



DHHL
Beneficiary
Study 2020

January 20, 2021

Objectives

- Profile beneficiaries
- Understand their needs and desires
- Identify challenges and opportunities.

Methodology

- Three surveys
 - Applicant – Mail with online option, phone
 - Lessee – Mail with online option, phone
 - Undivided – Mail with online option
- The only significant difference between methods was that phone survey respondents were a little older.

Overview

Category	Applicants	Traditional Lessees	Undivided Lessees
Total names received from DHL	45,830	8,959	802
Total mailed	23,425	8,698	775
Returned mail	(3,155)	(409)	(153)
Total likely received	20,270	8,289	622
Completed surveys	4,982	2,469	166
By Mail	3,208	2,008	112
Online	1,457	361	54
By Phone	317	100	NA
Sample Error at 95% confidence level	+/-1.2%	+/-2.3%	+/-6.8%



Beneficiary connection with other Native Hawaiian Orgs.

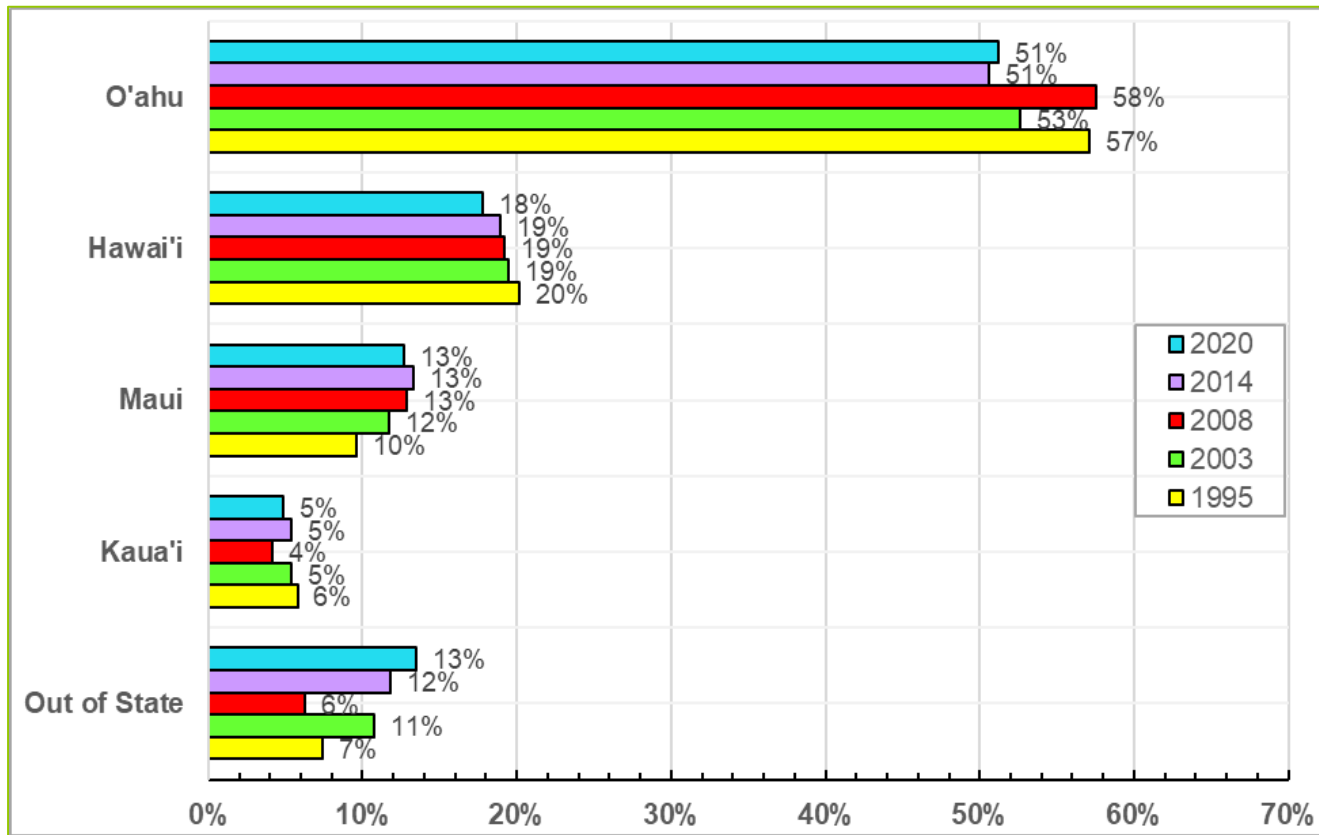
	Applicants	Lessees
Received a service in the past five years	44.6%	43.6%
Of those that received a service in last five years		
Kamehameha Schools	65%	42%
Alu Like	19%	12%
Office of Hawaiian Affairs	18%	11%
Queen Lili'uokalani Trust	16%	10%
Hawaiian Language Program	12%	10%



