



## Introducing Density to Middle Neighborhoods: A Sales Approach

NeighborWorks® Boise  
Boise, ID



Home costs are rising in middle neighborhoods and permanent affordability is in demand, which usually leads to conversations about density. Introducing density may not be an easy sell and can be one of the most difficult discussions to have with residents, businesses, and government. Density talks can spark pushback among community stakeholders and many concerns are legitimate, so addressing them early on is critical to long-term success.

NeighborWorks® Boise (NW Boise) uses a [Pocket Neighborhood™](#) approach and this case study will focus on how to create a neighborhood concept that includes building density, so community members fully understand.

### What is a Pocket Neighborhood™?

NeighborWorks Boise adopted the Pocket Neighborhoods™ style of development to provide high quality, affordable, sustainable, and community-focused housing in the greater Boise metro area. So far, the organization has built five Pocket Neighborhoods™ with a sixth underway. The average number of units is 15, and ranges from 9 to 39. These single-family homes allow buyers to achieve their “American Dream” in a compact setting within existing neighborhoods. The model includes mixed affordability with some units at market rate and others subsidized with grants and down payment assistance. Some units are in a community land trust while others are fee simple ownership. Beyond the affordability of the purchase price, monthly costs are minimized through energy-efficient construction methods.

[READ THE CASE STUDY](#)

“Some evidence suggests that institutional investors favor specific types of homes. For example, larger firms such as Invitation Homes and American Homes 4 Rent own homes that average between 1,850-2,000 square feet and were typically built after the year 2000. Meanwhile, midsize firms that are less established tend to focus on slightly smaller and older homes.” - Unpacking Investor Purchases of Single-Family Homes: What Does the Evidence Say?, Housing Solutions Lab

## Single-Family Investor Purchases Bouncing, Small Investors Growing Share



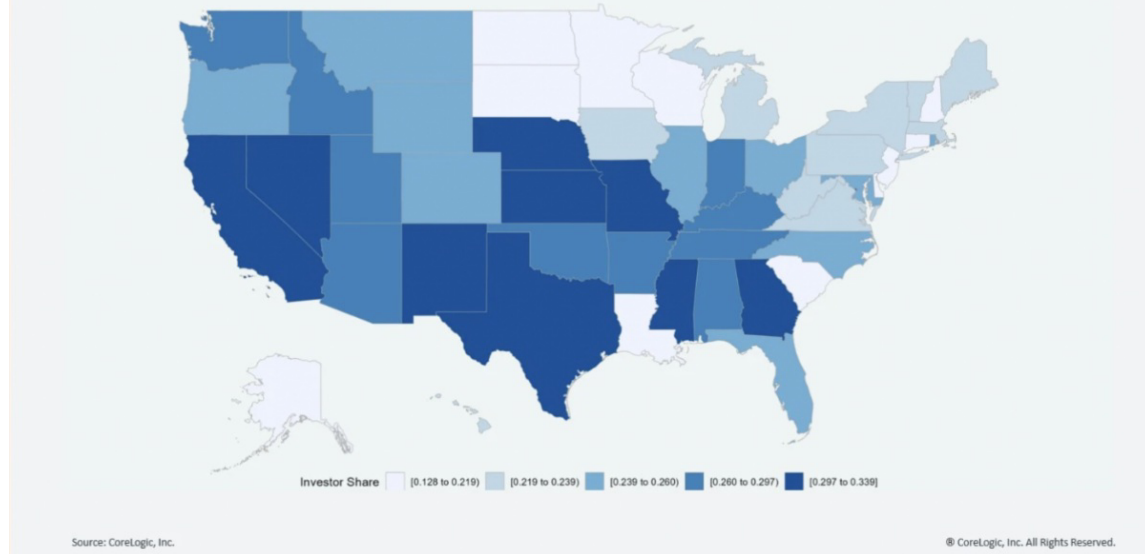
The Joint Center for Housing Studies released its *State of the Nation's Housing 2023* report in June. Among its key findings: as interest rates rose in late 2022, investor home purchases fell significantly. The report states that purchases of single-family homes by investors who simultaneously owned three or more properties within the past 10 years declined by 25 percent year over year in the fourth quarter of 2022 (CoreLogic data). If it didn't feel that way to you, it may be because owner-occupant homebuying fell just as sharply, so that investor purchases remained a high share of total sales. Investors bought 26 percent of single family homes in the fourth quarter of 2022, just shy of the record-high 28 percent share recorded in early 2022 and well above the 16 percent share averaged in the three years immediately preceding the pandemic.

