



Housing Market Index

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Federal Reserve Bank of Minneapolis

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Reclaiming Vacant Properties

New Orleans, LA

Disclaimer: The views I express here today are my own and are not necessarily those of the Federal Reserve Bank of Minneapolis or the Federal Reserve System.

Background

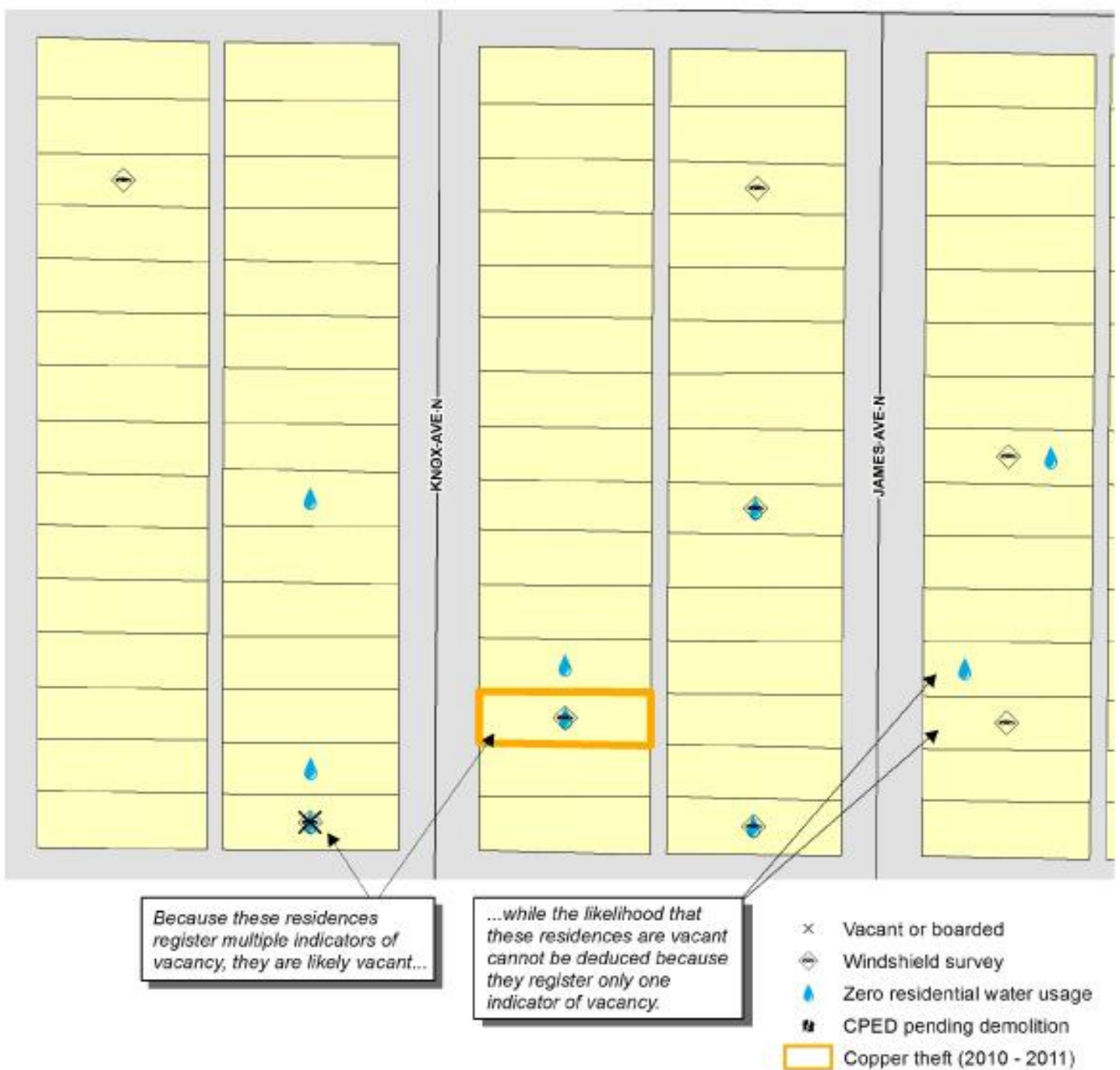
Study Area



Minneapolis

