

# Who Owns America<sup>SM</sup>

Revealing Property Ownership Patterns with  
Down-to-the-Parcel Precision

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LINCOLN INSTITUTE  
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**Who Owns America<sup>SM</sup>** is an effort to uncover property ownership patterns with **unprecedented ease, precision, and nuance**.

## The Ugly Truth Behind “We Buy Ugly Houses”

HomeVestors of America, the self-proclaimed “largest homebuyer in the U.S.,” trains its nearly 1,150 franchisees to zero in on homeowners’ desperation.



## How a small group of investors turned distressed Baltimore neighborhoods into profit centers

Just 10 companies have acquired the lion's share of properties foreclosed on through the city's tax sale and most of the profits, a Banner analysis found.

## Maui fire victims face aggressive land offers from investors and realtors amid devastation

MAUI, Hawaii (KMPH) — Maui fire victims are taking to social media, calling out investors and real estate agencies for offering to buy their land after wildfires burned their homes.

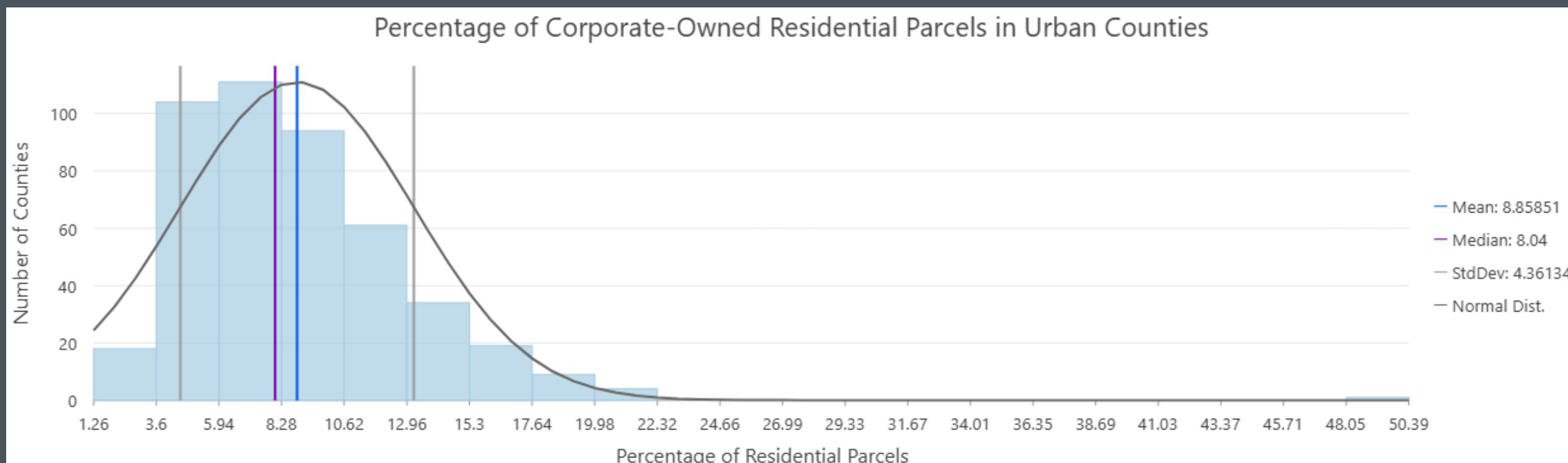
## Big investors are buying mobile home parks — and upending the lives of residents

# Lincoln Institute's Role

- **Provide** tools to help local governments
  - identify ownership changes and patterns
  - prioritize public land for development
  - **Promote** strategic, data-driven decision-making
- **Support** equitable rural and urban housing preservation and development

# Corporate Ownership of Residential Parcels in Urban Counties

- Analyzed corporate ownership of residential parcels across nearly 500 urban counties