However, more recently (May 2023) CoreLogic reported that the investor share of total single-family home purchases bounced back to around 27% in the first quarter of 2023.

CoreLogic also reports that small investors represent a bigger share of single-family purchases over the last year than mega-investors do. In June 2022, mega-investors accounted for 17% of investor purchases, but have been hovering at 8% in early 2023. Small investor purchases, on the other hand, rose from 40% to 47% of total investor purchases over the last four years.

Local variations in investor purchases are significant. Investor purchases are higher in the sunbelt, with California leading the nation, as investors represent 34% of single-family purchases in the state. Georgia and Kansas followed closely at 33%. New Mexico, Mississippi and Texas also had investor purchase rates higher than 30%. Investors appear to have the least interest in areas on the East Coast and in the Rust Belt. Large states like New York (21%), Pennsylvania (22%), Illinois (24%) and Ohio (24%) all have investor rates below the national average. All data from CoreLogic.

Figure 7: Investor Shares by State, Q1 2023



## NCST Announces Forthcoming Black and Latino Middle Neighborhoods Fellowship Program

NCST (the National Community Stabilization Trust) is developing the Black and Latino Middle Neighborhoods Fellowship Program (BLMN) to develop a nationwide cohort of Black and Latino community development professionals who will focus on the needs of their local communities in reversing the trend of disappearing middle neighborhoods while creating and/or advancing homeownership and other wealth building tools. The BLMN Fellowship Program will help drive positive racial and wealth equity outcomes from increased neighborhood stabilization, home appreciation, and by increasing rates of homeownership for Black and Latino households.

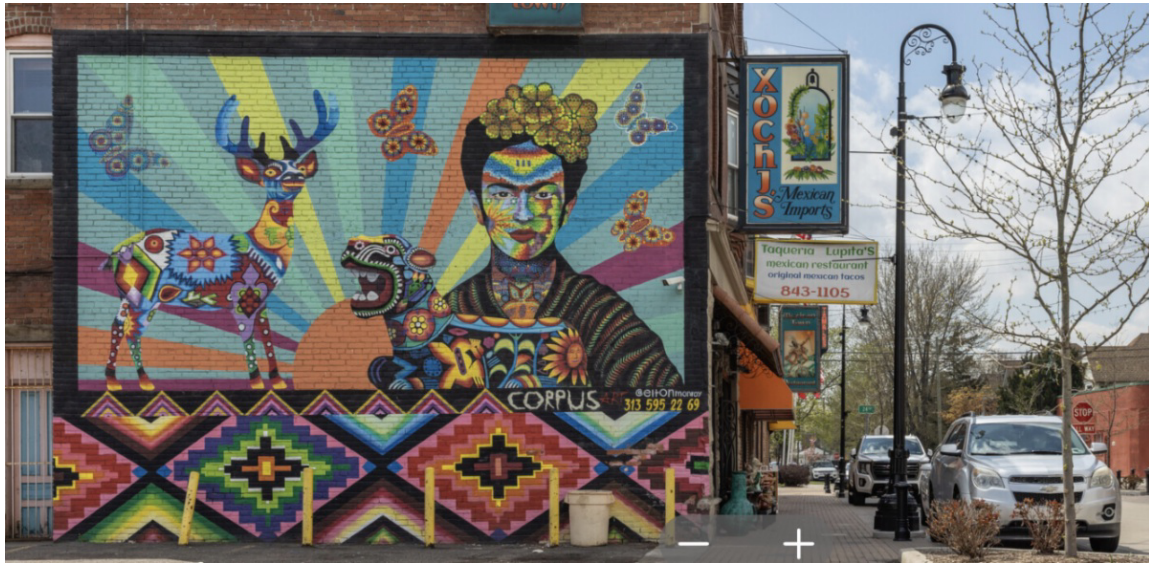
This initiative's design benefitted from generous consultation with a number of leading Black and Latino middle neighborhood practitioners throughout the nation, including



