Policy Recommendations for Affordable Rental Housing and Homeownership

CHALLENGE

The COVID-19 pandemic and related economic downturn have accelerated the existing housing affordability crisis for renters and homeowners, exacerbating longstanding inequities and pre-existing economic stressors on households. As of 2019, an estimated 37.1 million US households, nearly one in three, spent more than 30 percent of their income on housing. Of those, more than seventeen million spent greater than 50 percent of their income on housing costs.[1] As the demand for affordable housing continues to outpace the supply across the country,[2] rising housing prices make it increasingly difficult for many individuals and families to afford and sustain housing, especially housing located in opportunity connected communities with greater access to jobs and economic mobility. This has had an outsized negative impact on those most at risk of housing insecurity before the crisis—Black and Latinx households and people earning low incomes[3]—and has delayed or precluded homeownership, which has been a key driver of amassing generational wealth for many Americans.[4]

Today, the dramatic increase in the number of renter households at risk of eviction and homeowners unable to pay their mortgages has acutely impacted Black and Latinx households[5] who were already more likely to be cost-burdened.[6] More than half of these households have faced unemployment, lost income and experienced difficulty making rent[7] or mortgage payments during the pandemic.[8] According to research from the JPMorgan Chase Institute, even prior to the pandemic, renters experienced more volatility in their labor income than homeowners.[9]

While many homeowners have been covered by COVID forbearance protections, Black and Latinx homeowners are slightly more likely to have mortgages not covered by forbearance protections.[10] At the same time, pandemic-driven unemployment, which has disproportionately impacted Black and Latinx workers, has increased the risk of missing mortgage payments among existing Black and Latinx homeowners.[11] Long-term financial instability, a supply gap in affordable homes for purchase, and rising home prices continue to decrease the number of Black and Latinx individuals and families becoming homeowners.

SOLUTION

JPMorgan Chase supports comprehensive and transformative evidence-based policy reforms that improve household stability weakened by the pandemic and increase the availability of and equitable access to affordable housing near economic opportunity for renters and homeowners. Both affordable rental housing and sustainable, affordable homeownership located in opportunity connected communities are essential to improving overall affordability and household stability in the housing market.[12] Effective solutions should span the rental housing and homeownership markets to bring about structural changes in the broader housing ecosystem.[13] Policymakers can address COVID-induced instability and long-term recovery for renters and homeowners by closing the gaps that leave cost-burdened households vulnerable to economic shocks. This requires a multi-faceted approach, including advancing policies that effectively produce and preserve more housing units at lower costs, supporting common sense regulatory reforms to increase availability of sustainable mortgage credit, and removing bias-based barriers that have impeded people of color from fully participating in the housing market.

To advance equitable access to stable, affordable, opportunity connected rental housing, we recommend the following policy solutions:

- Expedite execution of better targeted rental assistance.
- Incentivize eviction reforms that improve outcomes for tenants and landlords and establish a national eviction tracking database.
- Increase funding for effective affordable housing production programs.
- Incentivize investments that increase economic opportunity in communities that have experienced disinvestment.
- Remove barriers to affordable rental housing production in opportunity connected communities.
- Mitigate source of income discrimination.
- Support Fair Chance Housing for people with criminal backgrounds.

To increase equitable access to stable, affordable, sustainable homeownership, we recommend the following policy solutions:

- Build on COVID-19 protections to effectively support homeowners.
- Simplify loan servicing standards.
- Leverage public funds to help homebuyers meet down payment requirements.
- Expand funding to increase supply of affordable homes for purchase.
- Advance reforms to increase mortgage market liquidity and improve access to affordable sustainable mortgages that better serve people of color and low-income borrowers.
- Encourage federal housing policies that advance fair housing and mitigate bias in the home valuation process.

ADVANCING EQUITABLE ACCESS TO STABLE, AFFORDABLE, OPPORTUNITY CONNECTED RENTAL HOUSING

The rental housing crisis is driven by an affordability challenge comprised of a supply side gap in available affordable housing and demand side income inequality due to the inadequate and unstable income of many renters. On the supply side, the United States has a shortage of nearly seven million rental housing units for extremely low-income renters[14] Further compounding supply shortages, an estimated 2.2 million affordable units are at risk of being lost by 2025, in many cases due to expiring affordability requirements.[15] From 2001 to 2018, rents increased 13 percent while median renter household income rose just 0.5 percent,[16] leading to demand side income constraints. Today, over half of Black and Latinx renter households are cost-burdened,[17] and even with the provision of federal rental assistance, millions of renter households are estimated to be at risk of eviction due to the availability and timing of the funding.[18] Economic instability of tenants also threatens the viability and stability of landlords of existing affordable units, especially owners of units that are affordable in the local market without subsidy.[19] These challenges can be addressed by targeting and stabilizing economically vulnerable renters, preserving existing affordable housing, producing new affordable housing units efficiently at lower costs, and mitigating bias in the rental market to ensure all renters have access to affordable and safe housing connected to jobs and opportunity.

RENTER STABILITY

Renters are more likely to be employed in industries and jobs with significant COVID-related layoffs,[20] and are less likely to have a savings cushion that could help them safely weather the economic shock of long-term unemployment. JPMorgan Chase Institute research has shown that, compared to homeowners, renters were on weaker financial footing prior to the pandemic and experienced greater job losses and labor income declines during the downturn.[21] Data from the May 2021 Census Bureau Household Pulse Survey show that 10.9 million households —nearly 15 percent of all adult renters—reported not being caught up on rent and uncertainty about future payments. During the same period, 29 percent of Black and Latinx households, nearly double the national average, reported arrearages and continuing economic hardship.[22] Over 3.3 million renters have received a notice or threat of eviction since the beginning of the pandemic, with Black and Latinx renters, particularly Black women, more likely to have received a notice than White renters.[23]

Tenants' inability to pay rent also threatens landlord economic stability. Landlords who own and operate two- to four- and five- to fifty-unit buildings make up the majority of the nation's existing affordable housing stock and serve a critical role in providing housing to lower-income renters. Individual investor landlords own 40 percent of small scale rental property units. Of those, close to one-third are low- to moderate-income individuals whose property income constitutes up to 20 percent of their total household income.[24] The loss of rent represents a significant income shock for these smaller landlords. This is especially true for landlords who do not have a mortgage but continue to have operating costs like taxes, insurance, and maintenance, and for whom rent proceeds are a primary source of income. Support for these landlords is therefore critical to preserving the national affordable housing stock and preventing an even more severe affordable housing crisis in the future that could result if these landlords are unable to maintain ownership of these units.[25] JPMorgan Chase continues to support distressed landlords with mortgage forbearance, encourages collaborative relationships between tenants and landlords, and offers resources to landlords on working with tenants and utilizing available rental assistance programs to help keep tenants housed.

