



Homeowners Surviving Multiple Natural Disasters

How do compounding disasters affect the homeownership experience in Houston?



Context

Given the lack of formal disaster recovery programs focused on homeowners during COVID-19, we continued our research on this group. This time we wanted to understand the compounding impact of natural disasters on homeowners. Over the past 20 years, our city has experienced at least 12 storms — from floods and tropical storms to hurricanes. What is the correlation between the number of storms a homeowner weathered and one's financial situation during COVID-19? How does the number of disasters faced change a homeowner's ability to bounce back from a future disaster?

Method

Getting the Lay of the Land: Surveys of 95 Homeowners

Located In

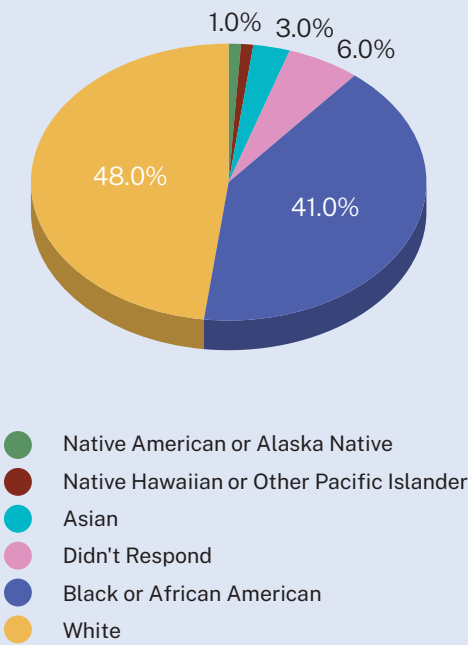
- 95% in Harris County (in Houston, Humble, Pasadena, Channelview, Cypress, Katy, Crosby, and Baytown)
- The rest in Fort Bend, Galveston, Liberty, and Montgomery Counties

Disasters Survived

- 100% were impacted by COVID-19
- On average, each home was impacted by 2.12 storms since 2000
- 78% were impacted by the 2021 winter storm
- 65% were impacted by Hurricane Harvey

Race and Ethnicity

35% were of Hispanic or Latinx origin



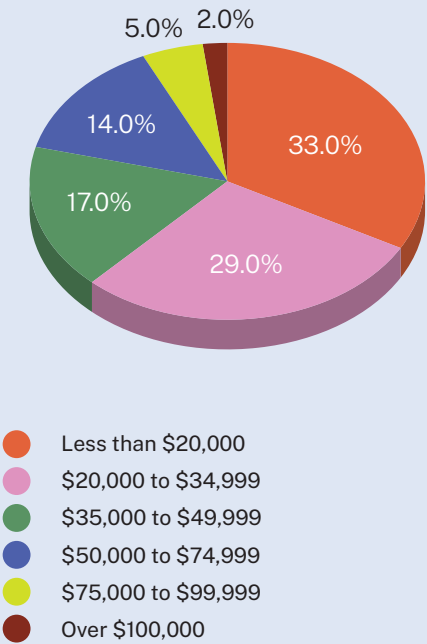
41% have paid
off their home.



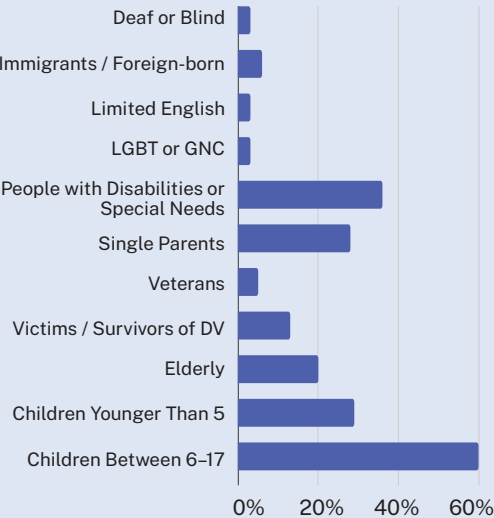
59% are still
paying off their
mortgage.

