acquired properties. In 2022 alone, the Metro Atlanta Land Bank created 250 housing units and disposed of over 60 properties.[87]

JPMorganChase is also supporting nonprofit organizations to advance innovative solutions that target barriers to generational wealth building, including by testing holistic strategies that embed title resolution as a core service within a broader housing preservation and neighborhood stability model. For example:

- In 2023, JPMorganChase committed $3 million to Catapult Greater Pittsburgh to protect existing homes as a key asset for generational wealth building within Pittsburgh communities, and to address the ongoing barriers that vacant and abandoned properties can bring to neighborhoods. Catapult Greater Pittsburgh and partners do this through a multipronged approach: title clearance, estate planning, home repair improvements, custom-built, trauma-informed education for first-time homebuyers, and a partnership with Rising Tide Partners to increase the affordable housing inventory through land acquisition and property rehabilitation.[88] This approach aims to stabilize neighborhoods, increase affordable housing options, and keep property in the hands of the community, while also helping existing homeowners grow their wealth and transfer assets across generations.[89]

- In 2023, JPMorganChase provided a $500,000 grant to Local Initiatives Support Corporation (LISC) Jacksonville to support the organization's Heirs Property and Family Wealth Creation programs.[90] Jacksonville is located in Duval County, Florida, a large urban area with one of the densest concentrations of heirs property cases in the region.[91] LISC Jacksonville aims to address the systemic barriers that contribute to heirs property, including through resident outreach and education, title resolution and estate planning legal services, equitable property valuation methods, and increased access to home repair programs and property tax relief programs.[92]

Recommendation

Prevent additional incidences of vacancy by helping homeowners build wealth through repairing their homes, updating their titles, or addressing tax collections and related property expenses that contribute to vacancy. State and local policymakers can help preserve homeownership and facilitate wealth generation by helping homeowners retain ownership and unlock equity in order to make needed home repairs or address tax collections and related expenses.[93] For example, in Texas, heirs property owners are now permitted to apply for property tax savings offered through the State's homestead exemption program.[94] Eligible heirs property owners may save thousands of dollars in annual property taxes,[95] which helps reduce housing cost burdens and support homeowner stability. Similarly, municipal tax officials in Virginia can delay tax delinquency sales for heirs property owners by up to 60 months and utilize a payment plan for heirs to pay off delinquent property taxes and maintain ownership of their home.[96] The Uniform Partition of Heirs Property Act (UPHPA) provides critical due process protections for families at risk of losing their home from an external third party purchasing a co-owner's share of a property and subsequently forcing a partition sale.[97] To date, 24 jurisdictions have enacted the UPHPA, and JPMorganChase has actively supported adoption of the UPHPA in Arizona, California, Utah, Washington, Philadelphia, and the District of Columbia.[98]

Moving forward

Persistent residential vacancy, abandonment, and disrepair are complex and deeply rooted challenges that have far-reaching consequences for households, neighborhoods, and local economies. Municipalities can most effectively address these systems by building solutions that center on the communities most impacted. Government, the private sector, community-based organizations, philanthropy, and community finance practitioners all have a role to play in supporting place-based investment, and public-private partnerships between these stakeholders are key to successful implementation. The approaches featured in this brief and other promising models across the country can be scaled and replicated to solve the compounding challenges resulting from persistent vacancy, abandonment, and disrepair.

Endnotes

1 Up For Growth, *2023 Housing Underproduction in the U.S.,* (2023), https://upforgrowth.org/apply-the-vision/2023-housing-underproduction/.

2 HUD Office of Policy Development and Research, "Vacant and Abandoned Properties: Turning Liabilities into Assets," (2014), https://www.huduser.gov/portal/periodicals/em/winter14/highlight1.html.

3 Alexei Alexandrov and Laurie Goodman, "Place the Blame Where it Belongs," Urban Institute, (January 2024), https://www.urban.org/research/publication/place-blame-where-it-belongs.

4 Michael Kolomatsky, "Vacant Homes Everywhere," *The New York Times,* (March 2022), https://www.nytimes.com/2022/03/10/realestate/vacancy-rate-by-state.html.

5 Patrick Villanova, "Cities Where Housing Vacancy Rates Are Highest – 2023," Smart Asset, (November 2023), https://smartasset.com/data-studies/vacant-houses-2023.

6 Dan Immergluck, *The Cost of Vacant and Blighted Properties in Atlanta: A Conservative Analysis of Service and Spillover Costs, Center for Community Progress*, (September 2015), https://communityprogress.org/publications/the-cost-of-vacant-and-blighted-properties-in-atlanta/.