Applicants



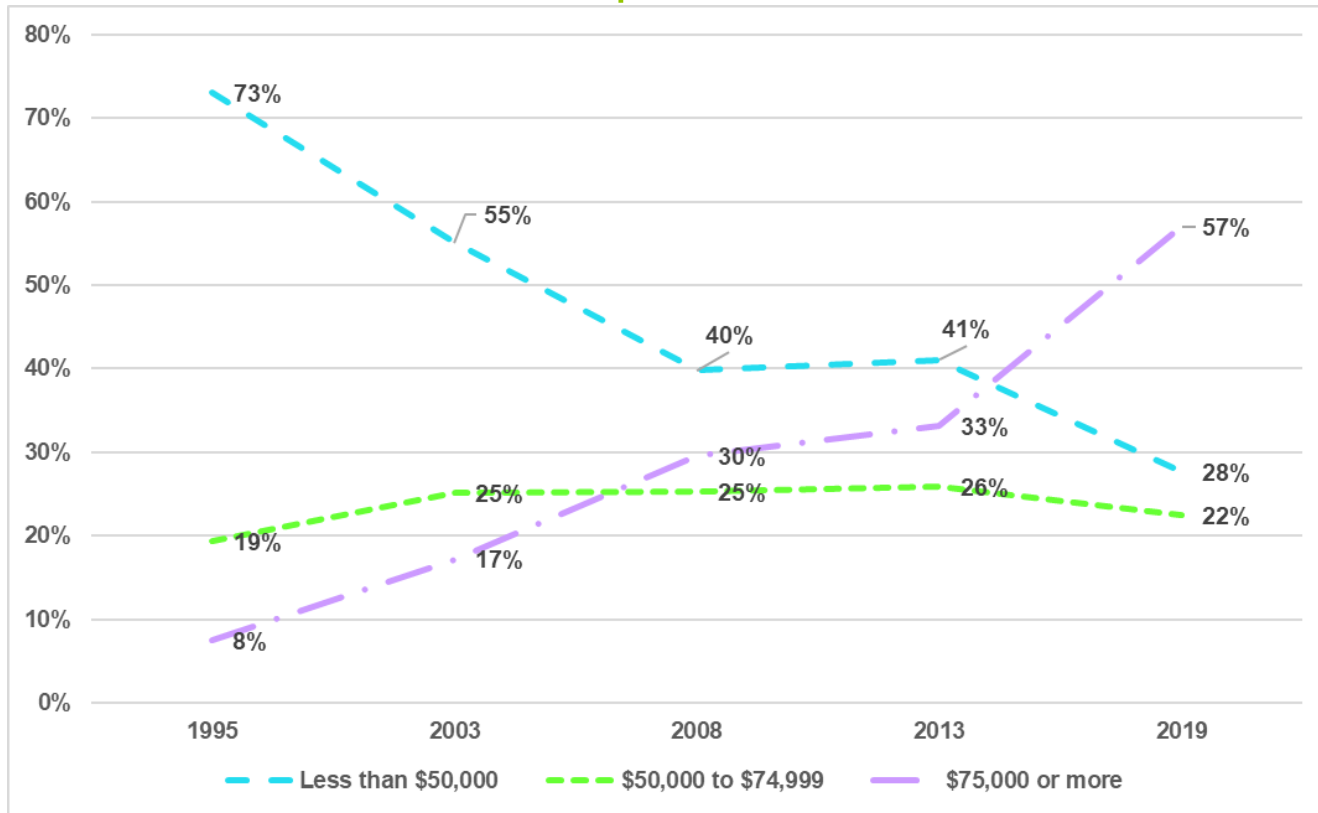
Current residence - similar trends to prior years, Out-of-State increasing



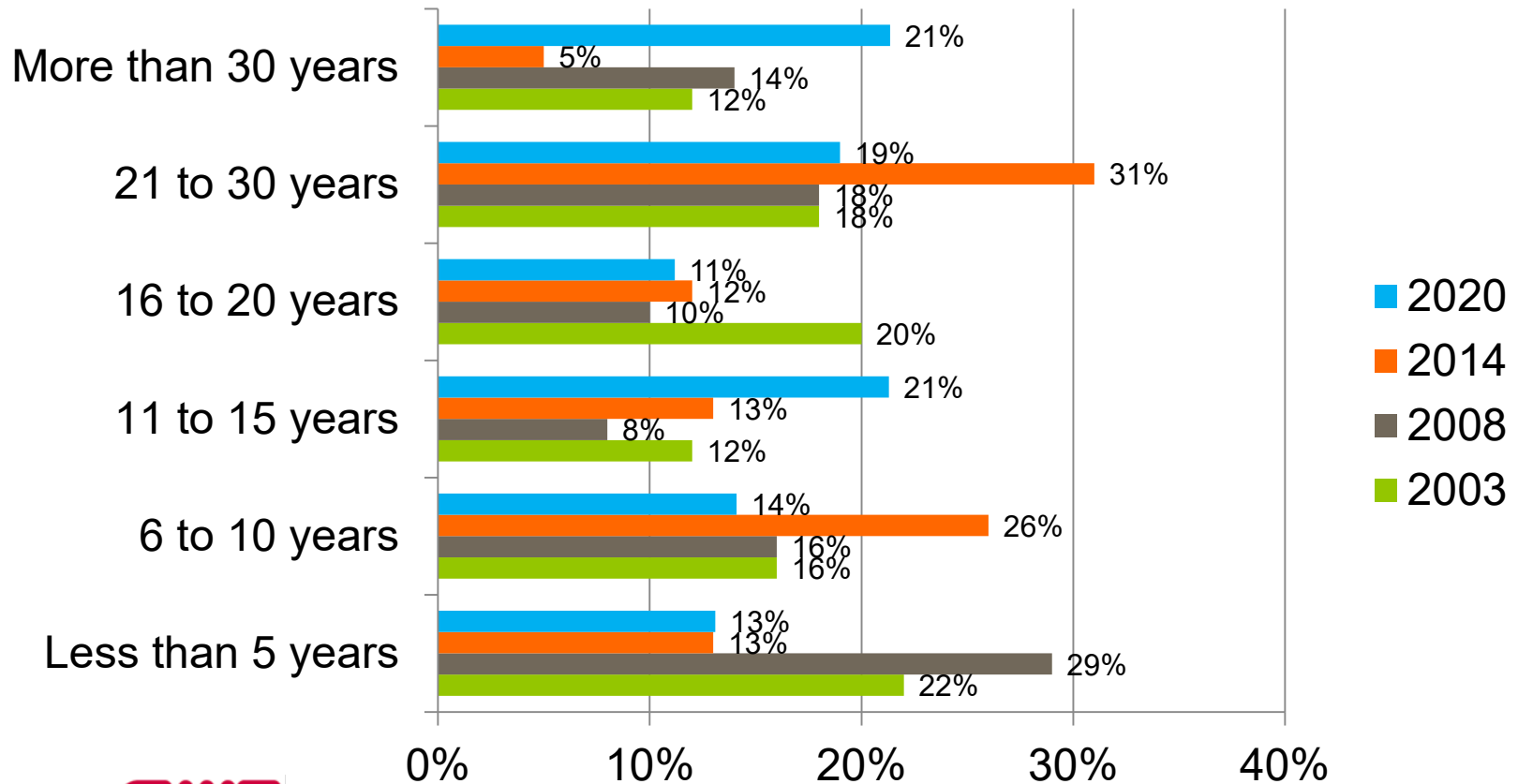
Applicant Demographics

- Median age is 59 (57 in 2014)
 - 35% age 65+
- The percent of large households (5+) continues at 33%.
 - Fewer HH with 3 to 5 members, more 1-2
- 76% of HH – at least one member working full-time, primarily services
- Homeownership level up a little to 48%

Higher income HH increasing, fewer low income HH.
Median Income: \$79,762



Length of time on a list



2003 & 2008 self-reported, 2014 & 2020 based on date of application

(#)

54% of Applicants want a Turn-Key House (68% in 2014)

