

PHB HOMEOWNERSHIP PROGRAMS

Portland Housing Advisory Committee: October 7, 2014

Affordable Homeownership

- The goal of PHB homeownership programs is to create affordable homeownership opportunities with a focus on increasing homeownership for communities of color in Portland.
- A family of 4 at 80% MFI (\$55,500 in 2014) can afford a mortgage of approximately \$200,000 without spending more than 30% of their income on housing-related expenses.

Type of Home	Average Cost	Average MFI
Market unit in Lents	\$195,000	78%
Market unit in Interstate	\$409,000	145%
PHB DPAL Lents	\$162,000	61%
PHB DPAL Interstate	\$181,000	61%
LTE/SDC	\$225,000	74%
MCC	\$209,000	92%
Habitat for Humanity	\$171,000	55%
Proud Ground	\$141,000	65%

Benefits of Homeownership

- Avoids involuntary displacement due to gentrification
- Subsidy dollars are efficient and effective
- Levels the playing field by helping families build assets
- Subsidies free up rental resources
- Brings tangible results for people of color in the equity agenda in the City of Portland
- Adds to the property tax base
- Services include providing families with financial fitness education so that they can become mortgage ready
- Integral part of the continuum to create complete neighborhoods and stable communities

PHB Homeownership Program Overview

Current PHB Homeownership Programs and Services include:

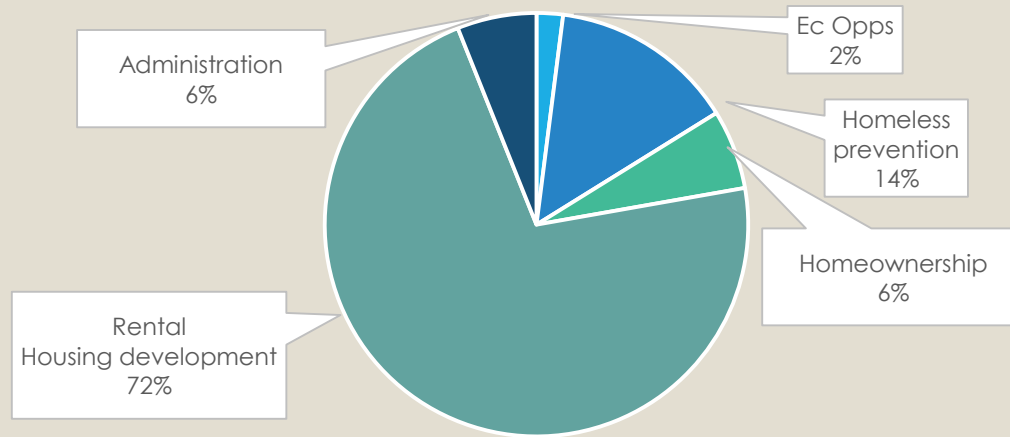
- Homebuyer Education and Counseling (community partners)
- Down payment assistance loans (PHB)
- Indirect Homeownership Assistance (PHB)
 - Mortgage Credit Certificate Program (PHB)
 - Homebuyer Opportunity Limited Tax Exemption (PHB)
 - System Development Charge Exemptions (PHB)
- Home Retention Programs (foreclosure prevention & home repair)

Current PHB Partners include:

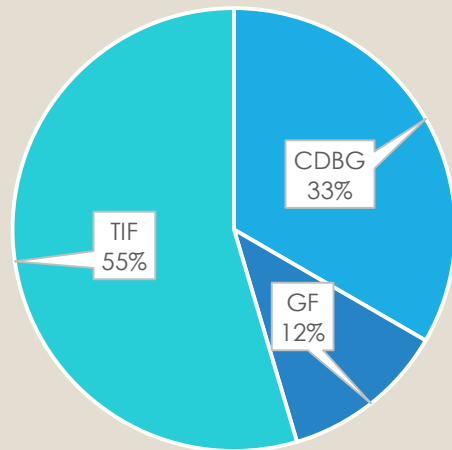
African American Alliance for Homeownership (AAAH), Asian and Pacific Islander Community Improvement Association (APICIA), Habitat for Humanity, Hacienda, NAYA, PCRI, Portland Housing Center, and Proud Ground.