Expedite execution of better targeted rental assistance

The JPMorgan Chase Foundation supported the Urban Institute's Housing Action Research Collaborative that developed recommendations to support state and local policymakers in designing and implementing effective housing responses to the COVID-19 crisis and conducted research to inform how policymakers could address the looming eviction crisis. These policy recommendations include:

- Streamlining the application process and limiting documentation requirements for tenants and landlords.
- Prioritizing assistance to tenants disproportionately impacted by the pandemic recession with the most urgent need and to tenants of the most economically impacted landlords.
- Coordinating with state and local agencies that manage other federal assistance programs to simplify access for federal aid recipients.
- Providing small landlords full funding for lost rents and direct assistance for overhead expense arrearages, including utility costs, tax payments, and pandemic-related operational and maintenance expense increases.
- Conditioning direct assistance to landlords for unpaid rents and operational expenses on keeping tenants housed.
- Connecting recipients of rental assistance with programs that offer ongoing housing counseling, including education and counseling that prepare renters for future homeownership, to ensure long-term housing stability for cost-burdened households.

Incentivize reforms to improve eviction outcomes and data tracking

Before the pandemic, nearly one million renters were evicted from their homes every year with Black renters twice as likely to be evicted than White renters in some counties.[26] While the economic impacts of COVID-19 have put more cost-burdened households at higher risk of eviction, instability in Black and Latinx households, who faced a disproportionately higher risk of pre-pandemic cost burden,[27] has been further compounded by higher rates of pandemic-related long-term unemployment.[28] JPMorgan Chase Institute research has shown that 22 percent of renters experienced a greater than 10 percent drop in total income during the pandemic, even after accounting for government supports. But, unlike single-family mortgage holders, renters did not have a forbearance safety net, which has exacerbated economic vulnerabilities for both renters and landlords.

The efficacy of eviction systems, which are managed at the state and local level, can have cascading economic effects on public resources deployed to support evicted individuals and families as well as lasting financial and psychological consequences on those evicted, reinforcing existing cycles of poverty. Policymakers can advance reforms to support individuals facing eviction and better implement fair eviction standards that ensure stability for economically vulnerable tenants and landlords, including:

- Increasing funding for existing programs such as the Emergency Solutions Grant program to assist people who are facing eviction or are already unhoused. Funding could expand access to much needed homelessness and eviction prevention and diversion programs, legal assistance services that help renters navigate their housing options and rights, emergency shelter, and rapid re-housing.
- Incentivizing states to reduce preventable evictions by establishing eviction diversion programs, applying eviction principles (such as right to counsel) that protect tenants from unlawful eviction, and ensuring a balanced and predictable eviction process.
- Establishing a National Eviction database as recommended in the Eviction Crisis Act of 2019; collect and track standardized state and local level eviction data to better inform policy decisions.

RENTAL AFFORDABILITY

As rental housing development costs have nearly doubled over the past twenty years,[29] worker wages have barely risen in many cities,[30] putting affordability out of reach for nearly 24 million cost burdened renters in the US.[31] COVID-19 pandemic layoffs have further depressed worker incomes,[32] especially for those at the lowest income levels,[33] and have contributed to work delays and supply chain shortages that have slowed the pace of production and fueled steeper rises in development costs.[34] State and local government zoning and regulatory barriers, such as density limits and parking or setback requirements, continue to put upward pressure on the cost of housing production,[35] while the federal funding necessary to stimulate increases in affordable housing supply has lagged behind affordable housing demand. In addition, over four million new rental households formed from 2010 to 2019, including many households led by higher income earners, increasing demand for higher-end apartments[36] and contributing to a shift in new construction to more costly units.[37] To combat these problematic trends policymakers can lower costs and increase the volume of affordable rental housing production by increasing funding to build and preserve affordable housing, incentivizing private investment in affordable housing, reducing household cost burden, and removing zoning and land use barriers.

Increase funding for effective affordable housing production programs

The Low-Income Housing Tax Credit (LIHTC) program is the largest funding source for producing and preserving affordable rental housing.[38] Congress passed legislation in December 2020 which enhanced the LIHTC program by stabilizing the four percent credit with a permanent floor and increasing funding by $1.1 billion in credits for communities impacted by disasters.[39]

- Policymakers should further expand and stabilize the LIHTC program by supporting the Affordable Housing Credit Improvement Act of 2021 (AHCIA), designed to maintain financial stability for housing developments while incentivizing investment and targeting funding to produce more affordable housing for the most cost-burdened households, households of color, and low-income households. These reforms are estimated to finance up to 2 million additional affordable rental units over ten years.[40]
- At the state level, policymakers can direct the increased flow of LIHTC credits resulting from the AHCIA to better serve populations facing the greatest affordability challenges by reforming Qualified Allocation Plans to prioritize development of housing affordable to low- and very low- income households in opportunity connected communities.

Incentivize investments that increase economic opportunity in disinvested communities

Every individual and family should be able to live in a community that offers access to opportunity, yet 14 million people live in neighborhoods with concentrated levels of poverty that stifle economic mobility.[41] It is critical to create more economic opportunity where these individuals and families live today. While the New Markets Tax Credit (NMTC) program is not a housing development program, it is a proven and effective tool to expand local tax bases, support small businesses, increase access to amenities and services,[42] and combat long-term disinvestment in low-income communities and communities of color that limits access to economic opportunity. To attract the investment necessary to increase opportunity in historically underserved communities, policymakers can enact the New Markets Tax Credit Extension Act of 2021, which will make permanent the NMTC and $5 billion in annual credit authority.

Remove barriers to affordable rental housing production in opportunity-connected communities

Restrictive planning and zoning policies, in many cases an enduring legacy of redlining and other race-based housing policies,[43] constrain density, artificially restrict housing supply, and have driven up housing prices[44] by an estimated 56 percent above construction costs in some localities,[45] which negatively and disproportionately impacts low-income people and people of color.[46] These policies have also contributed to and sustained Black-White residential segregation,[47] a driver of racial economic inequality.[48] Removing these barriers can increase production of affordable housing for people with low incomes in opportunity-connected communities. Policymakers can support legislation that incentivizes states and localities to reform restrictive zoning and land use policies such as:

- The Housing Supply and Affordability Act, which would reward localities that design and implement comprehensive housing policy plans to increase the affordability and supply of housing. The legislation would provide $300 million in annual planning and implementation grants to states and localities to help them reduce zoning and land use barriers to housing development.
- The Yes In My Backyard Act, which would require localities receiving Community Development Block Grant funds to file a report every five year that details their progress in adopting certain local policy reforms that mitigate burdensome and/or discriminatory land use regulations.
- At the state level, policymakers can eliminate zoning preemption laws that prohibit localities from enacting land use reforms to increase density in opportunity connected communities. Policymakers could also establish by-right development and streamlined zoning approval processes for LIHTC and other affordable multifamily housing that is constructed in environmentally safe, opportunity-connected communities. In addition, states and localities can advance zoning reforms that enable development of missing middle homes, that is, smaller-scale, low-rise, multiunit homes, like Accessory Dwelling Units, duplexes, triplexes, and low-rise apartments, which add density and bolster local affordable housing supply.[49]

EQUITABLE ACCESS TO RENTAL HOUSING

Access to safe, stable, and affordable housing in opportunity communities is a critical first step in achieving economic mobility. Yet many people who receive housing vouchers, as well as people who have criminal backgrounds, often face obstacles in securing such housing.

