Untangling Heirs' Property:
Navigating the Impact on Homeownership and Wealth Equity

28 February 2024, 3:00pm ET
A Methodological Approach to Estimate Residential Heirs’ Property in the United States

Housing Assistance Council,
in collaboration with Fannie Mae
Natasha Moodie
Dr. Keith Wiley
Lance George
Housing Assistance Council

HELPING BUILD HOMES AND COMMUNITIES ACROSS RURAL AMERICA

RESEARCH AND INFORMATION
TRAINING AND TECHNICAL ASSISTANCE
LENDING
RURAL POLICY
Heirs’ Property

When a property owner dies without a will or another form of estate planning, the property is transferred to their descendants (heirs) as undivided property.

Sometimes, property owners choose to leave the land to multiple descendants, but the property has not completed the formal transfer of the title.
Household and Community Implications

Property titles are required for:
- Market Participation
- Loans
- Insurance
- Federal Grants

Impacts of Not Having Clear Title:
- Decreased agency for property owners
- Vulnerable to Property Loss
- Increased Dilapidation and Vacancy
- Loss of Generational Wealth
- Decreased tax base and property tax revenue
Heirs’ Property Systemic Causes

Systemic Issues:
- Exclusion from the financial and legal system
- Lack of cultural inclusivity in legal and financial systems
- Hesitancy in engaging with the legal system
- Legal and financial deserts

Barriers to Probate:
- Financial constraints
- Familial issues
- Varied understanding of the legal system and probate process
- Legal desert
## Research Methodology

<table>
<thead>
<tr>
<th>Owner Characteristics</th>
<th>Property Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential properties owned by multiple real persons with no indication of probate or formal title transfer after the death of an owner</td>
<td>Analysis of property characteristics to identify properties with indicators aligned with a lack of clear title</td>
</tr>
</tbody>
</table>
Findings: Estimate of Heirs’ Property*

<table>
<thead>
<tr>
<th>Identified Heirs' Property</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Residential Properties</td>
<td>94,201,062</td>
</tr>
<tr>
<td>Total Estimate of Identified Heirs' Properties</td>
<td>508,371 (0.5%)</td>
</tr>
<tr>
<td>Total Assessed Value for Identified Properties</td>
<td>$32.3 Billion</td>
</tr>
</tbody>
</table>

*The findings are based on estimates from 44 States and the District of Columbia. The omitted states are Kansas, Maryland, New York, Vermont, Wisconsin, and Wyoming.
Prevalence of Heirs' Property by County (Estimate)

Source: Housing Assistance Council Tabulations of BKFS Data.
Counties with poverty rates of 20% or higher over three decades.

<table>
<thead>
<tr>
<th>Classification</th>
<th>All Properties</th>
<th>Estimated Heirs’ Property</th>
<th>Percent Heirs’ Property</th>
</tr>
</thead>
<tbody>
<tr>
<td>Persistent Poverty</td>
<td>5,173,671</td>
<td>62,792</td>
<td>1.2%</td>
</tr>
<tr>
<td>All Other Counties</td>
<td>89,027,391</td>
<td>517,579</td>
<td>0.6%</td>
</tr>
<tr>
<td>Total Properties in the 44 States and D.C.</td>
<td>94,201,062</td>
<td>580,371</td>
<td>0.6%</td>
</tr>
</tbody>
</table>
64.6% (374,770) of all identified heirs’ properties are in DTS rural census tracts.
Considerations

The estimates are conservative

Research did not include vacant properties or farmlands

Further regional research is needed

Data varied by county and state
Looking Forward

Regionally focused quantitative and qualitative research

Collaboration between housing and community development fields with legal firms, academia, and agriculture.

Housing Policy

Housing Finance
Looking Forward

Benefits for Families and Communities:

- Increased agency as property and landowners
- Land tenure and retention
- Defensiveness against homelessness
- Increased access to equity
- Reducing the racial wealth gap and homeownership gap
- Increased land value in the community
- Community preservation

Photo: Rory Doyle – There is More Work to Be Done
COMMUNITY LAWYERING
A PRACTITIONER'S PERSPECTIVE
COMMUNITY LAWYER PRACTITIONER PERSPECTIVE

Help families find/use resources to position the property in a way to leverage and maximize heirs’ property and add value to the generational wealth.

Know the People, Community, Culture and History

Navigate and resolve legal issues related to Heirs’ Property
RESOLVING THE LEGAL ISSUES

Probate and or Partition (Uniform Partition of Heirs’ Property Act Florida Statutes 64.201-64.214)

Post-Disaster

Eviction

Property Taxes (Arrears/Property Exemptions)

Deed Preparation/Correction

Title Issues
FAMILY TO-DO LIST

• Locate Family Members
  • Names, Contact Information and provide the information to the attorney

• Get the Family Together
  • (In-Person or Zoom)
  • Get to know Each Other
  • Share resources
  • Create a Vision for the Property
  • Create a Maintenance Plan for the Property (Legacy & Financial). This will include Estate Planning for Family Members