Homeownership Resources

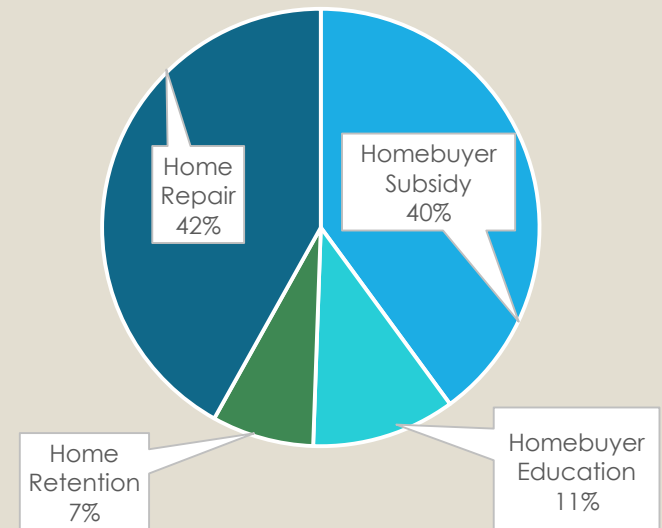
PHB 14/15 Funding Allocations (\$101,000,000)



FY 14/15 NHP Budget

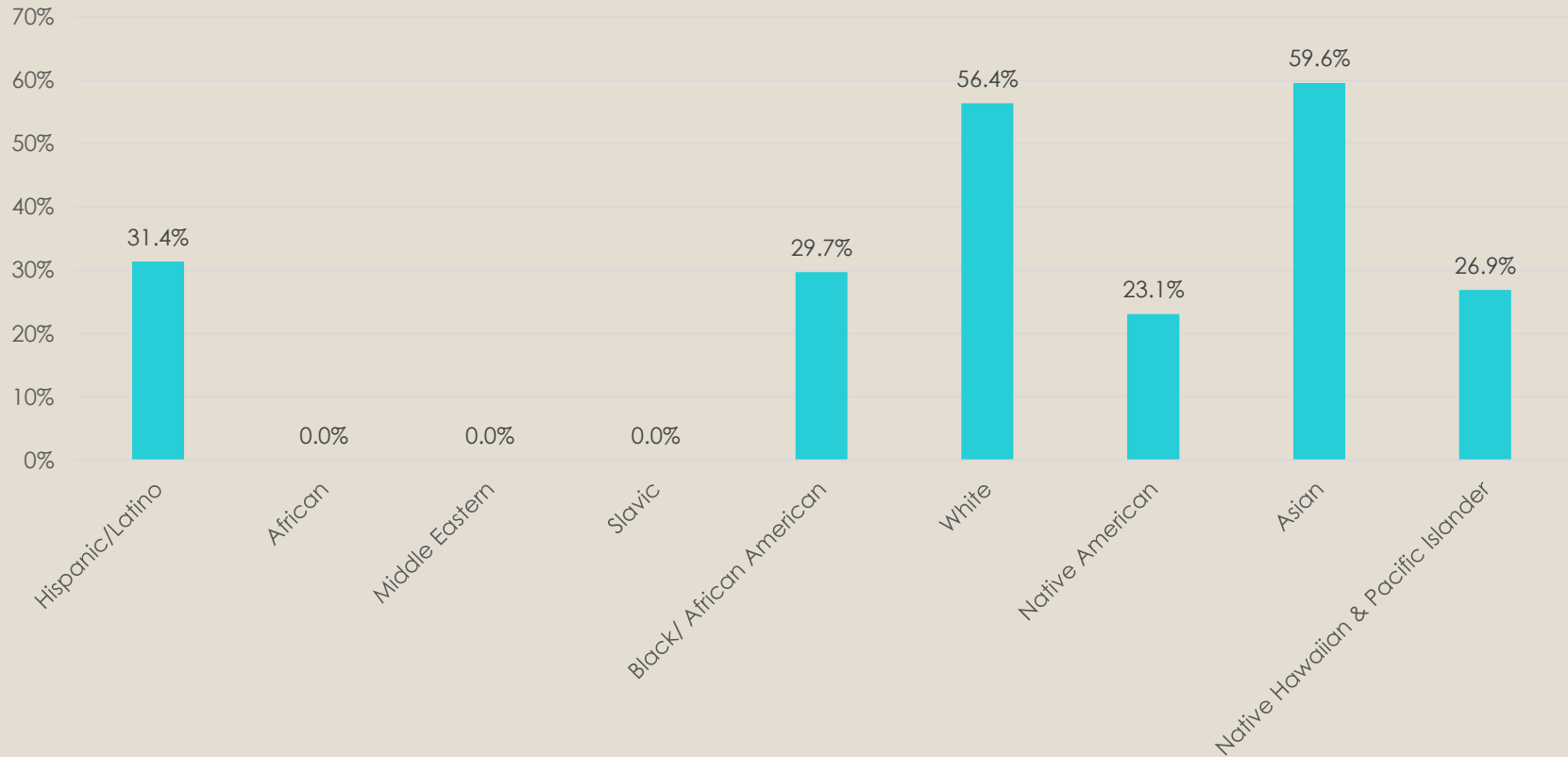