Average Household Size
3.5 People

Household Income



Household with Members Who Are



What We Heard

More Than Just a Virus:
Impact of COVID-19

Household Expenses

87% are having trouble paying for household expenses (other than utilities).

37% are experiencing this most months.

Utilities

82% are having trouble paying household utilities.

34% are experiencing this most months.

Mortgage

77% are having trouble paying their mortgage.

39% are experiencing this most months.

Property Taxes

64% are having trouble paying their property taxes.

Tough Choices: A Disconnect Between Self-identified Struggles and Actual Expenditures

What are you struggling with the most?

People are struggling most with paying for essential household expenses (other than utilities) such as food and healthcare.

What are you spending money on?

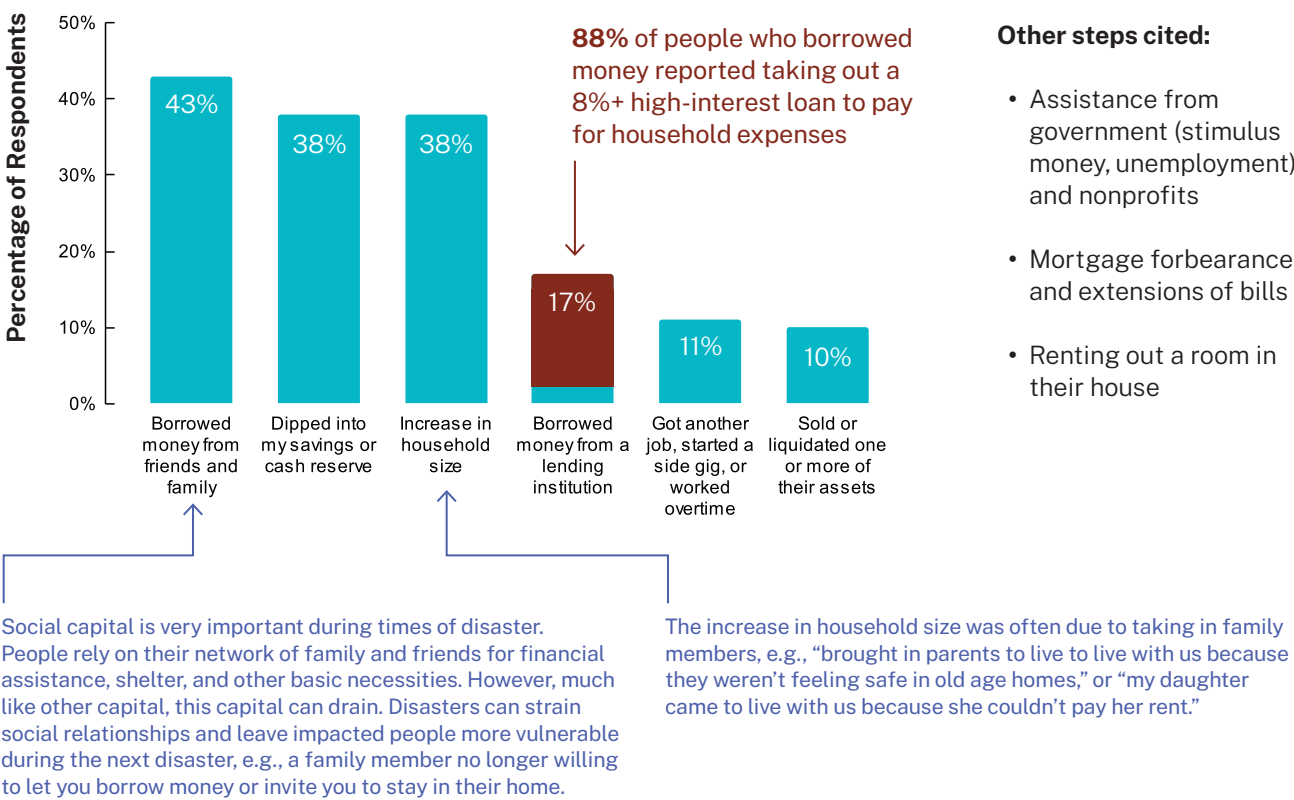
People want to prioritize paying off debt (mortgage, followed by other debts such as credit card, car, student loans) and then paying for utility bills.

