



DISTRESSED BUILDING REPORT CALENDAR YEAR 2018

2018 DISTRESSED BUILDING OVERVIEW

- Three hundred eighty-one (381) properties were identified as distressed in 2018, of which 213 (56%) are residential parcels (1-3 units).
- There were 40 fewer residential properties identified as distressed in 2018, as compared to 2017.
- More than one-third (38%) of distressed properties identified in the 2018 Survey are located in Dorchester and Roxbury, while 28% are in East Boston, Hyde Park, and Mattapan.
- It is estimated that 66% of the identified properties became distressed in 2014 or earlier, that 34% have been distressed for at least ten years (i.e., before 2009), and that nine percent (9%) became distressed before the turn of the century (2000).
- The citywide rate for distressed properties is 3.3 distressed properties per 1,000 parcels.
- Eighteen percent (69) of distressed parcels have overdue taxes associated with them, totalling \$832,393 owed, for an average of slightly more than \$12,000 per property.

2018 DISTRESSED BUILDING SURVEY METHODOLOGY

The Department of Neighborhood Development (DND) began surveying Boston's distressed buildings in 1997. Since that time, there has been a dramatic decrease in the number of distressed properties in the City of Boston.¹ Beginning in 2016, however, the City adopted a new methodology for conducting the survey, rendering current results incomparable to pre-2016 results. The current methodology, as well as the additional data sources of potentially distressed properties, are discussed in the appendix.

A distressed and vacant property is any building (excluding sheds and garages on residential property) that is not occupied and has signs of significant physical distress (i.e., boarded, burned, open to the elements, or otherwise deteriorated). Other physical symptoms of distress include overgrown or neglected vegetation, accumulation of newspapers, circulars, flyers, or mail, litter, and trash, the absence of window coverings, building/structural issues, and vandalism. Indications of vacancy include uncorrected city violations, utility shut-offs, and postal data vacancy indicators. Some buildings may be deemed to be partially distressed and vacant (i.e., one floor is occupied while others are not, but the property is deteriorating).

¹ From 1997 to 2015, the number of distressed buildings decreased by 80% from 1,044 to 210.



2018 DISTRESSED BUILDING SURVEY RESULTS

In 2018, close to 2,000 properties were surveyed, resulting in 381 properties identified as distressed properties ([Table 1/Map 1](#)). There were 14 fewer total properties identified as distressed in 2018 when compared to 2017. In the 2018 survey, 40 fewer residential properties were identified for assessment when compared to the 2017 survey pool. All other property types, however, showed an increase ([Table 1](#)).