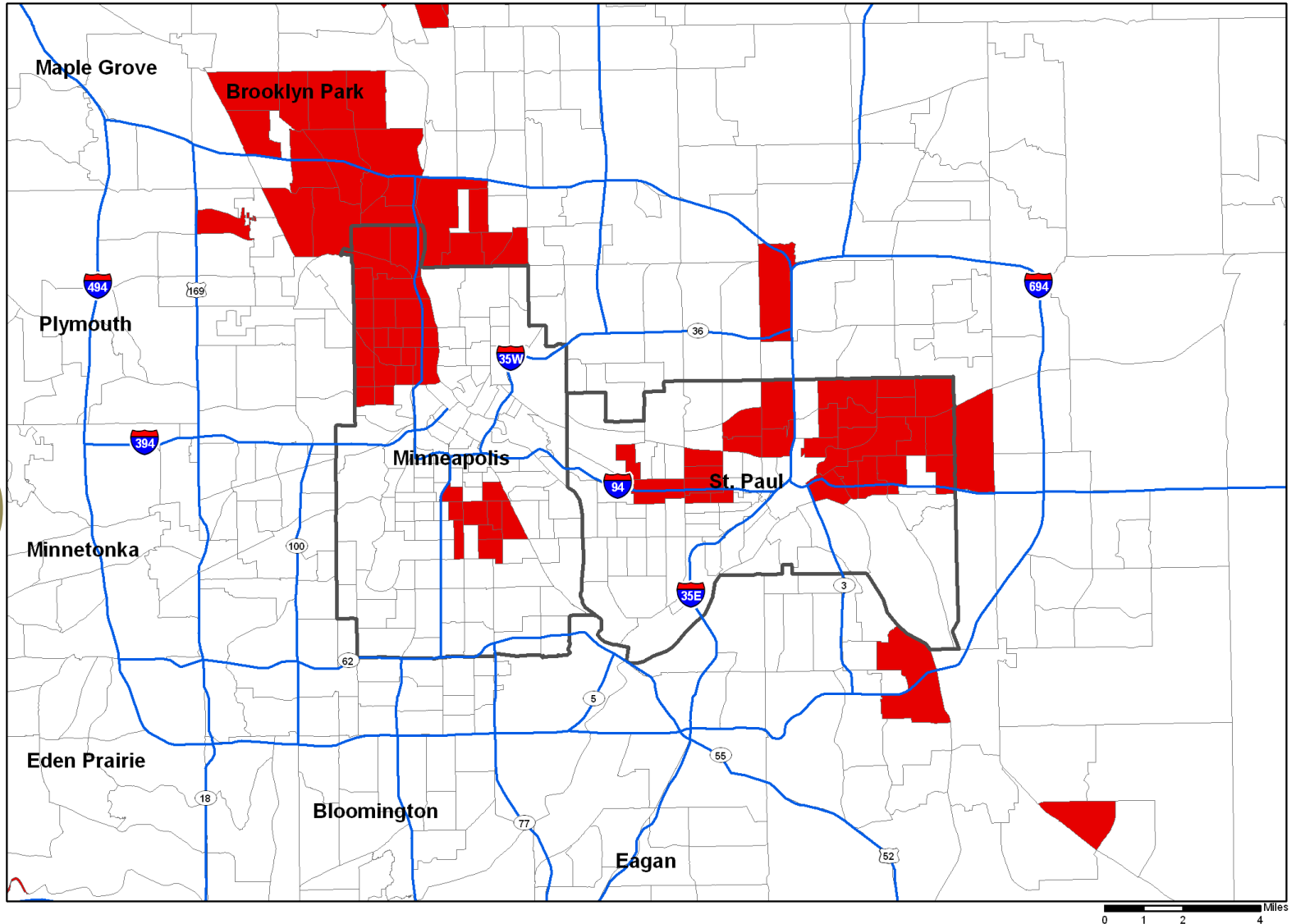


Background



Background

Highest Risk and Weakest Market Tracts in Minneapolis-St Paul



HMI Variables

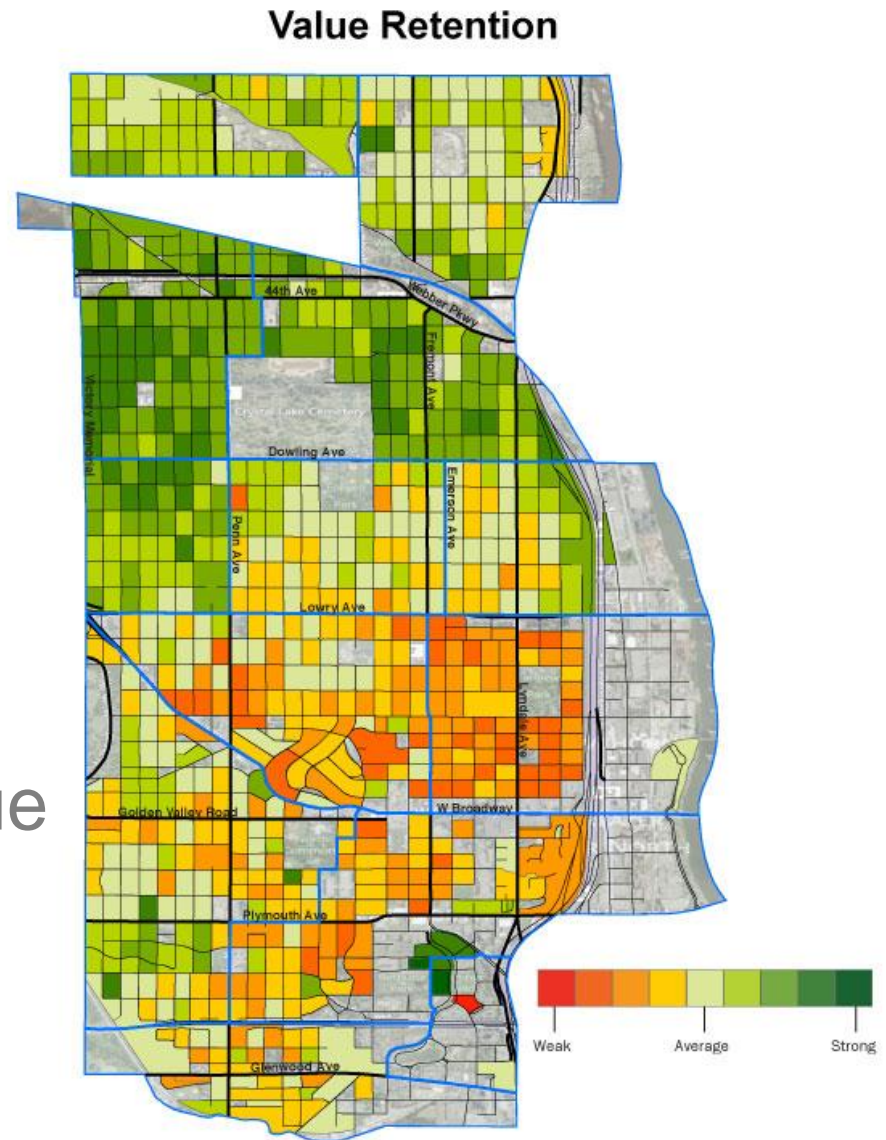
HMI

- Value Retention
- Owner Occupancy
- Building Condition
