



Beyond Information. Intelligence.

Consulting

Database Marketing

Economic & Social Impact
Studies

Research

Training

SMS

1042 Fort Street Mall
Suite 200
Honolulu, HI 96813
Ph: (808) 537-3356
Toll Free (877) 535-5767
Fax: (808) 537-2686
E-mail: info@smshawaii.com
Website: www.smshawaii.com

Report

DHHL APPLICANT SURVEY, 2008



Prepared for:

**State of Hawaii
Department of Hawaiian Home Lands**

DHHL Beneficiary Surveys Update

SMS Affiliations and Associations:

Alan Barker Associates
Experian
International Survey Research
Mediamark Research Inc.
Pacific Consulting, LLC
Warren Dastrup – Kauai Affiliate
3i Marketing & Communications

Prepared by:

**SMS Research & Marketing Services, Inc.
May 2009**



Beyond Information. Intelligence.

Consulting

Database Marketing

*Economic & Social Impact
Studies*

Research

Training

Bob Freitas, Jr.
Planner
Department of Hawaiian Homelands
P.O. Box 1879
Honolulu, HI 96805

SMS

1042 Fort Street Mall
Suite 200
Honolulu, HI 96813
Ph: (808) 537-3356
Toll Free (877) 535-5767
Fax: (808) 537-2686
E-mail: info@smshawaii.com
Website: www.smshawaii.com

Dear Bob,

We are pleased to provide you with this DHHL Beneficiaries Study Applicant Report. As you will see the report includes new analysis to better understand the needs of the Applicants and their desires for the future.

Please contact me with any questions.

A hui hou,

Faith Sereno Rex
President
SMS Consulting

SMS Affiliations and Associations:

Alan Barker Associates
Experian
International Survey Research
Latham Synchronized Relationship Marketing
Mediamark Research Inc.
NCQA Certified
Stephanie Kaneshiro – Big Island Affiliate
Warren Dastrup – Kauai Affiliate
3i Marketing & Communications

CONTENTS

BACKGROUND	1
OBJECTIVES.....	1
METHOD	1
APPLICANT COUNTS	3
<i>Types of Applications</i>	3
<i>Residential</i>	4
<i>Agricultural</i>	5
<i>Pastoral</i>	5
CHARACTERISTICS OF APPLICANTS	8
<i>Time on List</i>	9
<i>Age</i>	10
<i>Household Size</i>	13
<i>HUD Guidelines</i>	18
LOCATION PREFERENCE	21
PREFERENCES	28
OPINIONS OF DHHL APPLICANTS.....	29

LIST OF TABLES

TABLE 1. NUMBER OF APPLICANTS BY TYPE OF APPLICATION.....	4
TABLE 2. SIZE OF DHHL APPLICANT HOUSEHOLDS	13
TABLE 3. HOUSEHOLD SIZE COMPARISON	14
TABLE 4. NUMBER OF CHILDREN IN HOUSEHOLD COMPARISON.....	14
TABLE 5. LOCATION PREFERENCE, FIRST AND SECOND CHOICES	22
TABLE 6: IF THE FOLLOWING WERE TRUE WOULD YOU ACCEPT A TOWNHOUSE OR A MULTIPLEX UNIT?	29
TABLE 7. USEFULNESS OF VARIOUS INFORMATION	29
TABLE 8: ISSUES QUESTIONS.....	30
TABLE 9. SOURCE OF HELP TO PROVE BLOOD QUANTUM	31

LIST OF FIGURES

FIGURE 1. NUMBER OF DHHL APPLICANTS BY COUNTY.....	1
FIGURE 2. TYPES OF APPLICATIONS BY ISLAND OF PREFERENCE 2008.....	1
FIGURE 3. HOME OWNERSHIP RATES AMONG APPLICANTS.....	6
FIGURE 4. CURRENT MONTHLY HOUSING PAYMENT.....	1
FIGURE 5. LENGTH OF TIME IN CURRENT HOME.....	1
FIGURE 6. LENGTH OF TIME AS AN APPLICANT	9
FIGURE 7: AGE DISTRIBUTION OF APPLICANTS BY YEAR.....	10
FIGURE 8. AGE OF APPLICANTS BY TIME ON THE LIST	12
FIGURE 9. APPLICANT HOUSEHOLD SIZE 1985-2008	13
FIGURE 10. HOMESTEAD FAMILY INCOME OF APPLICANTS, 2007, 2003, 1995.....	15
FIGURE 11. HOMESTEAD FAMILY INCOME OF APPLICANTS RELATIVE TO STATE HOUSEHOLD INCOME	16
FIGURE 12: INCOME BY LENGTH OF TIME ON THE LIST	17
FIGURE 13. PERCENT OF APPLICANTS BELOW 80% HUD MEDIAN INCOME GUIDELINES	18
FIGURE 14: LENGTH OF TIME ON THE LIST BY DISTRIBUTION OF HUD MEDIAN INCOME HOUSEHOLDS.....	19
FIGURE 15. SAVINGS OF APPLICANTS.....	20
FIGURE 16. EXPECTED DOWN PAYMENT.....	1
FIGURE 17. MAP OF DHHL HOMESTEADS, OAHU	23
FIGURE 18. MAP OF DHHL HOMESTEADS, MAUI	1
FIGURE 18. MAP OF DHHL HOMESTEADS, MAUI	24
FIGURE 19. MAP OF DHHL HOMESTEADS, HAWAII	25
FIGURE 20. MAP OF DHHL HOMESTEADS, KAUAI.....	26
FIGURE 21. MAP OF DHHL HOMESTEADS, MAUI COUNTY.....	27
FIGURE 22. AWARD PREFERENCES OF APPLICANTS.....	1

EXECUTIVE SUMMARY

- The Department of Hawaiian Home Lands (DHHL) continues to meet the land and housing needs of the Hawaiian community through increasing and changing demand. Even as DHHL has made thousands of awards in recent years, the number of Applicants has increased by 57% since 1995. The increase is not due just to younger Applicants who recently qualified for an award, but there has been many older Hawaiians who have applied for the first time even though they could have applied many years ago. The list has grown faster than the ability to provide awards.
- Based on indicated preferences and focus groups most applicants are looking to DHHL to provide them with housing solutions. The most desired option is a single family dwelling that is move-in ready.
- The number of Applicants that fall below the 80% median income guidelines established by HUD has decreased to 48%. This change is due to a mix of factors: more younger applicants on the list with higher incomes and older applicants with smaller household sizes, therefore their income is not spread across as many household members.
- One of the factors that appears to make a significant difference is length of time an applicant has been on the list. For the most part those Applicants on the list thirty years or more, are more likely to be older, have less income and have household income less than 80% of HUD median income levels.

INTRODUCTION

The State of Hawaii Department of Hawaiian Home Lands (DHHL) was established in 1921 to manage the Hawaiian Home Lands trust. The mission of the Department is to manage effectively, develop raw land for use by qualified Applicants, facilitate land leases, and to develop and maintain self-sufficient and healthy communities on homestead land. To ensure that Departmental strategies and services are aligned with the interests of beneficiaries, DHHL has periodically commissioned surveys to identify their needs and preferences.

BACKGROUND

In 2008, the Department of Hawaiian Home Lands authorized a study among all of its beneficiaries -- current Lessees and Applicants for land awards. The purpose of the study was to replicate a similar study conducted in 2003 and 1997, and to bring to light the current conditions of Lessees and Applicants, their needs and interests. For 2003 and 2008 DHHL needed information suited to the Department's relationship with the U.S. Department of Housing and Urban Development (HUD) under the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA). HUD programs are designed to facilitate housing production and community development among qualified population segments. In 2008 additional questions were included to address issues currently under consideration for the Department. DHHL commissioned SMS to complete that study.

OBJECTIVES

The overall goal of the project was to provide DHHL with a comprehensive body of information to support planning for delivery of land awards to Applicants and provides opportunities for community development among Homelands Lessees. Specific objectives for the Applicant survey included:

- To update Applicant profiles and housing situations;
- To measure level of qualification for awards acceptance under NAHASDA programs;
- To investigate expectations for land awards;
- To get Applicant impressions for certain proposed land award types; and
- To measure Applicant satisfaction with DHHL performance.

METHOD

The overall study consisted of five parts as described in the appendix to this report. There were two major surveys involved, one focusing on lessees, and one focusing on Applicants. This report covers the survey of DHHL Applicants for land awards. This report covers the finding of the Applicant survey. The lessee survey and other project components are covered in reports submitted separately.

The Applicant survey was designed to provide large-sample, statistically reliable data on all Applicants who were registered as of October 2008. Two related surveys were conducted to accomplish that task. The first survey was a self-administered mail survey designed to provide

very broad coverage of the Applicant group. The survey instrument was designed to include items that were directly comparable with the 2003 survey, and to extend the 2003 survey content to include items of interest. The survey instrument was mailed to all DHHL Applicants with current addresses in the DHHL Applicant database.

A total of 16,631 surveys were mailed to all applicants, and 54 were returned as undeliverable. The entire DHHL database also contained 3,709 cases that were on both, the Applicant and Lessee list. Those cases were treated as Lessees and received the appropriate Lessee survey. Findings about those cases can be found in the 2008 SMS Lessee Report.

We received completed survey forms from 5,172 applicants, for a return rate of 31.2 percent. The sample error for the mail survey was plus-or-minus 1.43 percentage points at the 95 percent confidence level.

The second survey was a telephone survey conducted among a split sample of Applicants. The survey instrument contained most of the same items that were included in the mail survey, and was expanded to cover a broader range of subject matter. The frame was the same list of Applicants used for the mail survey. The frame was stratified to separate Applicants who had returned (respondent phone survey) and those who had not returned (non-respondent phone survey) a mail survey. A total of 990 telephone interviews were completed, 502 from mail survey respondents and 488 from non-respondents. The combined sample error for the telephone survey of Applicants was plus-or-minus 3.11 percentage points at the 95 percent confidence level.

Altogether, the two surveys gathered information from an unduplicated total of 5,660 DHHL Applicants, or about 34.15 percent of those who could be contacted. Results from the two segments of the telephone survey were used to test two propositions: (1) Answers given over the phone and the telephone are different (mode effects) and (2) survey respondents were different from those who had not responded (non-response bias).

To test for mode effects we compared all survey items in the mail-survey with their counterparts in the telephone survey. The results of that comparison showed differences at statistically significant levels only for two items. To avoid the very small potential of mode effect bias in the report, responses of the mail-survey and the phone survey are not mixed together and presented separately.

The test for non-response bias showed that applicants that did not respond to the mail survey but completed the non-response phone survey differ on a variety of items. Most prominently, Applicants that completed the mail survey are much more likely to be homeowners, whereas Applicants who completed the non-respondent phone survey are renters. After statistical adjustments for this homeownership in-balance between respondents and non-respondents differences between the two groups generally dropped to insignificant levels.

