



National
Urban League



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*Empowering Communities.
Changing Lives.*

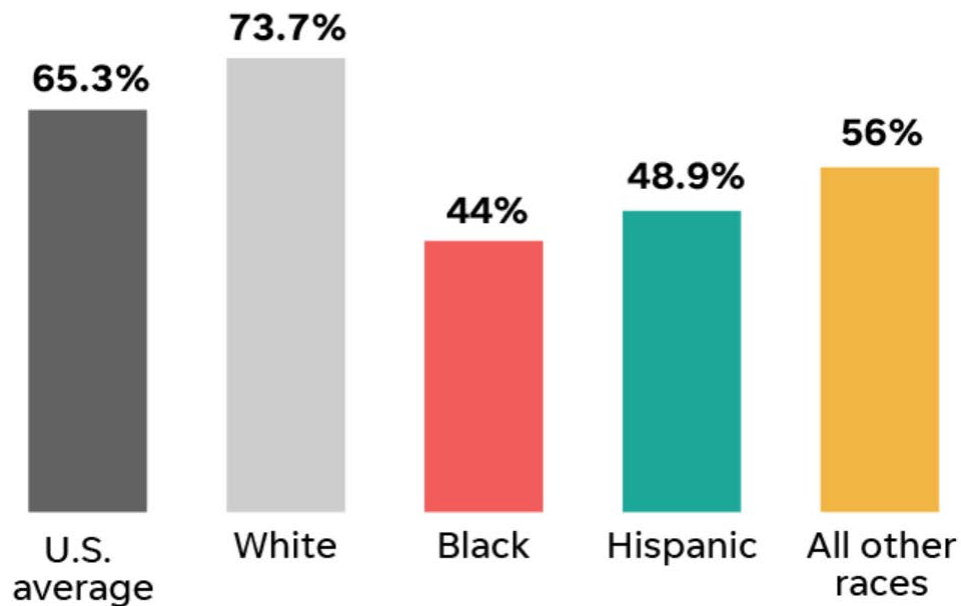
Addressing the Black Homeownership Gap

December 1, 2020