14/15 Funding Allocations



Portland Homeownership Rates

Homeownership Rates in Portland By Race and Ethnicity

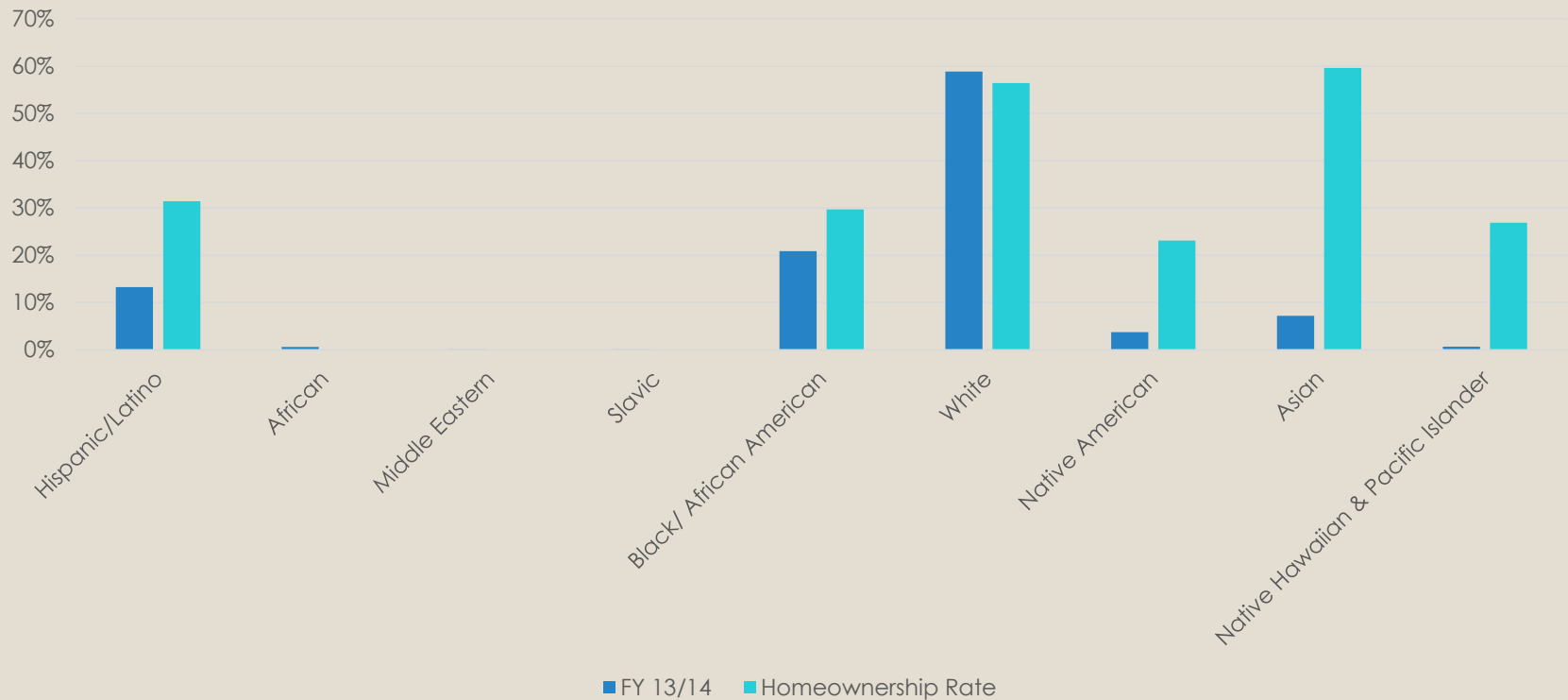


ACS data 2007-2012

