A satellite image of a hurricane, likely Hurricane Ian, over the Gulf of Mexico. The hurricane's eye is visible as a dark purple circle in the center, surrounded by a red and orange ring of intense clouds. The surrounding area shows green and blue clouds over the ocean and parts of the Gulf Coast of the United States. The text is overlaid on the lower left portion of the image.

Florida Housing Coalition Hurricane Member Update Webinar

July 8, 2022
Sponsored by Fannie Mae

AGENDA

- Announcements
- Disaster Risk Assessment for Heirs' Property



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Preparing and Submitting the SHIP Annual Report



July 12, 2022 at 2:00 pm

Register at

<https://attendee.gotowebinar.com/register/814242660507761935>



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Creating an Annual Schedule for AHAC Reports



July 28, 2022 at 2:00 pm

Register at

<https://attendee.gotowebinar.com/register/4244983921597809676>



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USING CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS (SLFRF) FOR AFFORDABLE HOUSING



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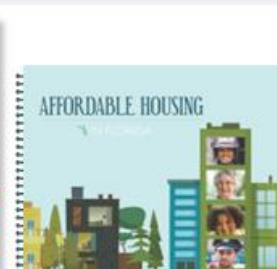
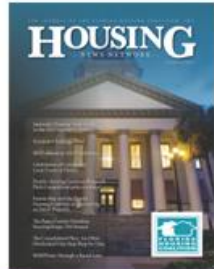
<https://flhousing.org/wp-content/uploads/2022/06/Local-Fiscal-Recovery-Funds-Publication.pdf>

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Access these valuable resources and more
under the Publications tab at Flhousing.org



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Conference Registration Now Open

<https://fhc.wildapricot.org/event-4693298>

ANNUAL STATEWIDE HOME MATTERS CONFERENCE

AUGUST 29-31

IN-PERSON AT THE ROSEN CENTRE, ORLANDO FL

Resilience and Disaster Recovery Forum

August 29 from 10am- Noon

AUG 29-31 ORLANDO, FL

www.flhousing.org

**HOME
MATTERS**

And Now...

The Posting of the PowerPoint

- PowerPoint is available in Chat



Disaster Risk Assessment for Heirs' Property

Blaise Denton
Florida Housing Coalition
denton@flhousing.org



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Overview

- What is heirs' property?
- Why does it matter for disaster?
- The Florida Housing Coalition's work to identify heirs' properties
- Preliminary response ideas



What is heirs' property?

- "Heirs' property" refers to property that is passed by inheritance from an owner to next of kin without clear ownership
- Heirs' property is most common when the original owner dies without proper estate planning
- Without proper estate planning, the property is then owned by all inheritors as "tenants in common", typically without clear documentation of who the owners are
- The land remains in the name of the person who died

What Actually Is Heirs' Property?

Healthy
Title



Multiple
Owners



Unknown
Owners



Identified
Heirs

Who Has Title Issues Caused by Heirs' Property?

- Heirs' property can affect any family
- Heirs' property primarily affects low-income property owners, where the cost of going through probate is more expensive than an inheritors share of the property
- Heirs' property is particularly concentrated in populations that have poor legal access/trust of the justice system as an institution, particularly Appalachians, Native Americans, Latinos along the Texas/Mexican border, and African Americans in the South
- Most likely affects hundreds of thousands of properties, with entire neighborhoods affected