	Residential Applicants	
	Count	Pct
Housing Options - 1st Choice		
Turn-Key (Lot with single-family house on it)	12,512	53.9%
Lot with water, electricity and sewer, but no house	5,156	22.2%
Single-family house to rent with option to buy	2,111	9.1%
Apartment suited for senior citizens	643	2.8%
An affordable rental unit and retain my place on the waiting list	516	2.2%
Condo or Townhouse Rental unit with option to buy	197	0.8%
Townhouse in a duplex or four-plex	139	0.6%
Condominium apartment (Multi-family building)	106	0.5%
Don't know/Refused	1,818	7.8%
<i>Total</i>	<i>23,199</i>	<i>100.0%</i>



If not Turn-Key

- 41% SFD to rent with option to buy
- 33% Lot with water, electricity & sewer but no house
- 6% Townhouse

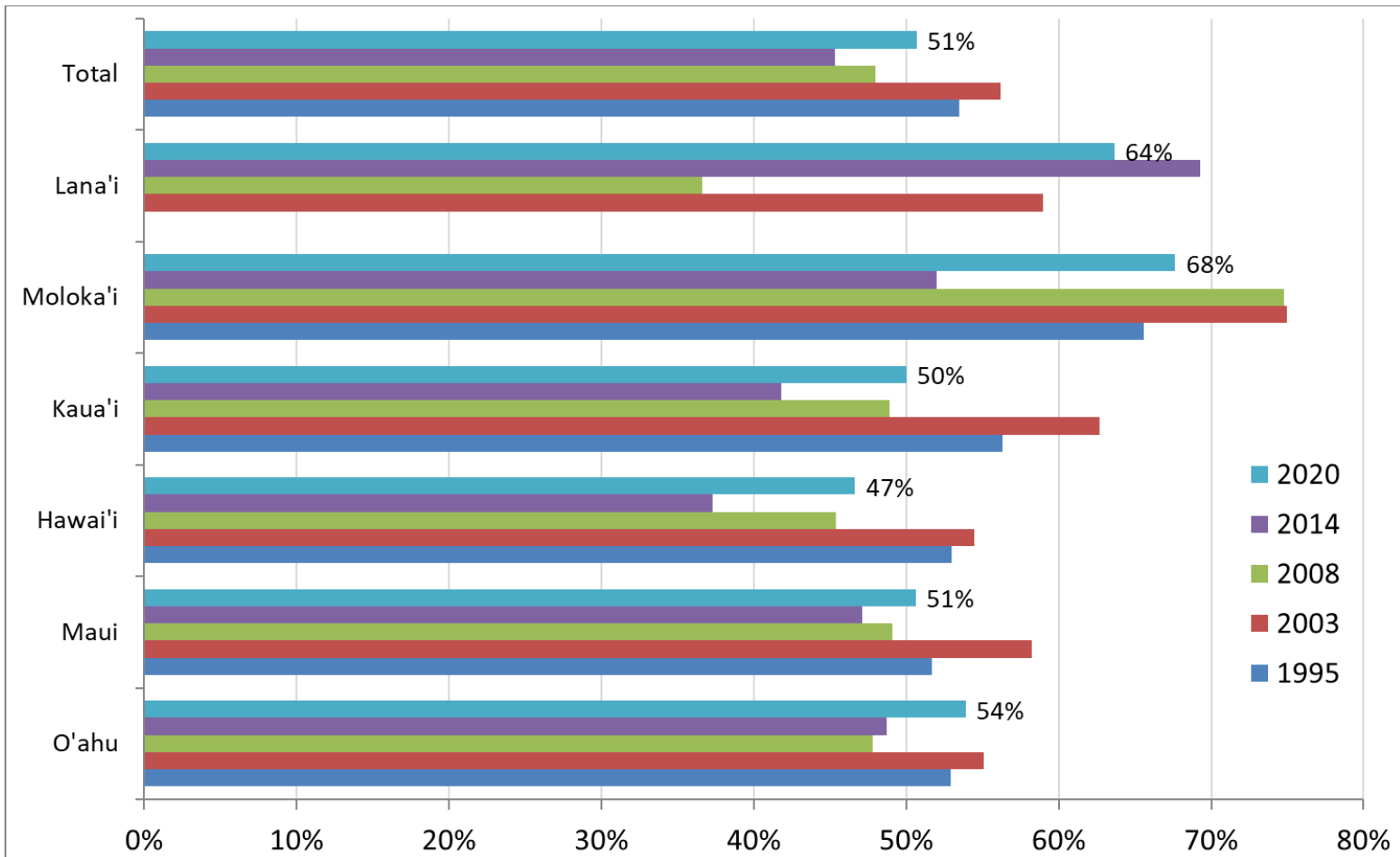
Second choice of property for first choice Turn-key (Lot with a single-family house on it.)	Count	Percent
Total first choice	12496	100.0%
Single-family house to rent with option to buy	5179	41.4%
Lot with water, electricity and sewer, but no house	4166	33.3%
Townhouse in a duplex or four-plex	699	5.6%
Apartment suited for senior citizens	492	3.9%
An affordable rental unit and retain my place on the waiting list	389	3.1%
Condominium apartment (Multi-family building)	290	2.3%
Condo or Townhouse Rental unit with option to buy	235	1.9%
Turn-Key (Lot with single-family house on it)	229	1.8%
Don't know/Refused	817	6.5%