Presented by
Cy Richardson
Senior Vice President
National Urban League

Homeownership Rates by Race

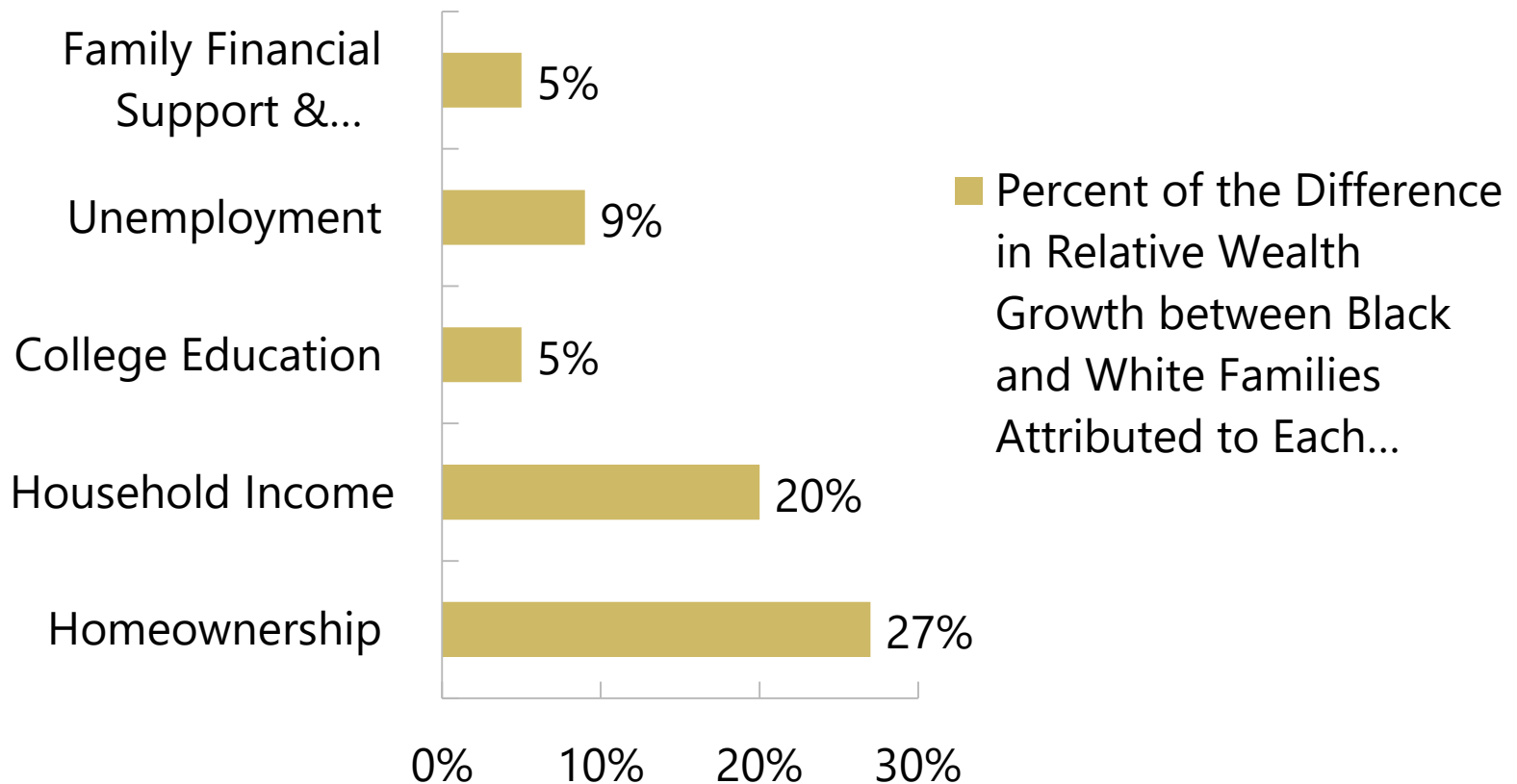
Black homeownership rates remain lowest in the US
Rates as of Q1 2020