Mitigate source of income discrimination

Approximately 2.3 million renters utilize the Housing Choice Voucher (HCV) program to secure safe, stable housing.[50] This benefit helps households manage cost burden and offers flexibility to access market-rate housing in opportunity rich neighborhoods of their choice, in turn improving intergenerational economic mobility.[51] But landlord participation has been declining by 10,000 landlords annually since 2010, and as a result voucher holders struggle to find housing with willing landlords, especially in opportunity-connected communities.[52] Source of income (SOI) discrimination, the refusal to rent to individuals based on their reliance on federal assistance income, is prohibited by some states and localities;[53] however, income source is not a protected class under the Fair Housing Act. The voucher program disproportionally serves protected groups (69 percent of voucher holders are nonwhite, and 23 percent are people with disabilities),[54] thus SOI discrimination produces discriminatory outcomes for protected classes.[55] Mitigating SOI discrimination can be an effective approach for advancing equitable access to housing and can help support economic viability of housing developments during economic downturns.[56] JPMorgan Chase found that developments that accepted HCVs performed better during the pandemic than those that did not.

- Policymakers can advance legislation such as the Choice in Affordable Housing Act to attract private landlord and housing provider participation in the HCV program by streamlining application and review processes and offering incentives like signing bonuses for landlords who own property in opportunity-connected census tracts.
- Policymakers can also consider legislation that would amend the Fair Housing Act to add SOI status as a protected class, helping to ensure equal opportunity and access to affordable housing and opportunity-connected communities for voucher holders.

Support Fair Chance Housing for people with criminal backgrounds

Secure housing is a critical first step to attaining economic stability for the one in three people in the United States with criminal records and for those reentering the community from prison or jail. Secure housing can help break cycles of recidivism, incarceration, and homelessness.[57] Formerly incarcerated people are ten times more likely than the general public to become homeless.[58] Re-entry housing support can help close the revolving door of incarceration exacerbated by municipal policies that can criminalize homelessness.[59] Improving access to stable, affordable housing significantly increases the likelihood that a person leaving prison or jail will find and retain employment and rebuild supportive social networks. Improving economic stability among people with criminal backgrounds can also improve public safety.[60] However, criminal background checks in housing applications continue to be a barrier to accessing stable, quality housing[61] and have a greater impact on people of color[62] due to disproportionate rates of traffic and street stops, arrest, conviction, and incarceration of Blacks and Latinx people in the US.[63] Policymakers could advance the following reforms to reduce barriers to accessing safe, affordable housing and decrease housing and economic insecurity for people with criminal backgrounds:

- Ban the Box[64] to remove criminal background checks from housing applications and prohibit public housing authorities and owners of federally assisted housing from screening out applicants solely based on their involvement with the criminal justice system.
- Establish fair uniform national standards for public housing approval by limiting the length of "look back" periods that local housing agencies may sometimes use to disqualify individuals with criminal records despite having served the required incarceration time.
- Ensure individuals have or receive valid photo identification upon release from prison or jail to remove barriers to accessing housing and employment when reentering communities.

INCREASING ACCESS TO AFFORDABLE, SUSTAINABLE HOMEOWNERSHIP

Affordable, sustainable homeownership is an important component of a functioning housing market and is, for many families, integral to building household wealth. However, for too long housing market discrimination has limited access for Black and Latinx families to the savings and wealth benefits that accrue from intergenerational homeownership. This makes it more difficult for Black and Latinx individuals and families to purchase homes and sustain homeownership themselves. Home equity is a significant component of wealth for many individuals and families, and the basic economics of equity and appreciation in homeownership offers the opportunity for people from all demographics to build wealth over generations.[65] However, as a result of uneven access to homeownership, the homeownership disparity between White households and Black and Latinx households continues to grow; the current 30 percentage point gap between Black and white homeownership is larger now than it was in 1968, when housing discrimination was legal.[66] Worsening housing market conditions, including supply shortages of affordable homes for purchase and rising prices, as well as barriers to meeting down payment requirements and tighter credit standards, have put sustainable homeownership further out of reach for more Americans, especially Black and Latinx people and people earning low incomes.

Building wealth through homeownership requires that individuals and families be able to afford a home, qualify for a mortgage, avoid default, and maintain ownership through difficult economic times. But when Black and Latinx people are able to purchase homes, several key factors exacerbate economic instability, including labor market discrimination and greater likelihood of employment in low-paying jobs with limited benefits.[67] These factors also limit savings, wealth,[68] and access to credit,[69] in turn leading to higher overall cost of mortgage credit and higher overall cost of homeownership.[70] Since March 2020, as a result of income loss, health emergencies, and the increased debt burden brought on by the pandemic, Black and Latinx homeowners, homeowners with low income, and homeowners with little to no emergency savings are at a greater risk of missing payments and losing their homes.

While not everyone can or should pursue homeownership, there is significant opportunity to build a more equitable housing market by employing evidence-based policies to help homeowners with limited financial cushion weather economic shocks, enacting common sense reforms to ensure liquidity in the mortgage market, and removing barriers to safely expand access to credit and sustainable homeownership for Black and Latinx homebuyers as a part of a broader effort to close the racial homeownership divide.

HOMEOWNER STABILITY

The COVID-19 pandemic significantly impacted portions of the US labor market, threatening homeowners' ability to remain current on their mortgages.[71] In June 2020, mortgage delinquency rates peaked at 8.5 percent, the highest level since 2011, as 4.3 million households fell behind on their monthly payment.[72] Mortgage forbearance directed through the Coronavirus Aid, Relief, and Economic Security (CARES) Act and a subsequent forbearance extension provided many homeowners with up to eighteen months of payment relief, which helped many households hold on to their homes through the worst of the crisis.[73] Forbearance rates, which peaked in May 2020 at 9 percent continue to steadily decline.[74] As of April 2021, nearly two-thirds of forborne homeowners have exited forbearance and those that remain are likely the most economically vulnerable homeowners.[75] JPMorgan Chase Institute research found that homeowners in forbearance not only had lower labor income and much lower levels of liquid assets than those not in forbearance but also experienced larger drops in their income and were more likely to have received jobless benefits.