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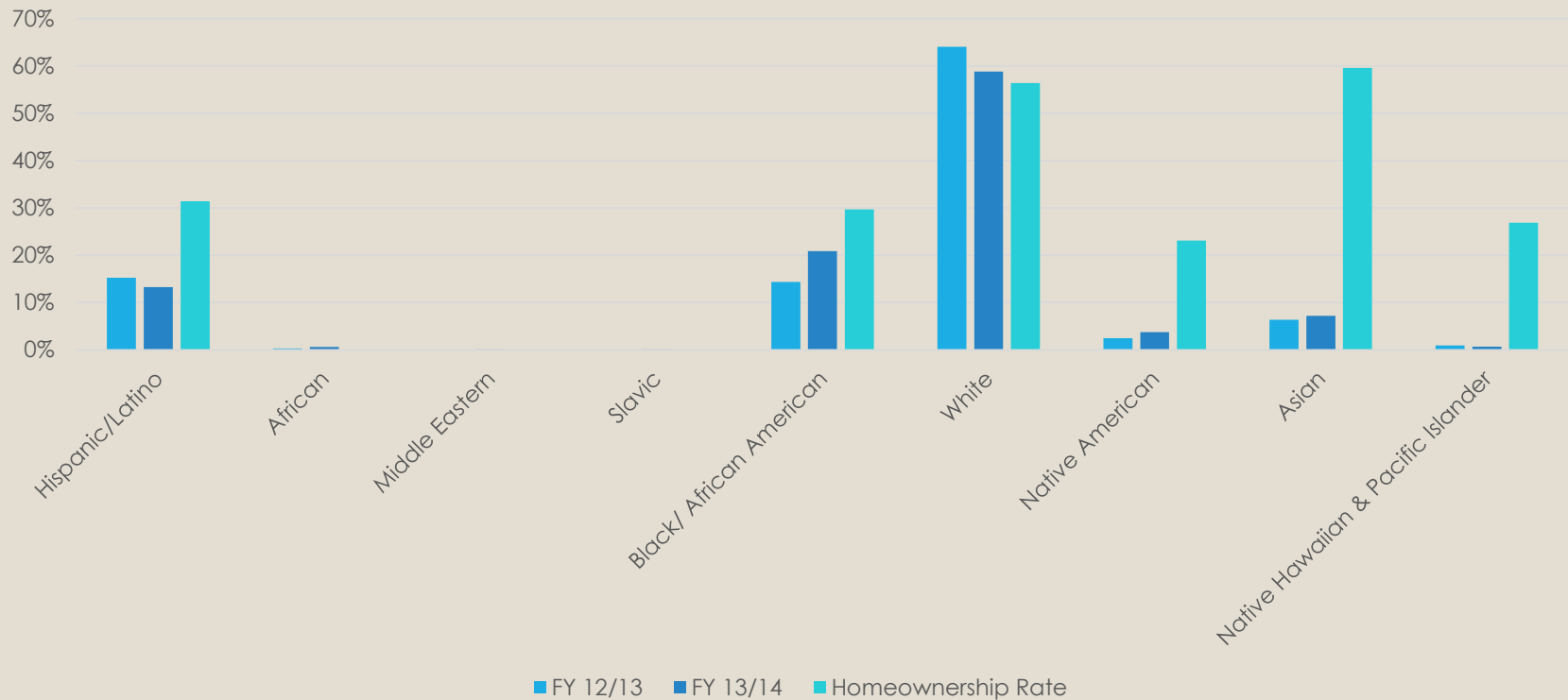
Homebuyer Education

Individuals Receiving Homebuyer Education By Race and Ethnicity FY 13/14 (1,984 individuals)



