



# Financial Innovations for Homeownership in Distressed Communities

## Setting the Context



Dekonti Mends-Cole, Director of Policy

February 3, 2017

# About us

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## Center for Community Progress

- The national nonprofit focused on building a future in which entrenched, systemic blight and vacancy no longer exist.
- Serve communities through technical assistance, education and training, policy, and research. Focus on systems-level change.
- Snapshot of our work: In 2015, fielded 250 technical assistance inquiries, supported policy and programmatic change in dozens of communities and states, reached 5,500 through trainings & presentations, distributed 1000s of publications

# Local innovators:

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**Kirk Mills, CFA, President,  
St. Louis Community Credit Union**

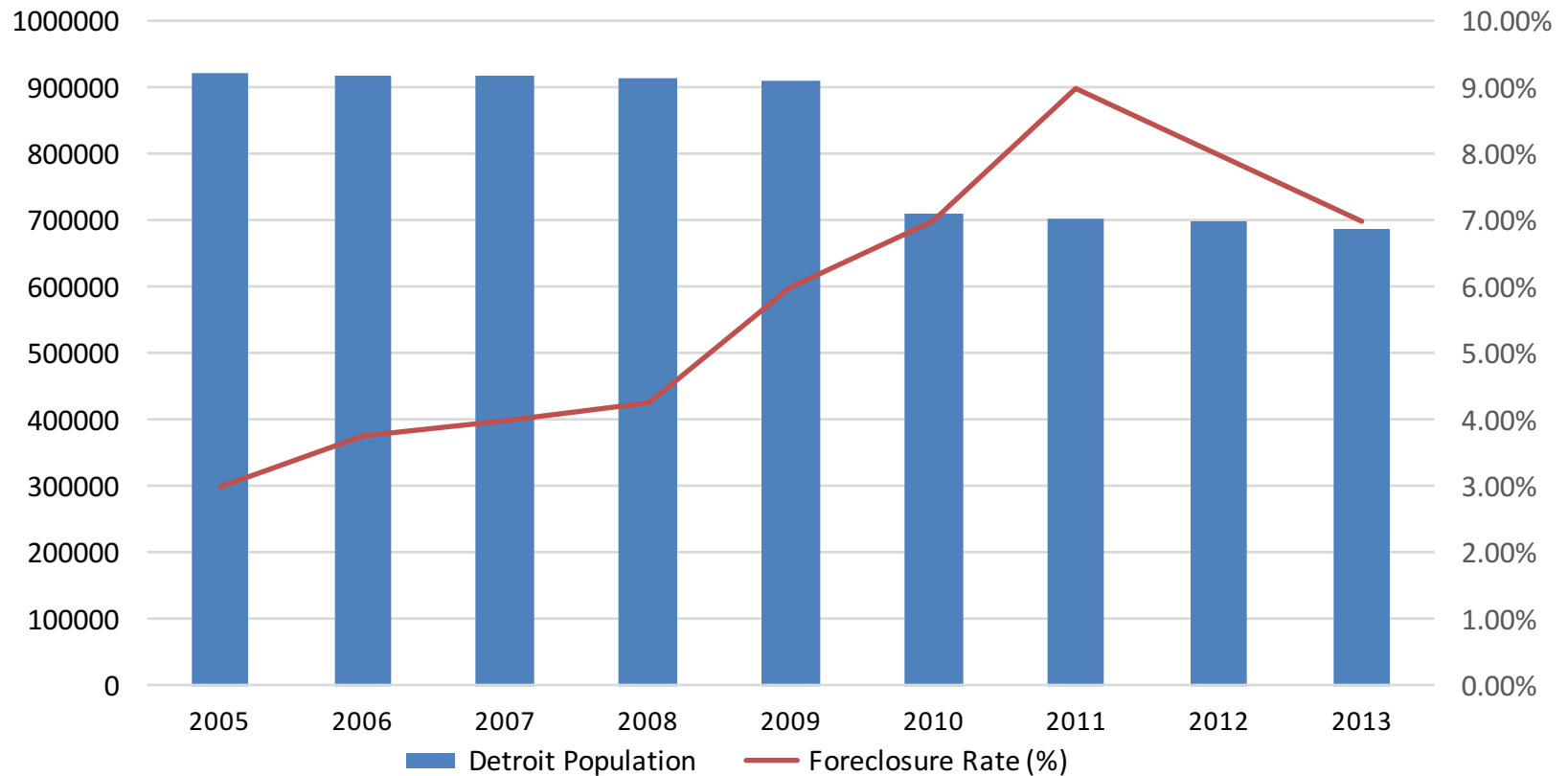
**Suzanne C. Hough, Vice President - Community Development,  
Carrolton Bank**