The challenge of providing
financial assistance &
fulfilling desire for awards

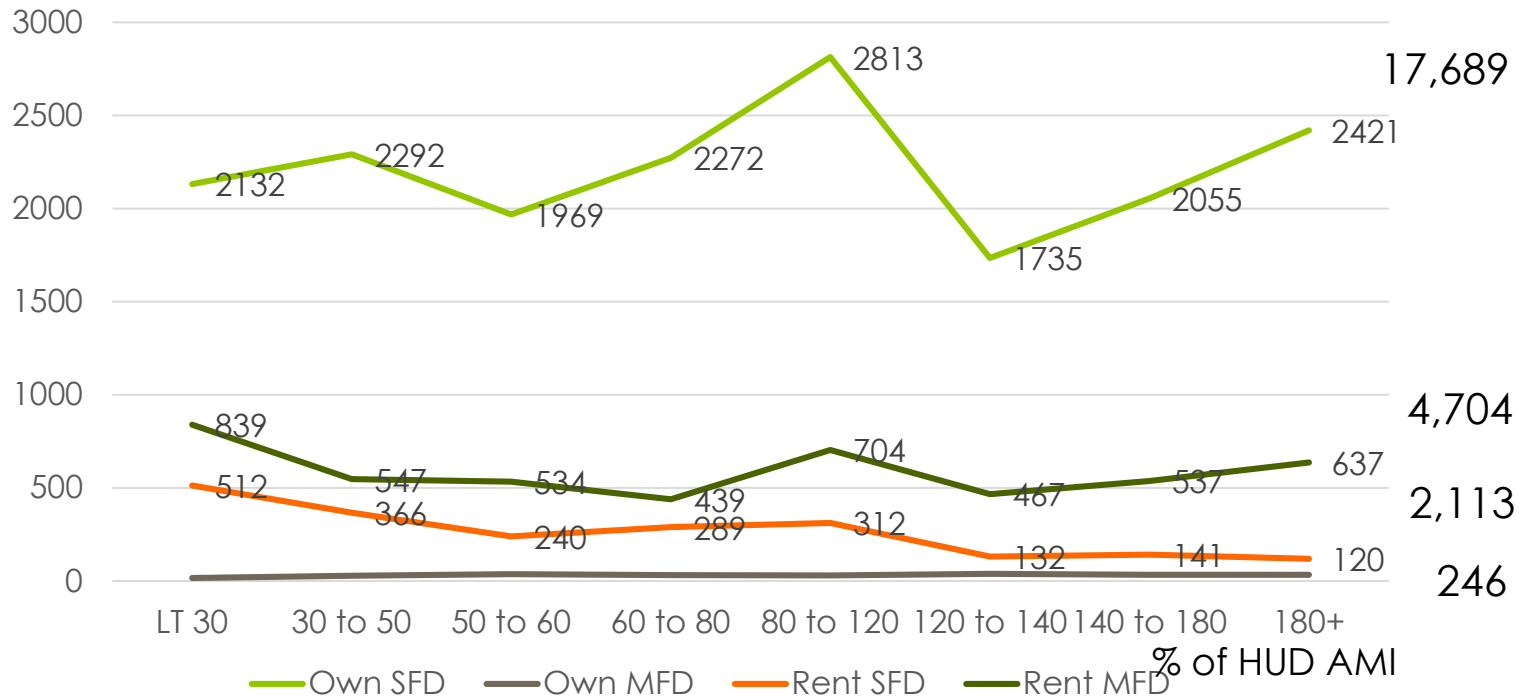


51% of Applicants below 80% HUD AMI



Desire for Owned SFD across all % of HUD AMI

Number of Units



Rent with Option to Buy included in Rent

Example: financing for lowest priced, 755 sf, turn-key house at Kapolei: \$246,000

	20% Down payment	10% down payment	No down payment
Down Payment	\$49,200	\$24,686	\$0
Mortgage amount	\$196,800	\$221,315	\$246,000
Monthly payment (including MI for <20% down)	\$1,113	\$1,308	\$1,421



Characteristics of Segments

Financial Assistance	Will need assistance	May need assistance	Unlikely to need assistance
# of Households	12,326	3,688	8,709
Homeownership	Mostly rent (64%)	Split own & rent	Mostly Own (89%)
Median Monthly housing cost	\$1,198	\$1,891	\$1,890
Median HH Income	\$50,772	\$116,276	\$106,919 & own home
% receiving Gov't assistance	46%	14%	22%
Applied & Received a Mortgage	30%	51%	74%
Employment	30% no adults employed fulltime	At least one adult employed fulltime	24% no adults employed fulltime
Percent Age 65+	33%	20%	45%
Current Housing	SFD (59%)	SFD(70%)	SFD(87%)

Factors related to DHL Award

Reason turned down last DHL Award	Less Qualified	May be Qualified	Likely to Qualify
Location	47%	42%	58%
No Down Payment	39%	0	14%
Income too low to qualify for mortgage	36%	0	12%
Would have to relocate & find new job	22%	28%	21%
Intention in the future			
Pass on to children/relatives	91%	95%	93%
Percent 50% Hawaiian	32%	26%	23%





DHHL Beneficiary Study 2020

Lessees

January 20, 2020

Change over time

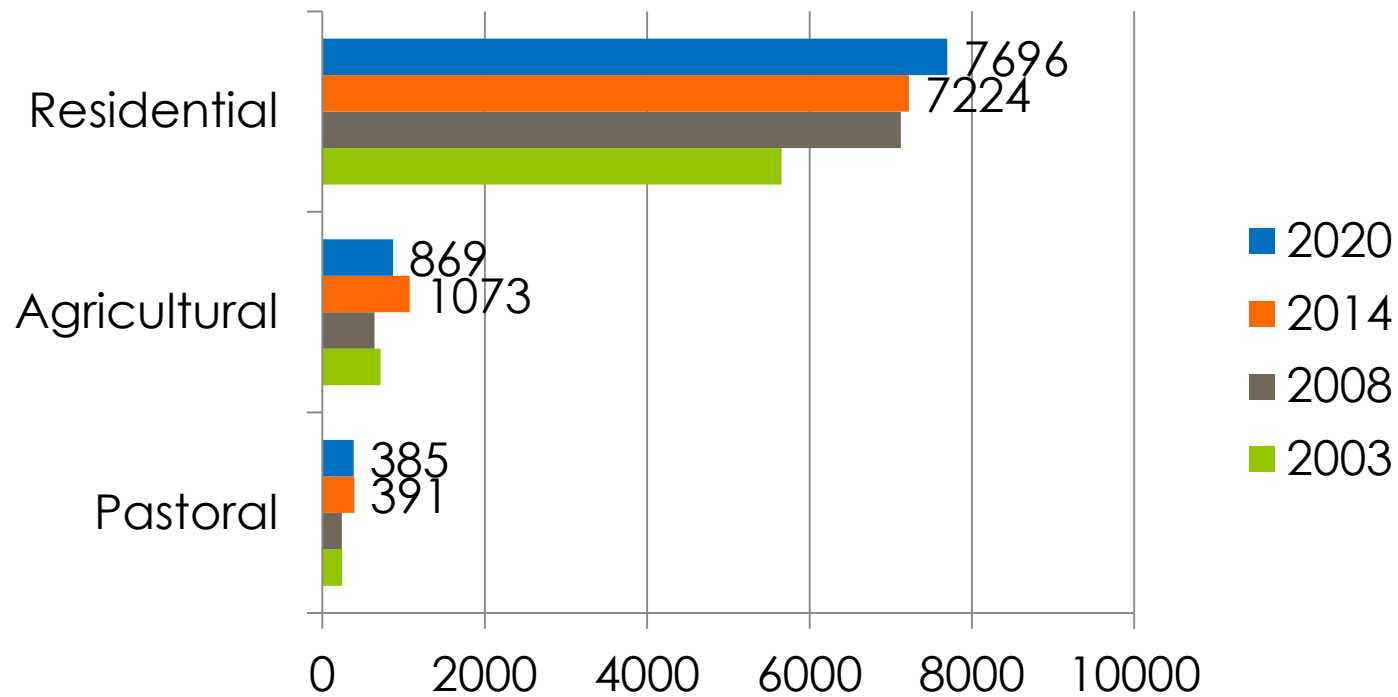
	2008	2014	2020	Change
Original List: Traditional Lessees	8,002	8,688	8,959	+3.1%
Original List: Undivided Interest Lessees	1,234	966	802	-16.9%
Total	9,236	9,654	9,761	+1.1%