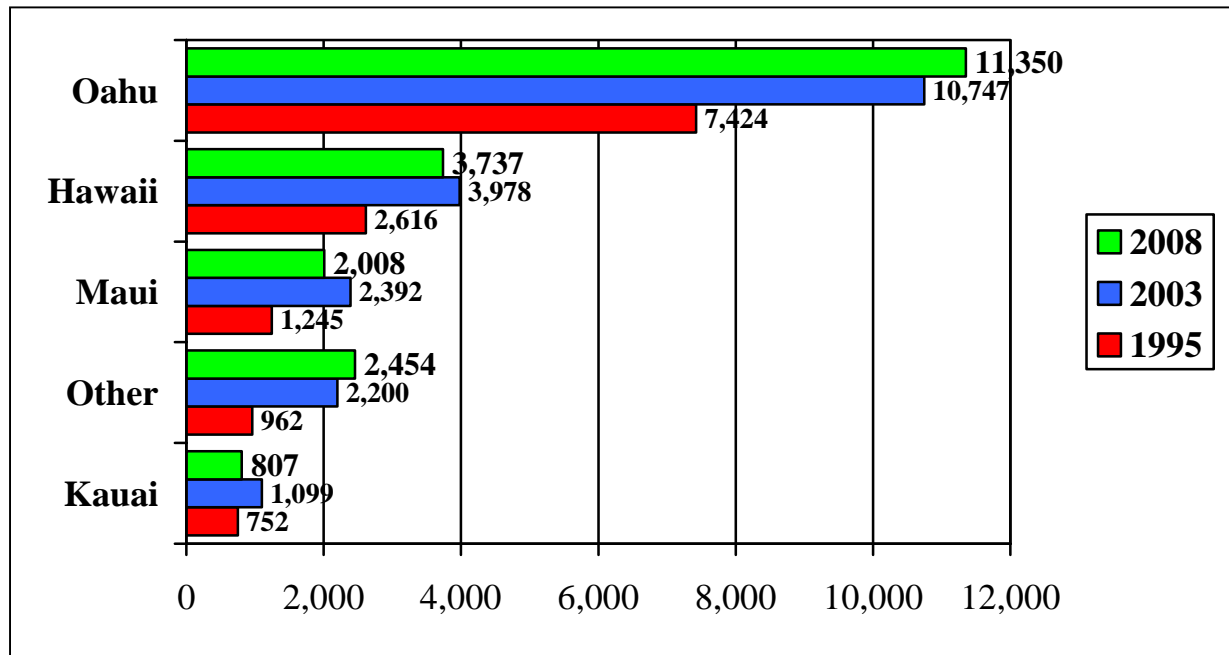
Overall it is our professional opinion that the results of the DHHL Applicant Surveys represent an unbiased, statistically reliable, representative sample of the characteristics, conditions, and opinions of all Applicants on the list as of October 2008 .

APPLICANT COUNTS

As DHHL continues to make awards to its beneficiaries, more and more people continue to apply. The total number of DHHL beneficiaries, both Lessees and Applicants, has increased over 7% since the last time this survey was done in 2003. An indication of the success of DHHL programs, the number of Lessees has increased by 28% while the total number of Applicants increased approximately 9%. Approximately 3,707 (16%) Applicants are also Lessees.

The largest change within the applicant pool was the increase in number of Applicants on Oahu and "other" which includes mainland, foreign and address unknown. The decrease in Applicants was on Kauai, Maui and Hawaii Island.

Figure 1. Number of DHHL Applicants by County



Base includes total number of Applicants including those who are also Lessees.

There are approximately 2,454 (12%) Applicants that currently live outside of Hawaii. Most of these Applicants live on the U.S. Mainland, although there are a small number that live in foreign countries as well. One notable difference between Applicants that are solely applicants compared with those that are Applicant/Lessees, is that 12% of Applicants live outside of Hawaii, while only 4% of those that are both live outside of Hawaii.

Types of Applications

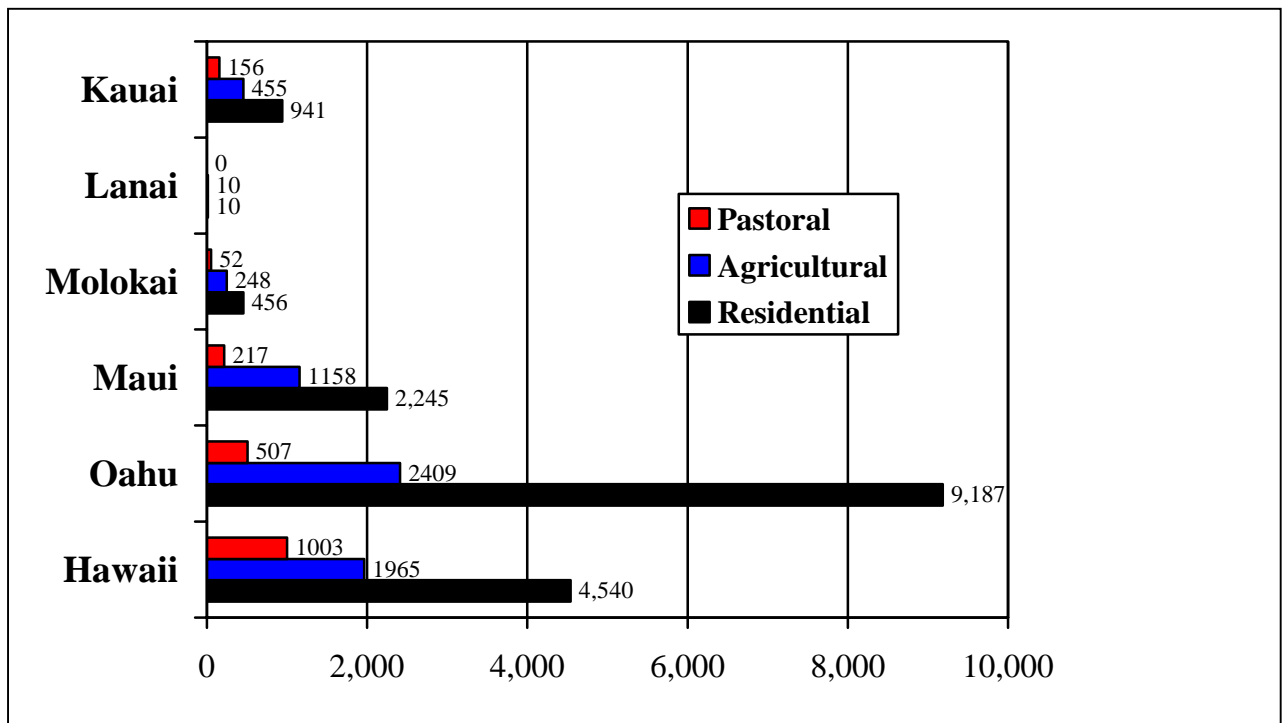
Based on Applicant responses, each Applicant has an average of 1.4 applications. The largest number want a residential lot, followed by an agricultural lot, then a pastoral lot. Based on feedback from 2003 focus groups, the primary reason for an agricultural or pastoral lot was to build a residence and we assume this is still a factor.

Table 1. Number of Applicants by Type of Application

Number of Applications by Type			
	Residential	Agricultural	Pastoral
Residential	14,358	3,987	1,037
Agricultural	3,987	4,894	454
Pastoral	1,037	454	1,523
	19,382	9,334	3,014

Percent of All Applications by Type			
	Residential	Agricultural	Pastoral
Residential	45%	13%	3%
Agricultural	13%	15%	1%
Pastoral	3%	1%	5%

Figure 2. Types of Applications by Island of Preference 2008



Residential

The largest area of growth has been in applications for residential land. The number of residential applications is highest on Oahu, with 9,187 residential applications. The island with the next highest number of applications is Hawaii, with 2,974 residential.

Agricultural

Oahu has the largest number of applicants (2,409) for agricultural land. The island of Hawaii is second with 2,409 applying for agricultural land on that island and Maui is the third with 1,158 applicants for land on that island.

Pastoral

There are 1,995 applications total for pastoral land. Most of the pastoral land is on the Big Island, and 51% of the pastoral applications are for the Big Island as well.

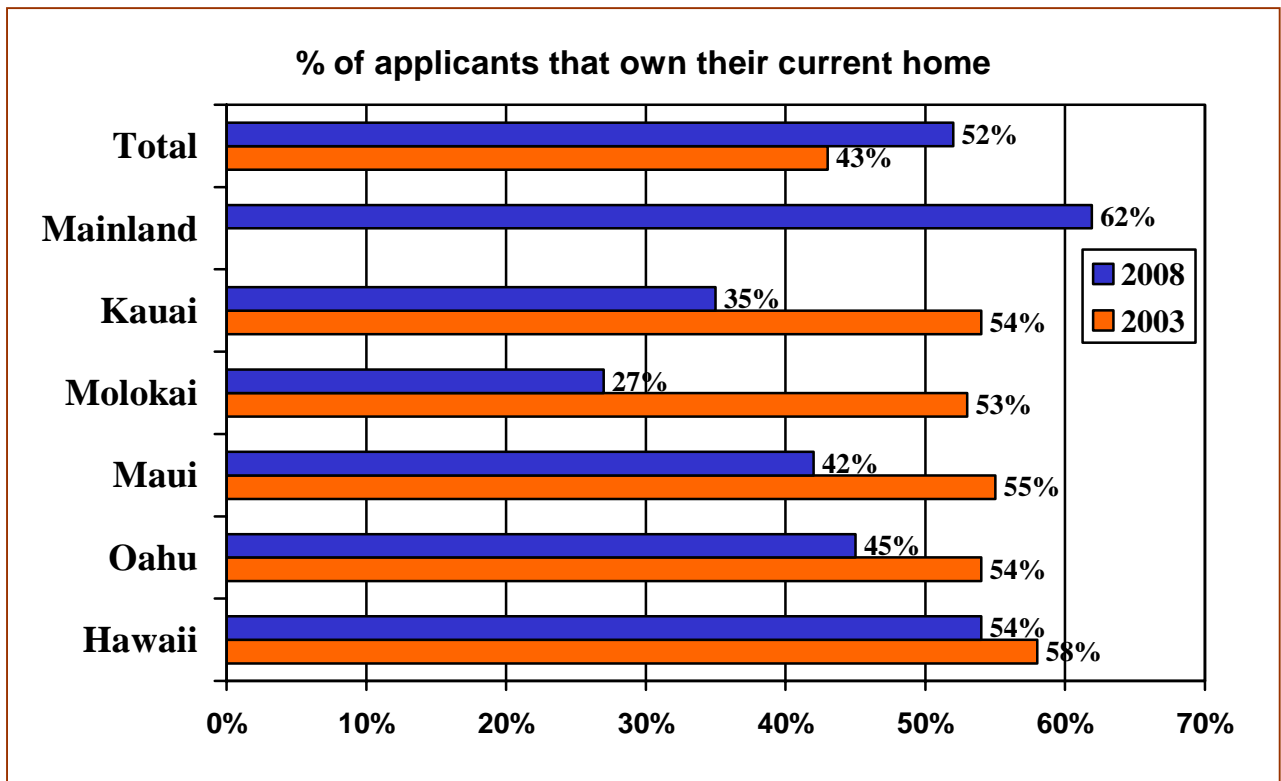
CURRENT HOUSING SITUATION

This report updates the current housing situation of DHHL Applicants while at the same time puts it into the perspective of preferences after qualifications. This format allows for tracking changes over time while having the information in a format that is useful for planning purposes. This section updates the current housing situation, while Appendix A contains tables that tie the current housing situation to qualifications and preferences of Applicants.

About 43% of Applicants currently own their own home, a little lower than the 52% ownership in 2003. These ownership rates are lower than the state population overall (60%)¹. The ownership rate varies by island, with Applicants who live on the mainland having the highest rate of 62% and Molokai the lowest at 27% ownership rate. Note however that this study was conducted in late 2008 and early 2009, before the rate of foreclosure increased in Hawaii and around the country. Many mainland Applicants have addresses in California and Nevada where the housing market has shown the greatest weakness. This study conducted in the next couple years may show a dramatically different result of home ownership.