- Vacancy



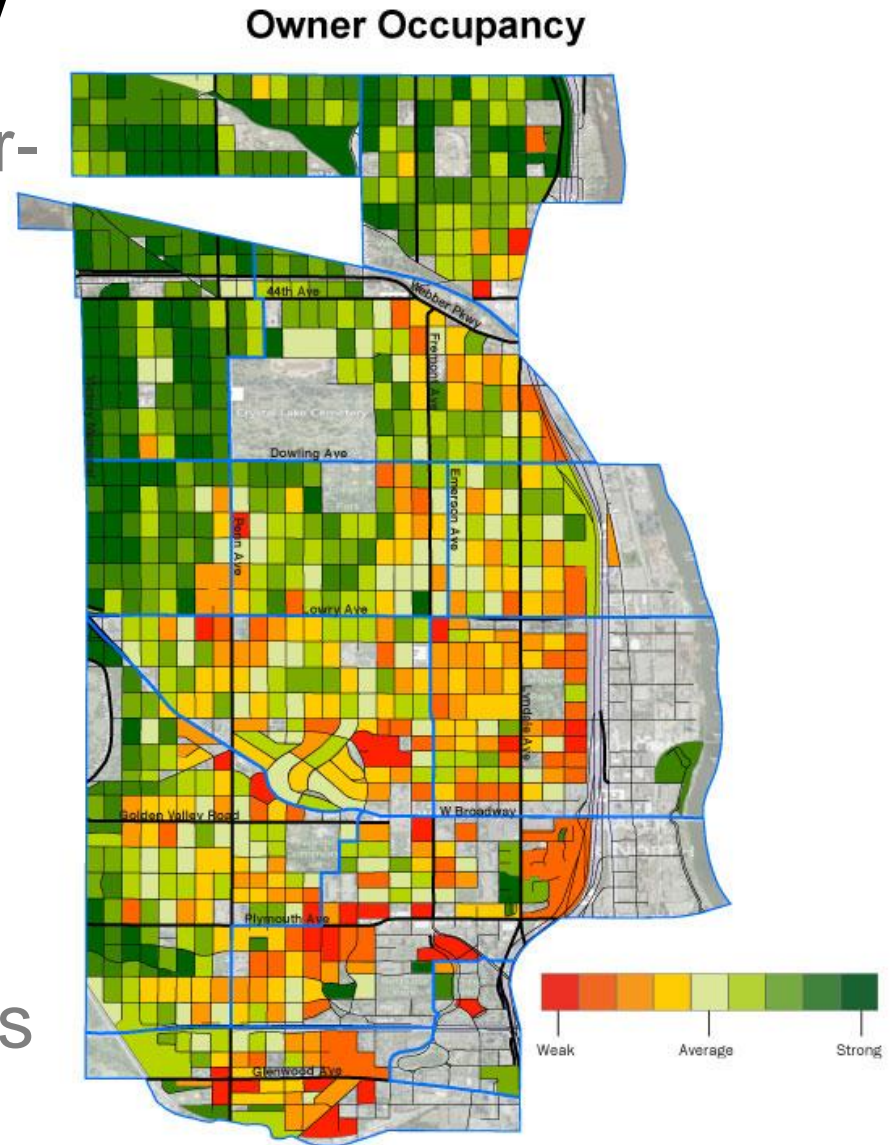
Value Retention

- Estimated Market Value (Jan 2007 to present)
- Captures intangible/undefined drivers of housing market strength
- Red = lost more value
- Green = lost less value