# Corporate Ownership of Residential Parcels in Urban Counties

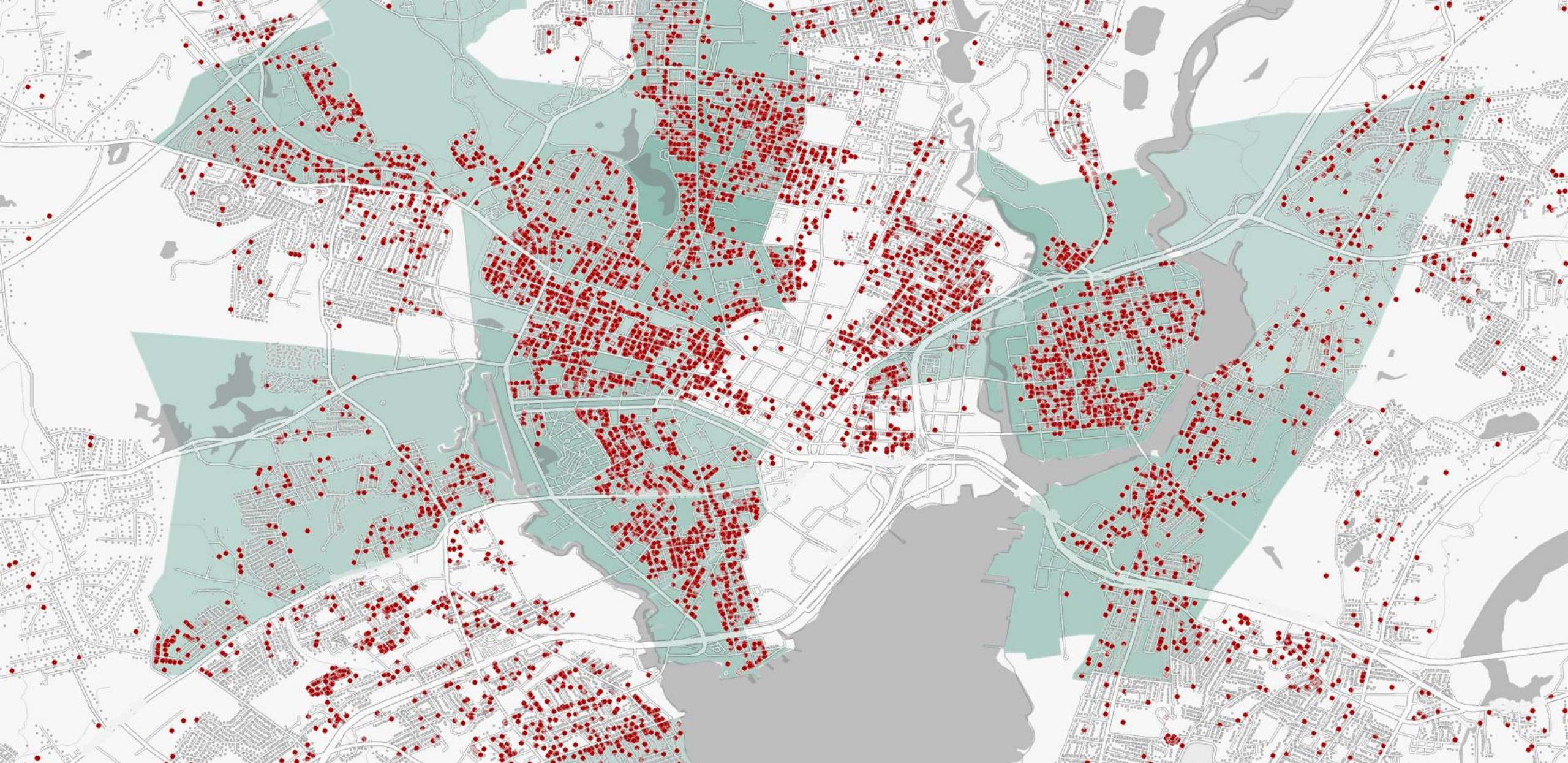
- Mix of large metropolitan areas, university/college towns, fast-growing metro suburbs
- 192 counties with rates above the mean of 8.86%

| Rank | State | County          | % Corporate Owned Residential Parcels |
|------|-------|-----------------|---------------------------------------|
| 1    | NY    | NEW-YORK        | 50.39                                 |
| 2    | MO    | ST-LOUIS        | 20.86                                 |
| 3    | VA    | HARRISONBURG    | 20.37                                 |
| 4    | OH    | FRANKLIN        | 20.05                                 |
| 5    | VA    | EMPORIA         | 19.7                                  |
| 6    | MD    | BALTIMORE       | 19.6                                  |
| 7    | GA    | CLARKE          | 19.46                                 |
| 8    | VA    | RADFORD         | 19.23                                 |
| 9    | GA    | DOUGHERTY       | 18.91                                 |
| 10   | VA    | WINCHESTER      | 18.86                                 |
| 11   | FL    | MIAMI-DADE      | 18.5                                  |
| 12   | OK    | OKLAHOMA        | 18.09                                 |
| 13   | GA    | NEWTON          | 17.5                                  |
| 14   | FL    | OSCEOLA         | 17.45                                 |
| 15   | VA    | DANVILLE        | 17.42                                 |
| 16   | MO    | GREENE          | 17.21                                 |
| 17   | GA    | CLAYTON         | 17.03                                 |
| 18   | MO    | JACKSON         | 17.03                                 |
| 19   | VA    | CHARLOTTESVILLE | 16.91                                 |
| 20   | VA    | PETERSBURG      | 16.51                                 |