Homebuyer Education

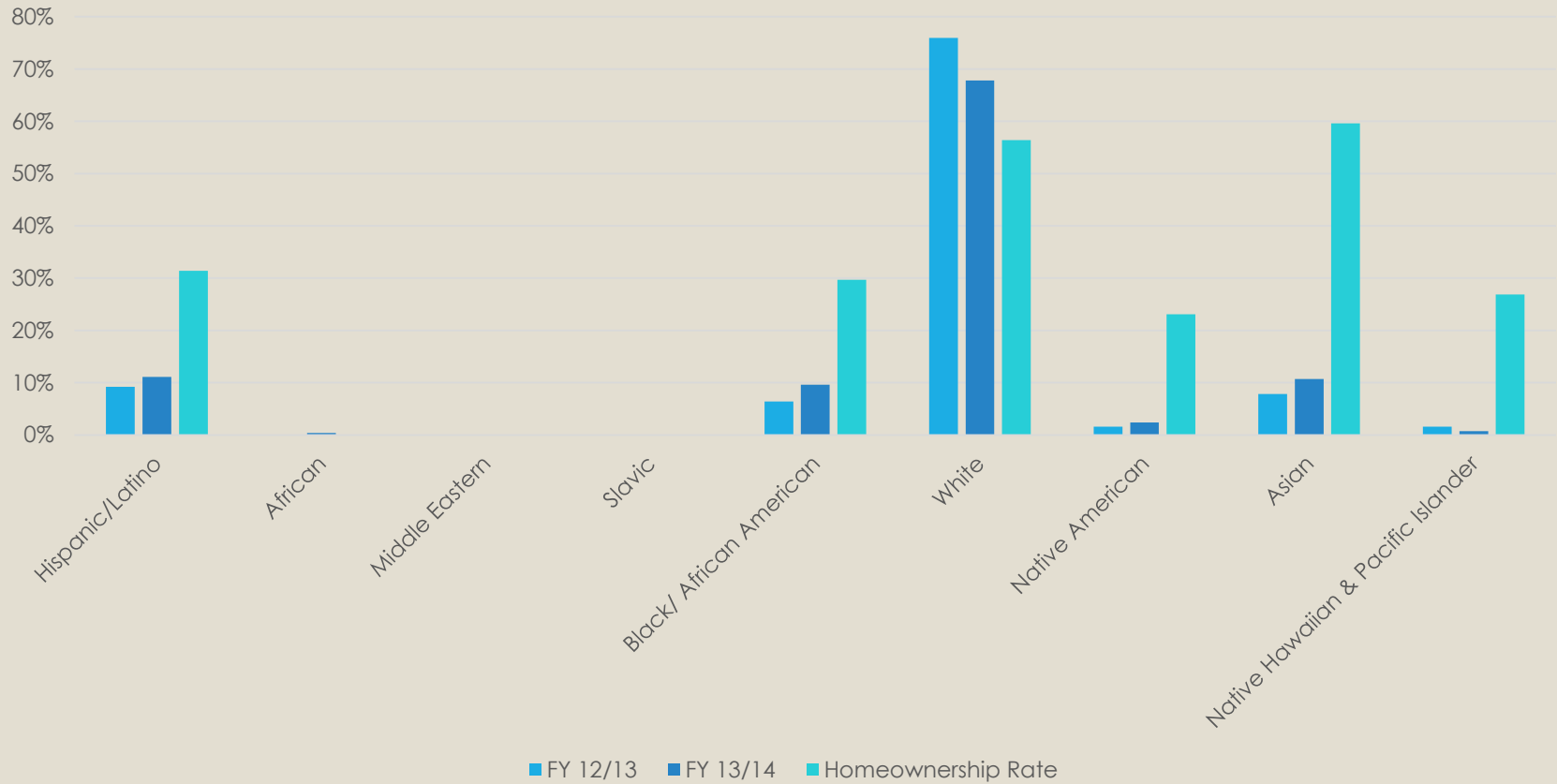
Individuals Receiving Homebuyer Education By Race and Ethnicity FY 12/13 and 13/14



1,984 individuals received homebuyer education in FY 13/14
1,619 households received homebuyer education in FY 12/13