In addition, the JPMorgan Chase Institute identified little evidence of material moral hazard of mortgage forbearance from inappropriate use of the programs.[76] These insights suggest that easily obtainable forbearance and other supports for homeowners can help to increase housing stability for the most economically vulnerable homeowners and can help households respond to economic shocks, avoid foreclosure, and stay safely housed in the midst of a personal emergency or economic disruption without widespread risk of inappropriate use.

Build on COVID-19 protections to effectively support homeowners

In response to the COVID-19 pandemic, government insurers and the government-sponsored enterprises (GSEs) have introduced several policies to better serve homeowners experiencing income disruption. Some policies, such as the Federal Housing Administration's (FHA's) new streamline modification program and Fannie Mae's and Freddie Mac's appraisal flexibilities, which will sunset May 31, 2021, should be made permanent. JPMorgan Chase has worked to increase homeowner awareness and understanding of available mortgage forbearance and loss mitigation options to improve outcomes for families facing financial hardship. Policymakers can support reforms that advance stability of homeowners facing continued economic hardship, including:

- Ensuring uniform national practices that give all homeowners access to forbearance, regardless of mortgage product type.
- Offering homeowners clear expectations regarding the path to exit forbearance.
- Allowing for flexibility in servicing requirements to maximize post-forbearance assistance.
- Ensuring rapid execution of the Homeowner Assistance Fund to provide financial and legal assistance to homeowners experiencing hardship to help them avoid foreclosure.

At the state and local levels, policymakers can advance legislation to protect economically vulnerable families from losing their homes in heirs property partition sales and tax lien sales by:

- Advancing Uniform Partition of Heirs Property Act (UPHPA) legislation, which reforms state property laws to provide fractional or heirs property owners with basic due process protections that help families sustain homeownership over generations, such as legislation that has been recently introduced in North Carolina, Washington DC, and California. Eighteen states have passed UPHPA legislation. Given the disproportionate rates of COVID mortality in communities of color, these protections are particularly important to help Black and Latinx families hold on to homes following the deaths of homeowning relatives who have died without a will.
- Leveraging recovery funds to help homeowners experiencing financial hardship resolve tax arrearages to avoid losing their homes in tax lien sales.

Simplify loan servicing standards

Adopting a simplified servicing model, consistent across the government and GSEs, could allow lenders greater flexibility to assist economically distressed homeowners and supports the overarching goal of homeownership stability. Policymakers can Implement consensus industry recommendations that offer consistency and harmonize of servicing standards for consumers while strengthening long-term market resiliency including:

- Aligning FHA, US Department of Veteran's Affairs (VA), and US Department of Agriculture (USDA) servicing rules with those of the GSEs.
- Making consistent customer care timelines and foreclosure timelines among all government insurers (e.g., FHA, VA, USDA) and the GSEs.
- Rationalizing CFPB servicing and foreclosure regulations and standards.
- Encouraging flexibility in servicing requirements to maximize customer assistance opportunities.
- Limiting overlaps and conflicts between regulators and among federal and state rules.
- Enhancing protections for borrowers by modernizing the Government National Mortgage Association's (GNMA's) counterparty management system to calibrate risk and ensure compliance to better protect consumers.

HOMEOWNERSHIP AFFORDABILITY

Persistent barriers to obtaining sustainable mortgage credit and saving for a down payment have long limited Black and Latinx households and low-income households from accessing the dream of homeownership. Historically, policies that blocked Black families from accessing homeownership opportunities have also excluded Black people from intergenerational asset-building,[77] making it more difficult for Black families to build and sustain the wealth necessary to access homeownership.[78] In the past fifteen years, rates of Black homeownership have declined more rapidly than any other US racial demographic.[79] Black and Latinx households experienced greater levels of unemployment and worse health outcomes in the pandemic, leaving them poorly positioned to purchase a home, continuing a long-term trend.[78]

Soaring home prices further threaten to crowd Black and Latinx homebuyers out of the market. The pandemic housing boom ushered in a period of unprecedented home price appreciation; in the fourth quarter of 2020, home values rose 3.2 percent, the fastest pace on record.[80] Since 2012, overall home prices have increased by 73.3 percent, and prices for entry level homes have increased by 82.6 percent.[81] In some markets, home prices have reached levels not seen since 2006. But unlike the last spike in housing costs, buyers who have had stable incomes in the pandemic recession have more cash, better credit, and access to historically low interest rates. This upward pressure on prices and the tightening of credit standards in the pandemic has added to the pre-existing barriers to homeownership that most acutely impact Black and Latinx households and those with low incomes.[82] Policy reform that increases access to sustainable mortgage credit, supports down payment accumulation, and increases the supply of affordable homes for purchase can remove barriers to homeownership for Black and Latinx families and help shape a housing market that works better for everyone.

Leverage public funds to help individuals meet down payment requirements

Renters report coming up with down payment and closing costs as the main barrier to purchasing a home. And while It takes White renters on average nine years to save for a down payment, it takes Latinx renters eleven years and takes Black renters fourteen years.[83]

- Policymakers should establish a federally-backed down payment assistance program to help address inequities in the housing market and increase access to homeownership for Black and Latinx homebuyers and homebuyers with low income. Effective models could target assistance based on homebuyer income or wealth, offer pre- and post-purchase homebuyer counseling in conjunction with assistance, allow homebuyers to stack down payment funds from various programs (including from financial institutions like JPMorgan Chase) to maximize assistance, and ensure funds are available for buyers at closing as opposed to being provided via reimbursement.

Expand funding to increase supply affordable homes for purchase

- Policymakers should support expanding the funding and geographic reach of programs such as the US Department of Agriculture Rural Development 502 Direct Loans for Rural Housing Program to spur development of affordable homes for purchase. These types of public programs can create permanent affordable homeownership opportunities by using a subsidy to bring the cost of homeownership down to affordable levels while sustaining affordability by setting the conditions for resale of participating properties to future low- to moderate-income homebuyers.
- To further support the effort to increase supply of affordable homes, policymakers could increase flexibilities in the Community Development Block Grant (CDBG) program to incentivize development of starter homes and entry level affordable homes for low- to moderate-income homebuyers in opportunity communities. These funds could also be leveraged to incentivize developers of single family homes to increase density by homes for ownership such as duplexes and triplexes and incentivize existing homeowners to construct alternative affordable housing options such as Accessory Dwelling Units on their properties.