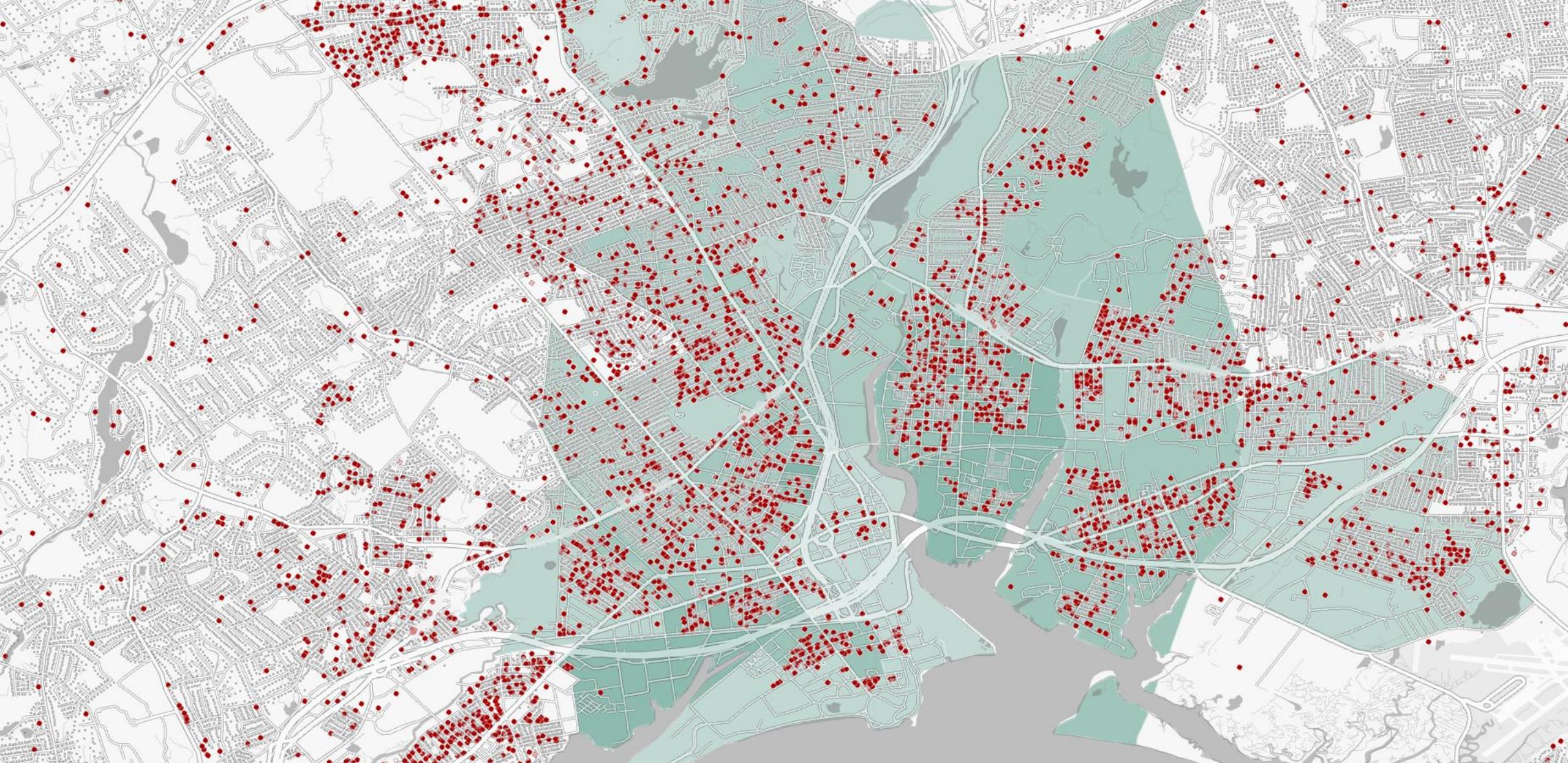
# Corporate Ownership of Residential Parcels in Connecticut

