



2855 Telegraph Ave., STE. 600, Berkeley, CA 94705

August 28, 2020

**Re: African American Homeownership and Dedicated Funding for Oakland's MAP (Mortgage Assistance Program)**

Dear Honorable Councilmembers,

We write to you do today not only to voice our continued support for increasing homeownership opportunities, but also to advocate for a sustained effort to increase African American homeownership in the City of Oakland. Unfortunately, African American homeownership remains at the same levels nationwide as it did when the Fair Housing Act was passed more than 50 years ago.<sup>1</sup> We also know that dwindling African American homeownership has been a longstanding concern for Oakland City Council.<sup>2</sup> To that end, we believe that fully realizing the potential of an already existing city program may help in bridging the homeownership gap for African Americans in Oakland.

As many of you may know, the City's Mortgage Assistance Program (MAP) is loan program that assists low and moderate income first time homebuyers with the purchase of homes in the City of Oakland. MAP loans provide assistance that fills the gap between what a household can afford and the purchase price.<sup>3</sup> This assistance is combined with homebuyer education workshops to guide first time buyers through the process of purchasing a home. In the last 5 years Oakland's MAP has assisted 103 residents, with African Americans making up the largest number of Oaklanders successfully becoming homeowners.

| Demographic Data for Last 5 Years of Oakland MAP                                                                                                                                                                                                                                                                                                                                                |  |             |             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-------------|-------------|
| 1. African American                                                                                                                                                                                                                                                                                                                                                                             |  | 36          | 35%         |
| 2. Hispanic                                                                                                                                                                                                                                                                                                                                                                                     |  | 32          | 31%         |
| 3. White                                                                                                                                                                                                                                                                                                                                                                                        |  | 22          | 21%         |
| 4. Asian/PI                                                                                                                                                                                                                                                                                                                                                                                     |  | 10          | 10%         |
| 5. Other/Mixed                                                                                                                                                                                                                                                                                                                                                                                  |  | 3           | 3%          |
| 6. Native American                                                                                                                                                                                                                                                                                                                                                                              |  | 0           | 0%          |
| 7. Decline to Answer                                                                                                                                                                                                                                                                                                                                                                            |  | 0           | 0%          |
| <b>TOTAL</b>                                                                                                                                                                                                                                                                                                                                                                                    |  | <b>103*</b> | <b>100%</b> |
| *In the past 5 years, Oakland MAP has been able to administer \$6 million in mortgage assistance to help 103 first-time home buyers. This averages at \$1.2 million for approximately 21 permanently affordable homes per year for the program. That is an average of \$57k per home, which is an outstanding outcome when creating permanently affordable housing for Oaklanders. <sup>4</sup> |  |             |             |

<sup>1</sup> <https://www.washingtonpost.com/news/get-there/wp/2018/04/05/black-homeownership-is-as-low-as-it-was-when-housing-discrimination-was-legal/>

<sup>2</sup> <https://www.oaklandca.gov/documents/city-of-oakland-2015-2023-housing-element>

<sup>3</sup> <https://www.oaklandca.gov/topics/first-time-homebuyer-mortgage-assistance-program-map#page-about>

<sup>4</sup> Data provided by Oakland's MAP Program

Homeownership not only allows households to accumulate intergenerational wealth, it is also the basis for a number of positive social, economic, family and civic outcomes. 63.7 percent of all U.S. households who own their home currently are enjoying these benefits.<sup>5</sup> It is our hope that the City of Oakland not only continues to encourage the benefits of homeownership in Oakland through MAP, but also builds on this highly successful model by creating a dedicated funding source for the program.

In the past, Oakland MAP has needed to make a case for itself in order to secure funding on a yearly basis. Funding has not always been guaranteed and, in some years, funding has been reallocated to other programs despite MAP's proven track record of success. **We believe now is the right time for the City to allocate from its budget at least \$2 million dollars a year towards furthering this goal.**

We look forward to further discussing the goals outlined in this letter and hope to schedule appointments with each of you to that end in the coming weeks.

Sincerely,

**Eric Wong**  
2020 President  
Bridge Association of REALTORS®

**Stephanie Christmas**  
2020 Housing Committee Chair  
Bridge Association of REALTORS®

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<sup>5</sup> Yun, L., & Evangelou, N. (2016). Social Benefits of Homeownership and Stable Housing. National Association of Realtors.