

Notes from Puerto Rico

Wave of home foreclosures expected to hit Puerto Rico

Antonio Castro
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Antonio Castro lives just outside San Juan, the capital of Puerto Rico, on the far east side of the island. Since Hurricane María made landfall on the US territory in late September last year, conditions have been difficult for Antonio and his family. Like hundreds of thousands of other workers and youth on the island, Antonio continues to struggle without the basic amenities of modern life, including electricity and running water.

The following is the third in a running series of reports on conditions in Puerto Rico from Antonio. Read parts one and two.

More than five months since the passing of Hurricane María and still many continue to live without power and running water, but also without a roof and a safe home. Just stepping outside my balcony, I can count 16 houses in which still the roof is just the blue tarp provided by FEMA or by the inhabitants of the house themselves. In extreme cases, which are numerous, many are living with relatives or are refugees in hotels back in mainland US.

A house that had its roof blown away means that everything was inevitably damaged by rain and wind. In other cases, the roof stayed in place but windows and doors imploded due to strong winds, flooding the house. In some regions houses were completely inundated, some up to the second floor or beyond, due to flooding from rivers and coastal tide. These people saved what they could and the rest had to be thrown away, including furniture, clothes, appliances and other household items.

After the storm, many banks were supposedly granting a three-month moratorium on housing mortgage to homeowners who were mostly out of work

or have enormous expenses in gasoline and repairs. This was advertised all around the island as an act of “generosity” from 10 banks. However, most moratoriums expired in December and January, meaning that all payments due are going to be collected by the banks, no matter the current economic state of the homeowners. Due to these measures, the number of foreclosures is expected to see an explosive growth as workers face the reality that they cannot pay their mortgages.

Repair costs for home damage can quickly amount to sums of money that most workers cannot afford. For people who lost their home entirely, and many their jobs, the cost of a new place to live is well beyond their means. Aid provided by FEMA has been criminally scarce since the beginning of the crisis.

To help affected residents repair their homes a program called “Tu hogar renace” (Your Home Reborn) is being promoted by FEMA and the local Department of Housing. This program, however, is only available for residents who qualify and the most important requirement is to have a property title for the house. In rural areas, where the majority of the damaged homes are located, most residents don’t have such document, since these structures were mostly built by older generations of the family, and the process for obtaining a property title is both time consuming and expensive. Residents who confront this situation have no other option than to continue living in their damaged homes and doing repairs by themselves, if there is still a home left to repair.

If the goal is to help people rebuild their homes, to have their houses be “reborn” as the name suggest, then why place obstacles that make it impossible to get the

much-needed aid to these families? As of January of this year, the estimated number of damaged homes on the island was 300,000, according to the Department of Housing. Most of these damaged homes are located in rural areas where still many homes are built out of wood.

Despite the high estimate number, “Tu hogar renace” only has a budget to cover 75,000 homes, for \$150,000 each. This limited budget explains the requirement of property titles. If the program is carried out to completion, 225,000 houses will not receive the needed aid. This can be translated into 225,000 families who will have to cover all repair expenses themselves with what little they currently have.

These families will continue to live under the blue tarps of their homes with the hopes that at last some help will come their way. These measures mark the continuation of the pillaging of Puerto Rico. The local and federal government, aligned with the banks and Wall Street, are conspiring to privatize the schools, privatize the electrical utility, starve social services, and now, to take people’s homes.



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