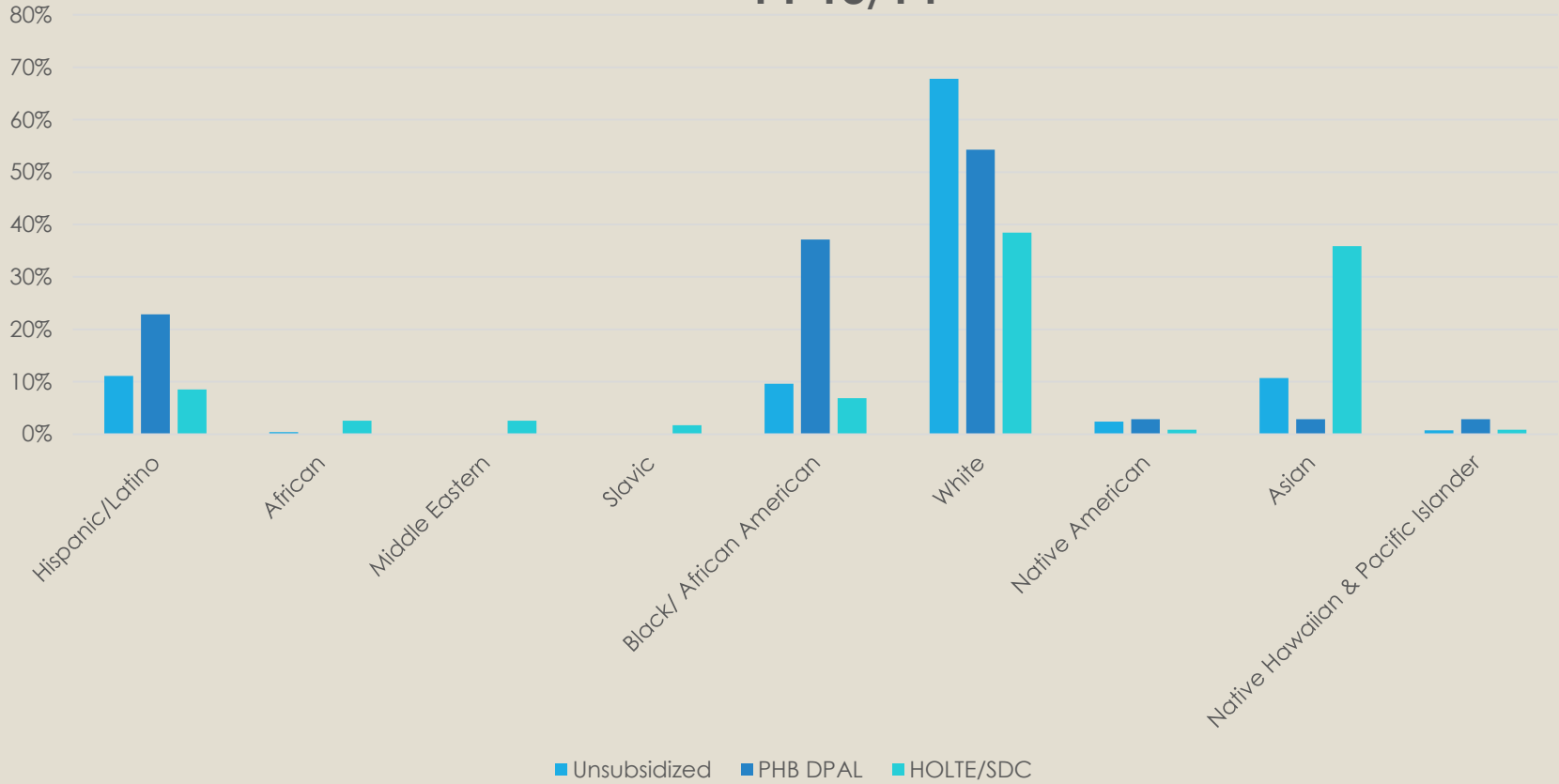
New Homeowners

Homebuyer Education Clients Who Bought Homes By Race and Ethnicity FY 12/13 and 13/14