participants in the Black Middle Neighborhoods Working Group. Thank you to all of these practitioners for their time and expertise.

Across the nation, middle neighborhoods are disappearing through lack of investment or through gentrification. Compared to other middle neighborhoods, Black and Latino middle neighborhoods are declining more sharply and are seeing the least benefit from their cities' revival. These racialized differences reflect systemic challenges that include significant structural barriers in real estate and labor markets, a long standing lack of public and private investment, and the racialized nature of how many households choose where to live.

The Fellowship Program hopes to support the work of practitioners customizing middle neighborhood strategies to meet these unique challenges, and to disseminate what they learn throughout the nation. Stay tuned for announcements as NCST works to fund and operationalize this exciting new program.



## Upcoming Webinar Topics

Let us know if you have a story to tell on one of these topics! Dates and times TBA

Figure 2.2



### Unveiling and Addressing Property Tax Inequities

University of Chicago Professor **Chris Berry** will join us to share his research on under- and over-tax assessments and the financial burden on lower-income households that results from this common practice. He'll demonstrate his publicly available mapping tool that anyone can use to begin examining the tax assessment picture in their neighborhoods. We will also hear from practitioners who are using data like this to make changes in local policy resulting in more equitable taxes.

### Supporting DIY Home Improvement for Best Results

The Remodeling Futures Program at Harvard's Joint Center for Housing Studies recently reported that DIY home improvement spending jumped in 2021. In this webinar we'll be joined by practitioners who are delivering support to DIYers that encourages, trains and supports their projects. Updating housing stock in middle neighborhoods is a common strategy and DIY can be part of it - learn about best practices, funding sources and more.



### Retrofitting Middle Neighborhood Housing Stock for Energy Efficiency and Climate Resiliency

Energy efficiency improvements have become a top remodeling priority for homeowners, according to the Joint Center for Housing Studies' new report [Improving America's Housing 2023](#). Meanwhile, the increasing availability of new technologies and a growing sense of urgency about climate change are ushering in new policy and programs to encourage and assist homeowners.

Eric Hangen, CEO of iSquared Community Development, and Senior Research Fellow and Faculty at New Hampshire University, will outline the new landscape of technical and financial assistance in this area. Local practitioners will describe how they are implementing and financing programs.

## Other News + Resources

### State of the Nation's Housing 2023 Report Released by JCHS

The Joint Center for Housing Studies at Harvard released the latest annual report on the [State of the Nation's Housing](#). The report offers important insights on housing affordability, the condition of the nation's housing stock, market trends and more.

***"Substantial investment will be needed to preserve the aging stock and respond to climate change. At 43 years of age, the median home in 2021 was the oldest it has ever been, up from 27 in 1991."***

**--State of the Nation's Housing 2023**

In other news:

1. [Unpacking Investor Purchases of Single-Family Homes: What Does the Evidence Say?](#), Housing Solutions Lab.
2. [The Influence of Institutional Single-Family Investors on Homeownership: Who Gets Targeted and Pushed Out of the Local Market?](#), Brian An, Georgia Institute of Technology, March 21, 2023.
3. [New Property-Data Tool Reveals Patterns Of Investor Ownership In The Twin Cities Area](#), Kim-Eng Ky, et al, Federal Reserve Bank of Minneapolis, November 12, 2021.
4. [Improving America's Housing 2023](#), Remodeling Futures Program at Joint Center for Housing Studies of Harvard University.
5. [Investors Slam Brakes on US Home Purchases as Profits Dry Up](#) Prashant Gopal, Bloomberg, May 31, 2023