¹ From 2006 Hawaii Housing Policy Study.

Figure 3. Home Ownership Rates Among Applicants

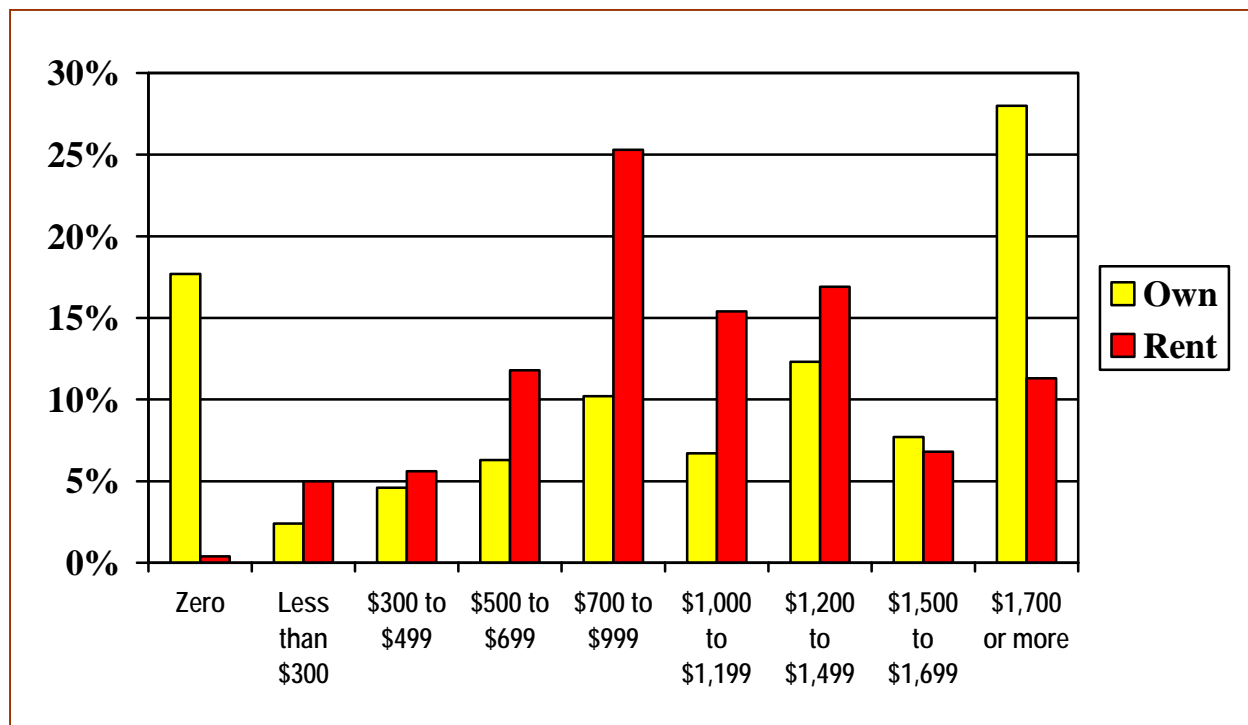


The Applicants' current monthly mortgage or rent payment is another good indicator of what they can afford to pay if they get a DHHL award. A typical DHHL house is about \$150,000, which corresponds roughly to about \$681/month². Most who currently own their own home pay at least that, plus they have equity built up in their home as well.

The more that Applicants currently pay for their rent/mortgage is a good indicator of their ability to pay for a home on DHHL land. Thus, as Applicants' payments increase, the percentage of Applicants that could qualify increases as well. Of course, this is not the only indicator used to determine qualification, for example some Applicants that fall in the high rent/mortgage categories do not qualify based on other information. For instance, an Applicant might live in a unit with others and the household might pay \$2,000 per month for their mortgage, but the Applicant alone would not be able to pay that much.

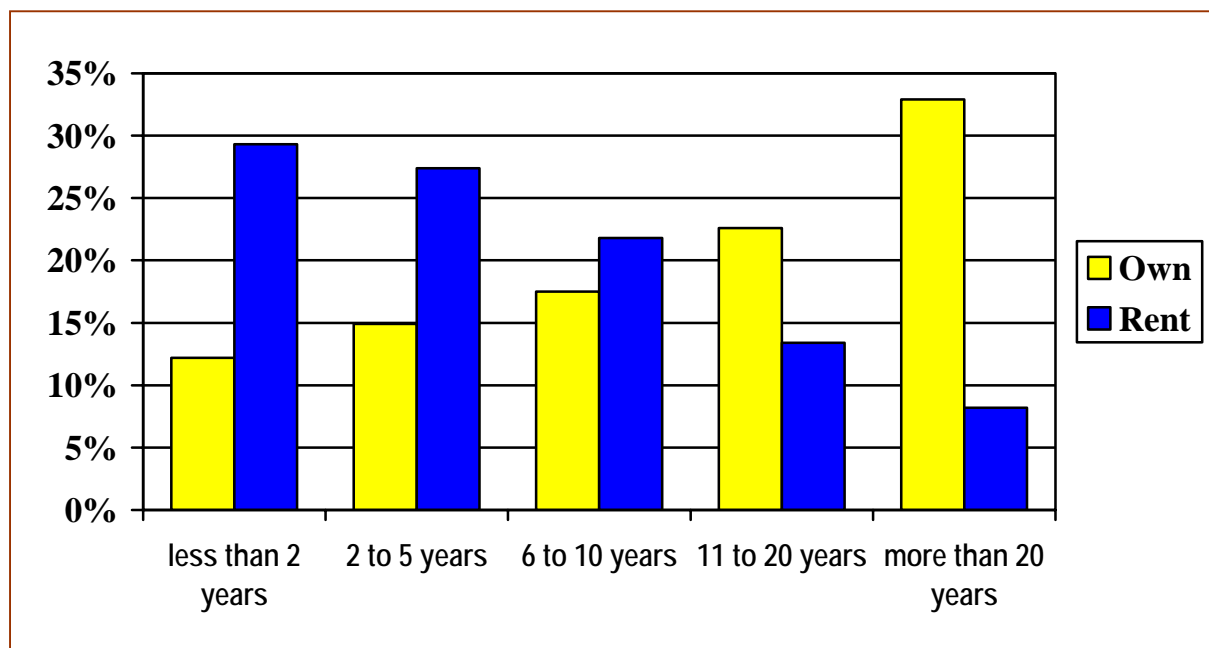
Note that approximately 18% of homeowners have no monthly payment that suggests that they own their home outright. This group would likely have the ability to sell their current home to buy a new home given a DHHL award, however whether they would be interested in incurring new debt is questionable and was an issue raised in 2003 focus groups. Some group participants mentioned they would like to stay in their current house, but have DHHL provide financial assistance to make repairs and/or allow their children to have a home or down payment.

Figure 4. Current Monthly Housing Payment



² The \$681 assumes 5.5% interest rate, 20% down payment for a 30-year term

Figure 5. Length of Time in Current Home



The amount of time applicants have lived in their current residence varies significantly depending upon whether or not the applicant rents or owns. The majority of those that own their own home have lived there for more than 10 years, while those that rent are typically there for a shorter length of time. It is interesting that there are many more renters in the Applicant population than one would expect who have rented in their current residence for very long lengths of time.

One factor that Figure 5 again demonstrates came out in the 2003 focus groups – many Applicants have lived in a home they own for more than 20 years, and in fact many may have paid off their mortgage by now. The major reason they would want to have a DHHL home is for their children. Then the financial considerations rest with the children, not the Applicant and the appropriateness of an award would also rest on the desires and needs of the children.

CHARACTERISTICS OF APPLICANTS

One of the major objectives of this study was to update the characteristics of the DHHL Applicant pool. Over time, certain characteristics can change, the Applicant pool gets relatively older, and households change in size—some people leave, and others come in.

This survey was last done in 2003, and one might expect that there would be shifts in the Applicant population over the past 5 years.

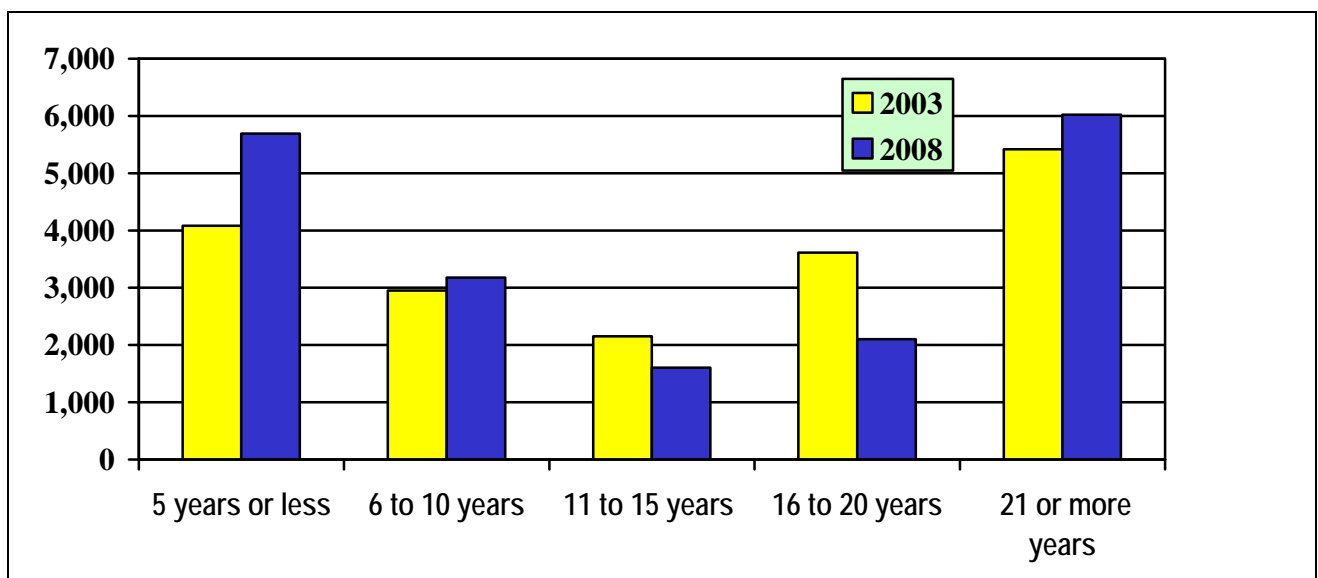
This section of the report updates general characteristics of the DHHL Applicant pool. In addition, Appendix A contains tables that tie these characteristics to the Applicants' qualifications and preferences.

The latter purpose adds a layer of information particularly useful in setting policy that affects certain subgroups of the Applicant population.

Time on List

There have been more than 5,000 Applicants for DHHL land in the last 5 years, since the last Beneficiary Study. There are also over 5,000 Applicants that have been on the list for over 20 years. Each group at the ends of this timeline appears to have unique characteristics and needs that may be relevant for DHHL to consider over the next few years. These characteristic differences will be discussed where relevant below.