INSIGHT

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If you ask people what they are struggling with the most, they say food and household goods. When asked what they would use money for first, they said mortgage and utilities. There is a disconnect! It is reasonable, of course, for families to prioritize safe shelter. However, during tough times, this likely means that those families' health and nutrition are suffering.

Steps Taken During COVID-19



When Ends No Longer Meet: First-time Seekers

40% of homeowners surveyed are experiencing difficulty managing expenses that they did not have difficulty paying before COVID-19. Of those who expressed difficulty paying various expenses for the first time, 29% have an ongoing monthly need.

Household Expenses

39% of the total homeowners surveyed are having trouble paying for household expenses (other than utilities) for the first time.

Utilities

45% of the total homeowners surveyed are having trouble paying household utilities for the first time.

Mortgage

35% of the total homeowners surveyed are having trouble paying their monthly mortgage for the first time.

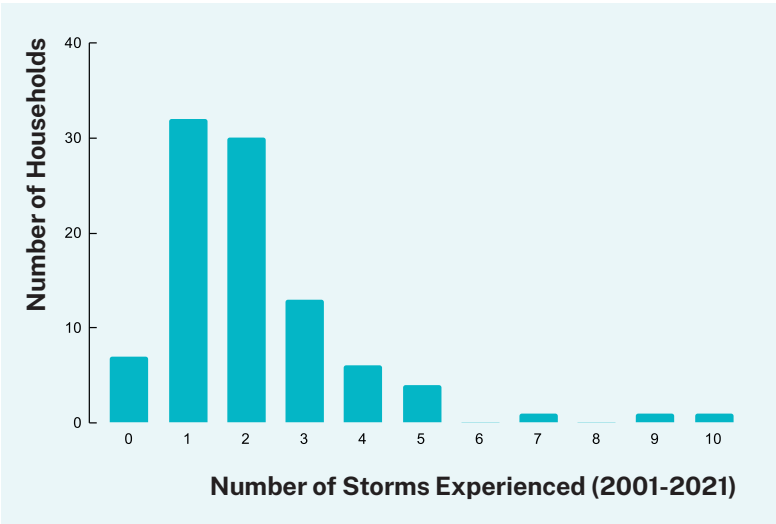
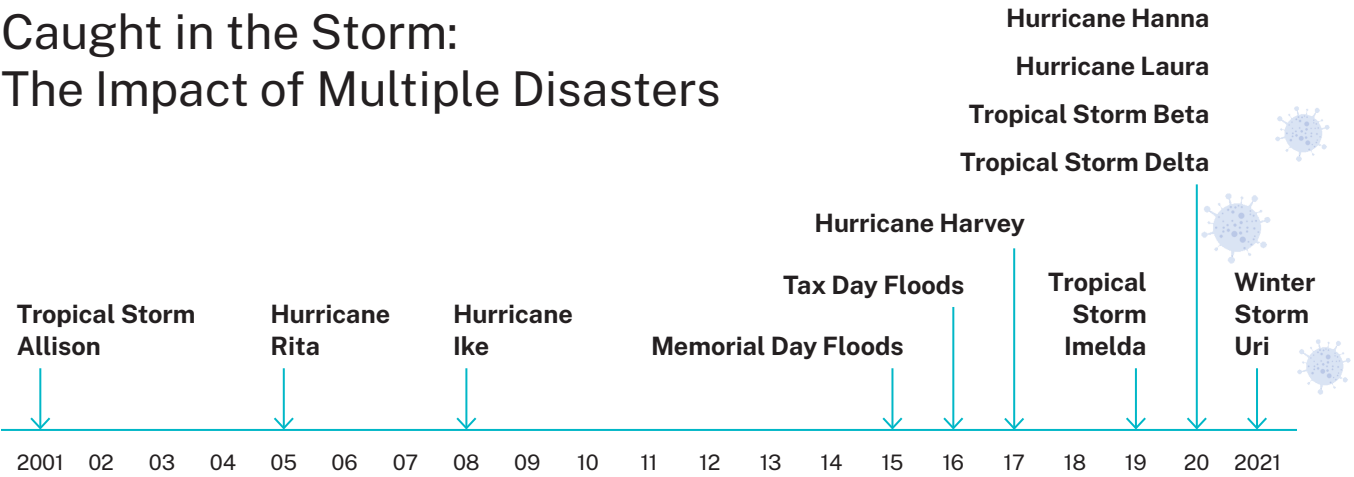
Property Taxes