## Community Engagement Chats

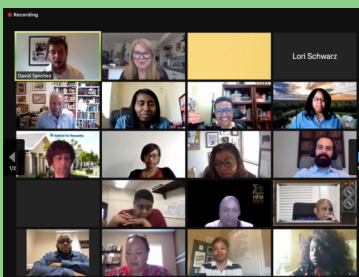


### Next Engagement Chat:

Building Relationships and Neighborhood Storytelling through  
Community Cleanups

**When: Wednesday, July 19, 2023 -- Noon Eastern time**

**Zoom:** <https://us06web.zoom.us/j/81727208043>



## Recent Webinar Recordings

**Researching the New Investor Population in Your Middle  
Neighborhood**  
[Watch Now](#)

**New Research Produces Peer Mapping Tool and Reveals Greatest  
Threats to Middle Neighborhoods**  
[Watch Now](#)

**How Partnering with a CDFI Can Get More Loan Capital Into Your**

## **Middle Neighborhood**

[Watch Now](#)

**Is it Time for Permanently Affordable Housing Strategies in Middle Neighborhoods?**

[Watch Now](#)

[Download the Resource List](#)

**New Data and New Ways of Thinking About Maintaining the Housing Stock in Middle Neighborhoods**

[Watch Now](#)

**Holiday Celebrations: Effective (and fund!) ideas for Community Engagement**

[Watch Now](#)

**Strategies to Address Institutional Investors in Middle Neighborhoods**

[Watch Now](#)

**Equitable Place-centered Strategies for Safer Communities**

[Watch Now](#)

**Centering Black Prosperity in the Revitalization of Black Middle Neighborhoods**

[Watch Now](#)

**Find all recordings of the Middle Neighborhoods' webinar series [HERE](#)**

**Webinars are co-sponsored by the [Middle Neighborhoods Community of Practice](#), the [National Community Stabilization Trust](#), and [NeighborWorks America](#).**

## **CoP Action Items**

**Custom Webinars:** We often get requests for custom webinars on middle neighborhoods, which we gladly deliver! Please let us know if you'd like one for your staff, board, network, or community.

**CoP Listserv:** Don't forget to use our listserv, [MiddleNeighborhoodsCoP@googlegroups.com](mailto:MiddleNeighborhoodsCoP@googlegroups.com) to share announcements, news articles, questions and the like. If you are in the CoP, you are already a member of the listserv. If you are not a CoP member, but would like to join the listserv, email [us](mailto:us).

### **Actions You Can Take to Grow and Support the CoP**

1. Join and participate in the listserv, [MiddleNeighborhoodsCoP@googlegroups.com](mailto:MiddleNeighborhoodsCoP@googlegroups.com). This is the most direct way for CoP members to interact with each other. Share your questions and successes.
2. Submit an article, news item, or resource idea for the newsletter to [Marcia](#).
3. Host a Middle Neighborhoods 101 webinar for people in your organization or community to help them learn about middle neighborhoods and launch a discussion on local opportunities. [We](#) will help you plan this and deliver the webinar with you.
4. Submit an idea for a webinar or case study topic to [Ann](#).
5. Convene with other CoP members in your region to discuss a particular issue, or to start creating a regional action agenda. [Marcia](#) can help you contact your peers and plan your convening.



6. We can also help you convene a group of CoP members by interest rather than geography. Past convenings have included city government representatives.
7. Represent middle neighborhoods in local policy discussions. We'll share some talking points.
8. Propose and conduct a session on middle neighborhoods for conferences and other convenings or groups you participate in. We'll help with the proposal, recruiting panelists, planning, etc.

National Community Stabilization Trust | 910 17th Street, NW, Suite 810, Washington, DC  
20006

[Unsubscribe bjones@stabilizationtrust.org](mailto:bjones@stabilizationtrust.org)

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