7 Urban Land Institute, *Cook County Land Bank Technical Assistance Panel*, (October 2012), https://www.cookcountylandbank.org/wp-content/uploads/2014/09/121171-ULI-CC-Land-Bank-TAP.pdf.

8 Dan Immergluck, *The Cost of Vacant and Blighted Properties in Atlanta: A Conservative Analysis of Service and Spillover Costs*, Center for Community Progress, (September 2015), https://communityprogress.org/publications/the-cost-of-vacant-and-blighted-properties-in-atlanta/.

9 Edgar Camero, "Pathways to Improved Housing Quality in Rural Places," ChangeLab Solutions, (April 2023), https://www.changelabsolutions.org/blog/pathways-improved-housing-quality-rural-places.

10 Housing Assistance Council, "Housing Occupancy & Vacancy in Rural American," Ryrak Research Brief, (May 2012), https://ruralhome.org/wp-content/uploads/storage/research_notes/rrn-housing-vacancy-web.pdf.

11 Shannon Pettypiece, "The Remote Workers Have Left, but the Housing Havoc They Created Remains," NBC News, (February 2023), https://www.nbcnews.com/politics/economics/remote-workers-left-housing-havoc-created-remains-rcna68874.

12 Hanna Love and Teresa Garcia, "Centering Neighborhood Priorities for Economic Inclusion: Early Outcomes from Five Cities," Brookings, (April 2022), https://www.brookings.edu/articles/centering-neighborhood-priorities-for-economic-inclusion-early-outcomes-from-five-cities/.

13 National Association of Latino Community Asset Builders, *Guide to Equitable Neighborhood Development*, (2019), https://nalcab.org/wp-content/uploads/2019/07/END-Toolkit.pdf.

14 Frank S. Alexander, *Land Banks and Land Banking*, Center for Community Progress, (2015), https://communityprogress.org/wp-content/uploads/2021/08/2015-06-Land-Banks-and-Land-Banking-2-Publication.pdf.

15 National Association of Latino Community Asset Builders, *Guide to Equitable Neighborhood Development*, (2019), https://nalcab.org/wp-content/uploads/2019/07/END-Toolkit.pdf.

16 Ibid.

17 JPMorgan Chase & Co., *Lessons Learned from 10 Years of Investment in Detroit*, (2023), https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/detroit-playbook.pdf.

18 Ibid.

19 Ibid.

20 Ibid.

21 Joseph L. Bower and Michael Norris, "JPMorganChase: Invested in Detroit (A)," Harvard Business School Case 918-406, (March 2018): 11, https://www.hbs.edu/faculty/Pages/item.aspx?num=54167.

22 Initiative for a Competitive Inner City (ICIC), "Breaking the Glass Bottleneck: The Economic Potential of Black and Hispanic Real Estate Developers and the Constraints they Face," Grove Impact, (March 2023), https://reports.groveimpact.org/breaking-the-glass-bottleneck/.

23 JPMorgan Chase & Co., *Lessons Learned from 10 Years of Investment in Detroit*, (2023), https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/detroit-playbook.pdf.

24 Capital Impact Partners, "Equitable Development Initiative," (n.d.), https://www.capitalimpact.org/programs/equitable-development-initiative.

25 Ahmad Abu-Khalaf, *Policy Brief: Closing the Capital Gap for Emerging Small-Scale BIPOC Developers*, Enterprise, (August 2022), https://www.enterprisecommunity.org/sites/default/files/2022-08/policybrief-capital-gap-v3.pdf.

26 JPMorgan Chase & Co., *Policies to Improve Affordable Rental Housing and Homeownership, PolicyCenter*, (June 2021), https://www.jpmorganchase.com/impact/our-approach/policy-center/policy-recommendations-for-affordable-rental-housing-and-homeownership.

27 Joop F. M. Koppenjan and Bert Enserink, "Public-Private Partnerships in Urban Infrastructures: Reconciling Private Sector Participation and Sustainability," *Public Administration Review*, 69(2): 284-296.

28 The Pew Charitable Trusts, "How States Can Direct Economic Development to Places and People in Need," (February 2021), https://www.pewtrusts.org/en/research-and-analysis/reports/2021/02/how-states-can-direct-economic-development-to-places-and-people-in-need.

29 U.S. Department of the Treasury Community Development Financial Institutions Fund, "Capital Magnet Fund," (2024), https://www.cdfifund.gov/programs-training/programs/cmf?secureweb=WINWORD.