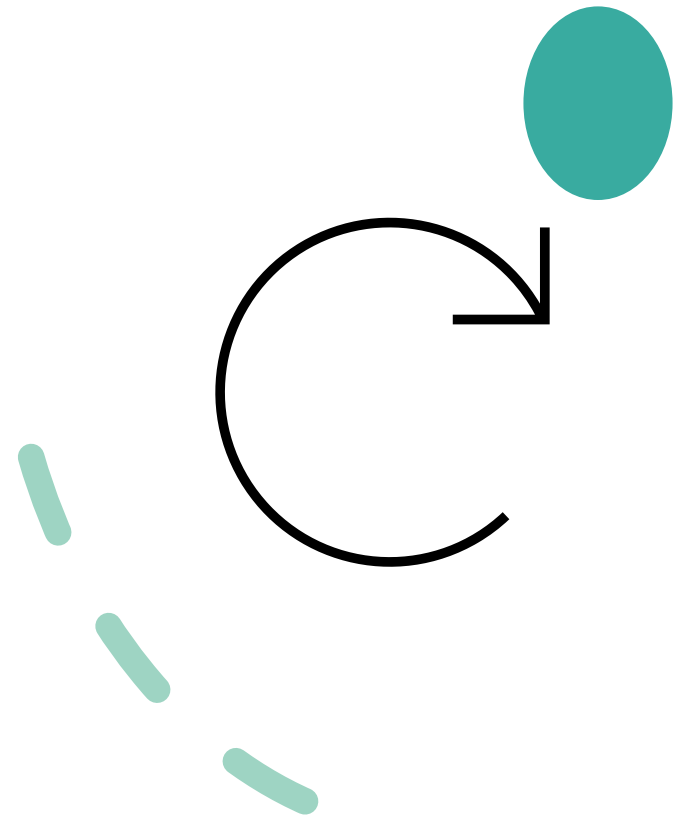
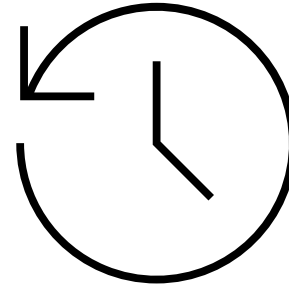
What Is Bad about Heirs' Property?

- Without clear title, it is difficult to prove ownership of the property
- The title cannot be used as collateral for a mortgage, farm loan, or other type of loan
- Difficult to get permits or show ownership for repairs, new construction, or sales
- It is difficult/impossible for heirs' owners to receive aid from government programs (though FEMA has made steps to change)
- Difficult to make changes to the property or sell things grown on the land (for farm property heirs' owners)



What Does This Mean for Disaster?

- Before a disaster
 - The property is less likely to be well maintained
 - Unclear ownership makes it difficult to reach out and work with residents
- After a disaster
 - Less likely that a resident will return to the home
 - Less likely that the resident will be able to receive disaster assistance
 - More likely home will be rendered uninhabitable and be abandoned





Heirs Property in the Spotlight

- New FHC Initiative CRE with Fannie Mae
 - Applied methodology to Alachua, Duval, and Gulf Counties
 - Develop tools, data and maps to support identification of clusters of properties
 - Policy recommendations for local governments for identifying incidence and providing assistance



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Methodology

- Literature review to identify key markers of heirs' property
- Visually check with pre-identified heirs' properties to make sure the markers from the literature review are correct
- Weight each factor based on correlation with pre-identified heirs' properties
- Map final scores to identify individual properties and neighborhoods that stand out



Data Sources

- Florida Department of Revenue, Via the Shimberg Center for Housing Studies
 - Name, Address, Legal Parcel Files
 - Sales Data Files
- VMAP
 - Social Vulnerability Index (SoVI)
- All variables reviewed via “percent of total” histograms



Identifying Heirs Property in The Property Records

Heirs

- “Heirs”
- “Heirs of”
- “Estate”

Multiple Owners

- “Et al”

Institutional or Businesses

- “State”
- “LLC”
- Etc.