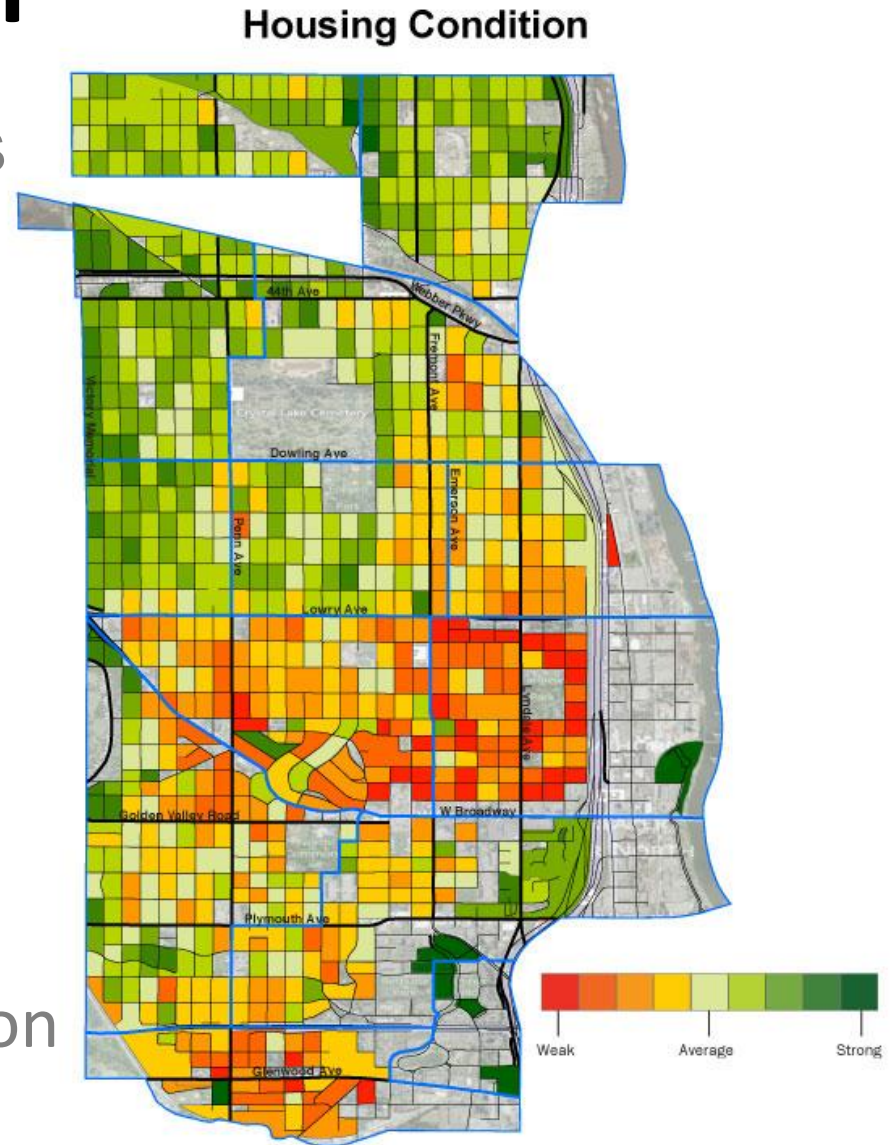
Owner Occupancy

- Percentage of Owner-Occupants
- Incentive to invest/improve properties & stability of neighborhood
- House is often the largest investment
- Red = fewer owners
- Green = more owners