• Locate/Follow-Up with Resources
  • Local/State/Federal Resources ie Grants for Rehab, Forestry Experts, Surveys
  • Tax Collector’s Office (Payment Plan)
BUILDING CLS’s HEIRS’ PROPERTY INITIATIVE

Solidify Partnerships
• HELP CDC (HUD-certified housing provider)
• FAMU Law Student Fellowship
• Family Dynamics (Free Mediation Service: Federation of Southern Cooperatives)

Outreach (Making Connections and Getting the Word Out)
• Attend/Sponsor/Support/Invest in Community Events
• Meet with Local Representatives, County Government (Property Appraiser)
• Community Education Events/Workshops (In-Person and Virtual)
• Local Library, Community Center, Churches, Chamber of Commerce
• Center of Knowledge (Community Advocate)

Create an Ecosystem that Supports Legal Work
• Attend Conferences
• Engage with Network of Practitioners
PIHPA Initiative
(Public Interest Heirs' Property Attorneys)

Heirs’ Property Statewide Initiative:

• Educating Florida residents about heirs’ property issues and challenges
• Representing clients with heirs’ property issues
• Avoiding the creation of future title problems

• No-cost civil advocacy for the most vulnerable in our communities such as those who are income challenged, have a disability, are victims of domestic violence, veterans, and the elderly.

PIHPA: Umbrella Group
Covers 57 of Florida’s 67 counties

• Bay Area Legal Services (Tampa/St. Petersburg)
• Community Legal Services (Central Florida)
• Legal Aid Society of Palm Beach County
• Legal Services of Greater Miami (Miami-Dade and Monroe)
• Legal Services of North Florida (North Florida Panhandle)
• Three Rivers Legal Services (North Central Florida)
FLORIDA
PUBLIC INTEREST HEIRS’ PROPERTY ATTORNEY (PIHPA) DIRECTORY

Community Legal Services of Mid-Florida

- Darlene Bell-Alexander, Esq.
  Senior Managing Attorney, Real Property Rights Protection
  Email: darleneb@clsmf.org
  Website: www.clsmf.org

- Counties Served: Brevard, Citrus, Flagler, Hernando, Putnam, Lake, Marion, Orange, Osceola, Sumter, Seminole, Volusia
  (Special Programming for Eatonville, FL)

- Heirs Property Services Offered: Probate, Title clearing, Will Preparation and Deed Preparation, Advanced Directives and Power of Attorney, Referrals to Mental Health services and Free Family Mediation, Limited Partition Actions (UPHPA)

Legal Services of North Florida

- Kristin Northrup, Esq.
  Supervising Attorney | Real Property Rights Protection
  E-mail: kristin@lsnf.org
  Website: www.lsnf.org

- Counties Served: Serving Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty, Okaloosa, Santa Rosa, Wakulla, Walton, and Washington Counties

- Heirs Property Services Offered: Title clearing and estate planning
Three Rivers Legal Services

LaTonya Lipscomb Smith, Esq.
Project Manager, Heirs’ Property Project
Helpline: 1-866-256-8091
Website: www.trls.org

- **Heirs Property Services Offered**: Probate, Will & Deed Preparation, Advanced Directives and Power of Attorney, Assist w/ Payment of Property Tax Arrears, Community Education Presentations, Limited Partition Actions (UPHPA)

Bay Area Legal Services

Pye N. Young, Esq.
Managing Attorney--St. Petersburg Office
E-mail: pyoung@bals.org
Website: www.bals.org

- **Counties Served**: Serving Hillsborough, Pasco, Pinellas, Manatee, Sarasota
- **Heirs Property Services Offered**: Deeds and Title Clearing
FLORIDA
PUBLIC INTEREST HEIRS’ PROPERTY ATTORNEY (PIHPA)
DIRECTORY

Legal Services of Greater Miami

Lisa M. Lauck, Esq.
Advocacy Director Consumer Law
Email: llauck@legalservicesmiami.org
Website: www.legalservicesmiami.org

- **Counties Served:** Serving Miami-Dade County and Monroe Counties
- **Heirs Property Services Offered:** Will and Deed Preparation, Probate and Title Clearing

Legal Aid Society of Palm Beach County

Tequisha Y. Myles, Esq.
Fair Housing and Elder Law Projects
Email: tmyles@legalaidpbc.org
Website: www.legalaidpbc.org

- **Counties Served:** Palm Beach County, Martin, St. Lucie, Okeechobee, and Indian River
- **Heirs Property Services Offered:** Probate, Title clearing, Will Preparation and Deed Preparation, Advanced Directives and Power of Attorney
STAKEHOLDERS

• Create Holistic Programs to Support Heirs’ Property Families and Practitioners
  • Legal, Outreach, Policy
  • Streamline and Share Resources by State/County
  • Continue to create strategic and collaborative partnerships to maximize resources for families (Community programs, law schools, national heirs’ practitioner networks, State and Local Bar Associations and other public interest firms)
Darlene Bell-Alexander, Esq.
darleneb@clsmf.org
HELPLINE: 1-800-405-1417
LISC & partners utilize data to identify neighborhoods

