

# Jacksonville Heirs' Property Brief

March 2023



# Heirs' Property Overview



Heirs' property is a legal term that describes what happens when a **property has passed** to family members by inheritance but has not gone through probate to **determine who legally owns the property**. This is often referred to as passing away intestate. When a property owner dies, and the title to the property does not already reflect the new owners through estate planning or is not quickly changed through probate in court, it creates what is called a **cloudy title**. (1,2)

It is up to the state to determine the **legal heirs** of the property, as the heirs become common owners by default. Legally described as, "tenants in common," they each own a **small piece of the property**. Heirs' property can also be created when a simple will bequeaths the property equally to multiple family members but does not **designate succession** through survivorship rights. (2)



**42 Billion**  
The market value trapped as heirs' property in the South

In communities where access to affordable legal estate planning advice is limited—**disproportionately in Black, Indigenous, and communities of color**—heirs' property owners can multiply in number quickly across generations, resulting in a large pool of owners for a single parcel of land. These potential owners may not know one another and many may not know that they own anything at all. (2)

Heirs' Property by State	Identified Properties	Market Value
Florida	62,012	\$5,207,269,458
Georgia	39,430	\$3,826,323,840
North Carolina	88,339	\$8,847,215,298
Alabama	41,218	\$2,947,571,329


Data Source: (1) Wright, D. & Prizzia, A. "Alachua County Heirs' Property and Estate Planning Overview." 2022. (2) Stein, S. & Carpenter, A. "Heirs' Property in an Urban Context." 2022. (3) CoreLogic Mortgage Database. Heirs' Property. 2019.

# Heirs' Property in Jacksonville



To the surprise of many, the amount of heirs' properties in Duval County alone **surpassed the concentrations** of properties in the southeast United States and Appalachia regions. These properties **hinder intergenerational wealth** and exacerbate persistent poverty. Heirs' property is the most **unstable form of property ownership** and it creates an incredible source of vulnerability due to the inability to obtain a mortgage, home improvement loan, or enroll in most government programs. (4)

**2.58 Billion**



The market value for heirs' property in Duval County


Over the past three years, Jacksonville has seen **a loss of several hundred properties** due to tax auctions and forced partition sales. Partition by sale occurs when an heirs' property is **forcibly sold in its entirety** and the proceeds distributed among recipients in proportion to their ownership interests. If a partition by sale occurs in Florida, statutes dictate that **costs for commissioners, attorneys, and taxes** be paid out of the purchase money. (5)

**In 2019**

Duval County reported the densest concentration of heirs' properties in the United States.

Also, as a result of the COVID-19 pandemic, It is very likely that **more heirs' property cases** have emerged since 2019. Unlike other heirs' property hot spots, the vast majority of the vacant unoccupied homes report tax bills being **sent to Jacksonville addresses**, which suggests that the owners reside nearby and likely maintain a vested interest in the property. (4)

**12-14,000**



The estimated number of heirs' properties in Duval County



Research has found a **higher incidence** of heirs' property in communities with more significant Black populations. This is significant for Jacksonville as the **population of Black individuals is 31.0%**, which is the highest proportion of a Black population within Florida's large urban areas. The proportion of Black individuals in Jacksonville is also **significantly higher** than the state of Florida average (16.9%). (2)

# Health Implications & Recommendations



Heirs' property **exacerbates housing insecurity**. Lack of affordable housing **exposes households to poor health outcomes** like increased stress, mental health issues, and physical health problems. Children experiencing **housing instability** are more likely to have behavioral problems. (6)



According to **LISC Jacksonville**, by addressing the issues associated with heirs' property, the community can unlock **\$62,000 of dead equity** per home that exists within associated properties (7). Despite the scale and complexity of Duval heirs' property issues, there are opportunities for improving this situation:

## **Making Heirs' Property a Priority**

- In their Family Wealth Creation project, LISC creates opportunities for people to start businesses or pursue educational or countless other wealth-building prospects. This builds families who can now continue to call these dwellings their homes.

## **Creating Partnerships**

- Over the next two years, LISC aims to collaborate across the county to address the issues associated with heirs' property. This includes several components such as exploring nomenclature patterns within the tax office that makes vulnerable properties available within our most fragile communities, as well as working to locate priority neighborhoods for intensive outreach, and continuing to advance practical solutions at the household level.

## **Community Outreach/Education.**

- LISC is leveraging the capacity of trusted messengers such as Northwest Jacksonville Community Development Corporation, Historic Eastside Community Development Corporation, North Riverside Community Development Corporation and University of Florida Health Jacksonville to share information with residents about the importance of wealth preservation, property tax relief, exemption enrollment and estate planning. LISC is providing technical assistance to reduce communication barriers so that residents can understand how to access free civil representation and protect their home assets.