Why are Demolitions being tracked separately?

The increasing number of vacant, blighted houses has become a major issue for neighborhoods all across the country. Habitat affiliates have been able to make a tangible positive impact by acquiring these properties, demolishing the blighted structures and eventually replacing them with new Habitat homes. Both activities - demolition and reconstruction – significantly benefit the neighborhood. Demolition provides an immediate benefit, while new construction provides a long term benefit, and also serves a family. By specifically tracking demolitions, Habitat will be able to better demonstrate the scope of its community development work.

What about Demolitions previously acquired?

To create a baseline, a one-time estimate of demolition properties acquired over the past three fiscal years will be collected. This reporting of recent demolitions will help to understand the number of demolition properties that have been acquired since the start of the foreclosure crisis. Demolitions completed after July 1, 2013 will be reflected as a Construction Activity in the House Production Report. Demolitions will not be counted as families served. When a new housing unit is constructed on the property, it will be reported in the House Production Report as a “new house” and counted as a family served.

How will the information be used?

Demolition data will not be published along with families served numbers, but will be communicated and shared as appropriate with our donors, granting agencies and other constituents to show Habitat’s impact in reducing neighborhood blight and leveraging existing infrastructure. Since the address of a demolished property can later be tied to a “new house” constructed on the same site, it will also be possible for us to note in future years the number of “new houses” that represent reconstruction of a blighted structure. This data can help us to address the question, “Why is Habitat building new houses when there are so many vacant houses in US neighborhoods?” Demolitions will not be counted as families served. When a new housing unit is constructed on the property, it will be reported in the House Production Report as a “new house” and counted as a family served.

By reporting the property address twice, won’t we be “double counting?”

A property that is demolished and later reconstructed and sold to a partner family will, in fact, be reported two separate times in the HPR – initially as a “demolition” and, when the new housing
unit is completed and sold to a partner family, as a “family served.” These two construction activities may or may not occur in the same reporting period – in fact, it is likely that the second activity will occur in a subsequent reporting period. The types of construction activity are different, and the “demolition” activity will not count as a family served. To avoid any possible confusion, the demolition data will be used selectively and will not be published along with house production numbers.

**How is Demolition defined?**

**Demolition**

For purposes of the House Production Report, a “demolition” is the complete demolition or deconstruction of a structure by or under the direction of the affiliate.

Notes:

- A “demolition” refers to the demolition work only, and not to subsequent construction of a new housing unit. “Demolition” statistics are tracked for purposes of demonstrating Habitat’s work in eliminating community blight, **but do not count as a family served**. When a new housing unit is completed on the lot and sold to a Habitat eligible individual or family, the “new house” is included in the House Production Report and constitutes a family served.
- A project that is reported under the Lockton insurance program as either a “demolition” or a “deconstruction” project is reported on the House Production Report as a “demolition”.

Examples:

- In FY 2013 Quarter 2, an affiliate receives a donation of a blighted foreclosed property and demolishes the existing structure. The cleared lot is held in the affiliate’s land inventory and scheduled for construction at a future date. In 2013 Quarter 2, the work is reported as a “demolition” in the House Production Report. When a new house is completed and sold, it will be reported as a “new house” in the House Production Report for the appropriate quarter.
- In the above example, if the new house is also constructed and sold in FY 2013 Quarter 2, the demolition work is reported as a “demolition” and the new house is reported as a “new house” in the FY 2013 Quarter 2 House Production Report.

**Demolition Related Subcategories (for purposes of US insurance reporting only)**

**These definitions are relevant for US affiliates reporting under the Lockton Insurance program, and do not affect reporting for the Affiliate Statistical and House Production Report.**
- **Demolition**: The complete demolishing of a structure, generally via the use of contractors using heavy equipment. Little, if any, material is left reusable.
- **Deconstruction**: Taking down an entire structure (roof to slab) by “unbuilding” it, with the goal of saving as much reusable material as possible.
- **Salvage (also called partial or cherry picking)**: Generally applies to anything you do without cutting into drywall. Removal of cabinets, flooring, doors, etc.

**Who can I contact for further information?**

Contact the Affiliate Support Center

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E-mail: USSupportCenter@habitat.org