30 Ibid.

31 U.S. Department of the Treasury Community Development Financial Institutions Fund, "New Markets Tax Credit Program," (2024), https://www.cdfifund.gov/programs-training/programs/new-markets-tax-credit.

32 Ibid.

33 The White House, "Investing in America," (2024), https://www.whitehouse.gov/cleanenergy/#:~:text=The%20Inflation%20Reduction%20Act%20provides,saving%20money%20on%20utility%20bills.

34 SELF, "SELF, America's First Community Development Green Bank, Launches the "Southern Climate Equity Accelerator"," (July 2023), https://solarenergyloanfund.org/self-americas-first-community-development-green-bank-launches-the-southern-climate-equity-accelerator/.

35 JPMorgan Chase & Co., "JPMorganChase committing $15 million to increase the supply of climate resilient affordable housing for Black, Hispanic and Latino households," (October 2022), https://www.jpmorganchase.com/news-stories/15m-commitment-increases-climate-resilient-affordable-housing.

36 Cinnaire Advancing Communities, "Delaware Catalyst Fund," (2024), https://cinnaire.com/delaware-catalyst-fund/.

37 Office of the Governor, "Governor Carney Announces American Rescue Plan Act Housing Initiatives," Delaware News, (July 2022), https://news.delaware.gov/2022/07/07/governor-carney-announces-american-rescue-plan-act-housing-initiatives/.

38 Maryland Bankers Association, "SB – Appraisal Gap From Historic Redlining Financial Assistance Program – Alterations," (February 2023), https://mgaleg.maryland.gov/cmte_testimony/2023/eee/1VDsNAcEx0xhVO00rhhA_0zEIJ7ylhNYm.pdf.

39 JPMorgan Chase & Co., *Policies to Improve Affordable Rental Housing and Homeownership, PolicyCenter,* (June 2021), https://www.jpmorganchase.com/impact/our-approach/policy-center/policy-recommendations-for-affordable-rental-housing-and-homeownership.

40 Brian Bieretz and Joseph Schilling, *Pay for Success and Blighted Properties: Insights and Opportunities for Funding Vacant Property Reclamation and Neighborhood Stabilization*, Urban Insitute, (July 2019), https://www.urban.org/sites/default/files/publication/100464/pfs_and_blighted_properties_0.pdf.

41 Frank S. Alexander, *Land Banks and Land Banking*, Center for Community Progress, (2015), https://communityprogress.org/wp-content/uploads/2021/08/2015-06-Land-Banks-and-Land-Banking-2-Publication.pdf.

42 Ibid.

43 Center for Community Progress, "National Land Bank Map," (n.d.), https://communityprogress.org/resources/land-banks/national-land-bank-map/.

44 ReBUILD Metro, *Whole Blocks, Whole City: Reclaiming Vacant Property Throughout Baltimore*, (January 2023), https://rebuildmetro.com/wp-content/uploads/2023/02/ReBUILD-Metro_Whole-Blocks-Whole-City.pdf.

45 Frank S. Alexander, *Land Banks and Land Banking*, Center for Community Progress, (2015), https://communityprogress.org/wp-content/uploads/2021/08/2015-06-Land-Banks-and-Land-Banking-2-Publication.pdf.

46 Local Housing Solutions, "Land Banks," (n.d.), https://localhousingsolutions.org/housing-policy-library/land-banks/#:~:text=Land%20banks%20are%20most%20commonly,repurpose%20to%20support%20community%20goals.

47 Frank S. Alexander, *Land Banks and Land Banking*, Center for Community Progress, (2015), https://communityprogress.org/wp-content/uploads/2021/08/2015-06-Land-Banks-and-Land-Banking-2-Publication.pdf.

48 National Association for Latino Community Asset Builders, *Promising Practices for Advancing Equitable Development,* (January 2021), HYPERLINK "https://nalcab.org/wp-content/uploads/2021/01/JPMC-END-Report-final-1.21.21.pdf"https://nalcab.org/wp-content/uploads/2021/01/JPMC-END-Report-final-1.21.21.pdf.

49 Center for Community Progress, "National Land Bank Map," (n.d.), https://communityprogress.org/resources/land-banks/national-land-bank-map/.

50 Frank S. Alexander and Sara J. Toering, *Georgia Land Bank Resource Manual*, Center for Community Progress, (June 2013), https://communityprogress.org/wp-content/uploads/2021/08/2013-06-Georgia-Land-Bank-Resource-Manual-Publication.pdf.