Figure 6. Length of time as an Applicant

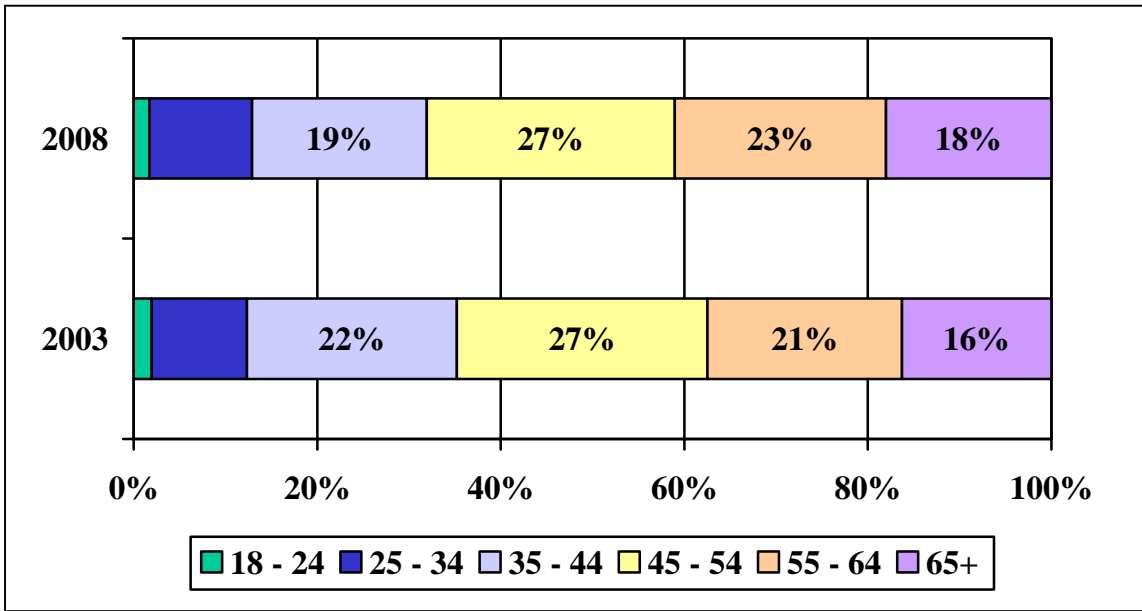


Note: from telephone survey, and excludes the 2,200 Applicants who live outside of Hawaii

Age

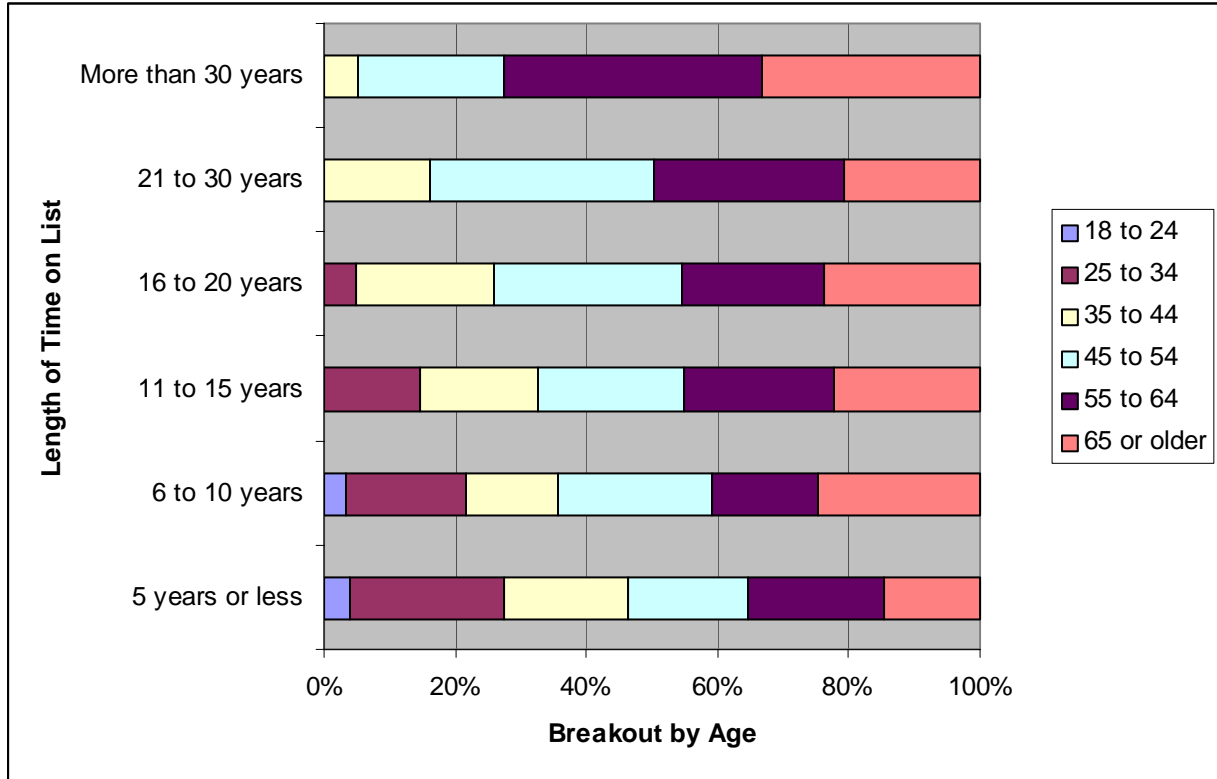
In 2008 about 41% of Applicants are over the age of 55, and almost half of those are over 65. The number of younger people under age 35 tends to remain constant.

Figure 7: Age Distribution of Applicants by Year



Looking at age by time on the list in Figure 8 shows that while newer applicants range in age from 18 to over 65, the prevalence of more recent applicants is for them to be younger.

Figure 8. Age of Applicants by Time on the List



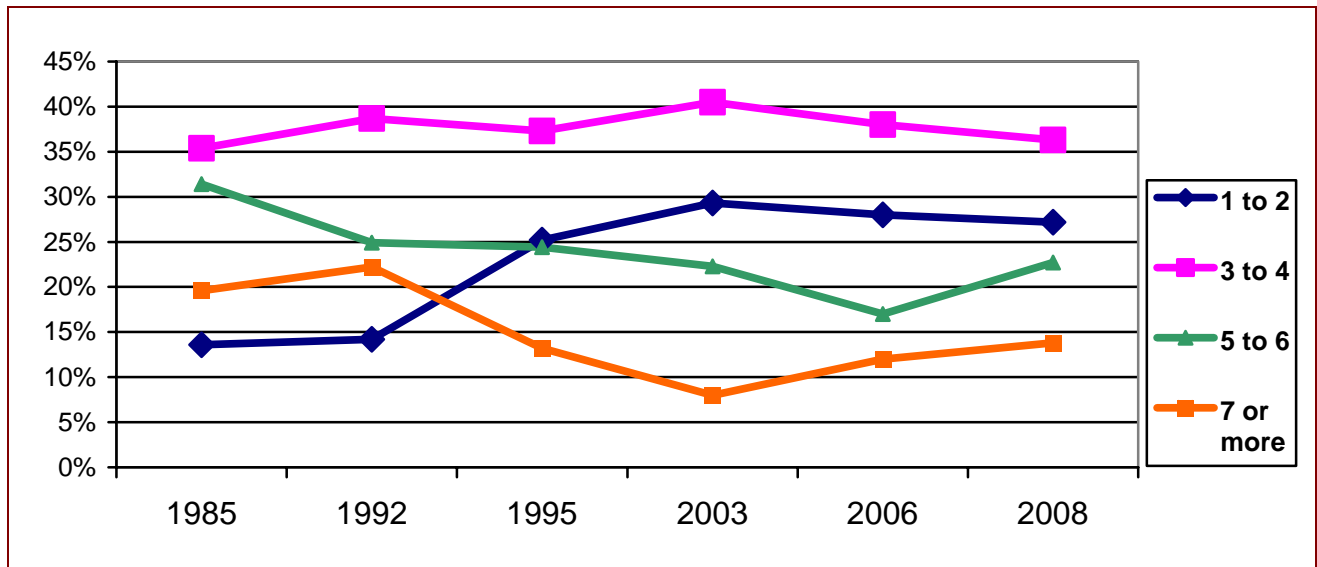
Household Size

Applicant household size in 2008 is similar to the distribution in the 2006 Hawaii Housing Policy Study and is larger than the 2003 Beneficiary Study.

Table 2. Size of DHHL Applicant Households

	2008	2006 ³ Applicants	2003	1995 ⁴	1992 ⁵
1 to 2	27.9%	28%	29.3%	25.2%	14.2%
3 to 4	36.1%	38%	40.5%	37.3%	38.7%
5 to 6	22.5%	17%	22.3%	24.4%	24.9%
7 or more	13.6%	12%	8.0%	13.2%	22.2%

Figure 9. Applicant Household Size 1985-2008



The Hawaii Housing Policy Study (HHPS), conducted in 2006, provides a useful comparison of the status of DHHL Applicants to the other sub-populations in Hawaii. According to the HHPS, DHHL Applicants have larger household sizes on the average than other Hawaiian groups, and non-Hawaiian groups (see Table 3). About 36% of Applicant households have household sizes of 5 or more (Beneficiary study), while the non-Hawaiian population of Hawaii only has about 9%.

³ 2006 Hawaii Housing Policy Study

⁴ 1995 Applicant Survey.

⁵ 1992 Housing Policy Consortium Study.

Table 3. Household size comparison

	Applicants only	50% Hawaiian	Other Hawaiian	Not Hawaiian	Total Population
1	2%	14%	N/A	29%	23%
2	26%	27%	29%	33%	32%
3	22%	14%	22%	16%	17%
4	20%	20%	24%	12%	14%
5	16%	13 %	10%	5%	7%
6	7%	4%	7%	2%	3%
7	3%	4%	3%	1%	2%
8 or more	9%	5%	5%	1%	2%

Source: Hawaii Housing Policy Study, 2006

When identifying the needs of DHHL Applicants, it is also very useful to look at the number of children in the households. Again, Applicant households are more likely to have children in them and have more children than non-Applicant or non-Hawaiian households. More than half of Applicant households have children, compared to only 33% for the total population. The number of children in the household is larger as well, with about 17% of households having 3 or more children. The population as a whole has only about 8%.

Table 4. Number of Children in Household Comparison

	Applicants only	50% Hawaiian	Other Hawaiian	Not Hawaiian	Total Population
Zero	48%	51%	44%	74%	67%
One	15%	18%	20%	12%	14%
Two	18%	18%	20%	8%	11%
Three	10%	7%	10%	3%	5%
Four or more	10%	6%	6%	2%	3%

Source: Hawaii Housing and Policy Study, 2006

FINANCIAL CHARACTERISTICS OF APPLICANTS

This survey updates several financial characteristics of Applicants, including household income, HUD income levels, savings, and expected down payment levels. These variables are very important in determining the ability of an Applicant to get financing to build or buy a home on DHHL land, and were used in developing the qualifications model discussed earlier.