Variable	Reasoning
Land Use Type (Agricultural or Residential)	Almost all identified heirs' properties were agricultural or residential, a finding consistent with previous research
Effective Year Built	Older homes were dramatically more likely to be heirs
Low Just value	Low value properties are more likely to be owned by heirs because people are less likely to leave proper estate planning for them and heirs' are less likely to go through probate
No or Partial Homestead	Under Florida Law, heirs' living on the property can only claim the portion of the home they own as homestead
No Recent Sales	The longer it has been since something sold, the more likely it is to be heirs

And the Most
Important
Characteristic:
Heirs by Tract

Identified heirs' properties were
extremely auto-correlated



We rated the number of identified
heirs' properties per tract as the
most important single risk factor
where that data was available
(Duval and Alachua)



Example: Alachua County

- Conducted Analysis in Alachua, Duval, and Gulf
- Example from Alachua

Social Vulnerability Index

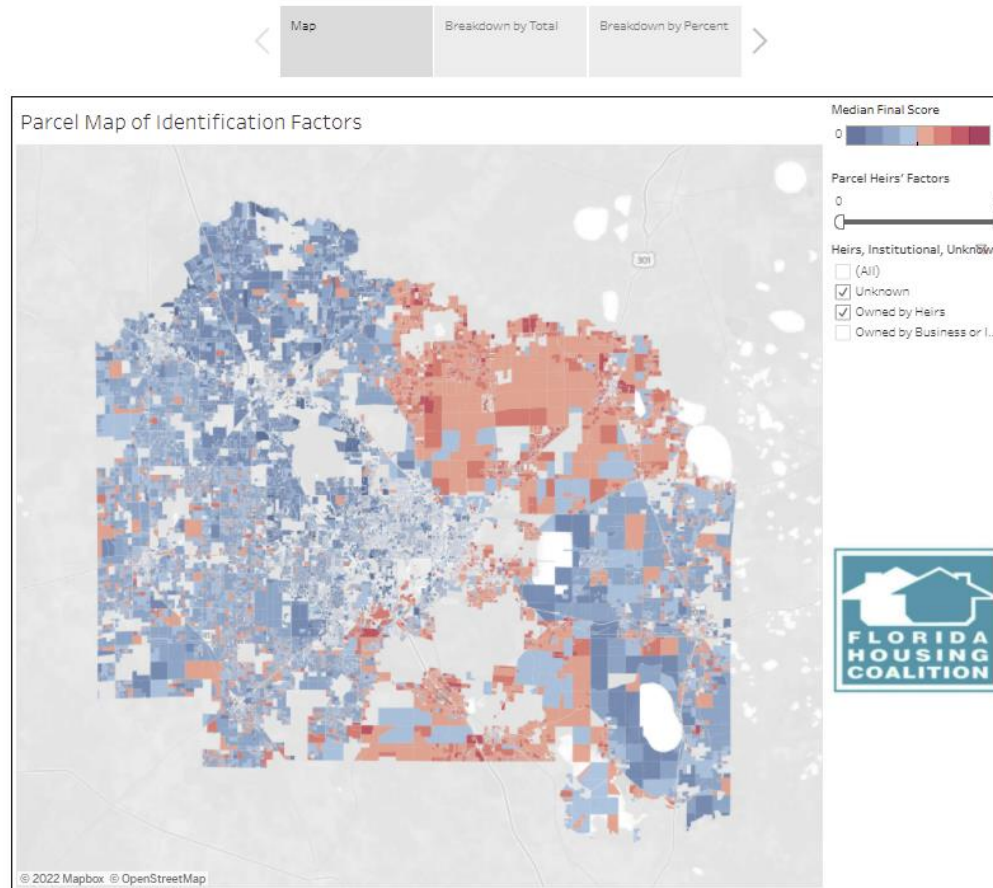


ALACHUA COUNTY		
Variables	Variance Explained	Used?
Dependence and Age	23.80%	Yes
Lack of Wealth	23.60%	Yes
Race and Household Type	8.80%	Yes
Household Size and Dependence	6.50%	No
Gendered Employment and Gender	6.00%	No
Race and Access Barriers	5.30%	No