TABLE 1: YOY COMPARISON OF 2018 VS. 2017 DISTRESSED PROPERTY SURVEY RESULTS

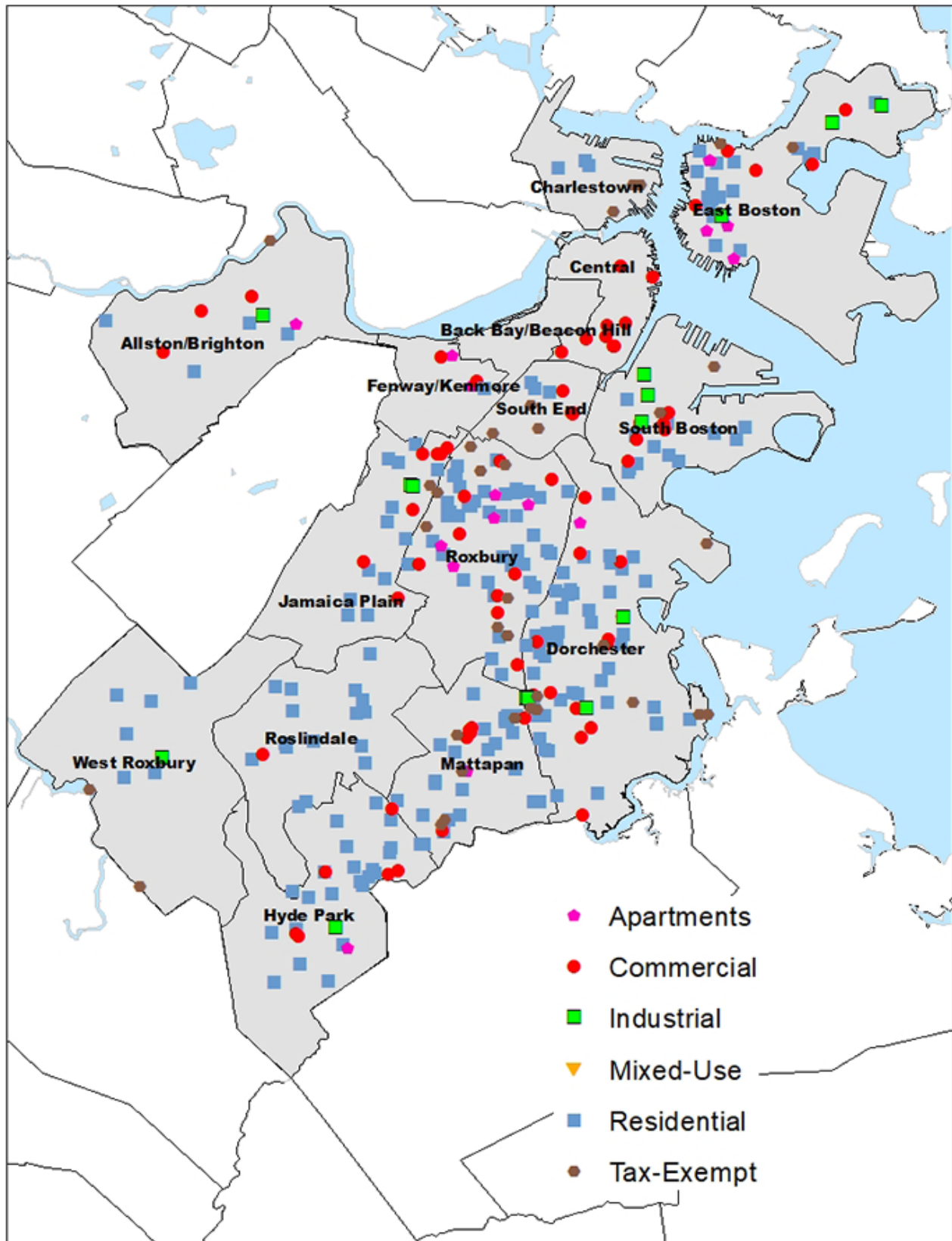
	COUNT	MIXED USE	RESIDENTIAL	APARTMENTS	COMMERCIAL	INDUSTRIAL	TAX EXEMPT
2017 INVENTORY	395	19	253	17	63	13	30
2018 INVENTORY	381	24	213	19	73	16	36
DIFFERENCE	-14	5	-40	2	10	3	6

The current inventory consists of 213 (56%) residential parcels (1-3 units), 73 (19%) commercial parcels, and 95 (25%) were other property types, including apartment buildings of 4+ units, tax-exempt, industrial, and mixed-use ([Table 2](#)).

TABLE 2: DISTRESSED BUILDINGS BY NEIGHBORHOOD AND TYPE

NEIGHBORHOOD	MIXED USE	RESID. 1-3 UNITS	APTS. 4+ UNITS	COMMERCIAL	INDUSTRIAL	TAX-EXEMPT	ALL	%
ALLSTON/BRIGHTON	2	4	1	3	1	1	12	3%
BACK BAY/BEACON HILL	0	0	0	0	0	0	0	0%
CENTRAL	6	0	0	9	0	0	15	4%
CHARLESTOWN	0	3	0	0	0	3	6	2%
DORCHESTER	2	46	2	13	5	8	76	20%
EAST BOSTON	5	20	5	5	3	2	40	10%
FENWAY	0	2	3	2	0	0	7	2%
HYDE PARK	0	22	1	5	1	0	29	8%
JAMAICA PLAIN	2	11	0	7	2	1	23	6%
MATTAPAN	0	27	1	7	0	5	40	10%
ROSLINDALE	1	15	1	1	0	0	18	5%
ROXBURY	4	42	5	9	0	9	69	18%
SOUTH BOSTON	0	12	0	7	3	2	24	6%
SOUTH END	2	3	0	5	0	3	13	3%
WEST ROXBURY	0	6	0	0	1	2	9	2%
CITYWIDE	24	213	19	73	16	36	381	



MAP 1: DISTRESSED BUILDINGS IN BOSTON 2018 (381 PROPERTIES)