Residents and partners design interventions

LISC provides resources to support interventions

Ownership is preserved and equity gains accrued
How Local Partners Can Build an Ecosystem to Address Heirs’ Property

Examples of opportunities within the ecosystem include:

**Research**
- Community member input
- Data modeling
- Policy analysis
- Public polling

**Community organizing**
- Advocacy training
- Community outreach
- Media training

**Infrastructure**
- Organizational support
- Partnership building
- Staff roles

**Communications**
- Media outreach
- Messaging
- Policy maker education
- Public education
- Narrative change

Questions to consider:

**In which areas of the ecosystem can you make a difference?**

**What are the gaps?**

**How can you collaborate with others to address these gaps?**
Visit the online LISC Jacksonville Heirs’ Property Toolkit website to access the resources listed below and the full online toolkit.

www.liscjaxhptoolkit.org
<table>
<thead>
<tr>
<th>Strategies</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civil Legal Services &amp; Counseling</td>
<td>• Free legal support to heirs’ properties</td>
</tr>
<tr>
<td></td>
<td>• Estate planning for Seniors</td>
</tr>
<tr>
<td>Tax Diversion and Counseling</td>
<td>• Property tax relief fund</td>
</tr>
<tr>
<td></td>
<td>• Exemption enrollment to reduce property taxes</td>
</tr>
</tbody>
</table>
Sample Format: Outreach to Intake Pipeline

- Identifies party responsible for data collection
- Tracks month to month changes
- Can be used to describe outreach and referral flows over time, for team discussion

<table>
<thead>
<tr>
<th>Outcome</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>Responsible Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents receiving outreach (#)</td>
<td>1</td>
<td>10</td>
<td>20</td>
<td>30</td>
<td>Community Partner</td>
</tr>
<tr>
<td>Referrals to legal services (#)</td>
<td>1</td>
<td>9</td>
<td>18</td>
<td>25</td>
<td>Community Partner</td>
</tr>
<tr>
<td>Intake cases opened (#)</td>
<td>1</td>
<td>8</td>
<td>15</td>
<td>22</td>
<td>Community Partner</td>
</tr>
<tr>
<td>Intake cases closed (#)</td>
<td>1</td>
<td>2</td>
<td>12</td>
<td>15</td>
<td>Community Partner</td>
</tr>
</tbody>
</table>
What we’re learning

Data driven, culturally relevant outreach

Unclear ownership impacts home value

Leverage $68T wealth transfer
Heirs Property in Virginia

Jonathan Adkins-Taswell MCRP
LISC-Virginia: Program Officer for Housing and Capacity Building
C 804-494-8420
E JATaswell@lisc.org
www.lisc.org/virginia
Understanding the Need

- In Virginia, Heirs property is governed by state law, which may include provisions for partition sales and mechanisms for clarifying title.

- According to a recent study completed by Auburn University: Virginia identified 55,404 known HP totaling 513,214 Acres and estimated at $8,086,128,465 in total market value.

- In June 2023, the Richmond Times Dispatch reported that Based on the geography of these likely households, a majority are low-income, households of color.

- Over 130 properties in Richmond, Virginia were delinquent for five or more years, owing $2.2 million in back taxes. Furthermore, when facing tax delinquency the City Attorney’s office estimates that roughly 40% of the cases facing tax auction are subject to heirs property.

Federal Reserve Bank of Richmond 2021
Virginia Heirs’ property owners are especially vulnerable to losing their land because they are subject to partition actions to physically divide or sell the land, which often face legal challenges and hinder economic development. “Center for Agriculture and Food systems”
Virginia Heirs Pilot Program

1. Legal Assistance and Title Clearing Services
2. Financial Support for Property Owners
3. Stakeholder and Community Outreach Education
4. Policy and law Advocacy and Support
5. Securing Funding from Government and Private Sources
Learn VA - Owned and operated by Karla Carter, Esq

LEARN VA: or Legal Education and Resource Network of Virginia, is an organization that builds solutions for low-wealth communities through community outreach and education, legal training for attorneys, and limited-scope attorney representation models. Through the support of Dominion Energy and grants.

HDAdvisors with LEARN VA will conduct intakes for referred clients, conduct limited scope representation of clients, and make referrals to the pro-bono network for legal services required.

Dominion Energy has committed to supporting LEARN VA and providing a paralegal as support staff, as well as developing and housing shared networks and resources.

Pro Bono Legal services led by Karen Cohen, Esq. with Gentry Locke and Troutman Pepper

Pro Bono Firms: The network of attorneys led by Karen Cohen, has developed training opportunities through the Virginia State Bar for attorneys to learn more about heirs property.

Heirs Property clients will be referred to attorneys from Gentry Locke, Troutman Pepper

Virginia Poverty Law Center (VPLC): The VPLC has also committed to hiring an attorney dedicated to serving clients of the Richmond Heirs Property Network.
Conclusion

By creating more Heirs Property Programs, we can empower communities, promote economic development, and preserve Wealth and land ownership for future generations. Building a more equitable and sustainable future.
Thank you for attending!

Ideas? Suggestions? Please contact Keegan McChesney at kmcchesney@lisc.org.