Rehabilitation Practices and Innovative Design Ideas to Increase the Value of Vacant Houses in Strong Market Neighborhoods

Presented by: Antonia Marinucci, RA, LEED GA
Economics & Real Estate
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Scale of Housing Types
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WELL-PRESERVED

- historic integrity is maintained

- original detail and floor plan are maintained and in relatively good condition

- candidate for preservation/restoration
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**DETERIORATED/VACANT**
- home has fallen into disrepair and requires substantial architectural work
- candidate for reconfiguration/reconstruction
Main Architectural Challenges
Main Challenges: Modifications

inexperienced DIY and/or unpermitted
Main Challenges: Modifications

- 1860s
- 18XXs
- 1890s

additions over time
Main Challenges: Modifications

multi-family conversion
Main Challenges: Vacancies

structural deterioration
Main Challenges: Vacancies

access to utilities
Hierarchy of Architectural Style
Hierarchy of Architectural Style

VS
Hierarchy of Architectural Style

VS
Hierarchy of Architectural Style
Balancing Historic Renovating with Modern Living
Balancing Historic Renovating with Modern Living: Lifestyle

19th century floor plan

21st century floor plan
Balancing Historic Renovating with Modern Living: Trends

7 Trends That'll Be "In" for 2017 — and 3 That'll Be "Out"

We spoke with top designers so you can stay up to date.

If 2016 was a little unpredictable, 2017 is looking to be a boundary-pushing year for interiors. At least, that's what real estate website Trulia is seeing with their trend forecast for the coming year. From unusual textures to jaw-dropping colors, we spoke with a few designers on the looks that will
Balancing Historic Renovating with Modern Living: Efficiency

Home Energy Rating Certificate

Property: Marinucci Group
4007 Whitman Ave
Cleveland, OH 44113

HERS Index: 83

General Information
- Conditioned Area: 1850 sq. ft.
- House Type: Single-family detached
- Conditioned Volume: 13600 cubic ft.
- Foundation: Conditioned basement
- Bedrooms: 2

Mechanical Systems Features
- Heating: Fuel-fired air distribution, Natural gas, 95.0 AFUE.
- Water Heating: Conventional, Electric, 0.95 EF, 50.0 Gal.
- Duct Leakage to Outside: 0.00 CFM25.
- Ventilation System: Exhaust Only: 60 cfm, 14.0 watts.
- Programmable Thermostat: Heat=No; Cool=No

Building Shell Features
- Ceiling Flat: R-38.0
- Sealed Attic: NA
- Vaulted Ceiling: R-30.0
- Above Grade Walls: R-13.0
- Foundation Walls: R-0.0

Lights and Appliance Features
- Percent Interior Lighting: 100.00
- Percent Garage Lighting: 5.00
- Refrigerator (kWh/yr): 660
- Dishwasher (kWh/yr): 265

Estimated Annual Energy Cost

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<th>Use</th>
<th>MMBtu</th>
<th>Cost</th>
<th>Percent</th>
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<tr>
<td>Total</td>
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Criteria

This home meets or exceeds the minimum criteria for the following:

RESNET HERS Provider
Cornerstone Energy Conservation
1320 McKinley Ave, Suite B
Columbus, OH 43222
614-351-1439

Rem/Rate - Residential Energy Analysis and Rating Software v14.6.4
This information does not constitute any warranty of energy cost or savings. © 1985-2016 Nresco, Boulder, Colorado.
The Home Energy Rating Standard Disclosure for this home is available from the rating provider.
Main Market Challenges
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ENSURING TRUE EQUITY & QUALITY OF WORK
Main Market Challenges

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unqualified flippers
Main Market Challenges

ENSURING TRUE EQUITY & QUALITY OF WORK

unqualified + naive flippers buyers
Main Market Challenges

ENSURING TRUE EQUITY & QUALITY OF WORK

unqualified + naive = cycle of flippers buyers deterioration
Main Market Challenges

ESTABLISHING WORTH
Main Market Challenges

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what a property is truly worth
Main Market Challenges

ESTABLISHING WORTH

what a property is truly worth | fair price to seller
Main Market Challenges

ESTABLISHING WORTH

- what a property is truly worth
- fair price to seller
- fair price to buyer
Main Market Advantages
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HIGH DEMAND
Main Market Advantages

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high demand
Main Market Advantages

HIGH DEMAND

high demand + large buying pool
Main Market Advantages

HIGH DEMAND

high demand + large buying pool = low-risk investment
Main Market Advantages

EQUITY
Main Market Advantages

EQUITY

$ PER SF

INITIAL PURCHASE
Main Market Advantages

EQUITY

$\text{PER SF}$ + $\text{\$\$ PER SF}$

INITIAL PURCHASE + RENOVATION INVESTMENT
Main Market Advantages

EQUITY

$ \text{PER SF} + $$ \text{PER SF} = $$$\$$ \text{PER SF}

INITIAL PURCHASE + RENOVATION INVESTMENT = POST-RENOVATION VALUE
Main Market Advantages

EQUITY

\[ \text{INITIAL PURCHASE \$ PER SF} + \text{RENOVATION INVESTMENT \$\$ PER SF} = \text{POST-RENOVATION VALUE \$\$\$\$ PER SF} \]
Rehabilitation Practice
Rehabilitation Practice

BUSINESS
  design
  legal
  economics
  management
# Rehabilitation Practice

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STABILIZING MARKET BY RENOVATING RESPONSIBLY
Rehabilitation Practice

MULTI-DIMENSIONAL APPROACH
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understanding market
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understanding market

defining the state of a house + scope of work
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understanding market

defining the state of a house + scope of work

assessing the equity of renovating vs. demolishing
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