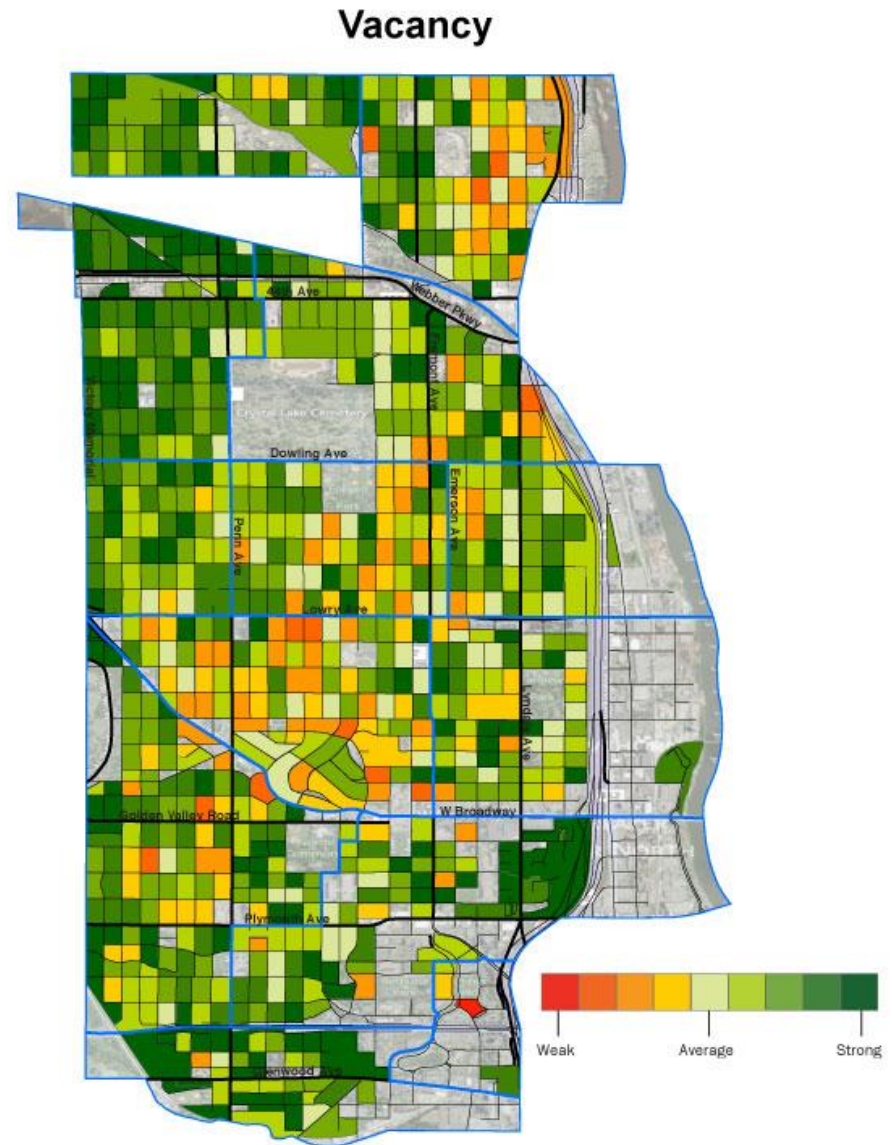
Housing Condition

- Average Minneapolis Assessor's Rating
- Blocks with well-maintained houses are more attractive to potential buyers
- The higher the rating, the stronger the block
- Red = worse condition
- Green = better condition