New Homeowners by Program

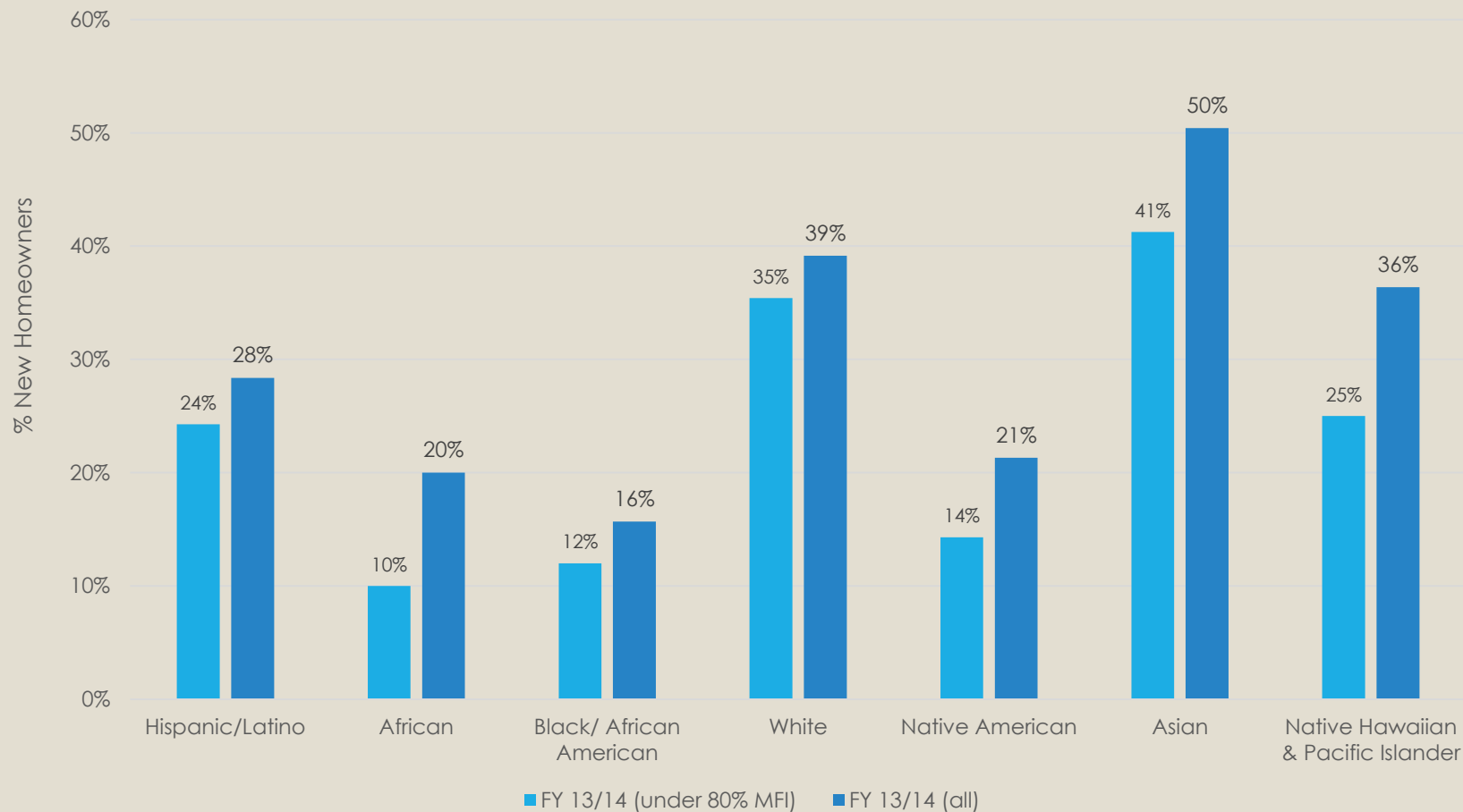
New Homebuyers by Program By Race and Ethnicity FY 13/14



HOMEOWNERSHIP OUTCOMES

Outcomes Data (Homebuyer Education Attendees and New Homeownership)

Homebuyer Education Class Attendees Who Became New Homeowners FY 2013/14



PHB Homeownership Successes

- PHB homeownership funding and partners are getting communities of color into homeownership
- PHB and partners fund a continuum of services and programs that provide the diversity of assistance and programs necessary to support different household sizes and incomes.
- PHB partners collaborate to support families getting into homeownership
- PHB and community partners are actively tracking program data to identify homeownership successes and opportunities.

Homeownership Equity Challenges

- Homeownership subsidies are not fully “right-sized” to reflect the market in neighborhoods where funding is available.
- Availability and affordability of both homes and land is diminishing every day in all parts of the City, particularly in “opportunity areas”.
- City homeownership subsidies have primarily been provided in the form of down payment assistance and not for homeownership development.
- High market rents make saving for homeownership difficult
- Lack of funding tools in Oregon (housing trust fund)
- Generational poverty and lack of historical wealth creation in communities of color

Homeownership Equity Opportunities

- Review homeownership subsidies to ensure they are adequate to support access to affordable homeownership, particularly within the Interstate URA.
- Continue to improve and standardize homeownership data analysis so that programs are designed to be responsive to the needs of the community and changes in the market.
- Fund a cohesive and coordinated continuum of programs that leverage the assets of partner organizations, private sector developers and jurisdictions to increase opportunities and maximize the effectiveness of resources.
- Innovation: land banking, tax deferral programs, employer assisted housing, tools for seniors to stay in their homes, and mortgage guarantees, for example