In 2008 the Applicant survey measured homestead family income in category similar to the census, therefore Figure 10 has been adjusted for the new categories to match with the older surveys. The average income of Applicant households has increased by a noticeable amount, as detailed in Figure 10

Figure 10. Homestead Family Income of Applicants, 2007, 2003, 1995

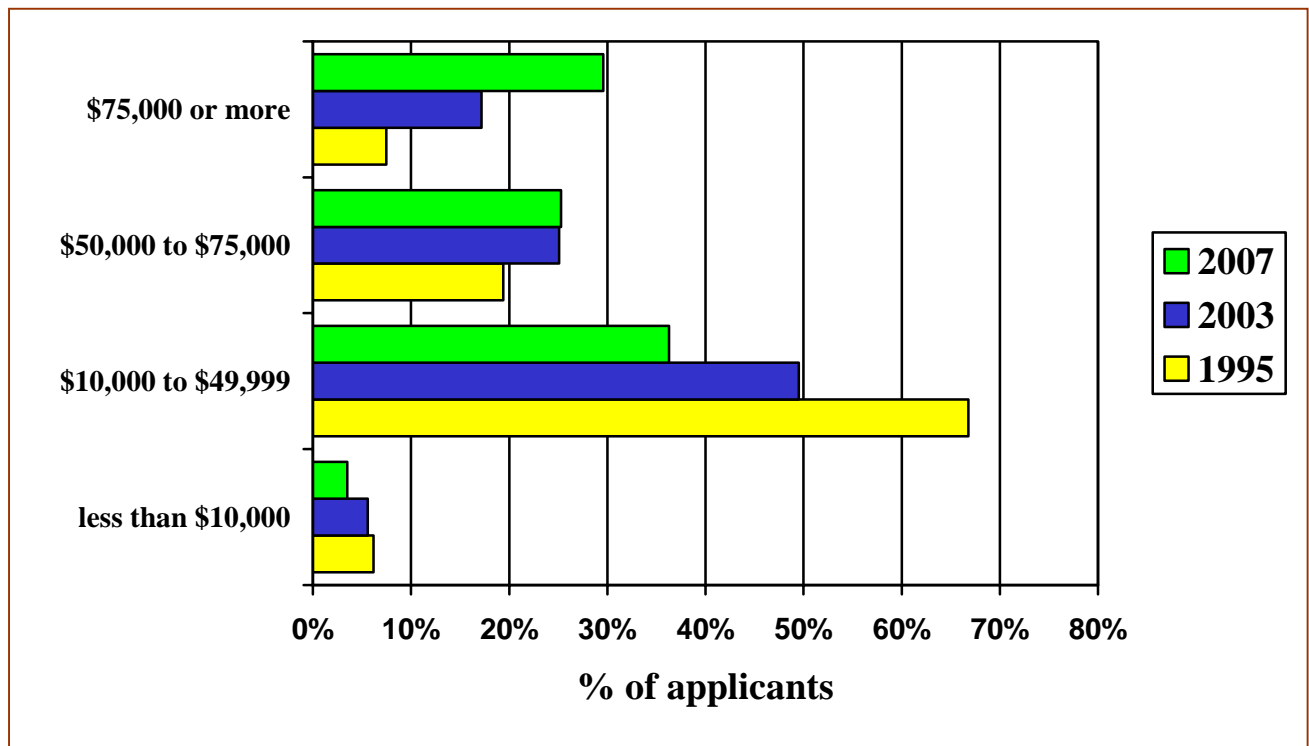


Figure 11 compares Applicant income to the State as a whole using the American Community Survey 2007 numbers. While there are fewer applicants with incomes below \$25,000 relative to the State, there are also significantly fewer applicants with incomes greater than \$100,000.

Figure 11. Homestead Family Income of Applicants relative to State Household Income

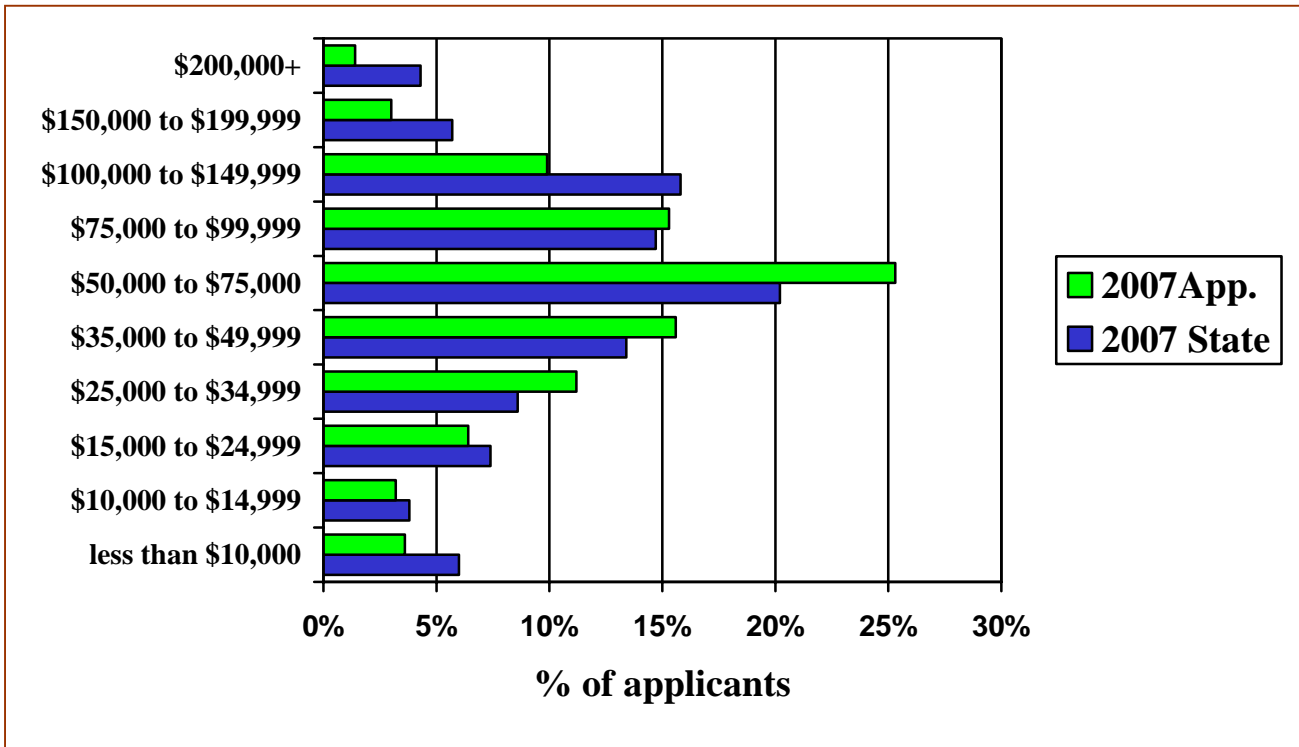


Figure 12: Income by Length of Time on the List

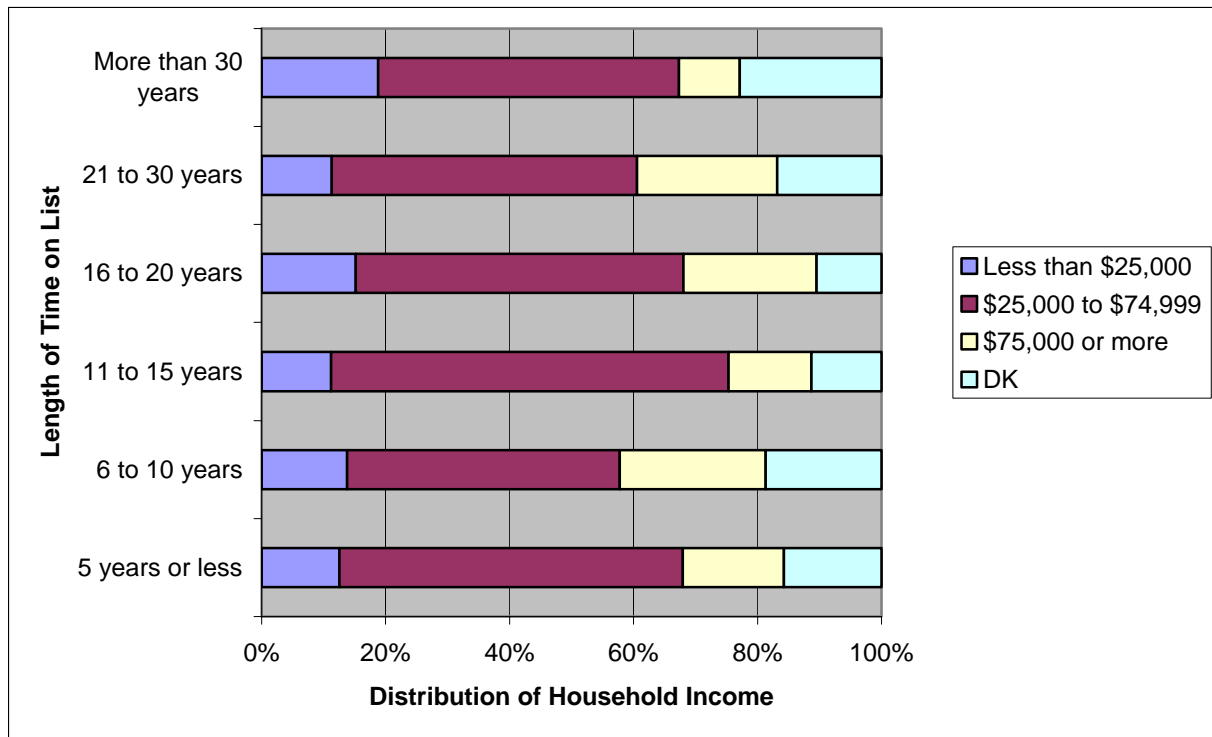


Figure 12 shows the distribution of income by length of time on the list. Applicants who have been on the list for more than 30 years are more likely to have household incomes less than \$25,000 and least likely to have incomes greater than \$75,000.

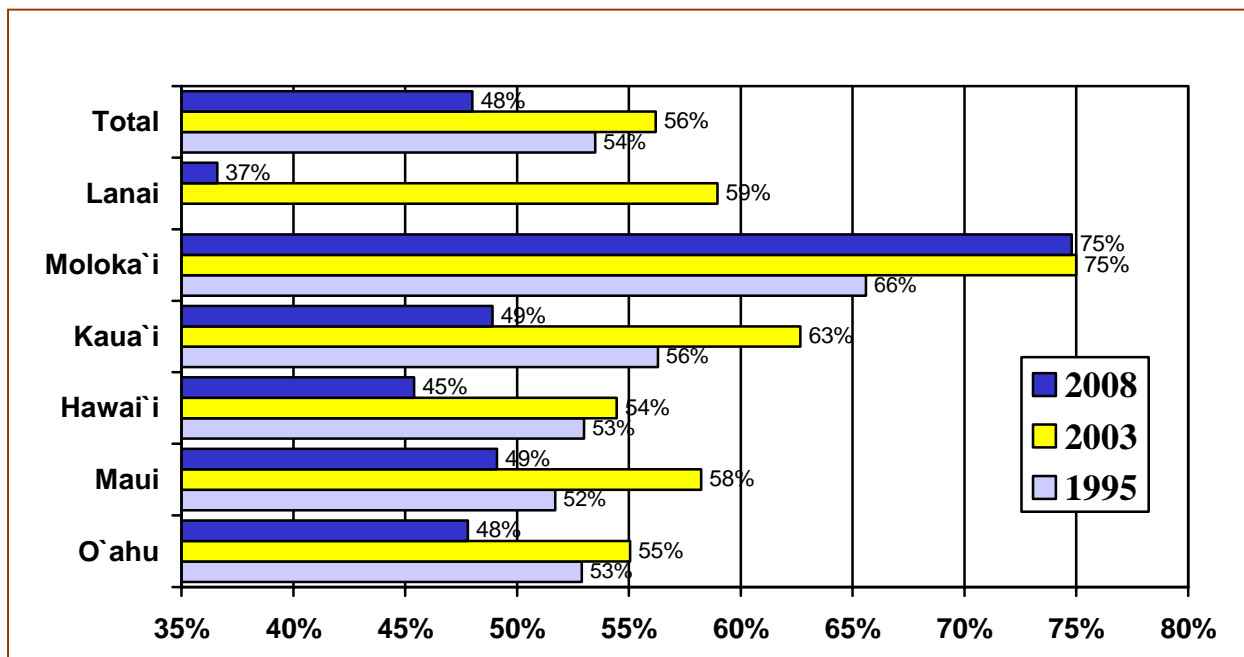
HUD Guidelines

HUD median income guidelines take into consideration both household income and size of household. In 2008 the percent of households below 80% of HUD median income dropped to 48%, about 8 percentage points below 2003. This still means that while the State has 50% of the households at 100% of HUD Median Income, DHHL Applicants have almost 50% at the 80% of HUD Median Income level.