37% of the total homeowners surveyed are having trouble paying property taxes for the first time.

INSIGHT
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We are seeing a significant increase in the group of first-time seekers that had never experienced trouble paying their expenses, utilities, mortgage or property taxes before COVID-19. Many find themselves in a dire situation, experiencing trouble paying bills every month or so! This group is seeking social services for the first time. How might we design social services to support people who are not used to navigating the system?

Caught in the Storm: The Impact of Multiple Disasters



It's Broke, but It Ain't Getting Fixed

87% of respondents have delayed repairs or maintenance during COVID-19. **92%** of these respondents said this was due to shortage of money, and **30%** said this was because of the need to social distance.

Other reasons shared:

- Depression and mental health issues
- Being overwhelmed
- Unavailability of materials
- Waiting on service from a volunteer agency

INSIGHT 30

There is no singular narrative. We tried to see if there was any relation with number of storms weathered and the impact of COVID-19 on households. The results were all over the place. While we can't make conclusive statements about the impact of multiple storms and people's struggles during COVID, we know that people were hit hard, and that impacts their ability to recover from the next disaster.

On average, each household we surveyed had experienced 2.2 storms. And many dip into their savings, liquidate assets, or take out loans to recover from a disaster.

On average, 50% of people spent over \$10k in repairs from Hurricane Harvey. 60% reported dipping into their savings, and 60% reported borrowing money from either family or lending institutions.

91% of those impacted by Tropical Storm Imelda incurred \$10K or less in damages. 54% of them dipped into their savings, and 51% reported borrowing money from either family or lending institutions.

Overall, more than 3 out 4 of all people we surveyed are having trouble paying their monthly mortgage and almost 9 out 10 are having trouble with daily expenses. Perhaps if it weren't for spending money on other storms, they might not be experiencing such drastic difficulties or having to dip into savings or take out a loan during COVID-19.

Questions to Solve For:

- ? How might we support and sustain asset-building in low-income and BIPOC communities to prevent a generation's worth of assets from being drained over the course of several natural disasters?
- ? How might we support low-to-moderate income households as they expand post-disaster by taking on family members who are displaced?

Idea

Displaced person moving into a family or friend's house brings an asset, e.g., a voucher that covers part of their living expenses.

Idea

Displaced person who has moved into a family or friend's house has the option to check in to a hotel for a night or two on occasion to sustain the mental health of everyone involved.

- ? How might we provide property tax relief during times of crisis?
- ? How might we improve trainings and supports for low-income homeowners to complete maintenance and repairs on their properties during times of economic distress?
- ? How might we work with debt collectors, mortgage lenders, and utility providers to relieve families of the immediate burden of avoiding losing their housing so they can focus on other necessities, such as food and healthcare?
- ? How might we reduce the burden of overcrowding for those experiencing economic hardship?