2018 DISTRESSED BUILDING SURVEY RESULTS, RESIDENTIAL VS. COMMERCIAL

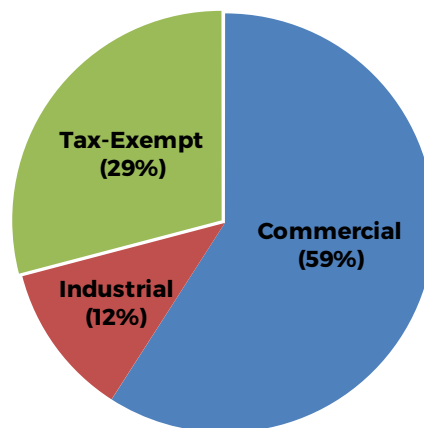
Table 3 shows the distribution of residential buildings broken down by property type. Forty-one percent of distressed residential properties are single-families, while 38% are two-family and three-family homes. The remainder is composed of apartment units and other property types.

TABLE 3. RESIDENTIAL, MIXED-USE AND APARTMENT BUILDINGS BY PROPERTY TYPE

PROPERTY TYPE	COUNT	%
MIXED USE	24	9%
SINGLE-FAMILY	106	41%
CONDOS	8	3%
TWO-FAMILY	45	18%
THREE-FAMILY	50	20%
APARTMENT (4+ UNITS)	19	7%
MULTIPLE BUILDINGS ON SAME LOT	4	2%
TOTAL	256	100%

After excluding residential, mixed-use, and apartment distressed properties, almost 60% of the remaining properties are commercial, followed by the tax-exempt (29%) property type, and then Industrial (12%) (See **Chart 1**). Thirty-five percent of non-residential distressed properties are in Dorchester and Roxbury, 36% are in East Boston, Jamaica Plain, Mattapan, and South Boston and the remainder are spread throughout Boston's other neighborhoods. Some commercial and many industrial buildings can be difficult to survey accurately. Buildings used as warehouses may be boarded up, or appear derelict and distressed, and not be vacant. Due to this, determining the number of commercial and industrial distressed buildings is a more difficult task than residential buildings; distressed non-residential buildings may be undercounted.

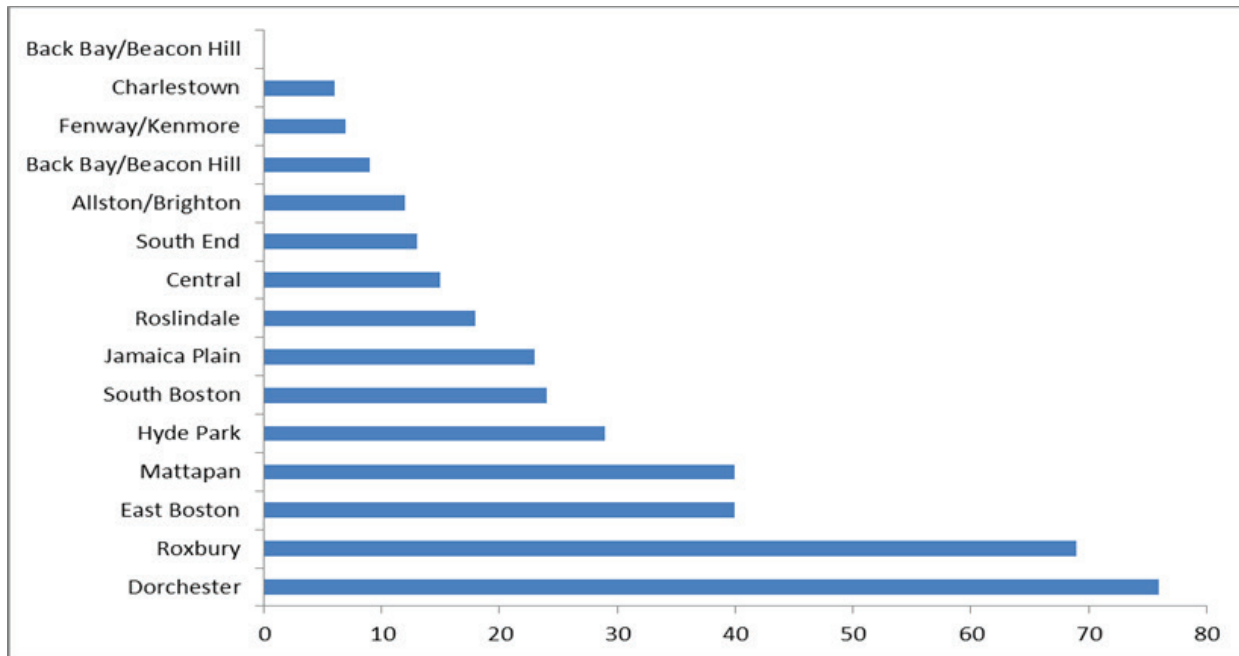
CHART 1. DISTRIBUTION OF DISTRESSED BUILDINGS WITHOUT DWELLING UNITS (COMMERCIAL, INDUSTRIAL AND TAX-EXEMPT)²