This is a key finding that demonstrates the needs of the DHHL Applicants. The HUD median income guidelines are better estimators of economic well being than income because the HUD income guidelines are adjusted for household size. There is a difference in economic well being between a single person household with an income of \$40,000 and a household of eight with the same income.

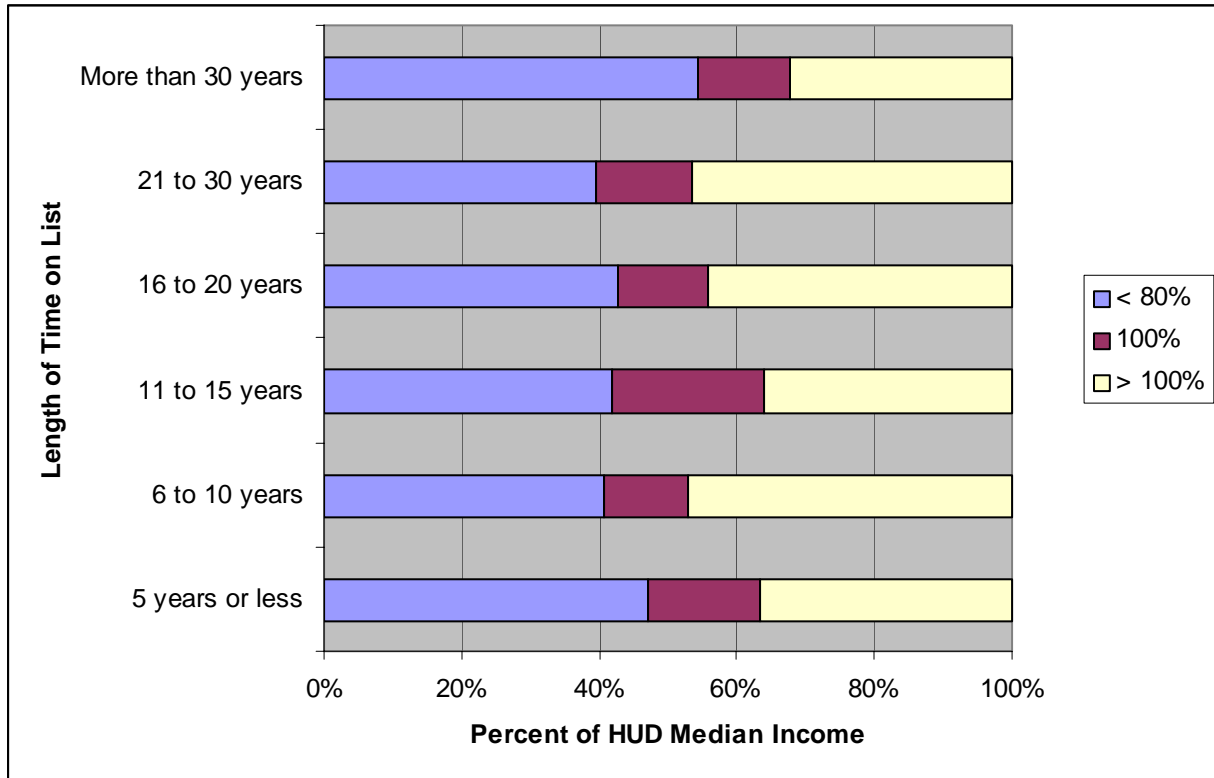
The percent of households on Lanai changes significantly due to very small sample sizes. In 1995 they reported no households below 80%.

Figure 13. Percent of Applicants Below 80% HUD Median Income Guidelines



One challenge for DHHL is that the applicants that have been on the list the longest also have the greatest percent of households with incomes below 80%. Figure 14 below also shows that the newest applicants also have a high percent of households below 80%, but these households tend to be younger with more children, therefore over time it is likely that their incomes will increase. We know from the earlier discussion on age, that 75% of applicants who have been on the list more than 30 years are age 55 or older.

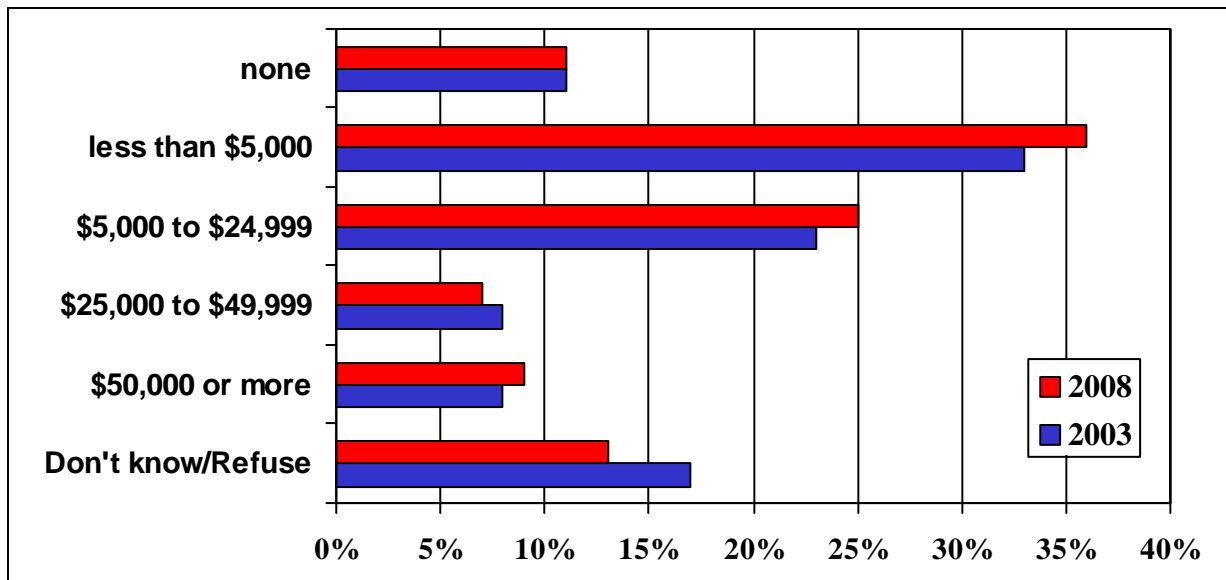
Figure 14: Length of Time on the List by Distribution of HUD Median Income Households.



Savings

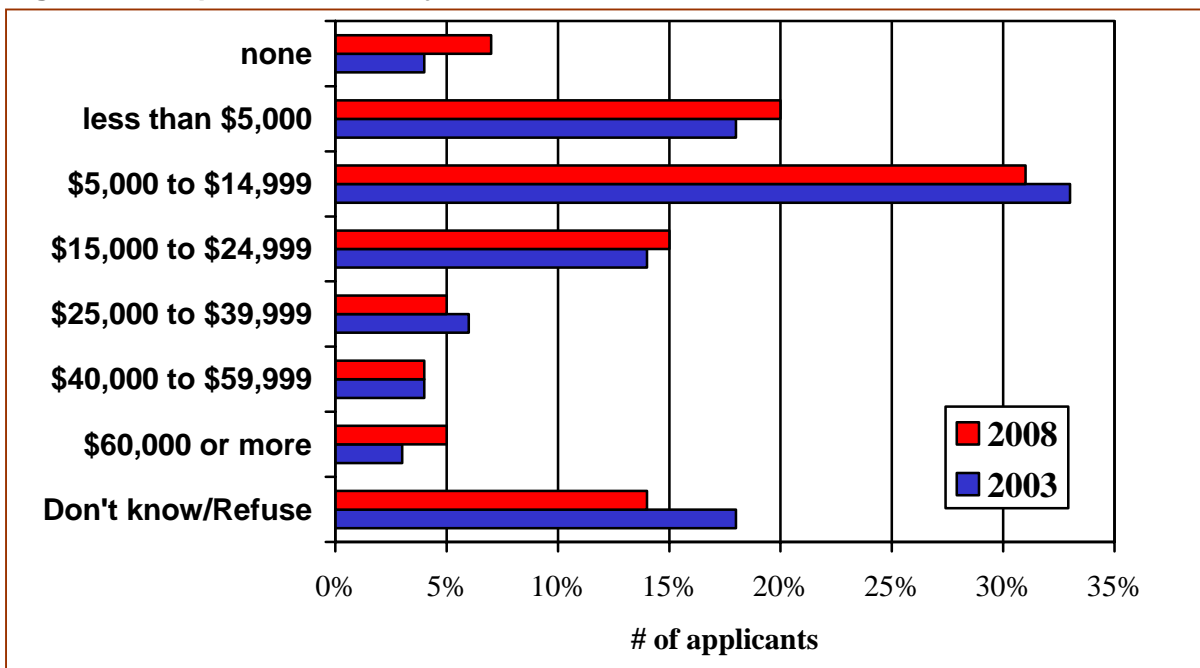
Even as HUD Median Incomes increase, one challenge for Applicants who wish to purchase homes will still be the initial down payment. In 2008 47% of Applicants had less than \$5,000 in savings. This represents over 10,000 Applicants compared with about 8,000 Applicants in 2003.

Figure 15. Savings of Applicants



Assuming a 10% down payment requirement on a \$150,000 home only about 44% of applicants expect to have more than \$15,000 as a down payment (Figure 16). Given the 2009 economic environment a 20% down payment may be the normal requirement and only 27% of Applicants expect to have this amount as a down payment.

Figure 16. Expected Down Payment



LOCATION PREFERENCE

As part of this survey, Applicants were asked to identify where they would like to receive an award. The following table and maps show their answers in relation to the location of Hawaiian Home Lands. Applicants were not told where the available land was, and by their answers, it appears that some of them already knew, while some did not.

Table 5 shows the percent of applicants who selected a location as a first or second choice. The most popular first choice was East Hawaii followed by Ewa, then Windward Oahu. Overall a Homestead on Oahu was the most popular, this was followed by Hawaii Island, Maui, then Kauai.