Traditional Lessees



Types of Lessees

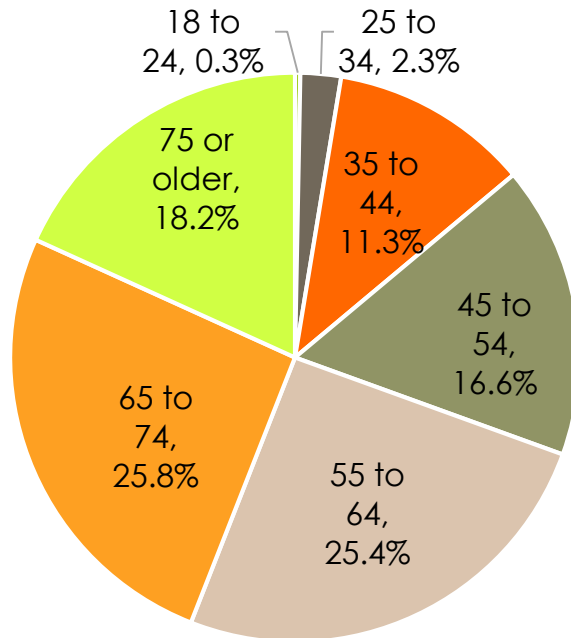


Current status

- 91% have a home on their DHHL award
 - 68% with a mortgage
 - 32% paid off their mortgage
 - A few have their mortgages paid by someone else