² Most tax-exempt parcels do not have dwelling units. In 2018, five out of the 36 tax-exempt parcels were previously classified as residential before they were foreclosed because of unpaid taxes representing 12 housing units.

2018 DISTRESSED BUILDING SURVEY RESULTS, RESIDENTIAL VS. COMMERCIAL, continued

Chart 2 (and **Table 2**) show the distribution of distressed buildings in Boston's planning districts, which are the DND's geographic boundaries, and may not align with boundaries from other sources. Over one-third of distressed properties are located in Dorchester and Roxbury, while 28% are in East Boston, Hyde Park, and Mattapan. The remaining 34% are scattered throughout other neighborhoods.

CHART 2. ALL DISTRESSED PROPERTIES BY NEIGHBORHOOD

DND was able to estimate the date which became distressed for 81% of the 2018 Distressed Properties on this survey. Of those 309 properties, 66% became distressed in 2014 or earlier, 34% have been distressed for at least ten years (before 2009), and 9% became distressed before the turn of the century (2000) (see **Table 4** on page 6). In 2018, eleven properties became distressed.

2018 DISTRESSED BUILDING SURVEY RESULTS, RESIDENTIAL VS. COMMERCIAL, continued**TABLE 4. ESTIMATED YEAR IN WHICH PROPERTIES BECAME DISTRESSED**