- CT “counties” have moderate rates of corporate-owned residential parcels
- Most sit below national median of 8.04%
- Capitol, Bridgeport, and South-Central are hotspots

| County                         | Parcels | % Corporate owned rental | % Non-corporate rental | % Owner-occupied |
|--------------------------------|---------|--------------------------|------------------------|------------------|
| CAPITOL                        | 290368  | 7.64                     | 14.03                  | 71.79            |
| GREATER-BRIDGEPORT             | 93485   | 7.49                     | 17.38                  | 74.57            |
| LOWER-CONNECTICUT-RIVER-VALLEY | 46990   | 2.47                     | 11.35                  | 65.58            |
| NAUGATUCK-VALLEY               | 131765  | 1.72                     | 5.27                   | 39.57            |
| NORTHEASTERN-CONNECTICUT       | 32004   | 3.42                     | 18.86                  | 70.45            |
| NORTHWEST-HILLS                | 42983   | 5.48                     | 27.54                  | 66.29            |
| SOUTH-CENTRAL-CONNECTICUT      | 165604  | 8.27                     | 15.72                  | 74.87            |
| SOUTHEASTERN-CONNECTICUT       | 65838   | 2.27                     | 12.65                  | 53.61            |
| WESTERN-CONNECTICUT            | 176312  | 6.16                     | 25.2                   | 67.23            |



# New Haven



# Bridgeport

# Understanding Ownership Conversion

## The economics:

*For every \$500 net monthly rental income, capitalized property value increases by \$100,000 (using a cap rate of 6%)*

Example: A three-bedroom home that rents for \$2000 a month and produces \$1500/month in net income is worth \$300,000

*Doesn't include tax and other accounting advantages; today's cap rates are below 5%*

# How Investors Think

|           |                          | FINANCIAL           |                                  |                |                   |                     | DEMOGRAPHIC       |                    |                           |                            |                   | OTHER        |                |  |
|-----------|--------------------------|---------------------|----------------------------------|----------------|-------------------|---------------------|-------------------|--------------------|---------------------------|----------------------------|-------------------|--------------|----------------|--|
|           |                          | Price to Rent Ratio | Home Price for \$1K/month rental | Property Taxes | State Income Tax* | State Cap Gains Tax | City Pop. (000's) | Metro Pop. (000's) | % Change from 2010 (CITY) | % Change from 2010 (METRO) | Tenant Laws       | Flood Risk** | Other Risk     |  |
| CASH FLOW | <b>Cleveland, OH</b>     | 7.6                 | \$91,200                         | 2.11%          | 3.99%             | 4.80%               | 374               | 2,088              | -5.4%                     | 0.5%                       | Landlord-Friendly | 7%           | Winters        |  |
|           | <b>Birmingham, AL</b>    | 8.4                 | \$100,800                        | 0.65%          | 5.00%             | 5.00%               | 206               | 1,115              | -2.9%                     | 5.1%                       | Landlord-Friendly | 19%          |                |  |
|           | <b>Dayton, OH</b>        | 9.3                 | \$111,600                        | 2.03%          | 3.99%             | 4.80%               | 137               | 814                | -2.9%                     | 1.9%                       | Landlord-Friendly | 10%          | Small Market   |  |
|           | <b>Memphis, TN</b>       | 10.5                | \$126,000                        | 1.42%          | 0.00%             | 0.00%               | 651               | 1,338              | -0.2%                     | 1.9%                       | Balanced          | 13%          |                |  |
|           | <b>Allentown, PA</b>     | 10.5                | \$126,000                        | 1.69%          | 3.07%             | 3.07%               | 125               | 861                | 6.6%                      | 5.0%                       | Renter-Friendly   | 6%           | Small Market   |  |
|           | <b>South Bend, IN</b>    | 10.6                | \$127,200                        | 1.00%          | 3.23%             | 3.23%               | 103               | 324                | 2.3%                      | 1.7%                       | Landlord-Friendly | 16%          | Winters; Small |  |
|           | <b>St. Louis, MO</b>     | 11.2                | \$134,400                        | 1.29%          | 5.40%             | 5.40%               | 292               | 2,820              | -8.6%                     | 1.2%                       | Landlord-Friendly | 10%          |                |  |
|           | <b>Buffalo, NY</b>       | 11.4                | \$136,800                        | 2.37%          | 10.90%            | 8.82%               | 254               | 1,166              | -2.9%                     | 2.8%                       | Balanced          | 23%          | Winters        |  |
|           | <b>Pittsburgh, PA</b>    | 11.4                | \$136,800                        | 1.98%          | 3.07%             | 3.07%               | 299               | 2,370              | -1.9%                     | 0.6%                       | Renter-Friendly   | 14%          |                |  |
|           | <b>Augusta, GA</b>       | 11.8                | \$141,600                        | 0.97%          | 5.75%             | 5.75%               | 200               | 611                | 2.1%                      | 8.2%                       | Landlord-Friendly | 12%          | Small Market   |  |
|           | <b>Montgomery, AL</b>    | 12.2                | \$146,400                        | 0.36%          | 5.00%             | 5.00%               | 197               | 386                | -4.0%                     | 3.1%                       | Landlord-Friendly | 12%          | Small Market   |  |
|           | <b>Baltimore, MD</b>     | 12.2                | \$146,400                        | 1.51%          | 5.75%             | 5.75%               | 566               | 2,844              | -8.7%                     | 4.9%                       | Balanced          | 6%           |                |  |
| BALANCED  | <b>Chattanooga, TN</b>   | 12.8                | \$153,600                        | 0.89%          | 0.00%             | 0.00%               | 185               | 562                | 8.7%                      | 6.5%                       | Balanced          | 29%          | Small Market   |  |
|           | <b>Tulsa, OK</b>         | 13.1                | \$157,200                        | 1.13%          | 4.75%             | 4.75%               | 404               | 1,015              | 2.8%                      | 8.3%                       | Balanced          | 16%          |                |  |
|           | <b>El Paso, TX</b>       | 13.1                | \$157,200                        | 2.00%          | 0.00%             | 0.00%               | 687               | 868                | 5.6%                      | 8.1%                       | Landlord-Friendly | 11%          |                |  |
|           | <b>Kansas City, MO</b>   | 14.3                | \$171,600                        | 1.33%          | 5.40%             | 5.40%               | 505               | 2,192              | 9.7%                      | 9.1%                       | Balanced          | 7%           |                |  |
|           | <b>Indianapolis, IN</b>  | 14.3                | \$171,600                        | 1.00%          | 3.23%             | 3.23%               | 892               | 2,111              | 8.7%                      | 11.8%                      | Landlord-Friendly | 10%          |                |  |
|           | <b>Columbus, OH</b>      | 14.7                | \$176,400                        | 2.04%          | 3.99%             | 4.80%               | 921               | 2,138              | 16.5%                     | 12.5%                      | Landlord-Friendly | 6%           |                |  |
|           | <b>Oklahoma City, OK</b> | 15.8                | \$189,600                        | 1.02%          | 4.75%             | 4.75%               | 676               | 1,425              | 16.1%                     | 13.8%                      | Balanced          | 7%           |                |  |