**Colleen Schwarz, Vice President of Affordable Housing,  
Community Reinvestment Fund, USA**

# Setting the Context: The impact of the foreclosure crisis on neighborhoods and access to mortgages



# Detroit's dramatic population decline and mortgage foreclosure crisis



Data: US Census and Urban Institute (2015)

2009



Source: Google Street View, [Goobingdetroit.com](http://Goobingdetroit.com)



2011



Source: Google Street View, Goobingdetroit.com



2015



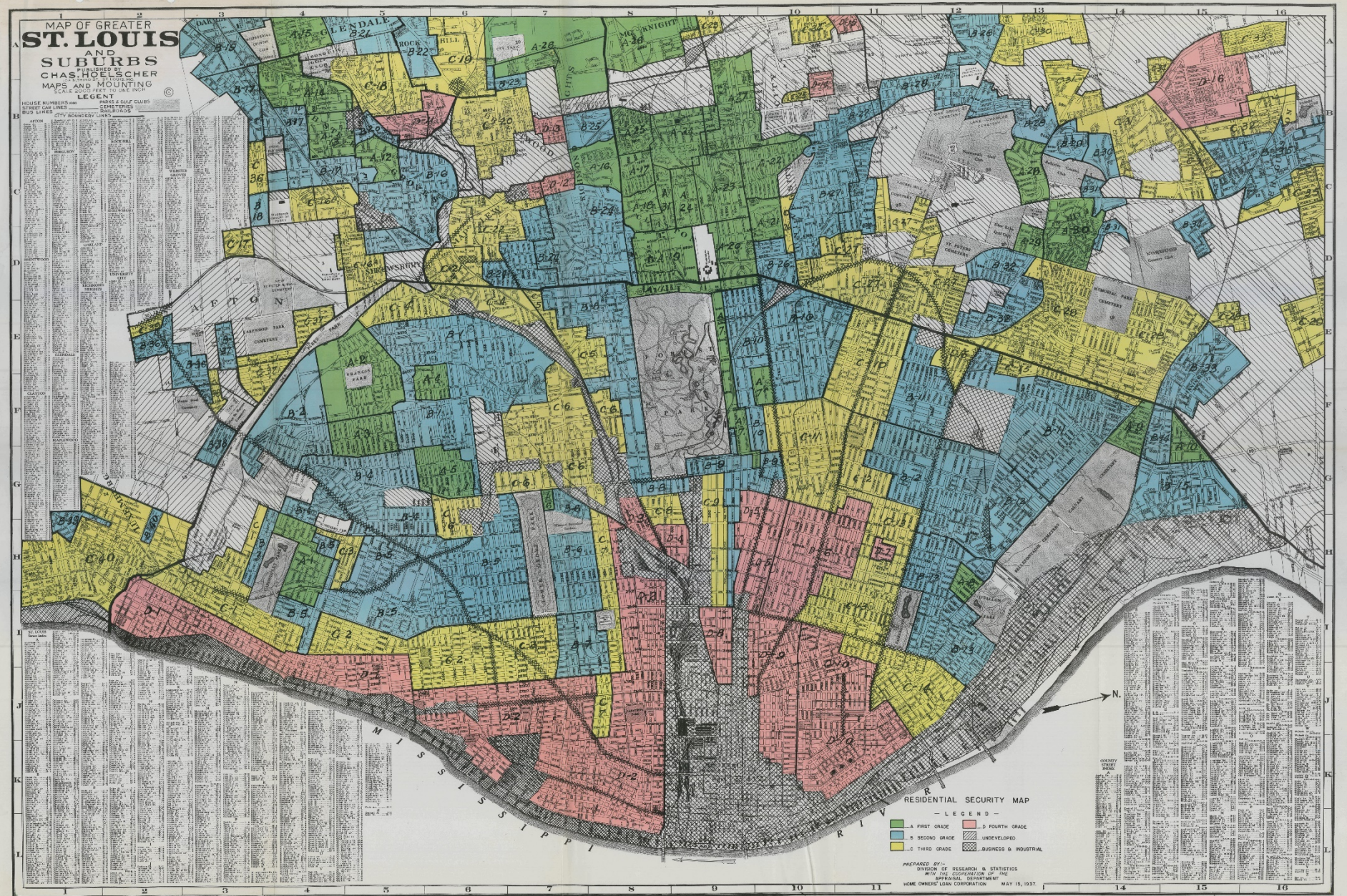
Source: Google Street View, [Goobingdetroit.com](http://Goobingdetroit.com)