Table 5. Location Preference, First and Second Choices

	First Choice	Second Choice
East Hawaii	14.4	7.4
Ewa	14.2	10.0
Windward Oahu	11.6	15.0
Oahu PUC	10.6	8.9
North Hawaii	6.2	8.9
Leeward Oahu	5.9	6.4
Upcountry Maui	5.8	5.8
West Hawaii	5.0	4.9
West Maui	3.0	3.1
Central Maui	3.0	2.6
Central and North Shore Oahu	2.9	3.2
North Kauai	2.3	0.8
Molokai	2.2	2.5
Anywhere on the Big Island	1.8	2.3
Anywhere on Oahu	1.8	1.1
Moanalua/Pearl City	1.5	1.6
Anywhere on Maui	1.4	2.4
West Kauai	1.4	1.3
Anywhere on Kauai	1.3	0.8
East Honolulu	0.8	1.0
South Hawaii	0.8	0.4
Anywhere	0.5	4.3
East Kauai	0.3	0.5
Other	0.3	0.5
Do not know	0.2	2.2
South Kauai	0.2	0.9
East Maui	0.2	0.3
Central Hawaii	0.1	0.5
Lanai	0.1	0.1

Figure 17. Map of DHHL Homesteads, Oahu

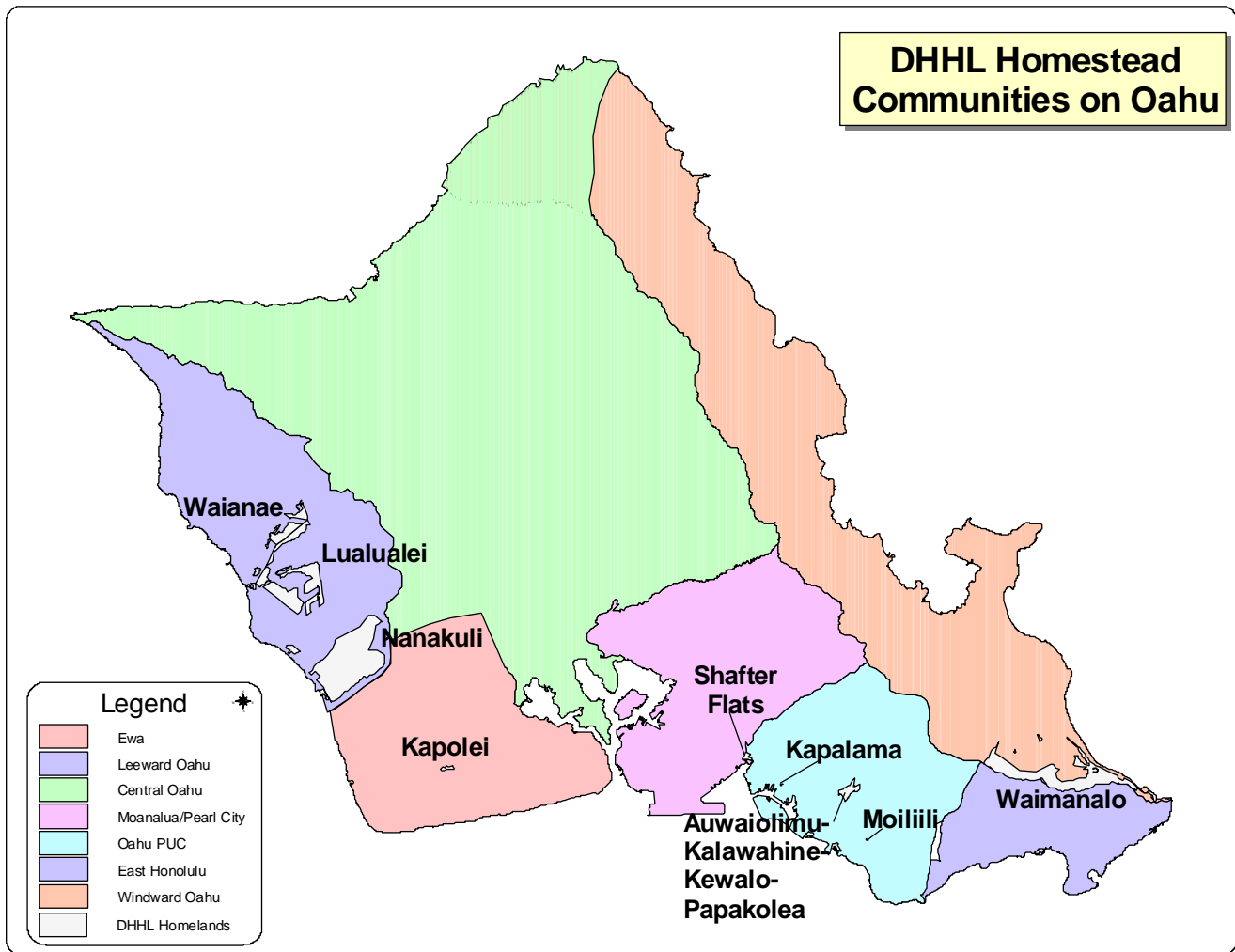


Figure 18. Map of DHHL Homesteads, Maui

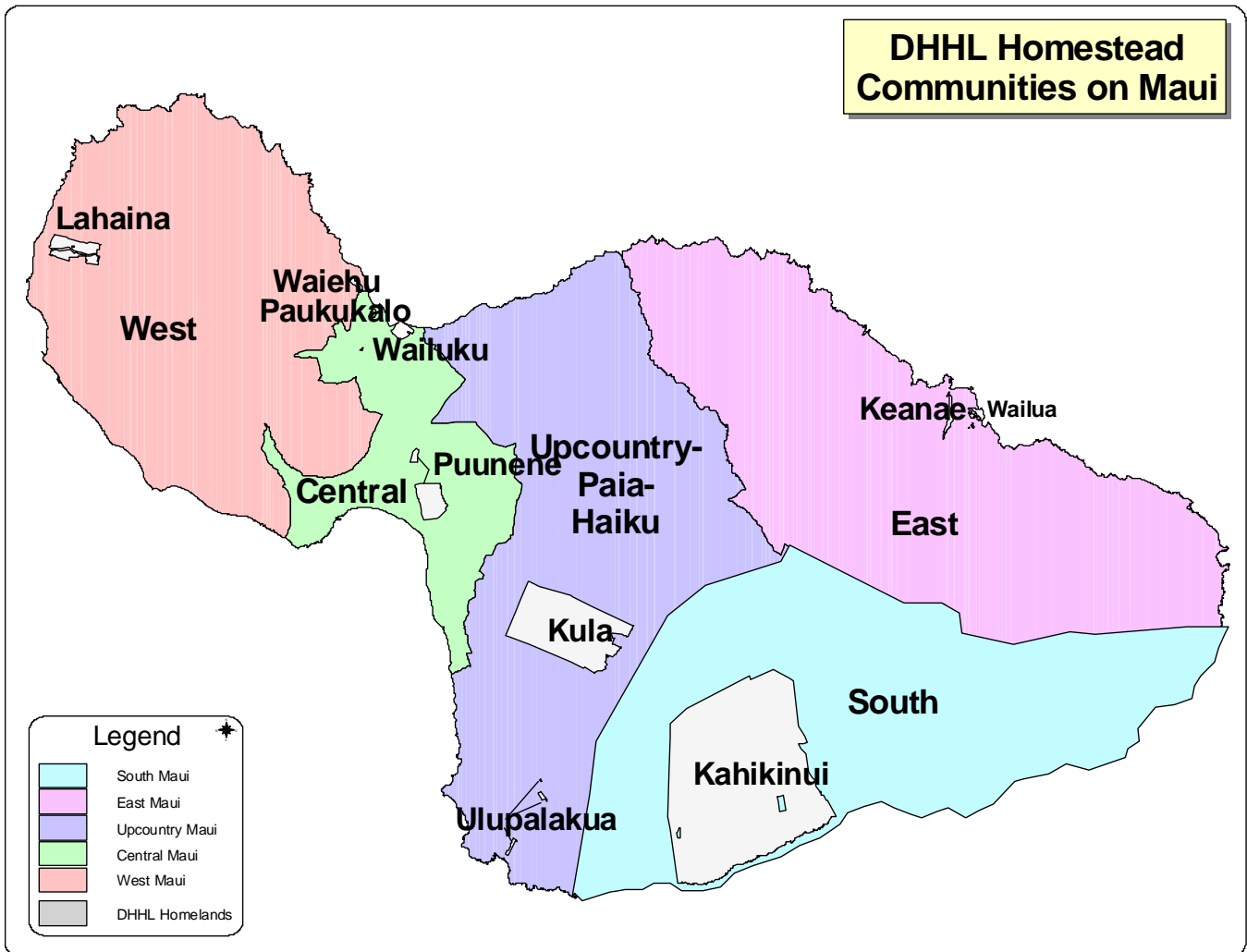


Figure 19. Map of DHHL Homesteads, Hawaii



Figure 20. Map of DHHL Homesteads, Kauai

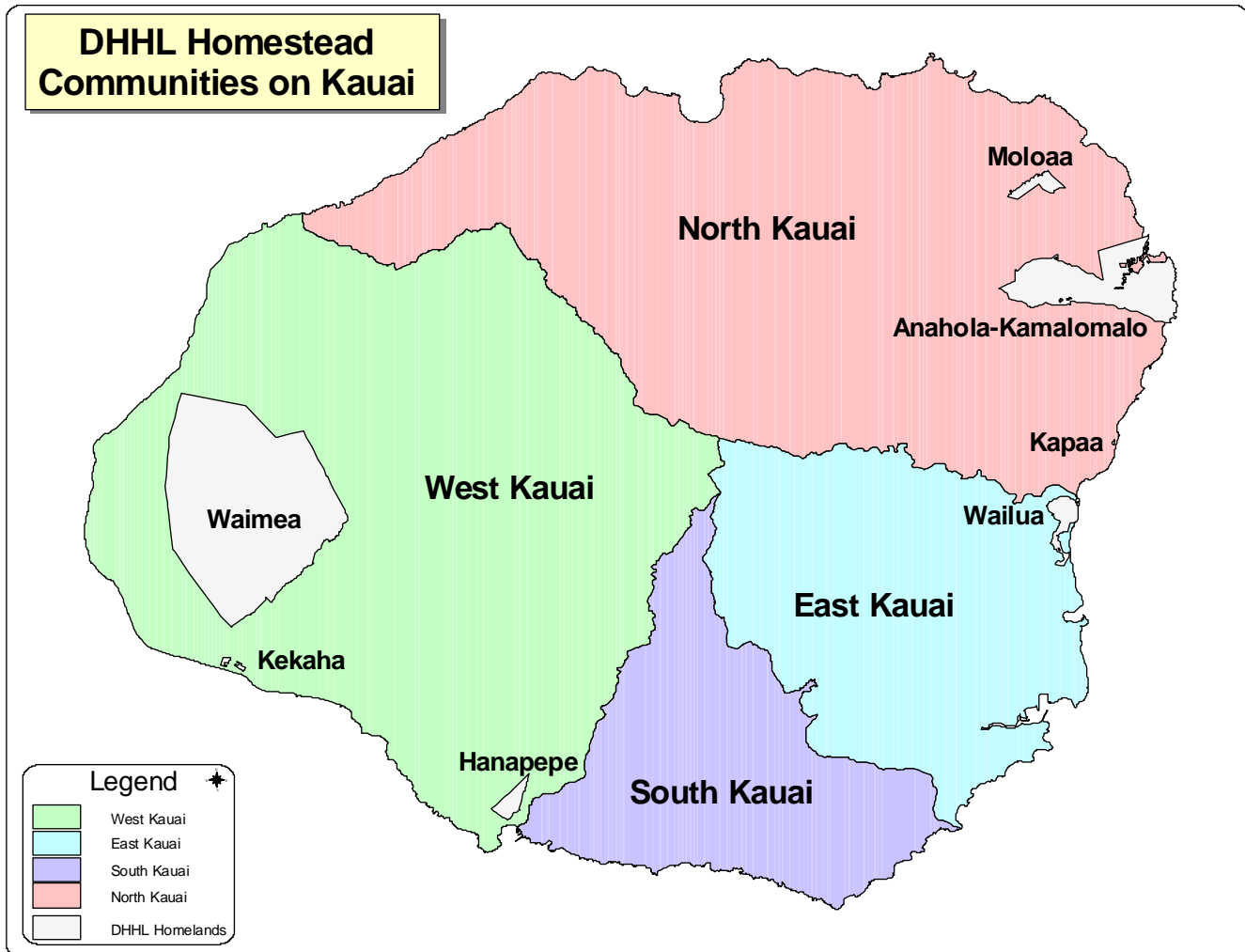
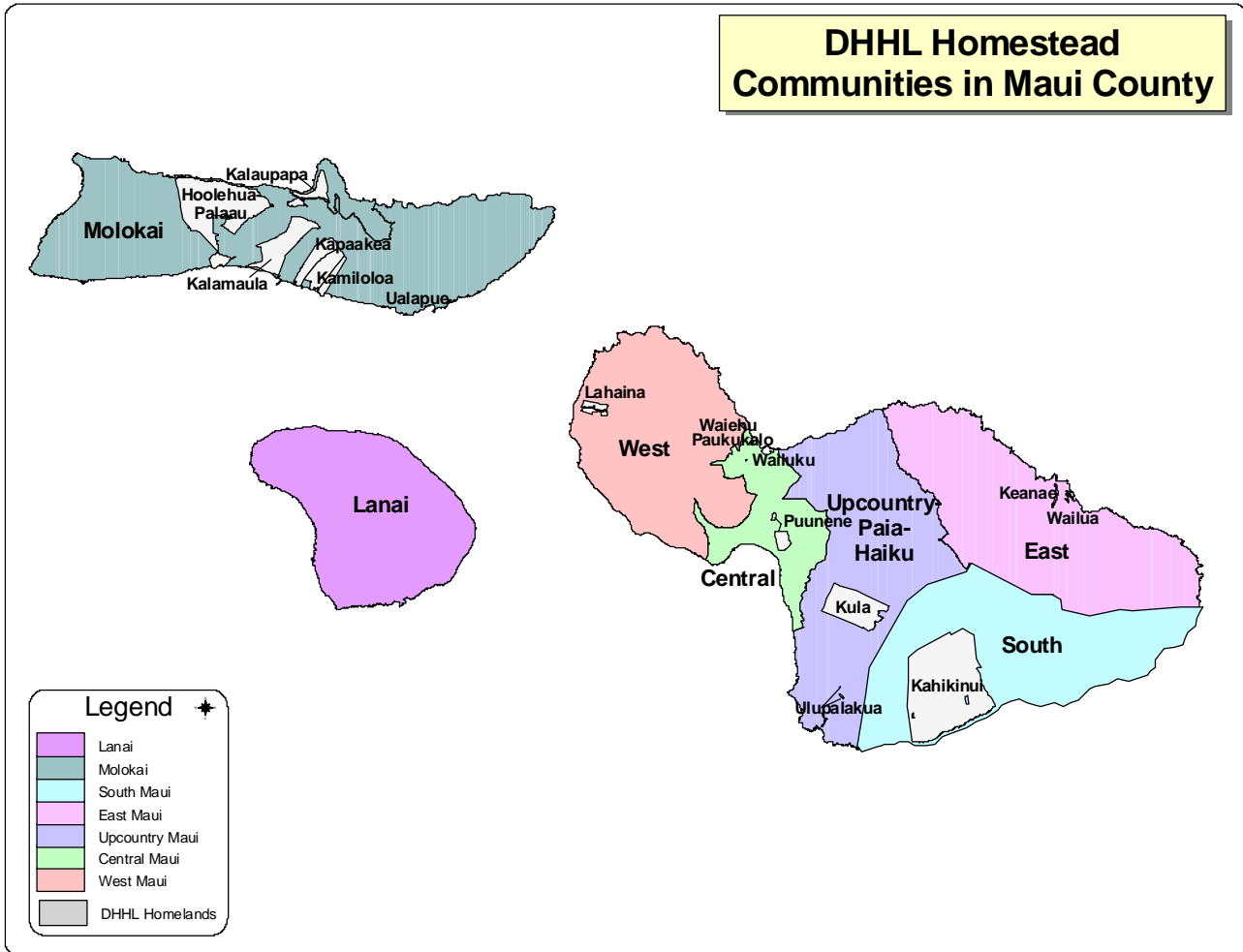


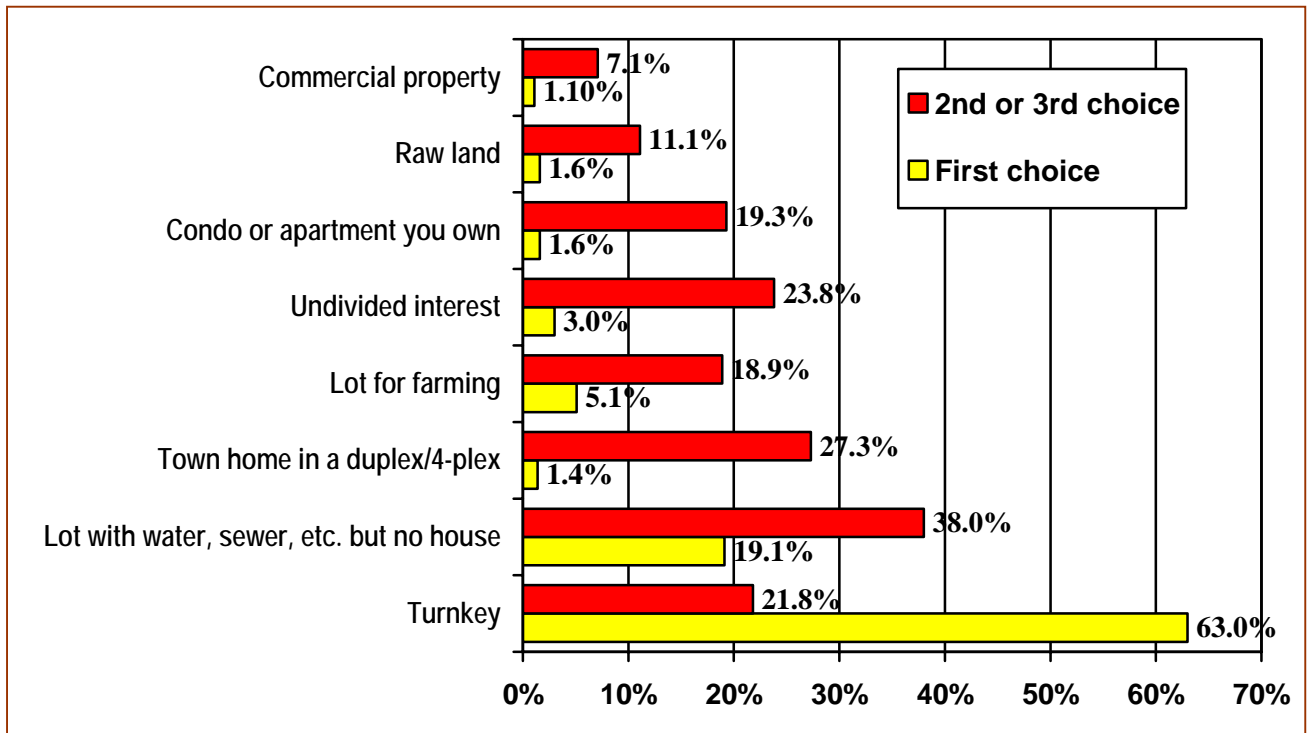
Figure 21. Map of DHHL Homesteads, Maui County



PREFERENCES

In planning for the future, the survey asked Applicants what type of lease award they would like to receive first, second and third. In the Figure below, the results show that Turnkey projects are the number one choice of Applicants, followed by a lot with infrastructure and no house. As you can see by the second and third choices, Applicants are willing to consider other options if they can't get their first choice.

Figure 22. Award Preferences of Applicants



Fewer than 3% of Applicants said that their first choice would be a Town House or a Condominium To gauge what options might encourage Applicants to accept a Town House or Condo the survey asked if it would make a difference if the unit was less expensive, closer to town or the Applicant could get into a home faster. As shown in Table 6 getting a unit faster appealed to 35% of Applicants.

Table 6: If the following were true would you accept a townhouse or a multiplex unit?

	Would Accept	Would Not Accept	Not Sure
Get into a home for less cost	29%	42%	28%
Get into a home closer to town	30%	44%	26%
Get into a home faster	35%	41%	24%

OPINIONS OF DHHL APPLICANTS

In focus groups with Applicants as well as discussion groups with DHHL staff, a list of services/information was generated that Applicants may want or need in preparation for receiving an award. When Applicants were asked in the survey how useful various help and information would be to them, over 60% of them said that for each of the items given, it would be very useful. The most desirable type of information that Applicants thought would be useful was Toll Free hotline to DHHL (75%), followed by information on passing their award to their relatives (73%).