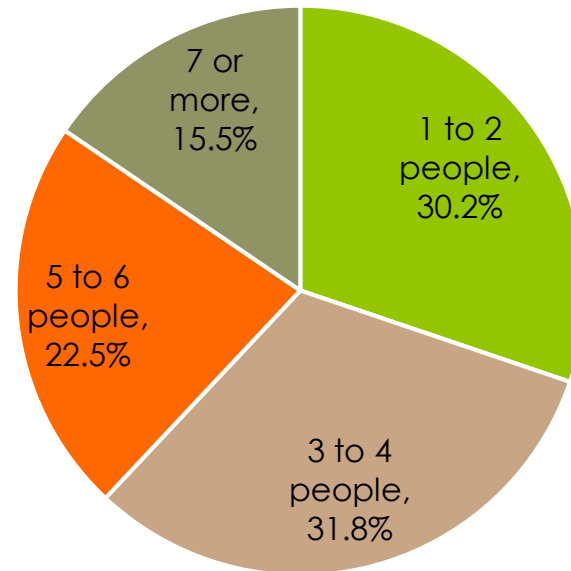


Demographics



Median age still at 62

Average Household Size: 4.2



More HH with children 55%

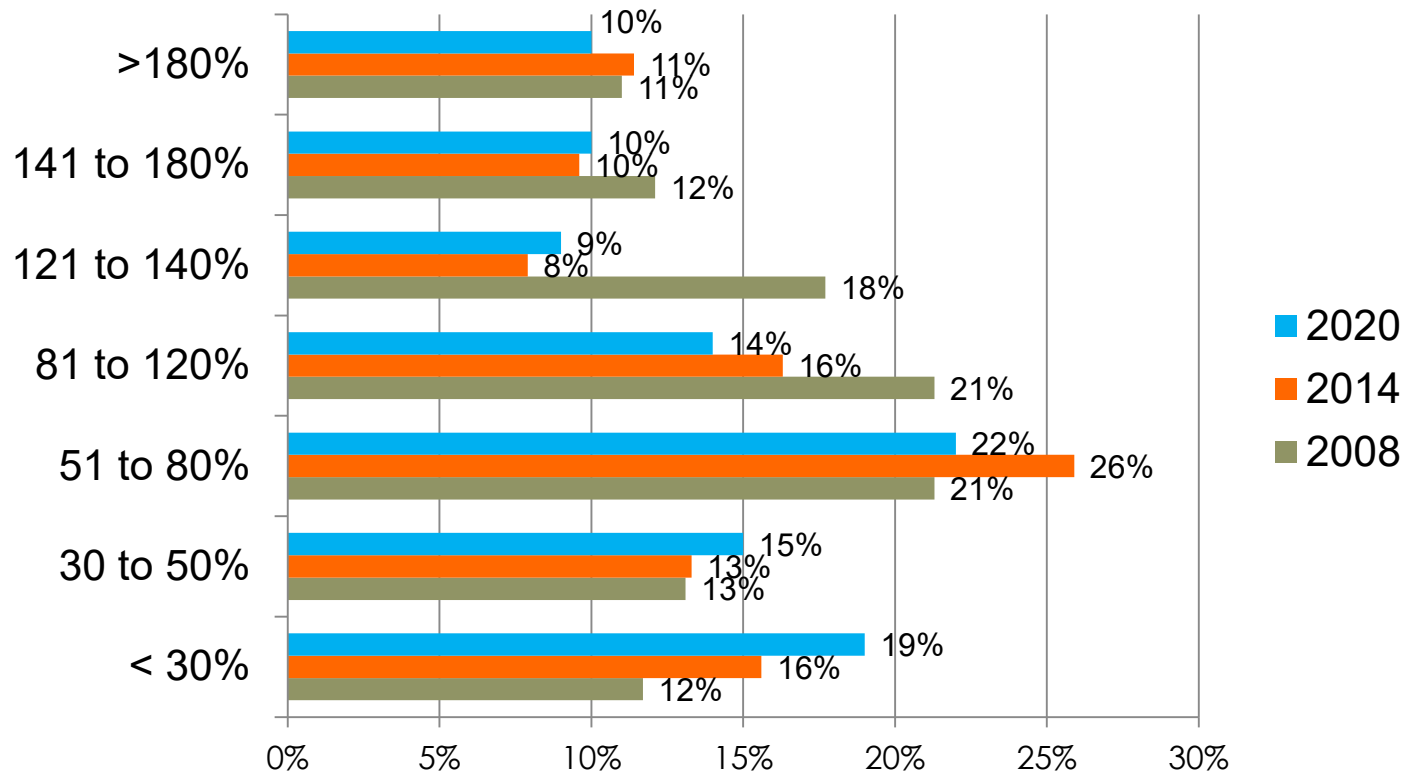


Financial Characteristics

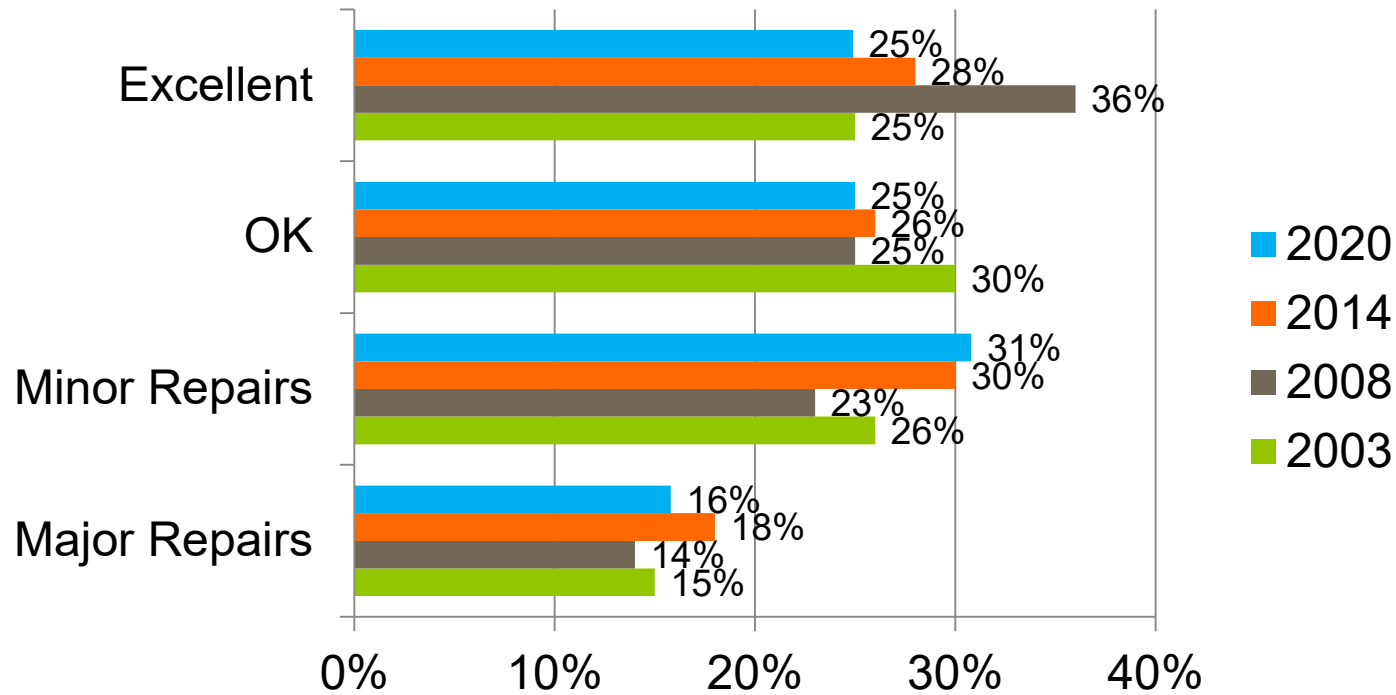
- Median HH Income increased from \$59,600 (2014) to \$74,954.
- 88% of households have one or more adults currently employed fulltime (up 3%)
 - Most often in services
 - 23% Other services
 - 15% Construction



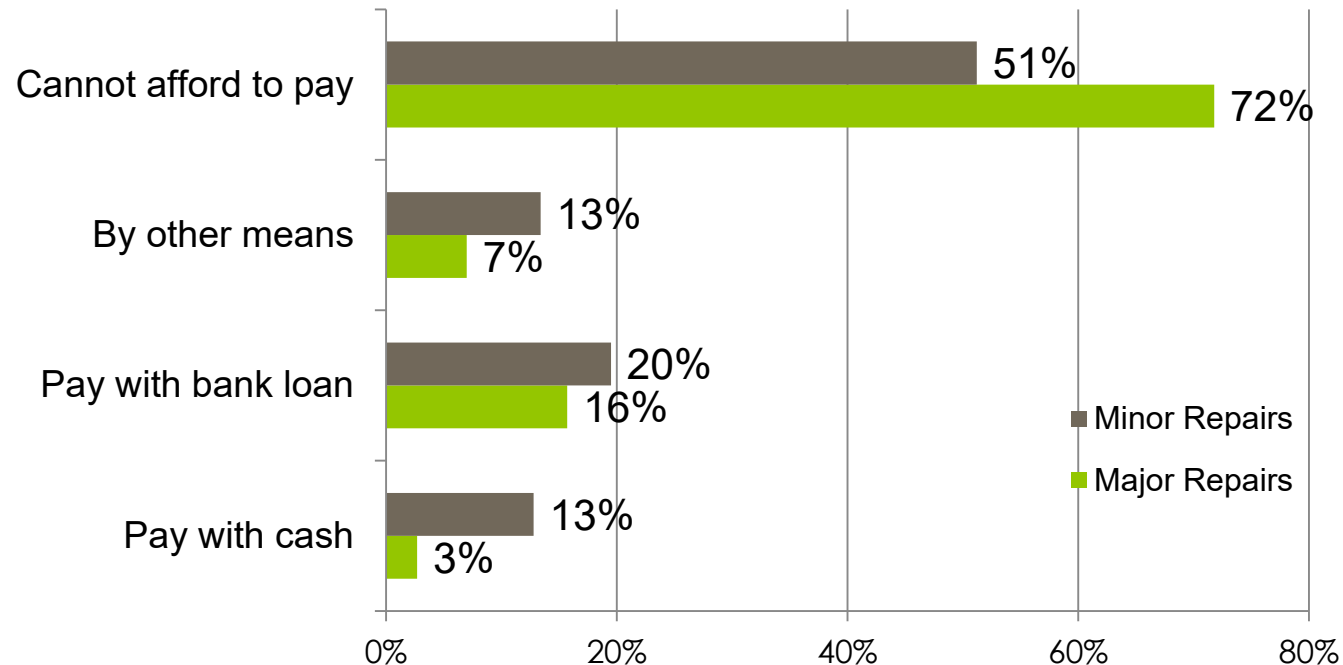
56% of HH at/below 80% HUD AMI.