Increase availability of affordable and sustainable mortgages

JPMorgan Chase economists estimate that key federal reforms to open private securitization markets for sustainable loans and encourage the GSEs to meet Duty to Serve commitments could increase the availability of mortgages to consumers, increase access to homeownership for Black and Latinx homebuyers, and add $500 billion of additional purchase mortgages to the market.

Encouraging reforms to safely leverage private capital in the mortgage market for sustainable loans would increase market liquidity and can help foster a level playing field between government agencies and the private sector. The resulting increased competition would enable diversity of choice and mortgage product innovation to the benefit of historically underserved communities. Policymakers can support reforms including:

- Accelerating the pace and implementation of regulatory initiatives to support home lending innovations that will enable financial institutions to safely leverage private capital to ensure increased sustainable mortgages for Black and Latinx homebuyers.
- Revising the operational criteria for a traditional securitization of assets that remain consolidated on balance sheet to recognize risk transfer using Consolidated Securitization Risk Transfer Structure (CSRTs). CSRTs will broaden the investor base and increase liquidity, including making mortgages more attractive to Environmental, Social, and Governance (ESG) investors; ESG bonds can play an important role in increasing access to credit for Black and Latinx customers.
- Resolving the definition of Qualified Mortgage (QM) in a manner that offers flexibility to achieve QM status and supports the return of private capital to the mortgage market.

To better serve affordable market segments and increase access to GSE loan products policymakers can advance reforms and regulatory guidance including:

- Encouraging the GSEs to advance pilots to test strategies to expand access to credit; potential pilots include those that evaluate establishing mortgage reserve accounts, counting rental payment history, and considering more inclusive and diverse sources of household income.
- Clarifying the applicability of the Fair Housing Act on Special Purpose Credit Programs (SPCPs) established under the Equal Credit Opportunity Act/Regulation B, to encourage financial institutions to offer SPCPs, which provide a mechanism for increasing access to credit and offering credit on more favorable terms to Black and Latinx customers.
- Encouraging broader use of credit risk transfer (CRT) tools across all market segments.
- Leveraging local community reach of Federal Home Loan Banks (FHLBs) to assist with increased affordable lending and consider using FHLBs as investors in and liquidity providers for affordable home loans.
- Allowing GNMA pooling of all FHA and VA loss mitigation loans.

EQUITABLE ACCESS TO HOMEOWNERSHIP

The typical Black family has one-tenth the wealth of the typical White family and while Black people make up thirteen percent of America's population, they hold less than three percent of the wealth. America's persistent racial wealth gap is both a significant contributor to and partly the result of the much lower homeownership rate of Black households. Exclusionary policies including historically legal segregation and discrimination in the housing market have created structural and systematic inequities that lock many Black and Latinx people and other people of color out of homeownership and the economic prosperity that homeownership can support over generations.[84]

To combat this history and its present day implications, policymakers should advance legislation to address the structural underpinnings that limit equitable access to the housing market and widen the homeownership gap. Such legislation should prioritize reforms that reinstate Affirmatively Furthering Fair Housing, reinforce the importance of addressing disparate impact under the Fair Housing Act, and address the property valuation gap.

Encourage federal housing policies that advance fair housing and address discrimination

The Brookings Institution found that homes in majority Black neighborhoods are valued an average of 23 percent less (approximately $48,000 per home on average) than those with few or no Black residents, even after controlling for differences in home and neighborhood qualities such as amenities, school performance, and crime levels.[85] Differences in property valuation between homes in predominantly Black census tracts and comparable homes in neighborhoods with similar characteristics in predominantly White census tracts negatively impacts equity, value appreciation, and wealth building for Black individuals and families across the US and is estimated to have cost Black homeowners $153 billion in lost home equity value.

- To reduce potential bias and discrimination in the residential appraisal process, policymakers can support legislation such as the Real Estate Valuation Fairness and Improvement Act of 2021, which is designed to improve the overall quality of appraisals by harmonizing collateral underwriting standards and providing guidance such as range of value for similar properties in nearby geographies with limited or unavailable comparable sales.
- Reforms to the appraisal process can include establishing new anti-bias training requirements for appraisers, allowing equal access to valuation data and techniques, creating national standards that will allow for responsible expanded use of Alternative Valuation Methods by the GSEs and investors, and expanding the use of both GSE appraisal waivers plus a property inspection and alternative methods for developing appraisals, like hybrid and desktop appraisals.
- To help mitigate the long term economic implications of residential disinvestment on the housing stock in communities of color and low income communities, policymakers can enact the Neighborhood Homes Investment Act, which would create a new federal tax credit reinvestment tool to help homeowners renovate one- to four-unit properties in low- to moderate-income neighborhoods by providing tax credits for the difference between cost to build or rehab and the market value the property. This tool is especially important for revitalizing communities that have experienced long-term economic disinvestment because it helps address deferred maintenance in the residential housing stock.
- At the state level, policymakers can support legislation such as Maryland SB859, introduced to establish the Appraisal Gap From Historic Redlining Financial Assistance program. This program is designed to repair the present day economic impacts of redlining and other race-based disinvestment policies that stripped Black communities of wealth by providing funding to help close the gap between the cost of renovation and the market value of homes in eligible communities.

JPMorgan Chase Path Forward Commitment: JPMorgan Chase announced that it will:

Originate an additional **40,000 home purchase loans** for Black and Latinx households by committing **$8 billion** in mortgages; help an additional **20,000 Black and Latinx households** achieve lower mortgage payments through refinancing loans by committing up to $4 billion in refinancing loans; finance an additional **100,000 affordable rental units by funding $14 billion** in new loans, equity investments and other efforts to expand affordable housing in underserved communities.

