



Impacts of Anti-Vacancy & Anti-Blight Ordinances on Local Housing Markets

What we learned in Cuyahoga County

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*The views expressed are mine and not necessarily those of the Federal Bank of
Cleveland
or the Federal Reserve System*

Local ordinances



- ❑ Point of sale inspection – automatic inspections when property is sold
- ❑ Escrow requirement – bring houses up to code & pay property taxes upon transfer
- ❑ Vacancy/foreclosure registrations – register property and pay fee and subject to periodic inspections

What we are measuring



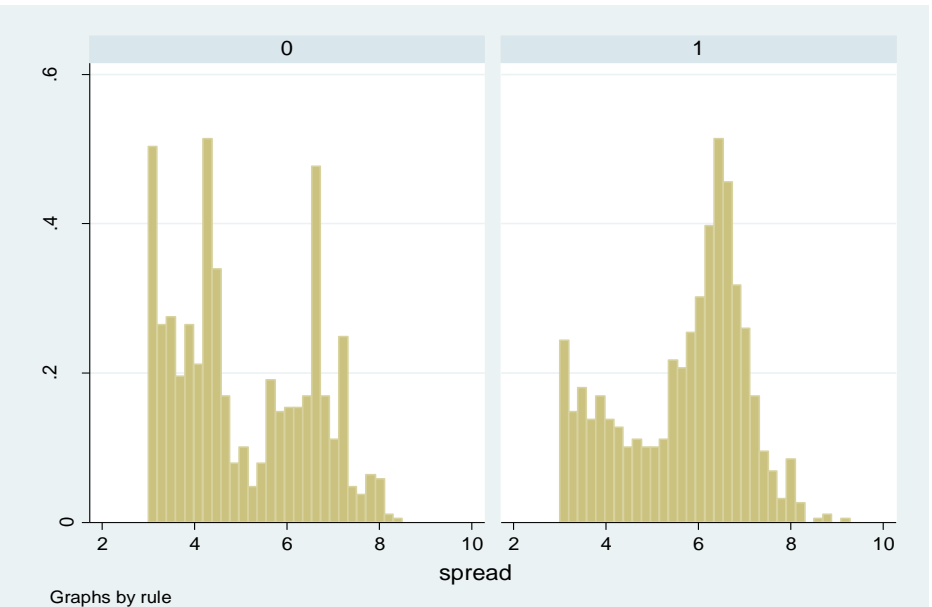
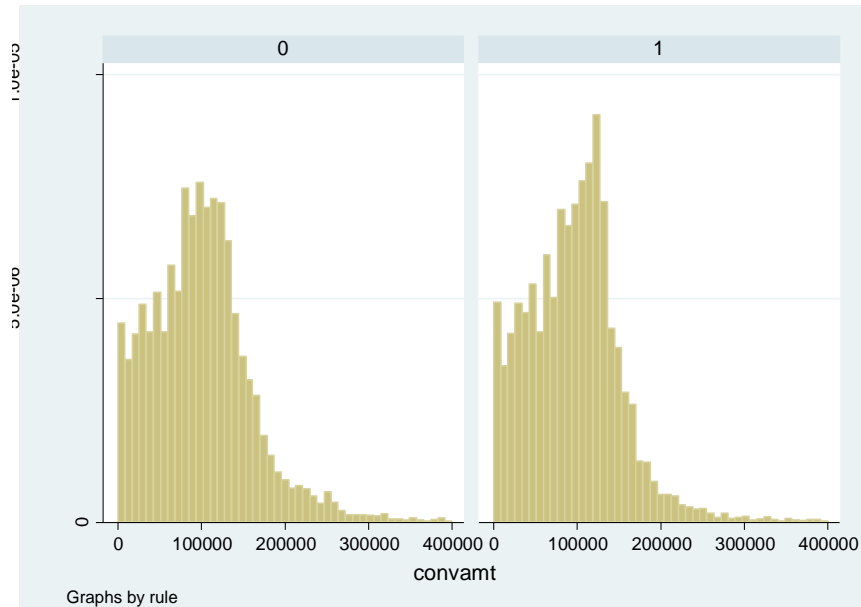
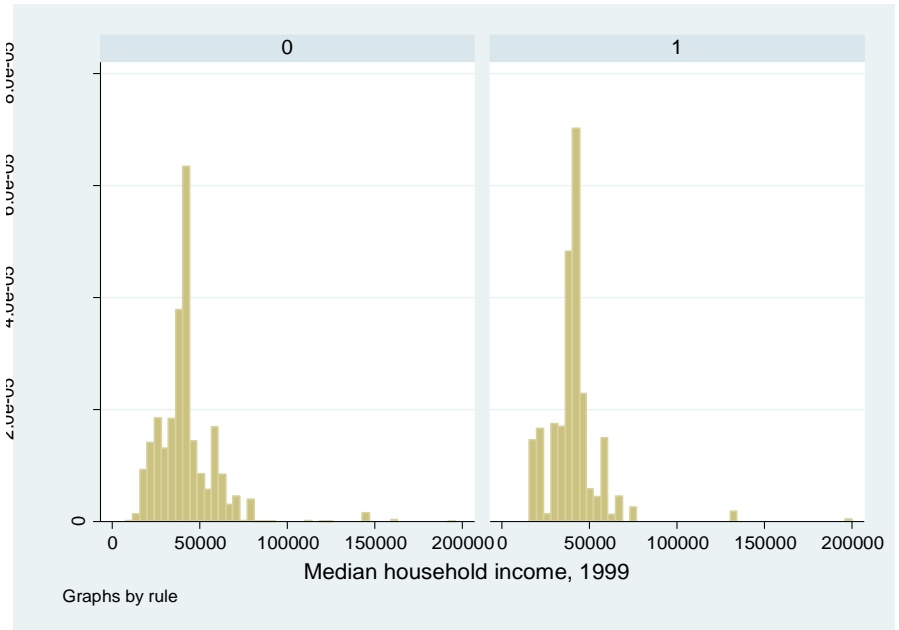
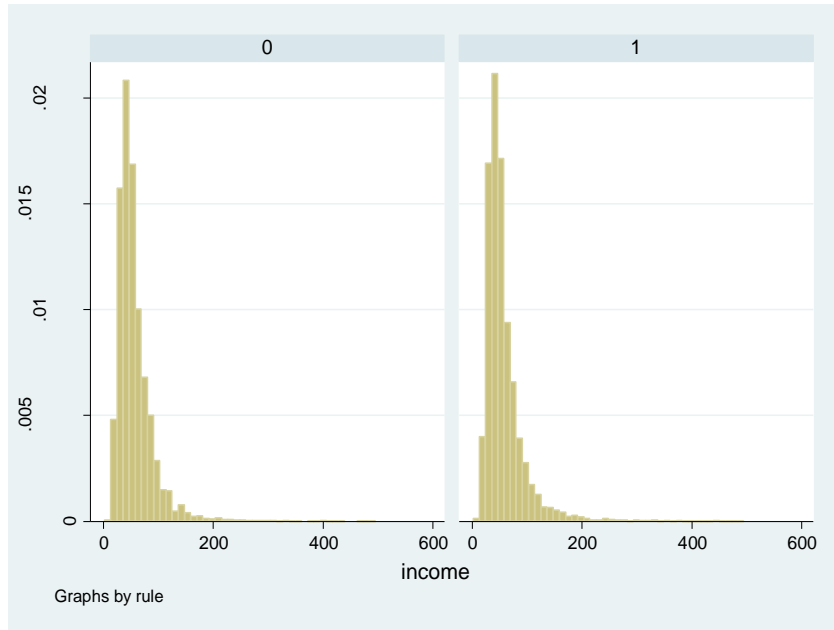
Outcomes on properties sold 2006-2009