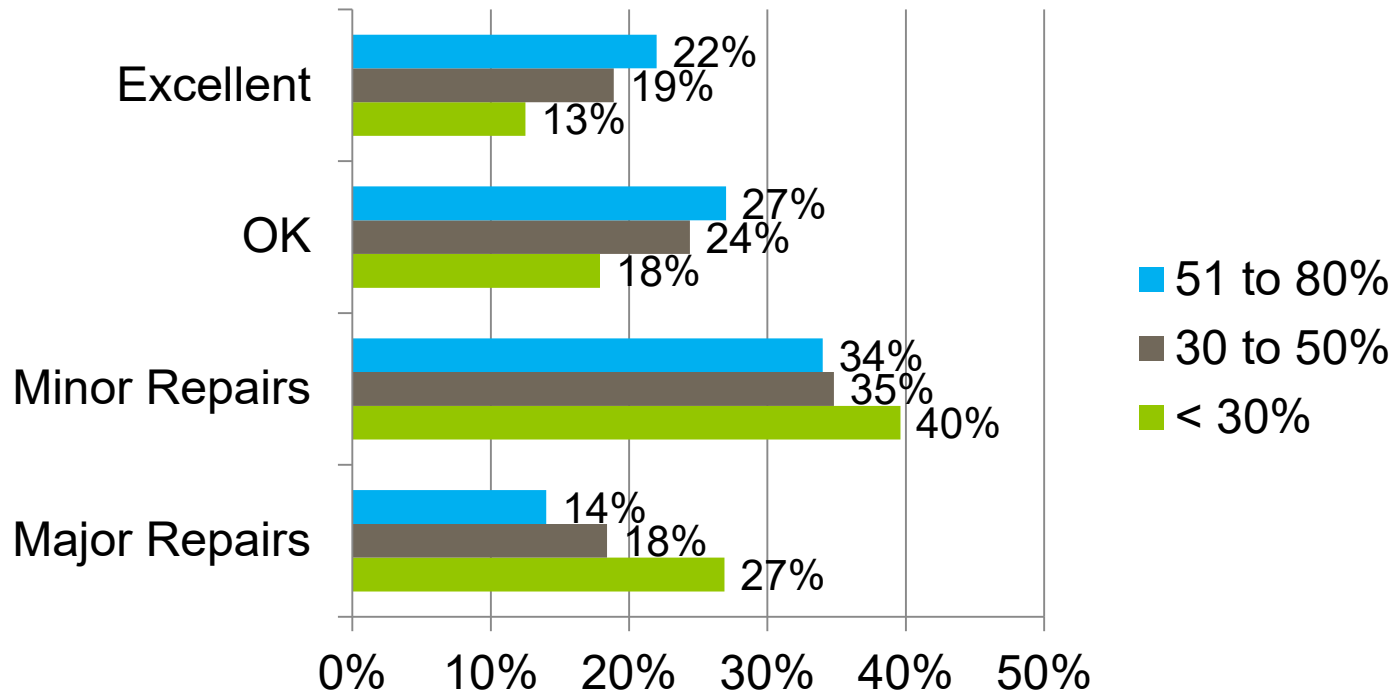
47% of homes in need of repair



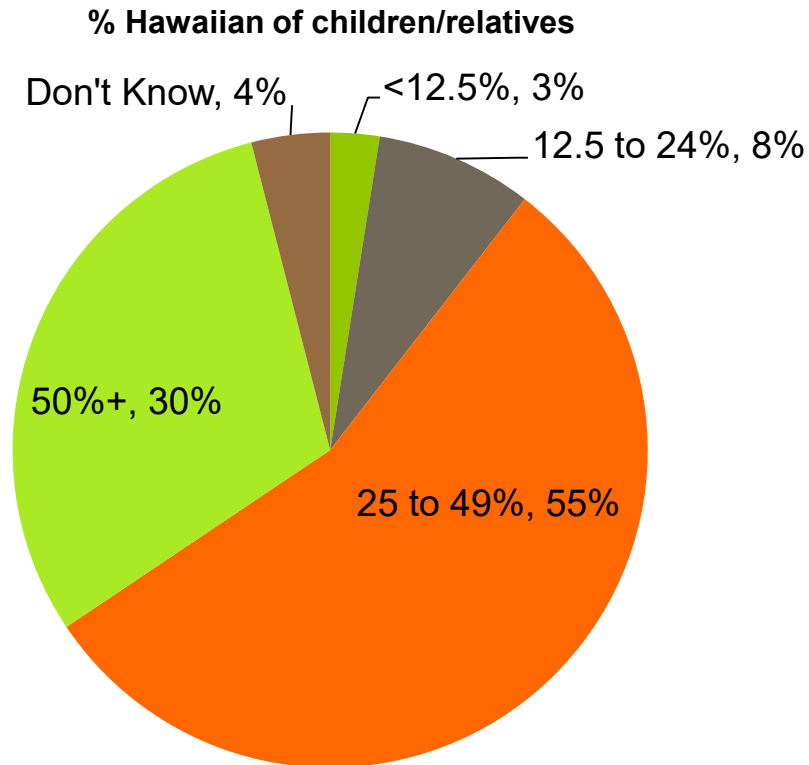
Many Lessees cannot afford to pay for repairs



Significantly more Households below 30% HUD AMI Need Major Repairs



98% of Lessees plan to pass on their lease to children/relatives



Undivided Interest Lessees



802 Undivided Interest Lessees

- Median age 57 (up from 55) – younger than traditional lessees
- 88% one or more adult employed fulltime
- Median income \$83,819 – higher than traditional lessees & applicants
 - 20% receive food stamps
 - 13% live in public assisted housing
- Homeownership
 - 51% homeowners, 38% renters
 - Significant increase in homeowners from 38%



Undivided Interest Award Preference

- First Choice
 - 51% - Turn-key house (2014 57%)
 - 40% - Lot with infrastructure, no house (2014 27%)
 - 5% - Rental with an option to buy (2014 7%)
- 61% expect their lot to be available in 1 to 2 years
- 80% expect to be financially ready when lot is available.