Source: US Census Data

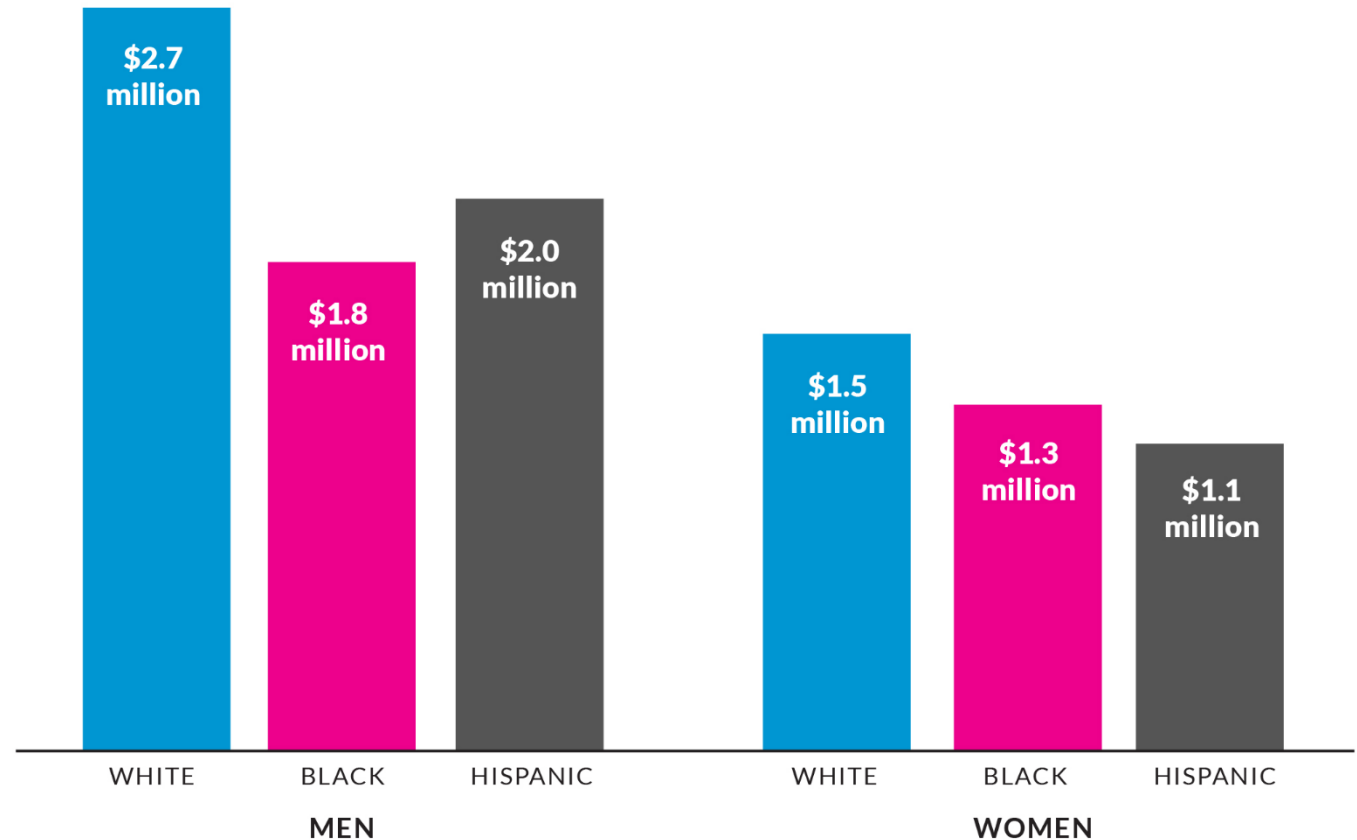
Drivers of the Racial Wealth Gap

What's Driving the Increasing Racial Wealth Gap



Income

Average Accumulated
Real Lifetime Earnings
at Ages 58–62 for
People Born 1950–54,
by Gender and
Race/Ethnicity



Source: Melissa Favreault, Urban Institute's tabulations from the 2008 Survey of Income and Program Participation matched to Summary Earnings Records through 2012.

Notes: 2015 dollars. These people are ages 58–62 in 2012. Excludes people outside US for more than 10 years of adulthood; this is especially important for Hispanics, who are more likely foreign born. Earnings are accumulated using assumed interest rates from the OASDI trustees report.

URBAN INSTITUTE

Strong Down Drafts & Headwinds



The Racial Wealth Gap

widened by 16% over this 5 year period, fueled by homeownership, income, college education, inheritance and unemployment.

2016:

Median Net Worth:

Whites **\$171,000**

African Americans **\$17,150**

For every \$100 in net worth of whites, African Americans have about \$10

Nearly 35% of African American households have zero or negative net worth.