- ☐ Likelihood property will end up in foreclosure
- ☐ Likelihood property will enter flipping cycle
- ☐ Likelihood property will be sold < \$10,000
- ☐ Property is tax delinquent or became tax delinquent /current after sale

Data and methods

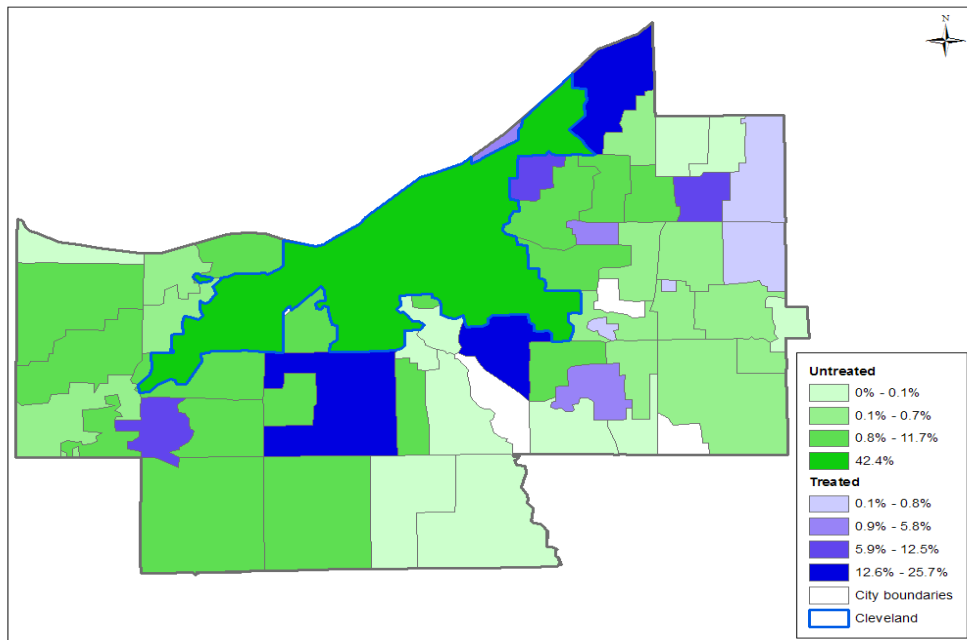
1. Merge A with B using parcel			
	II. Merge A&B with C using parcel, date		
		III. Probabilistically link A&B&C to D using origination amount, date, bank, blocking by census tract and year	
A. Parcel Characteristics	B. Sales-mortgage & cash transactions	C. Recorder –mortgage sales	D. HMDA – mortgage sales
IV. Merge with neighborhood characteristics (i.e. race, educational attainment, unemployment, tenure, originations by non-depository institutions, median sales price)			

Comparison of sales with and w/o ordinances

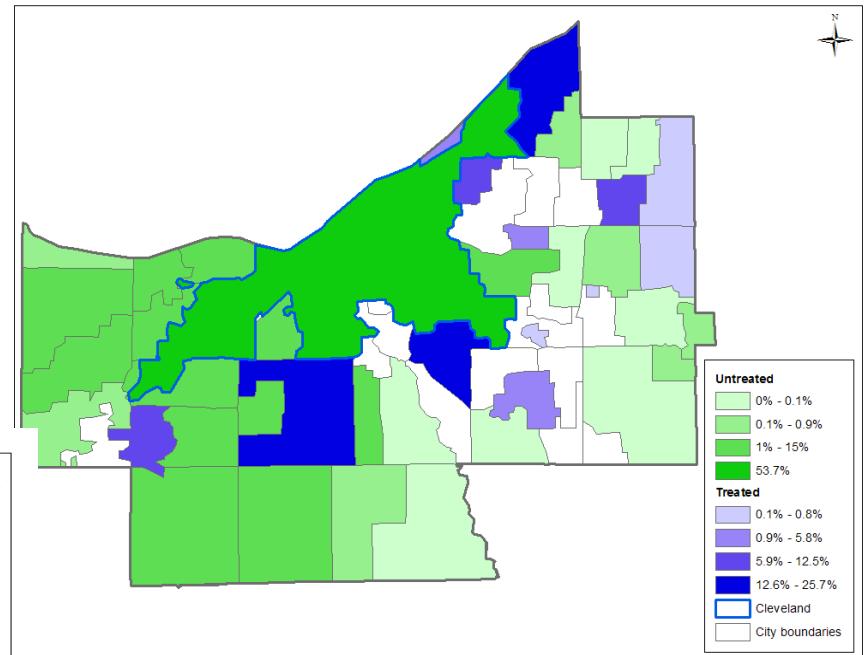


Locations of treated and matched untreated sales

Any match



Restricted match



What we learned

	SIGNIFICANTLY MORE LIKELY		
	SIGNIFICANTLY LESS LIKELY		
	NOT SIGNIFICANT		
Loan-financed sales only			
	Point of sale	Escrow	Vacancy registration
Loan ends up in foreclosure			
Low value sales (< \$10,000)			
Property flipped			
Property is tax delinquent after sale			
Property is tax delinquent before sale becomes current after			
Property is current on taxes before sale becomes delinquent after			
Cash sales only			
	Point of sale	Escrow	Vacancy registration
Low value sales (< \$10,000)			
Property flipped			
Property is tax delinquent after sale			
Property is tax delinquent before sale becomes current after			
Property is current on taxes before sale becomes delinquent after			



Questions or comments?

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http://www.clevelandfed.org/community_development