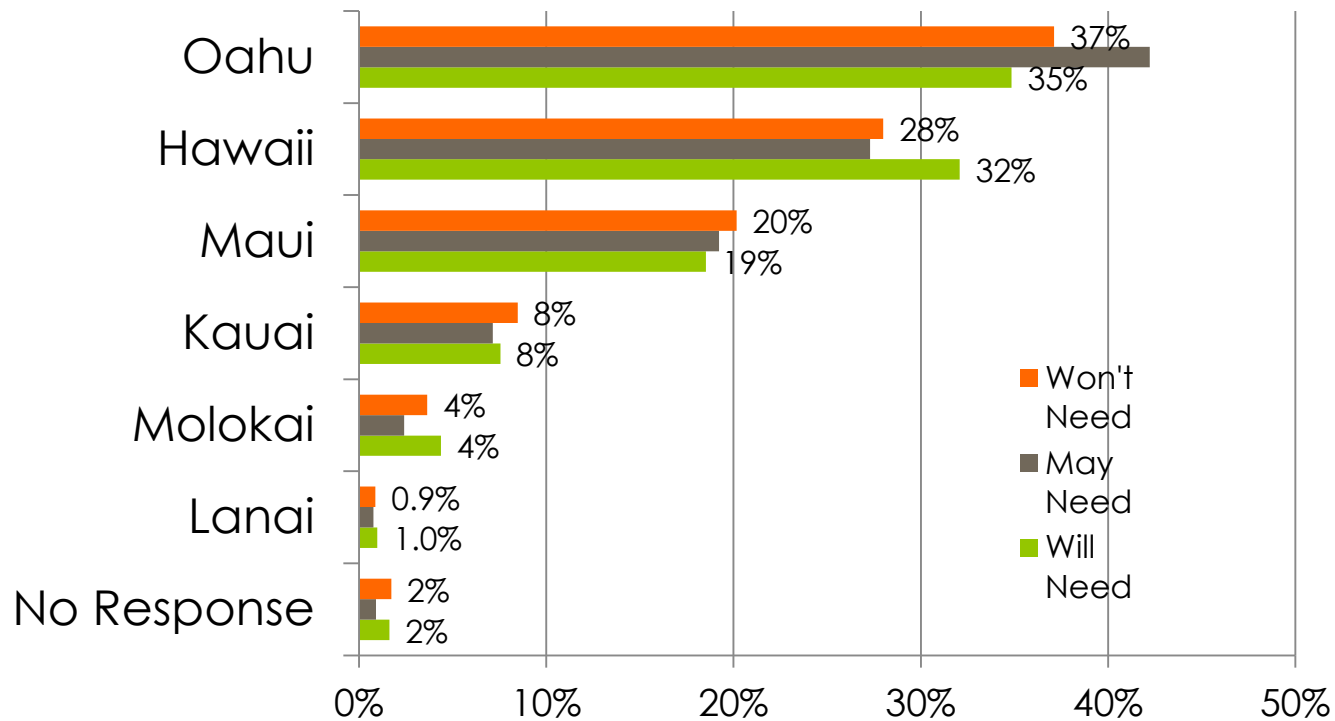
In summary

- Applicants of all income levels desire a single-family dwelling
 - Challenge of meeting different sets of needs – location, price, better than I already have, what my children want.
- Undivided Interest Lessees appear to be more financially ready to accept an award
- Lessees have the challenge of maintaining their home especially those in older communities who have fewer financial resources.
- Kamehameha Schools is the Native Hawaiian Organization connected with more beneficiaries.



Mahalo

Island applying for by need for assistance



Prior DHHL Award Offers



Prior award offers (some confusion in understanding when they are offered an award, even more pronounced in 2020)

- Number of times offered an award
 - Never: 64% (2020) 49% (2014)
 - Once: 16% (2020) 23% (2014)
 - More than once: 20% (2020) 28% (2014)
- Number of times could not qualify
 - Never: 59% (2020) 30% (2014)
 - Once: 18% (2020) 16% (2014)
 - More than once: 42% (2020) 54% (2014)
- Number of times turned down award
 - Never: 24% (2020) 28% (2014)
 - Once: 27% (2020) 24% (2014)
 - More than once: 49% (2020) 48% (2014)



Reasons to decline award (% in 2014)

- 51% - did not like the location/22% would have to find a new job. (25%/9%)
- 35% - Not ready to accept award (18%)
- 25% - No savings for down payment (17%)
- 15% - Income too low to qualify for mortgage (14%)
- 11% - Prices too high
- 9% - Would have to relocate & find new job (did not like location 25%)
- 8% - Did not like the unit offered

More than one choice allowed



Summary

- Overall Applicants increasing in number
 - Most on more than one list
 - 20% already live on a DHHL award
- Applicants getting older
 - Fewer at lowest income level
 - More above HUD median income
- Ability to finance a house varies significantly among applicants
- The greater the ability to finance a house the more important location becomes





Mahalo

In case question about second choices

Second choice of property for first choice Turn-key (Lot with a single-family house on it.)	Count	Percent	Second choice of property for first choice lot with water, electricity and no sewer, but no house	Count	Percent	Second choice of property for first choice Single-family house to rent with option to buy	Count	Percent
Total first choice	12496	100.0%	Total first choice	5146	100.0%	Total first choice	2070	100.0%
Single-family house to rent with option to buy	5179	41.4%	Turn-Key (Lot with single-family house on it)	3612	70.2%	Turn-Key (Lot with single-family house on it)	1018	49.2%
Lot with water, electricity and sewer, but no house	4166	33.3%	Single-family house to rent with option to buy	653	12.7%	Condo or Townhouse Rental unit with option to buy	265	12.8%
Townhouse in a duplex or four-plex	699	5.6%	Apartment suited for senior citizens	114	2.2%	Lot with water, electricity and sewer, but no house	227	11.0%
Apartment suited for senior citizens	492	3.9%	Lot with water, electricity and sewer, but no house	112	2.2%	An affordable rental unit and retain my place on the waiting list	201	9.7%
An affordable rental unit and retain my place on the waiting list	389	3.1%	An affordable rental unit and retain my place on the waiting list	85	1.7%	Apartment suited for senior citizens	98	4.7%
Condominium apartment (Multi-family building)	290	2.3%	Townhouse in a duplex or four-plex	65	1.3%	Townhouse in a duplex or four-plex	96	4.7%
Condo or Townhouse Rental unit with option to buy	235	1.9%	Condo or Townhouse Rental unit with option to buy	50	1.0%	Condominium apartment (Multi-family building)	41	2.0%
Turn-Key (Lot with single-family house on it)	229	1.8%	Condominium apartment (Multi-family building)	10	.2%	Single-family house to rent with option to buy	20	1.0%
Don't know/Refused	817	6.5%	Don't know/Refused	445	8.6%	Don't know/Refused	104	5.0%



High level of employment, large percent in services

- 76% of households have one or more adults working full time.
 - 23% Construction
 - 22% Other services
 - 19% Health care & social services
 - 18% Public administration/Government
 - 18% Transportation, warehousing & utilities
- 28% of households have one or more adults working part-time