National Urban League **NUL Housing Counseling Locations**

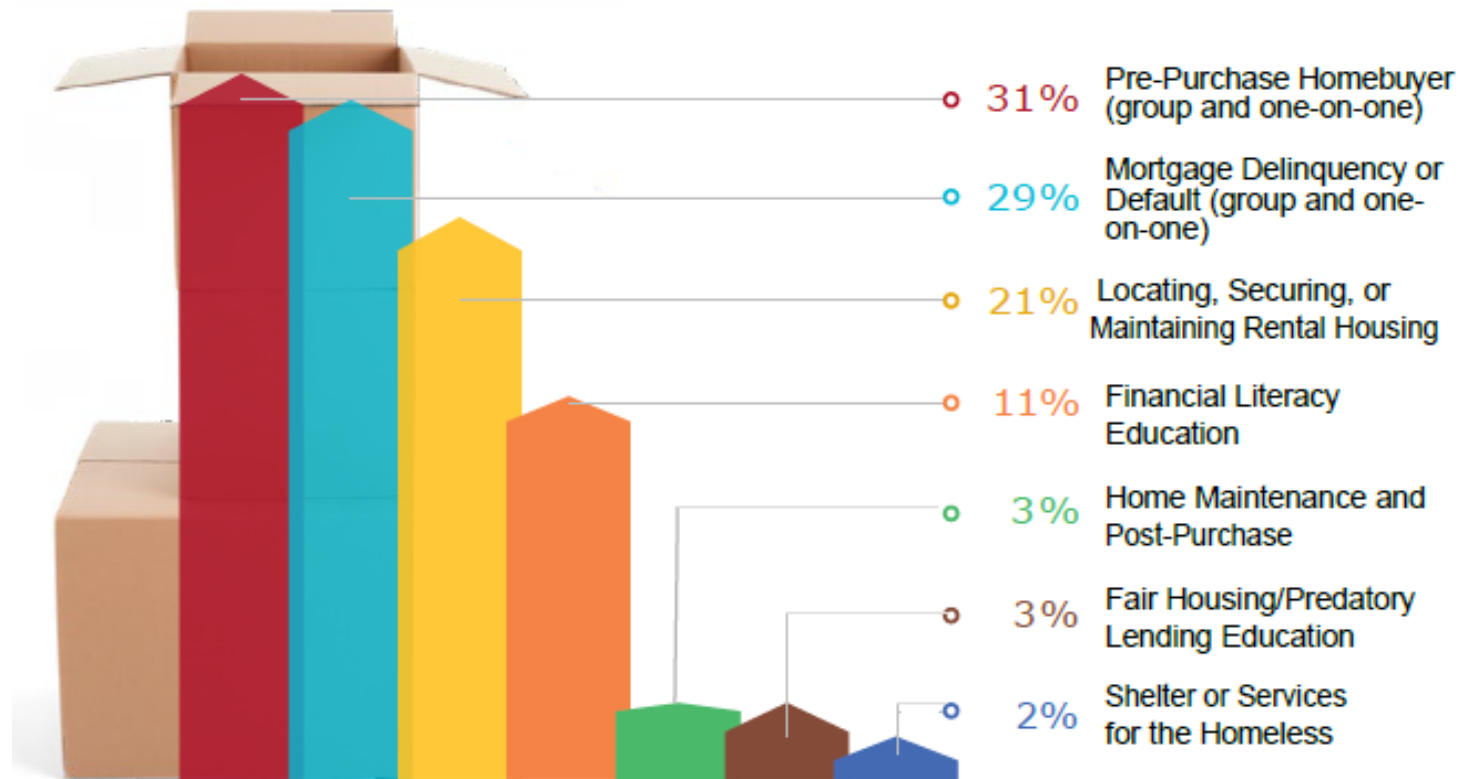
➤ 28 affiliates in 20 states and the District of Columbia





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Comprehensive Housing Counseling



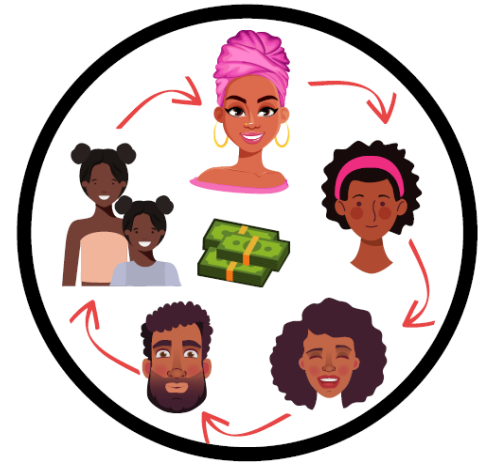
Since 2015, Urban League affiliates have provided the following services:

- **78,318** Received Pre-Purchase Homeownership Education and Counseling
- **75,315** Received Mortgage Delinquency Education and Counseling
- **55,180** Received Rental Assistance Education and Counseling
- **29,719** Received Financial Management Education
- **6,544** Purchased a New Home
- **4,628** Received Assistance for Shelter and Homelessness



Innovations- Esusu

- Lending circles and solo savings options, with a match of up to \$300 each
- Focus on **savings** and **credit**
- 12% of participants became mortgage-ready
- On average credit score of NUL participants increased by 33 points
- There was a 12% rise in loan eligibility for participants. The average participant is projected to be able to save upwards of \$11,000 in interest on long term loans



270+

Savers

\$170,000+

Committed Savings

\$79,000+

Match Commitment

Innovations- FinLocker

- Homeownership and overall financial health app
- Credit score & report, with monitoring alerts
- Daily detailed budget
- Educational components (140+ educational videos, as well as articles)
- Mortgage readiness assessment
- Direct bank account linking capabilities
- Client document upload capabilities (e.g., financials for either lender review or counselor review)
- Home search within app
- Clients apply for a mortgage WITHIN the app
- A digital assistant to answer questions





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Thank You