Alachua County	Dominant Variables
Dependence and Age	Low % beneficiaries (QSSBEN)
	Low Median Age (MEDAGE)
	Low % Age Dependent Populations (QAGEDEP)
	Renters (QRENTERR)
	High Housing Cost Burden (QHSEBURDEN)
Lack of Wealth	Low Per Capita Income (PERCAP)
	Low housing values (MDHSEVAL)
	Low rent (MDGRENT)
	Low % Wealthy (QRICH200K)
	Populations without Health Insurance (QUNINSURED)
	Unemployment (QCVLUN)
Race and Household Type	Educational Attainment (QED12LES)
	Race (Black) (QBLACK)
	Female Headed Households (QFHH)
	Low % Children in 2 parent families (QFAM)
Household Size and Dependence	Low Occupancy Housing (PPUNIT)
	Nursing Home Residents (QNRRES)
	Renters (QRENTERR)
Gendered Employment and Gender	Gendered (Female) Employment (QFEMPLBR)
	Gender (Female) (QFEMALE)
	Low Occupancy Housing (PPUNIT)
Race and Access Barrier	
	Race (Native American) (QNATAM)
	English Language Proficiency (QESL)
	Nursing Home Residents (QNRRES)

Alachua County Map and Discussion

Alachua: Factor Identification of Heirs' Properties and Properties at Risk of Falling into Title Issues



https://public.tableau.com/views/AlachuaHeirsPropertyIdentificationwithAreaCharacteristics/AlachuaFactorIdentificationofHeirsPropertiesandPropertiesatRiskofFallingintoTitleIssues?language=en-US&:display_count=n&:origin=viz_share_link

Alachua Factors and Values

Parcel Level Variables:

1. Land Use Type:
 - a. Agricultural or Residential=1 (94,819 out of 104,929)
 - b. All others = 0
2. Effective year:
 - a. 1959 or Before=1 (1,301)
 - b. 1960 or after 0
3. Just Value Residential (excluding no residential value)
 - a. <\$50,000 =1
 - b. >\$50,000 =0
4. Homestead
 - a. Homestead =0
 - b. Not Homestead =.5
 - c. Partial Homestead =1
5. No Recent Sales
 - a. Null =1
 - b. Recent Sale=0

Census Tract Variables

1. Confirmed Heirs per Tract
 - a. Above 3% =2
 - b. Above 2% = 1
 - c. Above 1% =.5
 - d. Below 1% =0
2. Dependence and Age
 - a. Below 0 =1
 - b. Above 0=0
3. Lack of Wealth
 - a. Above 0=1
 - b. Below 0 =0
4. Race and Household Type
 - a. Above 2 =1
 - b. Below 2 =0



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Truthing Alachua

Random Test, Properties Scoring 7 or Above		
	#	%
Heirs' Property	6	20.7%
Not Heirs'	7	24.1%
Older Adults	11	37.9%
Unclear	6	20.7%
Total	29	



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Takeaways

- Multiple SoVI factors correlated with heirs' property
- Heirs' properties were concentrated on the east side, but the risk scores also picked up many other heirs' properties across the county.
- .57% in the total population 12.12% at a risk score of 8, 7.94% at 7.5, and 6.4% at 7
- 20% of the tested high scoring unknowns were heirs' property, far higher than the already high number of identified heirs' properties at these scores