Table 7. Usefulness of Various Information

	2008 Very useful	2003 Very useful	2008 Somewhat useful	2003 Somewhat useful
A toll free telephone Hotline for Applicants to call and ask questions	75.3	77.5	15.1	13.4
Information on how Homestead awards can be transferred or sold to relatives or someone else	72.7	65.9	16.9	19.2
Information on different types of awards that may be available in the future & how to prepare	69.5	73.3	20.9	17.0
Receiving DHHL Newsletters and being able to communicate with the agency through the Internet	64.4		21.1	
Annual meetings on each island to meet with Applicants and answer questions	65.7	72.0	22.3	18.6
Having DHHL information and classes available through the Internet	62.5		18.1	
Help on understanding mortgages what are they, how to qualify, where to go, other options	59.6	63.0	22.2	22.2
Information on passing land awards to relatives		80.9		12.5

In this survey new questions were asked about issues currently being considered by DHHL .The strongest support is to consider reducing the blood quantum requirement to inherit a home to 12.5% favored by 69% of Applicants, of those 37% strongly agree. Suggesting that some land be set aside to generate income followed this with a total of 77% agreeing of which 24% strongly agreed. The least positive was that Lessees should share their profits with DHHL if they sell their award.

Table 8: Issues Questions

	Strongly Agree	Agree	Disagree	Strongly Disagree
Lessees should be able to transfer or sell their award to any 50% Hawaiian	23.9	46.1	17.2	9
If a Lessee makes money by selling their award, any profit should be shared with DHHL.	12.9	28.1	32.9	18.8
Some Homestead land should be set aside to generate financial income so that communities and DHHL can be self-sufficient.	24.5	52.4	10.5	4.1
Now is a good time to reduce the blood quantum requirement to 12.5% so their children can inherit the family home	36.7	32.9	16.5	12.0

Source of Help

Nineteen percent of Applicants said they needed help in proving their blood quantum. Of those that needed help, about one quarter received help through DHHL. Over 50% of them received help by someone in their family, usually a parent.

Table 9. Source of Help to Prove Blood Quantum

Source of Help	Percent
Did not need help	76.5
Needed Help	21.7
	<i>% of those needing help</i>
DHHL	20.8
<i>Family</i>	
Parent, In-law	27.6
Family, Relatives (general)	11.0
Brother, Sister	28.3
Aunt, Uncle	5.5
Spouse	1.4
Cousin	1.4
Grandparent	1.4
Son, Daughter	4.8
Niece, Nephew	0.7
<i>Other</i>	
Mormon Church	0.7
Friends	4.1
Other Hawaiians, Hawaiian Clubs/Groups	3.4
Church (general)	0.5
Other	0.7
DON'T KNOW, REFUSED	0.5