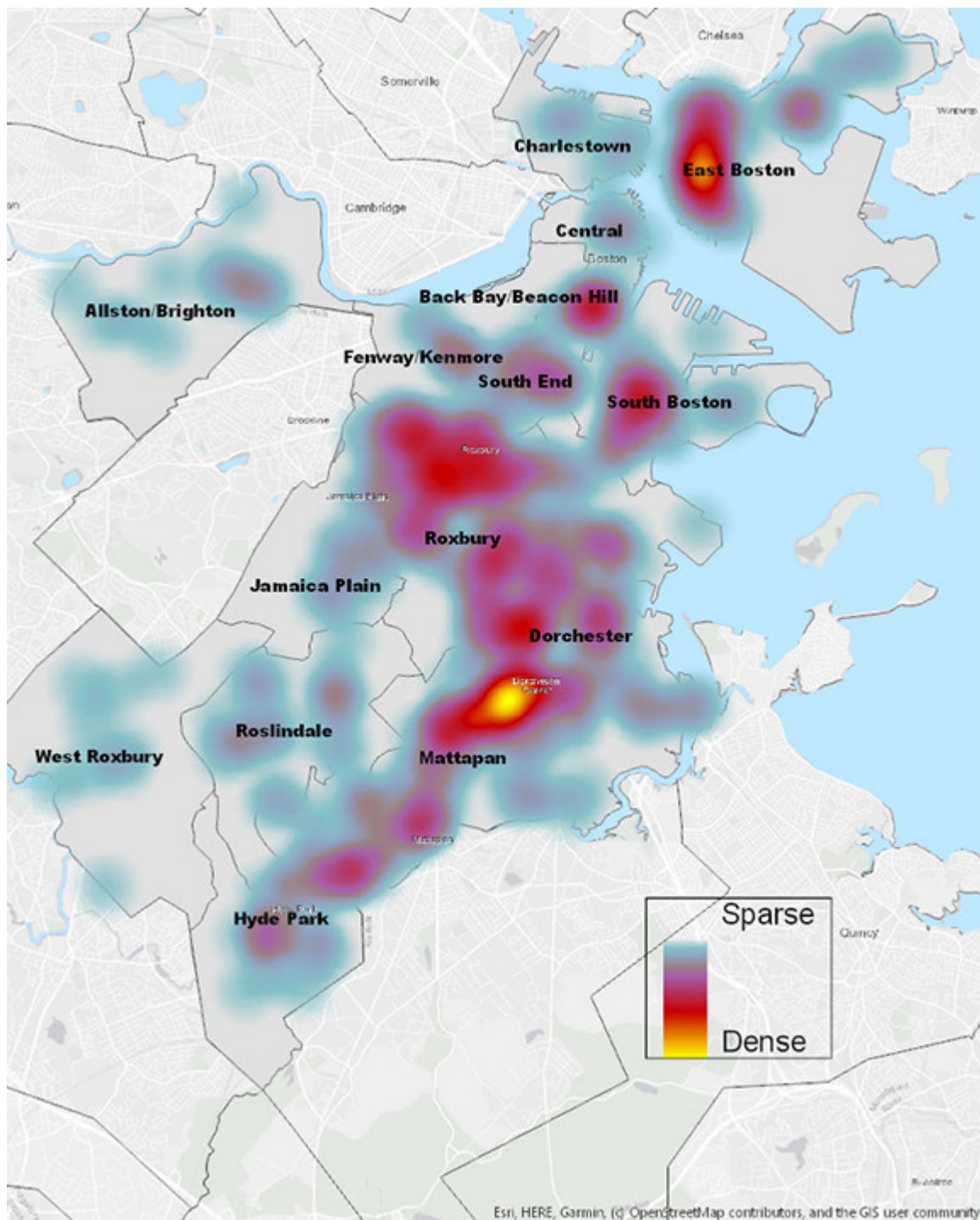
YEAR	COUNT	%	% EXCLUDING UNKNOWN	CUMULATIVE % OF ESTIMATES (EXCLUDING UNKNOWN)
PRE-2000	27	7.1%	8.7%	8.7%
2000-2001	6	1.6%	1.9%	10.7%
2002-2004	13	3.4%	4.2%	14.9%
2004-2006	10	2.6%	3.2%	18.1%
2006-2008	24	6.3%	7.8%	25.9%
2008-2010	24	6.3%	7.8%	33.7%
2010-2012	39	10.2%	12.6%	46.3%
2012-2014	62	16.3%	20.1%	66.3%
2014-2016	52	13.6%	16.8%	83.2%
2016-2018	41	10.8%	13.3%	96.4%
2018-	11	2.9%	3.6%	100.0%
UNKNOWN	72	18.9%		
DIFFERENCE	381	100%		



DISTRESSED PROPERTY DENSITY AND PREVALENCE RATES

The densest clusters of distressed properties are located in Roxbury and Dorchester. The densest cluster citywide is found along the Dorchester/Mattapan border, near Franklin Field (**Map 2**). Other significant groups exist in East Boston, Hyde Park, Jamaica Plain, Mattapan, Roxbury, and South Boston.

MAP 2: BOSTON DISTRESSED PROPERTY HEAT MAP



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DISTRESSED PROPERTY DENSITY AND PREVALENCE RATES, continued

Citywide, there are just over three distressed residential, apartment, and mixed-use buildings per 1,000 parcels (**Table 5**). It should be noted that some of the buildings on this list have current or pending rehabilitation work so their status may change upon the next survey round. Excluding Fenway/Kenmore's anomaly (low number of total parcels for the neighborhood), the highest number of distressed properties per 1,000 parcels is 7.9 in Roxbury. Roxbury's elevated rate is a result of the high number of distressed properties relative to the number of parcels in the neighborhood. It is also important to note that a significant proportion of land in Roxbury is devoted to open space, including much of Franklin Park. The combined prevalence rate in Dorchester and Roxbury, the two neighborhoods with the densest cluster of distressed properties, is 11.7 per 1,000.