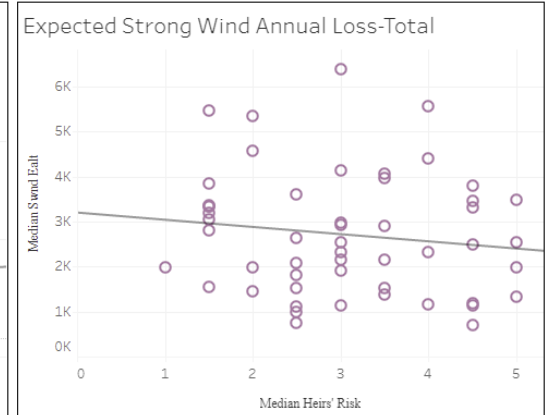
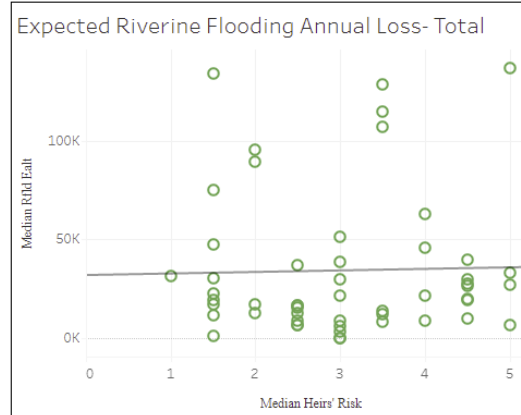
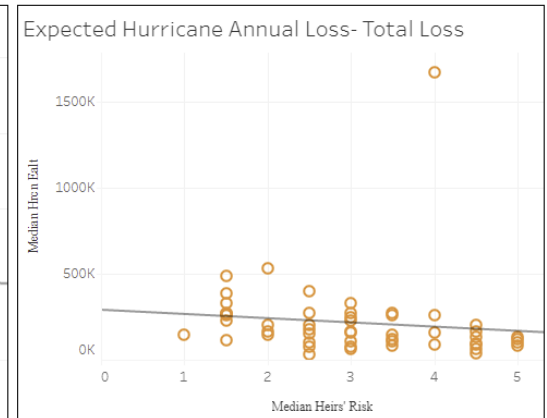
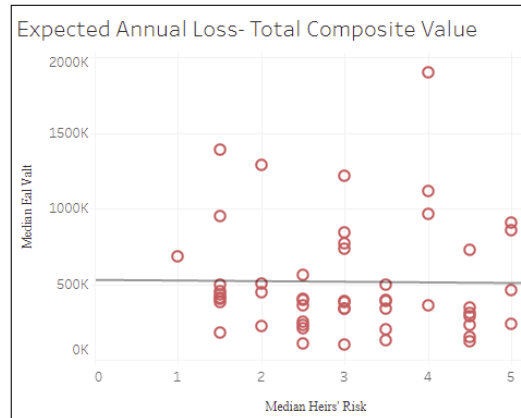
Social Vulnerability and Resiliency

- Social vulnerability refers to factors that make a community poorer at responding to a disaster
- These factors, like poverty, lack of vehicle access, a high number of elderly or special needs people, or, a high number of heirs' properties, make a community less resilient in the case of a disaster
- That is, heirs' property does not make a community more likely to be hit by a hurricane, but it does make a community more vulnerable to that hurricane



Mapping Hazard Risk and Heirs' Risk Score in Alachua

- Hazard risk and the heirs' risk scores we calculated are not meaningfully related
- That is: heirs' households hit by a disaster will probably be worse affected, they are not more likely to be hit



How Can Other Communities Recreate This?

- Property appraiser data is already available
- Purchase VMAP, or use indicators identified here from data.census.gov
- Recognize that not all high-risk score properties have title issues, but that this is a good place to start



Solutions Going Forward

- Florida Housing Coalition
 - Providing guidance and models for title clearing programs
 - Creating new policies to allow SHIP and other funding sources to be used for low-income estate planning & title clearing
 - Explore changes to state law that could improve process
- Local Governments and Nonprofits
 - Work with older, low-income homeowners on proper estate planning before property becomes heirs' property
 - Work with property appraisers to identify heirs' owners and notify them of opportunities to remediate
 - Local funding for clearing title
 - Tap into legal resources for estate planning & clearing title
- National Organizations
 - Have attestations at loan signing (when a house is purchased) that provides information on risks of heirs' property
 - Look at ways national funding sources (FEMA, HOME, CDBG, etc.) could change to improve distribution to households with title issues

Next Week's Training

FDEM Showcases Post-Disaster Temporary Housing

July 15 at 1:30 pm

Register at

https://us02web.zoom.us/webinar/register/WN_28xAkLXASICvqP7v3oVJzQ



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Thank You!



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