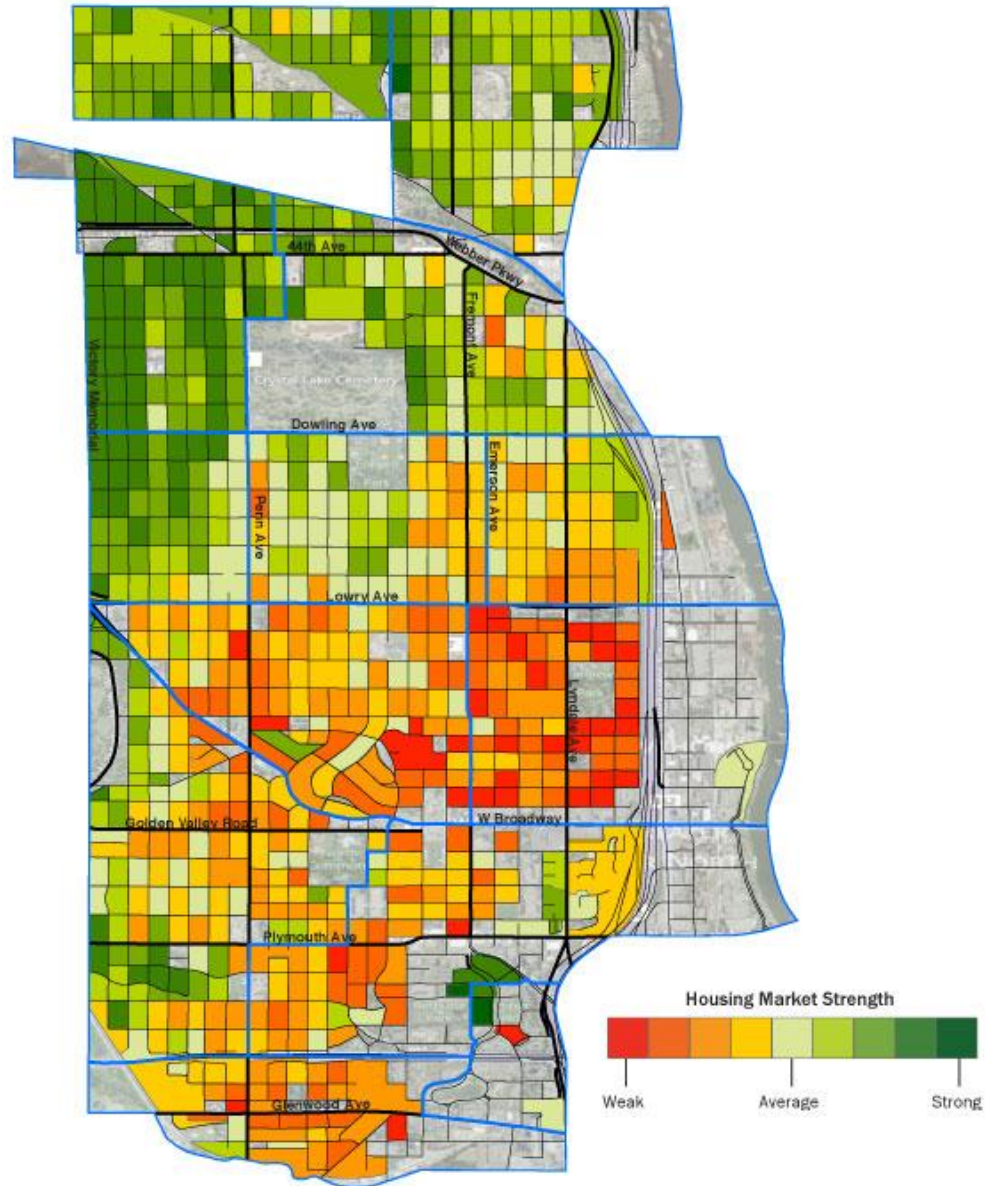


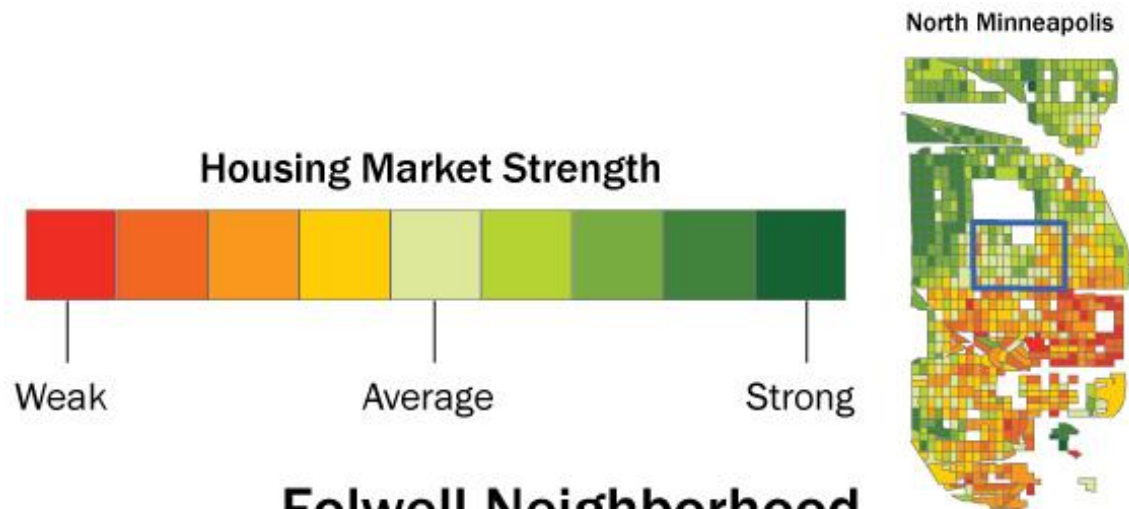
Vacancy

- Percentage of residences that are vacant
- Too many vacancies can lead to increase in crime, structural and landscaping neglect
- Red = more vacancy
- Green = less vacancy



Composite Housing Market Index





Folwell Neighborhood



Thank you!