TABLE 5. PREVALENCE RATE OF DISTRESSED RESIDENTIAL, APARTMENT, AND MIXED-USE BUILDINGS

NEIGHBORHOOD	TOTAL DISTRESSED, RESIDENTIAL, APARTMENT & MIXED USE PARCELS	TOTAL PARCELS*	DISTRESSED PROPERTIES PER 1,000 PARCELS
ALLSTON/BRIGHTON	7	6,217	1.1
BACK BAY/ BEACON HILL	0	2,478	0.0
CENTRAL	6	1,452	4.1
CHARLESTOWN	3	2,398	1.3
DORCHESTER	50	13,239	3.8
EAST BOSTON	30	5,200	5.8
FENWAY	5	615	8.1
HYDE PARK	23	7,276	3.2
JAMAICA PLAIN	13	4,867	2.7
MATTAPAN	28	5,153	5.4
ROSLINDALE	17	6,479	2.6
ROXBURY	51	6,478	7.9
SOUTH BOSTON	12	5,260	2.3
SOUTH END	5	2,646	1.9
WEST ROXBURY	6	7,897	0.8
CITYWIDE	256	77,655	3.3

* Parcels = 1 Family, 2 Family, 3 Family Properties, mixed-use parcels with multi-residential buildings and Condo Mains (used as a proxy for condo buildings).



TAX STATUS

Tax taking foreclosures occur when there are substantial unpaid taxes on properties. The City issues a lien against the property (a claim of legal ownership) and records the lien in the Registry of Deeds within 60 days. If the taxes are not paid within six months of the due date, the City will file a petition to foreclose on the property. The entire process can take several years, and some properties may not end up foreclosed. When the filing ends in a tax foreclosure, the City will issue a Request for Proposals (RFP), a competitive bidding process for rehabilitation of the property. These RFPs frequently require that income-restricted housing are part of any redevelopment to take place.

Eighteen percent (69 out of 381) of distressed parcels have overdue taxes associated with them for a total of \$832,393 owed.³ Fifty-eight percent of these properties are residential (1-3 units), 20% are commercial, and the remaining 22% are other property-types ([Table 6](#)). The average taxes owed citywide per distressed property is just over \$12,000. Residential properties have the most back taxes associated with them at approximately \$368,878 total, an average of \$9,222 per property. On a per property basis, commercial properties have the highest average at just over \$20,000. The maximum taxes owed for any property is \$88,000.

TABLE 6. TAXES OWED BY DISTRESSED PROPERTY TYPE

LAND USE	TOTAL TAXES OWED	AVERAGE TAXES OWED	TOTAL PROPERTIES	% OF ALL PROPERTIES
APARTMENT	\$34,817	\$11,606	3	4%
COMMERCIAL	\$285,332	\$20,381	14	20%
INDUSTRIAL	\$35,638	\$8,910	4	6%
MIXED-USE	\$62,124	\$12,425	5	7%
OTHER	\$45,605	\$15,202	3	4%
RESIDENTIAL	\$368,878	\$9,222	40	58%
TOTAL	\$832,393	\$12,064	69	100%

³ Parcels = 1 Family, 2 Family, 3 Family Properties, mixed-use parcels with multi-residential buildings and Condo Mains (used as a proxy for condo buildings).



FORECLOSURES AND DISTRESSED PROPERTIES

Boston dealt with a high volume of private mortgage foreclosures from 2006 through 2012, but foreclosure deeds have since declined significantly. Nevertheless, there were still 418 foreclosure petitions (the first step in the foreclosure process) that were filed in 2017 and 336 were filed in 2018, while there were 139 foreclosure deeds in 2017 and 103 deeds in 2018. Just as foreclosure activity has been declining, the foreclosure crisis has been affecting fewer properties on the Distressed Building Survey in recent years. Of the 381 buildings identified as distressed in 2018, 11.2% (43) have had foreclosure petitions, and 5.5% (20) have been foreclosed in the last five years (2014-2018). This indicates that financial trouble is one of the reasons why properties become distressed.

DISTRESSED PROPERTIES WITH NO CURRENT REHABILITATION WORK

Focusing on the list of properties that do not have permits pulled or current plans for rehabilitation, there are a total of 155 properties that fit this description. The majority of these properties are residential (60%), followed by commercial (22%) ([Table 7](#)). The bulk of these properties are in Roxbury (22%), Dorchester (20%), and Mattapan (13%) ([Table 8](#)).

