

EQUITY PROGRAMS: HOME FOR GENERATIONS & BRIDGE LOANS

2021 ANNUAL REPORT

The racial and economic gap that we have in home ownership is a legacy of slavery and racial segregation, codified by federal law and regulations, and enforced by the banking industry with restrictive covenants and discriminatory lending.

Over the past two years housing prices in this country have skyrocketed. Homeowners have gained trillions in housing wealth. Sixty-five percent of American families own their home and have shared in this windfall. And because Black wealth is overwhelmingly in the form of housing, those homeowners will benefit.

But the dichotomy is this: the positive story for homeowners is inseparable from the housing crisis for those who don't own. And homeownership as a means of wealth-building is further out of reach. To amplify the inequality, gains go disproportionately to white households because their homeownership rate is 30 percent higher than that of Black homeowners. This period of rising equity will enable some families to create intergenerational wealth for the first time. It will force other families to delay homeownership for years.

Home for Generations, a program designed by the Washtenaw County Treasurer and Probate Judge in late 2018, assists families living in inherited homes or homes purchased informally during segregation. Attorneys and family mediators work pro bono to provide targeted assistance to clear title, establish ownership and create property wealth for families, often for the first time. Once ownership is clear, some families are then eligible for the **Bridge Loans to Affordability**, a revolving no-interest loan fund, to assist with delinquent property tax balances. They also have access to tax code entitlements, conventional financing, and other benefits.

This exceptional partnership stabilizes housing options; preserves homeownership; and has transferred, to date, over \$1.3 million in wealth to families in Washtenaw County.

While the pandemic impacted case completions, 4 new cases were opened in 2021. Two new Bridge loans were issued in 2021.

- Total cost since inception: \$1,127
- Total ownership/estate settlements: 10
- Total estimated Pro Bono Attorney/Mediator hours: 662
- Cases still in progress: 18
- Total transfer of property wealth to families: \$1.3 million



CATHERINE McCLARY CPFO, CPFIM

WASHTENAW COUNTY TREASURER

Taxes@washtenaw.org | 734-222-6600 | Washtenaw.org/Treasurer