ENDNOTES

1. Joint Center for Housing Studies of Harvard University. 2020. "The State of the Nation's Housing 2020." November 19, 2020. https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_The_State_of_the_Nations_Housing_2020_Report_Revised_120720.pdf.
2. National Low Income Housing Coalition. 2021. "The Gap: A Shortage of Affordable Homes 2021." March 18, 2021. https://reports.nlihc.org/sites/default/files/gap/Gap-Report_2021.pdf.
3. Airgood-Obrycki, Whitney, Ben Demers, Solomon Greene, Chris Herbert, Alexander Hermann, David Luberoff, and Sophia Wedeen. 2021. "Renters' Responses to Financial Stress during the Pandemic." https://www.jchs.harvard.edu/sites/default/files/research/files/harvard_jchs_renter_responses_covid_airgood-obrycki_etal_2021.pdf.
4. Meschede, T., Thomas, H., Mann, A. et al. Wealth Mobility of Families Raising Children in the Twenty-First Century. Race Soc Probl 8, 77–92 (2016). https://doi.org/10.1007/s12552-016-9161-1
5. Greene, Solomon, and Alanna McCargo. 2020. "New Data Suggest COVID-19 Is Widening Housing Disparities by Race and Income." May 29, 2020. https://www.urban.org/urban-wire/new-data-suggest-covid-19-widening-housing-disparities-race-and-income. https://nlihc.org/resource/racial-disparities-among-extremely-low-income-renters
6. United States Census Bureau. 2021. "Measuring Household Experiences during the Coronavirus Pandemic: Household Pulse Survey - Phase 3.1." May 5, 2021. https://www.census.gov/data/experimental-data-products/household-pulse-survey.html.
7. Consumer Finance Protection Bureau, "Characteristics of Mortgage Borrowers During the COVID-19 Pandemic" May 2021. https://files.consumerfinance.gov/f/documents/cfpb_characteristics-mortgage-borrowers-during-covid-19-pandemic_report_2021-05.pdf.
8. Greig, Fiona, Chen Zhao, and Alexandra Lefevre. 2021. "Renters vs. Homeowners: Income and Liquid Asset Trends during COVID-19." March 21, 2021. https://www.jpmorganchase.com/institute/research/household-debt/renters-homeowners-income-and-liquid-asset-trends-during-covid-19#finding-1.
9. "Help for Homeowners." Consumer Financial Protection Bureau. https://www.consumerfinance.gov/coronavirus/mortgage-and-housing-assistance/help-for-homeowners/.
10. Neal, Michael, and Caitlin Young. 2020. "Delinquent Homeowners in Neighborhoods of Color Are Less Likely to Be Protected by Forbearance." December 2, 2020. https://www.urban.org/urban-wire/delinquent-homeowners-neighborhoods-color-are-less-likely-be-protected-forbearance.
11. Neal, Michael, and Caitlin Young. 2020. "How Economic Crises and Sudden Disasters Increase Racial Disparities in Homeownership." June 1, 2020. https://www.urban.org/sites/default/files/publication/102320/how-economic-crises-and-sudden-disasters-increase-racial-disparities-in-homeownership.pdf.
12. Loftin, Mike. 2021. "Homeownership is Affordable Housing." May 2021. https://www.urban.org/sites/default/files/publication/104214/homeownership-is-affordable-housing_0_0.pdf
13. Schuetz, Jenny. 2018. "Both Renters and Homeowners Could Benefit from Better Housing Policy." August 6, 2018. https://www.brookings.edu/blog/the-avenue/2018/08/06/both-renters-and-homeowners-could-benefit-from-better-housing-policy/.
14. National Low Income Housing Coalition. 2021. "The Gap; A Shortage of Affordable Homes" March 2021. https://reports.nlihc.org/sites/default/files/gap/Gap-Report_2021.pdf
15. Joint Center for Housing Studies of Harvard University. 2015. "America's Rental Housing; Expanding Options For Diverse and Growing Demand" https://www.jchs.harvard.edu/harvard-jchs/sites/default/files/2015_jchs_rental_report_key_facts.pdf
16. Mazzara, Alicia. 2019. "Census: Income-Rent Gap Grew in 2018." September 27, 2019 https://www.cbpp.org/blog/census-income-rent-gap-grew-in-2018.
17. Joint Center for Housing Studies of Harvard University. 2020. "The State of the Nation's Housing 2020." November 19, 2020. https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_The_State_of_the_Nations_Housing_2020_Report_Revised_120720.pdf.
18. DeParle, Jason. 2021. "Federal Aid to Renters Moves Slowly, Leaving Many at Risk." New York Times, April 25, 2021. https://www.nytimes.com/2021/04/25/us/politics/rental-assistance-pandemic.html.
19. Kling, Steve, Shannon Peloquin, Charles Riesenberg, and Jonathan Woetzel. 2021. "Preserving the Largest and Most At-Risk Supply of Affordable Housing." February 23, 2021. https://www.mckinsey.com/industries/public-and-social-sector/our-insights/preserving-the-largest-and-most-at-risk-supply-of-affordable-housing#.
20. Cunningham, Mary K., Laurie Goodman, and Jung Hyun Choi. "Don't Overlook the Importance of Unemployment Benefits for Renters." Urban Institute, April 23, 2020. https://www.urban.org/urban-wire/dont-overlook-importance-unemployment-benefits-renters.
21. Greig, Chen, and Lefevre. Renters vs. Homeowners.
22. Center on Budget and Policy Priorities. COVID Hardship Watch. 2021."Tracking the COVID-19 Recession's Effects on Food, Housing, and Employment Hardships." May 28, 2021. https://www.cbpp.org/research/poverty-and-inequality/tracking-the-covid-19-recessions-effects-on-food-housing-and
23. Cunningham, Mary K., Ananya Hariharan, and Olivia Fiol. 2021. "The Looming Eviction Cliff: Findings from the Urban Institute Coronavirus Tracking Survey." January 5, 2021. https://www.urban.org/sites/default/files/publication/103453/the-looming-eviction-cliff_1.pdf.
24. Broady, Kristen, Wendy Edelberg, and Emily Moss. 2020. "An Eviction Moratorium without Rental Assistance Hurts Smaller Landlords, Too." September 21, 2020. https://www.brookings.edu/blog/up-front/2020/09/21/

an-eviction-moratorium-without-rental-assistance-hurts-smaller-landlords-too/.

25. Choi, Jung Hyun, and Caitlin Young. 2020. “Owners and Renters of 6.2 Million Units in Small Buildings Are Particularly Vulnerable during the Pandemic.” August 10, 2020. https://www.urban.org/urban-wire/owners-and-renters-62-million-units-small-buildings-are-particularly-vulnerable-during-pandemic.

26. Hepburn, Peter, Renee Louis, and Matthew Desmond. 2020. “Racial and Gender Disparities among Evicted Americans.” December 16, 2020. https://evictionlab.org/demographics-of-eviction/.

27. Salviati, Chris. 2017. “Rental Insecurity: The Threat of Evictions to America’s Renters.” October 20, 2017. https://www.apartmentlist.com/research/rental-insecurity-the-threat-of-evictions-to-americas-renters.

28. Zamarripa, Ryan, and Lorena Roque. 2021. “Latinos Face Disproportionate Health and Economic Impacts From COVID-19.” March 5, 2021. https://www.americanprogress.org/issues/economy/reports/2021/03/05/496733/latinos-face-disproportionate-health-economic-impacts-covid-19/.

29. Joint Center for Housing Studies. 2017. America’s Rental Housing.

30. Tekin, Eylul. 2021. “A Timeline of Affordability: How Have Home Prices and Household Incomes Changed since 1960?” May 13, 2021. https://listwithclever.com/research/home-price-v-income-historical-study/.

31. United States Government Accountability Office. 2020. “Rental Housing: As More Households Rent, the Poorest Face Affordability and Housing Quality Challenges.” May 27, 2020. https://www.gao.gov/assets/gao-20-427.pdf.