TABLE 7: DISTRESSED PROPERTIES WITH NO CURRENT/FUTURE REHAB WORK BY PROPERTY TYPE

PROPERTY USE	COUNT	%
APARTMENT	5	3%
COMMERCIAL	34	22%
INDUSTRIAL	11	7%
MIXED-USE	13	8%
RESIDENTIAL	95	60%
TOTAL	158	

TABLE 8: DISTRESSED PROPERTIES WITH NO CURRENT/FUTURE REHAB WORK BY NEIGHBORHOOD

NEIGHBORHOOD	COUNT	%
Allston/Brighton	5	3%
Back Bay/Beacon Hill	*	N/A
Central	7	4%
Charlestown	*	N/A
Dorchester	28	18%
East Boston	6	4%
Fenway/Kenmore	4	3%
Hyde Park	15	9%
Jamaica Plain	7	4%
Mattapan	22	14%
Roslindale	10	6%
Roxbury	35	22%
South Boston	10	6%
South End	4	3%
West Roxbury	5	3%
CITYWIDE	158	100%



CITY STRATEGY

The City of Boston's multi-pronged distressed building strategy has helped reduce distressed buildings. Implemented by the Department of Neighborhood Development, the strategy includes the following major components:

- DND's Boston Home Center and Neighborhood Housing Development divisions work with the Office of Economic Development to provide funding, project management, and technical assistance to eligible private building owners and developers to renovate and redevelop distressed buildings.
- DND shares the entire distressed property list with the Assessing Department to ensure that owners of properties identified are not receiving an unwarranted residential exemption.
- DND also shares the list with the Inspectional Services Division (ISD) for follow-up on a given property, when needed.
- Properties that owe taxes may be taken by the City through Tax Foreclosure, which will lead to their re-development.
- A list of privately-owned distressed buildings is published on DND'S website to provide potential developers the opportunity to contact owners and purchase their distressed properties.

See the Exhibit of Before and After, for examples of properties that have improved over last year.



EXHIBIT A: BEFORE AND AFTER

28 P Street, South Boston: this home was privately redeveloped.



EXHIBIT B: BEFORE AND AFTER

33 Mount Everett Street, Dorchester: This long-term distressed property was rehabilitated via Mayor Walsh's Neighborhood Homes Initiative



EXHIBIT C: BEFORE AND AFTER

**247 Harvard Avenue,
Dorchester:** This triple
decker was rehabilitated
after a major fire in 2017.



SURVEY METHODOLOGY

Each year's survey process begins with a compilation of potentially distressed properties from multiple sources. In the past, this was comprised of properties identified through previous surveys, resident complaints, and Boston Fire Department data. In 2016, new data sources were added, including data from Boston's 311 Constituent Service Center, the vacant and foreclosed property registrations from the Inspectional Services Department (ISD), property condition appraisals from the Assessing Department, and water shutoff data from Boston Water and Sewer. As a result of this changed methodology, the number of potentially distressed properties in the 2016 survey was substantially higher than in previous years. Due to these changes, this 2017 report presents a more comprehensive picture of current distressed properties in the city of Boston.

After the list of potential distressed properties is compiled, a route map is created for efficient travel to view sites in the summer and fall. For each building, a photo is taken, and data collected from a visual inspection of the property's exterior; DND surveyors do not inspect a property's interior. Additional distressed properties found while conducting the survey are also added to the database. The final list of surveyed properties is cross-referenced with sales, foreclosure, tax, and permit data. If the analysis shows that there is evidence of transfer (sale), improvement of the property, or pending plans for rehabilitation, these properties are not included on the list that is made public. The last step is to attempt to contact the owners or property managers of the property by mail to confirm or correct the determination of the status of the property as distressed. If no response is received and there is no evidence of any plans for rehabilitation, properties are added to the list of distressed properties on the City of Boston website.²

In addition, an effort is made to determine when any newly identified properties actually became distressed. If the source data does not have such a date, DND bases its estimates on searches for mentions of the property in online news articles, as well as for dates of utility shutoffs, fires, board-up permits, Google Maps images, and the earliest complaint to the City on the property's condition.

The Distressed Building Report is prepared by Mario Teran of the Policy Development and Research division of the City of Boston Department of Neighborhood Development. For more information about this publication, contact Mario Teran at (617) 635-0692 or at Mario.Teran@Boston.Gov. For a list of currently distressed properties go to www.cityofboston.gov/dnd/pdr/Distressed_Buildings_Reports.asp