51 Chris Mueller and Paul Fontaine, *Good Deeds: Community-Minded Intervention to Strengthen the Detroit Housing Market is Working, According to U-M Analysis*, University of Michigan, (2019), https://www.bridgedetroit.com/wp-content/uploads/2021/04/RR-Case-Study-20210225-V11-1.pdf.

52 Tarik Abdelazim, "How to Fund Land Banks," *ShelterForce*, (November 2018), https://shelterforce.org/2018/11/13/how-to-fund-land-banks/.

53 Local Housing Solutions, "Land Banks," (n.d.), https://localhousingsolutions.org/housing-policy-library/land-banks/#:~:text=Land%20banks%20are%20most%20commonly,repurpose%20to%20support%20community%20goals.

54 Tarik Abdelazim, "How to Fund Land Banks," *ShelterForce*, (November 2018), https://shelterforce.org/2018/11/13/how-to-fund-land-banks/.

55 JPMorgan Chase & Co., *Lessons Learned from 10 Years of Investment in Detroit*, (2023), https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/detroit-playbook.pdf.

56 Detroit City Council, "Quarterly Report, Detroit Land Bank Authority ," (July 2014), https://s3.us-east-2.amazonaws.com/dlba-production-bucket/City_Council_Quarterly_Report/City-Council-Quarterly-Report.pdf.

57 JPMorgan Chase & Co., "One Year Later, JPMorganChase's $100 Million Commitment Helping to Accelerate Detroit's Recovery," (May 2015), https://www.jpmorganchase.com/news-stories/pr-jpmc-accelerates-detroit-recovery.

58 JPMorgan Chase & Co., *Invested in Detroit's Future*, (2015), https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/54929-jpmc-detroit-2015-online.pdf.

59 JPMorgan Chase & Co., *Lessons Learned from 10 Years of Investment in Detroit*, (2023), https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/detroit-playbook.pdf.

60 Ibid.

61 Build Baton Rouge, "Build Baton Rouge Wins $5 Million in JPMorganChase's AdvancingCities Challenge," (n.d.), https://buildbatonrouge.org/advancingcitiesbr/.

62 Sara Bongiorni, "Building Trust: An Experiment Could Juice NBR Development,"(October 2022), https://www.braf.org/stories/building-trust-an-experiment-could-juice-nbr-development/.

63 Ibid.

64 Ibid.

65 Cook County Land Bank Authority, "About Us," (n.d.), http://www.cookcountylandbank.org/about/about-us/.

66 Cook County Land Bank Authority, *Cook County Land Bank Authority Economic Impact One Year Snapshot: Fiscal Year 2023*, (2023), https://www.cookcountylandbank.org/wp-content/uploads/2024/01/CCLBA.Economic.Impact.Report.One_.Year_20240112.pdf.

67 Cook County Land Bank Authority, "Cook County Land Bank Authority and Community Developers Hold 'Buy Back the Block' Ribbon Cutting to Unveil Beautiful New Homes in West Woodlawn," (March 2023), http://www.cookcountylandbank.org/wp-content/uploads/2023/06/PRESS-RELEASE-3-7-23-Buy-Back-the-Block.pdf.

68 Cook County Land Bank Authority, "Cook County Land Bank Holds Deed Transfer Ceremony for Vacant Lot Giveaway Recipients in Englewood," (February 2023), http://www.cookcountylandbank.org/wp-content/uploads/2023/06/PRESS-RELEASE-02-18-23-Juneteenth-Land-Giveaway.pdf.

69 "3C Helps Communities Unlock Innovation in Affordable Housing," The Chicago Community Trust, (June 2022), https://www.cct.org/stories/3c-helps-communities-unlock-innovation-in-affordable-housing/.

70 Center for Community Progress, "Take it to the Bank: How Land Banks are Strengthening America's Neighborhoods," (November 2014), https://communityprogress.org/publications/take-it-to-the-bank-2/?secureweb=WINWORD.

71 Center for Community Progress, "Four Cities Selected for Vacant Properties Technical Assistance Scholarships," (2015), https://communityprogress.org/press/cities-selected-vacant-properties-technical-assistance-scholarships-3/.

72 Center for Community Progress, "Land Bank FAQs," (2024), https://communityprogress.org/publications/heirs-property-and-land-fractionation/?secureweb=WINWORD.

73 Center for Community Progress, "Progress Points: Strategic Code Compliance," (April 2024), https://communityprogress.org/publications/progress-points-code-enforcement/.