32. Parker, Kim, Rachel Minkin, and Jesse Bennett. 2020. “Economic Fallout From COVID-19 Continues to Hit Lower-Income Americans the Hardest.” September 24, 2020. https://www.pewresearch.org/social-trends/2020/09/24/economic-fallout-from-covid-19-continues-to-hit-lower-income-americans-the-hardest/.

33. Tomaskovic-Devey, Donald, Rodrigo Dominguez-Villegas and Eric Hoyt. 2020. “The COVID-19 Recession: An Opportunity to Reform our Low Wage Economy?” https://www.umass.edu/employmentequity/covid-19-recession-opportunity-reform-our-low-wage-economy.

34. Neal, Michael. 2021. “Recent Growth of Newly Built Smaller Homes Could Ease the Housing Shortage, but Higher Costs Hamper Affordability.” May 7, 2021. https://www.urban.org/urban-wire/recent-growth-newly-built-smaller-homes-could-ease-housing-shortage-higher-costs-hamper-affordability.

35. Joint Center for Housing Studies. 2017. America’s Rental Housing.

36. Joint Center for Housing Studies. 2020. America’s Rental Housing Report.

37. Joint Center for Housing Studies. 2020. America’s Rental Housing Report.

38. US Department of Housing and Urban Development. Low Income Housing Tax Credit Dataset. https://www.huduser.gov/portal/datasets/lihtc.html

39. Consolidated Appropriations Act[Including Coronavirus Stimulus & Relief], 2021, Pub.L. 116-260 https://www.congress.gov/bill/116th-congress/house-bill/133

40. “2021 Affordable Housing Credit Improvement Act Could Finance More Than 2 Million Additional Affordable Rental Homes Over 10 Years.” Novogradac & Company LLP, May 18, 2021. https://www.novoco.com/notes-from-novogradac/2021-affordable-housing-credit-improvement-act-could-finance-more-2-million-additional-affordable.

41. Turner, Margery Auston, Greene, Solomon, Iton, Anthony, and Gourevitch, Ruth. “Opportunity Neighborhoods: Building the Foundation for Economic Mobility in America’s Metros.” US Partnership on Mobility from Poverty. https://www.mobilitypartnership.org/opportunity-neighborhoods

42. Abravanel, Martin D., Pindus, Nancy M., Theodos, Brett, Bertumen, Kassie Dumlao, Brash, Rachel, McDade and Zachary J. “New Markets Tax Credit (NMTC) Program Evaluation.” Urban Institute. https://www.urban.org/research/publication/new-markets-tax-credit-nmtc-program-evaluation#:~:text=The%20New%20Markets%20Tax%20Credit,economic%20and%20community%20development%20purposes

43. “Story Map Journal.” arcgis.com. Accessed May 24, 2021. https://www.arcgis.com/apps/MapJournal/index.html?appid=1832f7860d634b83877475144748908e.

44. Brennan, Maya, Peiffer, Emily, and Burrowes, Kimberly. “ “How Zoning Shapes Our Lives.” Housing Matters, Urban Institute. June 9, 2020. https://housingmatters.urban.org/articles/how-zoning-shapes-our-lives.

45. Gyourko, Joseph, and Molloy, Raven. “Regulation and Housing Supply.” National Bureau of Economic Research. http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.693.9366&rep=rep1&type=pdf

46. Lake, Jaboa. “The Pandemic has Exacerbated Housing Instability for Renters of Color.” Center for American Progress. https://www.americanprogress.org/issues/poverty/reports/2020/10/30/492606/pandemic-exacerbated-housing-instability-renters-color/

47. Paul Jargowsky, “Segregation, Neighborhoods and Schools,” in Choosing Homes, Choosing Schools, ed. Annette Lareau and Kimberly Goyette (New York: Russell Sage Foundation, 2014), 103-4.

48. Federal Reserve Bank of Cleveland. “What is Behind the Persistence of the Racial Wealth Gap?.” https://www.clevelandfed.org/newsroom-and-events/publications/economic-commentary/2019-economic-commentaries/ec-201903-what-is-behind-the-persistence-of-the-racial-wealth-gap.aspx

49. Parolek, Daniel. Missing Middle Housing. Thinking Big and Building Small to Respond to Today’s Housing Crisis. Washington: Island Press, 2020.

50. US Department of Housing and Urban Development. “Picture of Subsidized Households”. 2019, https://www.huduser.gov/portal/datasets/assthsg.html.

51. Chetty, Raj, Hendren, Nathaniel, and Katz, Lawrence F. "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment." https://opportunityinsights.org/wp-content/uploads/2018/03/mto_paper.pdf

52. Cunningham, Mary K., Galvez, Martha M. Aranda, Claudia, Santos, Robert, Wissoker, Douglas A., Oneto, Alyse D., Pitingolo, Rob, and Crawford, James. "A Pilot Study of Landlord Acceptance of Housing Choice Vouchers." Urban Institute. https://www.urban.org/research/publication/pilot-study-landlord-acceptance-housing-choice-vouchers

53. Poverty & Race Research Action Council. "Expanding Choice: Practical Strategies for Building a Successful Housing Mobility Program." https://www.prrac.org/pdf/AppendixB.pdf

54. Galvez, Martha, Greene, Solomon, Oneto, Alyse D., and Spauster, Patrick. "Protecting Housing Choice Voucher Holders from Discrimination." Urban Institute.

55. Tighe, Rosie & Hatch, Megan & Mead, Joseph. (2016). Source of Income Discrimination and Fair Housing Policy. Journal of Planning Literature. 32. 10.1177/0885412216670603.

56. Galvez, Martha, Greene, Solomon, Oneto, Alyse D., and Spauster, Patrick. "Protecting Housing Choice Voucher Holders from Discrimination." Urban Institute. https://www.urban.org/sites/default/files/publication/103088/protecting-housing-choice-voucher-holders-from-discrimination.pdf

57. Wood, Douglas E. Aspen Institute Forum for Community Solutions, 2019. Ending This Place of Torment: A Framework for Transforming the Criminal Justice Continuum, https://www.aspeninstitute.org/wp-content/uploads/2020/06/CJRI_Continuum_Report.pdf

58. Couloute, Louis. Prison Policy Initiative, 2018, "Nowhere to Go: Homelessness among formerly incarcerated people" https://www.prisonpolicy.org/reports/housing.html

59. National Law Center on Homelessness & Poverty, 2019. "No Safe Place; The Criminalization of Homelessness in American Cities" https://nlchp.org/wp-content/uploads/2019/02/No_Safe_Place.pdf

60. Geller, Amanda, and Marah A. Curtis. 2011. "A Sort of Homecoming: Incarceration and the Housing Security of Urban Men." Social Science Research 40(4, July 1): 1196–1213.t

61. Rebecca J. Walter, Jill Viglione & Marie Skubak Tillyer (2017) One Strike to Second Chances: Using Criminal Backgrounds in Admission Decisions for Assisted Housing, Housing Policy Debate, 27:5, 734-750, DOI: 10.1080/10511482.2017.1309557

62. Ciardullo, Maxwell, "Criminal background checks; A pretext for housing discrimination" Think Justice Blog; Vera Institute of Justice https://www.vera.org/blog/criminal-background-checks-a-pretext-for-housing-discrimination

63. "Criminal Justice Fact Sheet." NAACP, May 24, 2021. https://www.naacp.org/criminal-justice-fact-sheet/.

