

Housing Information Disconnect

Why are the Homeownership Rates in the LMI Communities so Low (It's not just about the \$)



Homeownership Rates



37% vs 56.8%



- According to the Census Homeownership Rates for 2008-2012 were:
 - United States 65.5%
 - Florida 68.0%
 - Miami-Dade County 56.8%
 - LMI Communities of Brownsville, Florida City, Goulds, Homestead, Leisure City, Miami, Naranja, Opa-Locka 37%



Poverty Rates



19% vs 31%

- According to the Census Poverty Rates were:
 - United States 14.9%
 - Florida 15.6%
 - Miami-Dade County 19.1%
 - LMI Communities of Brownsville, Florida City, Goulds, Homestead, Leisure City, Miami, Naranja, Opa-Locka 31%

The Obvious is not the Answer

- In Miami-Dade County there are subsidy programs to help low-moderate income families at 30-120% of AMI
 - \$70,000 down payment in Miami-Dade County
 - \$90,000 down payment in City of Miami
- A family income qualifying for a \$60,000 mortgage can purchase a \$130,000 home in Miami-Dade or \$150,000 in the City of Miami





Education is the Key

- All subsidy programs require pre-purchase homebuyer education
- Preparation is essential
 - Credit Score ≥ 660 (explanation of any derogatory credit)
 - 2 years Employment History
 - 3-5 Credit lines for 2 or more years
 - 1-3% personal funds to invest





My Commitments

- To Conduct Quarterly Orientation Sessions to LMI Consumers in their Community
- To Collaborate with Asset Development Partners to Help Create Savings (AFI, Catalyst Miami, EnFamilia, MDEAT-FYED, etc)
- To partner with financial organizations to implement Credit Builder Programs

TimeFrame: Immediately