Question

- **Question**:

  Do homes that receive disaster relief funding have higher rates of change in rental prices and property values than those that do not?

- **Relevance to flooding & storms in Houston:**
  - Measures one aspect of how government intervention can affect rental prices and property values after a natural disaster
- **Hypothesis:**
  - In a comparison of properties, those that receive disaster relief funding will have higher rent prices and increased property values than those that do not
- **Objective:**
  - See if DRF causes rental prices and property values to increase/inflate above what is expected

Methodology

- Based off receival of disaster relief funding, obtain information for rent prices and property values
- Use resources such as:

  CoreLogic

  U.S. Bureau of Statistics

  Real estate price and rent estimation companies (Zillow, HAR, Rent Cafe)
- Compare property values not affected by previous floods one year before Hurricane Harvey and in quarterly increments up to five years after
  - Compare that rate of change to the natural rate of change of property/rental prices obtained from Census Tract Data

Value and Implications

- Rental Properties
  - If previously affordable rental properties rebound faster than other developments, is it rebounding in a way that becomes unaffordable for renters?
    - Low availability of rental properties after a disaster when demand is highest
    - Residents unable to return—If DRF is used for low value properties to become of higher value, gentrification can occur
- Property Value Assessment
    - Useful for understanding impact of government action
    - Better assessment of rebound rates for property values to assess success of DRF