64. Ban the Box is the name of a campaign by advocates for ex-offenders, aimed at removing the check box that asks if applicants for jobs or housing have a criminal record

65. Neal, Michael, Jung Hyun Choi , and John Walsh. "Before the Pandemic, Homeowners of Color Faced Structural Barriers to the Benefits of Homeownership." Urban Institute . Accessed August 2020. https://www.urban.org/sites/default/files/publication/102781/before-the-pandemic-homeowners-of-color-faced-structural-barriers-to-the-benefits-of-homeownership.pdf.

66. "Reducing the Racial Homeownership Gap," Urban Institute, December 6, 2020, https://www.urban.org/policy-centers/housing-finance-policy-center/projects/reducing-racial-homeownership-gap.

67. "Center for Employment Equity." UMass Amherst. https://www.umass.edu/employmentequity/covid-19-recession-opportunity-reform-our-low-wage-economy.

68. McCargo, Alanna. "Black Homeownership and the American Dream: An Expert Dialogue." Housing Matters, February 15, 2018. https://housingmatters.urban.org/articles/black-homeownership-and-american-dream-expert-dialogue.

69. Young, Caitlin, 2019, "These Five Facts Reveal the Current Crisis in Black Homeownership" Urban Wire: Race and Ethnicity, Urban Institute. July 31, 2019 https://www.urban.org/urban-wire/these-five-facts-reveal-current-crisis-black-homeownership

70. Aronowitz, Michelle, Edward L. Golding, and Jung Hyun Choi. 2020. "The Unequal Costs of Black Homeownership." August 31, 2020. https://gcfp.mit.edu/wp-content/uploads/2020/10/Mortgage-Cost-for-Black-Homeowners-10.1.pdf.

71. Greene, Solomon and McCargo, Alana. COVID-19 Widening Housing Disparities.

72. Black Knight. 2020. "Mortgage Delinquencies Increase Another 20% in May to Hit Highest Level since 2011, but June Payment Data Suggests Rise May Be Cresting." June 22, 2020. https://www.blackknightinc.com/black-knights-first-look-at-may-2020-mortgage-data/.

73. Farrell, Diana, Fiona Greig, and Chen Zhao. 2020. "Did Mortgage Forbearance Reach the Right Homeowners? Income and Liquid Assets Trends for Homeowners during the COVID-19 Pandemic." December 2, 2020. https://www.jpmorganchase.com/institute/research/household-debt/report-did-mortgage-forbearance-reach-the-right-homeowners#finding-5.

74. Daniel Pang, and Jung Hyun Choi. "More Housing Data Have Been Released during the Pandemic. Here's How Policymakers Can Best Use It." February 23, 2021. https://www.urban.org/urban-wire/more-housing-data-have-been-released-during-pandemic-heres-how-policymakers-can-best-use-it.

75. Haughwout, Andrew, Donghoon Lee, Joelle Scally, and Wilbert van der Klaauw. "What's Next for Forborne Borrowers? ." Liberty Street Economics. Federal Reserve Bank of New York, May 19, 2021. https://libertystreeteconomics.newyorkfed.org/2021/05/whats-next-for-forborne-borrowers.html.

76. Farrell, Diana, Fiona Greig, and Chen Zhao. 2020. "Did Mortgage Forbearance Reach the Right Homeowners? Income and Liquid Assets Trends for Homeowners during the COVID-19 Pandemic." December

2, 2020. https://www.jpmorganchase.com/institute/research/household-debt/report-did-mortgage-forbearance-reach-the-right-homeowners#finding-5

77. McIntosh, Kriston , Moss, Emily , Nunn, Ryan, and Shambaugh, Jay. 2020. “Examinig the Black-White wealth gap” Up Front Blog, Brooking Institute. February 27, 2020. https://www.brookings.edu/blog/up-front/2020/02/27/examining-the-black-white-wealth-gap/.

78. Rothstein, Richard. 2018. The Color of Law. New York, NY: Liveright Publishing Corporation.

79. FSC Majority Staff (2019, May 8). A Review of the State of and Barriers to Minority Homeownership. [Memorandum] p. 3. United States House of Representatives Committee on Financial Services. Retrieved from https://financialservices.house.gov/uploadedfiles/hhrg-116-ba04-20190508-sd002_-_memo.pdf

80. Tucker, Jeff. 2021. “Home Value Growth Breaks New Records in Face of Unrelenting Demand (December 2020 Market Report).” January 22, 2021. https://www.zillow.com/research/zillow-december-2020-market-report-28684/.

81. Pinto, Edward, and Tobias Peter. 2021. “Housing Market Indicators for the Nation: Update for 2020:Q4.” https://www.aei.org/wp-content/uploads/2021/04/HMI-National-2020Q4.pdf.

82. McIntosh, Kriston , Moss, Emily , Nunn, Ryan, and Shambaugh, Jay. 2020. “Examinig the Black-White wealth gap” Up Front Blog, Brooking Institute. February 27, 2020. https://www.brookings.edu/blog/up-front/2020/02/27/examining-the-black-white-wealth-gap/.

83. Christelle Bamona , “Hardship for Renters: Too Many Years to Save for Mortgage Down Payment and Closing Costs” (Center for Responsible Lending, April 2021), https://www.responsiblelending.org/sites/default/files/nodes/files/research-publication/crl-mortgage-downpayment-7apr2021.pdf.

84. Darity Jr., William, Darrick Hamilton, Mark Paul, Alan Aja, Anne Price, Antonio Moore, and Caterina Chiopris. 2018. “What We Get Wrong about Closing the Racial Wealth Gap.” April 2018. https://socialequity.duke.edu/portfolio-item/what-we-get-wrong-about-closing-the-racial-wealth-gap/.

85. Perry, Andre M., Jonathan Rothwell, and David Harshbarger. 2018. “The Devaluation of Assets in Black Neighborhoods .” November 27, 2018. https://www.brookings.edu/research/devaluation-of-assets-in-black-neighborhoods/.