\*Top marginal rates

\*\*Percent of homes that have some flood risk  
(Floodplain, 100-year)

# What can we do?

- **Insulate a significant share of local housing markets from speculative investment**
  - Permanently affordable: **community land trusts**; limited equity coops; public housing; deed restricted
  - Temporarily restricted: inclusionary housing; LIHTC
- **Change the economics through policy (tax and otherwise)**
- **Build more housing**—on public land

# Public Policy/Regulatory Responses

- **Create a rental registry/vacant property registry**
- Enforce or implement a '**right of first refusal**'
- **Curtail short-term rentals** using: inspections, imposing hotel taxes, commercial tax rate
- Use aggressive **code enforcement**
- **Standard setting**—rent stabilization, safety and soundness
- NY Governor proposed 75 day exclusion period to give home buyers a fair shot ahead of investors

# Market Interventions

- **Direct competition**
  - Deploy public finance to acquire portfolios of homes from speculative investor owners. Example: recent acquisition of 194 homes by The Port of Cincinnati and its CARE Homes initiative.
- **Scaling permanent affordability**
  - Commit **publicly-owned land** to CLTs (250k+ acres)
  - Impose **inclusionary housing** requirements on large-scale owners and enforce with real deed restrictions
  - Subsidize **conversion** of existing affordable stock to coops/CLTs

# Tax Policy Solutions

- Local

- Property tax escalators for vacant properties
- Differential property tax rates – treat rental portfolios as commercial
- Reassess Property Value—valuing properties using cash flow method
- Tracking and taxing short-term rentals
- Stop selling tax liens!

- Federal

- Undo SALT limits established by Trump tax cuts
- Reform depreciation, capital gains, and other accounting allowances
- Impose heavy LVIT on short term owners

# Discussion



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