74 Tarik Abdelazim, Libby Benton, Matt Kreis, and Danielle Lewinski, "Reevaluating Code Enforcement: A New Approach to Addressing Problem Properties," Center for Community Progress, (February 2024), www.communityprogress.org/code-enforcement-report.

75 Ibid.

76 Ibid.

77 Thomas W. Mitchell, "From Reconstruction to Deconstruction: Undermining Black Ownership, Political Independence, and Community Through Partition Sales of Tenancy in Common Property," *Legal Studies*, no. 95 (2001): 505-580, https://scholarship.law.tamu.edu/facscholar/783/.

78 Cassandra J. Gaither, Ann Carpenter, Tracy Lloyd McCurty, and Sara Toering, *Heirs' Property and Land Fractionation: Fostering Stable Ownership to Prevent Land Loss and Abandonment*, (Atlanta: U.S. Department of Agriculture Forest Service, Southern Research Station, 2019): 1-118.

79 Kendall B. Bargeman, "The Heirs Property Dilemma: How Stronger Federal Policies Can Help Narrow the Racial Wealth Gap," *North Carolina Banking Institute*, 15, (March 2023): 320-348.

80 JPMorgan Chase & Co., *Preserving Generational Wealth by Untangling Titles for Heirs Property Owners, PolicyCenter*, (October 2023), https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/generational-wealth-heirs-property-policy-factsheet.pdf.

81 Gillian B. White, "A Housing Criss Amid Tens of Thousands of Abandoned Homes," *The Atlantic*, (August 2015), https://www.theatlantic.com/business/archive/2015/08/new-orleans-blight-hurricane-katrina/401843/.

82 Ibid.

83 New Orleans Redevelopment Authority, *NORA/60: 2024-2028 Strategic Plan, (2023)*, https://noraworks.org/images/NORA-StrategicPlan-2023.pdf.

84 New Orleans Redevelopment Authority, *NORA/60: 2024-2028 Strategic Plan*, (2023), https://noraworks.org/images/NORA-StrategicPlan-2023.pdf.

85 City of Detroit, "DLBA's Buy Back Program Creates More Than 1,000 Homeowners, 2023 Graduates Celebrated Today," (August 2023), https://detroitmi.gov/news/dlbas-buy-back-program-creates-more-1000-homeowners-2023-graduates-celebrated-today.

86 Ibid.

87 Metro Atlanta Land Bank, *Annual Report*, (August 2023), https://www.metroatlantalandbank.org/wp-content/uploads/2023/08/Metro-Atlanta-Land-Bank-Annual-Report-2022-FINAL.pdf.

88 Catapult Greater Pittsburgh, "Our Programs," (n.d.), https://catapultpittsburgh.org/programs/.

89 Ibid.

90 LISC Jacksonville, "LISC Jacksonville Receives $500,000 Commitment for Heirs' Property Program During Estate Planning Forum," (November 2023), https://www.lisc.org/jacksonville/regional-stories/lisc-jacksonville-receives-500000-commitment-for-heirs-property-program-during-estate-planning-forum/.

91 Ibid.

92 LISC Jacksonville, "Advancing Racial Equity & Generational Wealth," (n.d.), https://www.lisc.org/jacksonville/about-us/what-we-do/family-wealth-creation/.

93 JPMorgan Chase & Co., *Preserving Generational Wealth by Untangling Titles for Heirs Property Owners, PolicyCenter,* (October 2023), https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/generational-wealth-heirs-property-policy-factsheet.pdf.

94 Texas Law Help, "Inherited Homes and Homestead Exemptions," (January 2023), https://texaslawhelp.org/article/inherited-homes-and-homestead-exemptions#:~:-text=As%20of%202020%2C%20heir%20property,if%20there%20were%20other%20heirs.

95 Texas Comptroller of Public Accounts, "Residence Homestead Exemption Frequently Asked Questions," (n.d.), https://comptroller.texas.gov/taxes/property-tax/exemptions/residence-faq.php.

96 Virginia Law, *Code of Virginia: Article 4. Bill in Equity for Sale of Delinquent Tax Lands*, (2021), https://lis.virginia.gov/cgi-bin/legp604.exe?212+sum+HB2165.

97 Thomas W. Mitchell, "Historic Partition Law Reform: A Game Changer for Heirs' Property Owners," in *Heirs' Property and Land Fractionation: Fostering Stable Ownership to Prevent Land Loss and Abandonment*, edited by Cassandra J. Gaither, Ann Carpenter, Tracy Lloyd McCurty, and Sara Toering (U.S. Department of Agriculture Forest, 2019): 65-82.

98 Ibid.

What Works

JPMorganChase