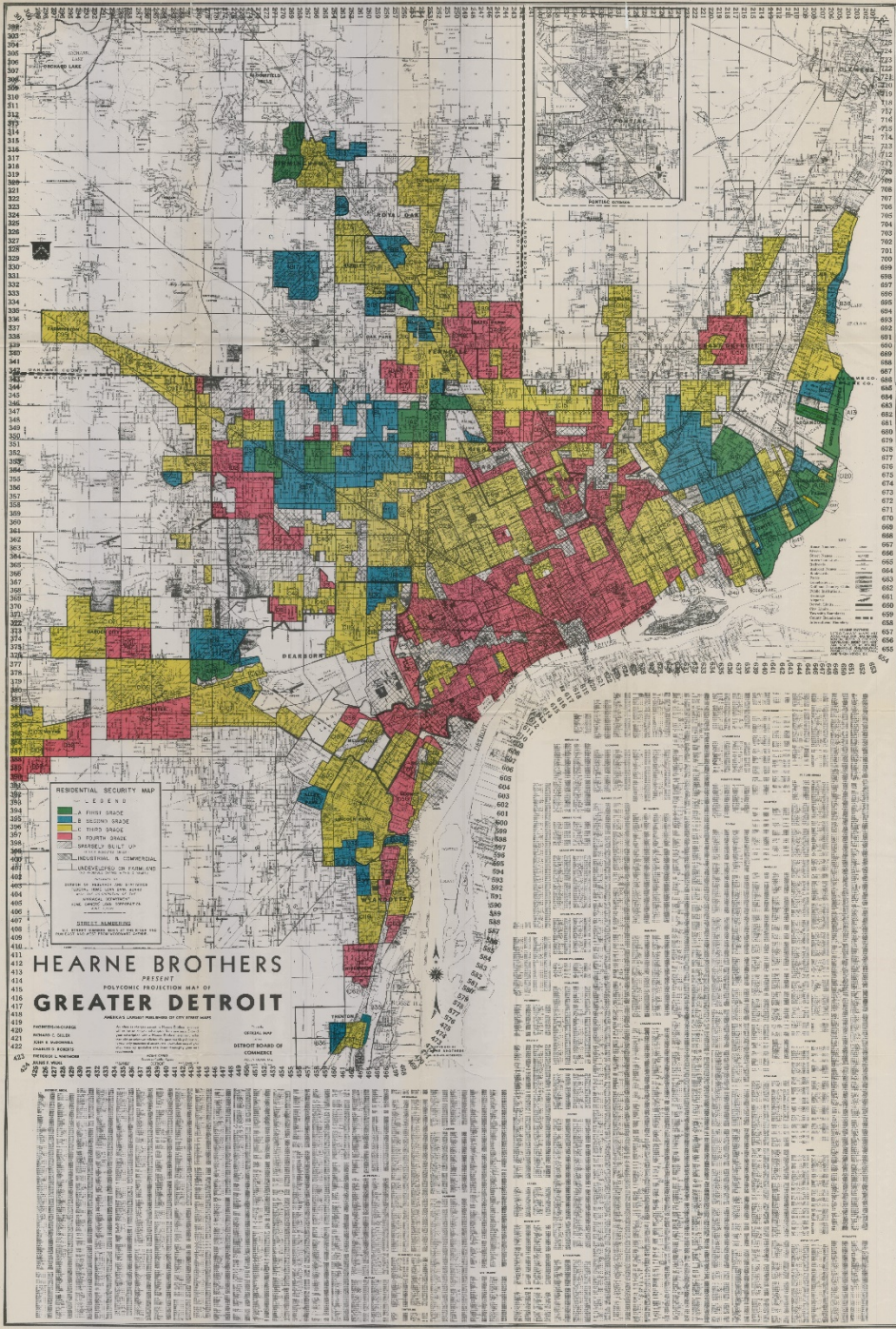
# Setting the Context: A pattern that began before the foreclosure crisis



# St. Louis, Home Owner's Loan Corporation Map, 1937







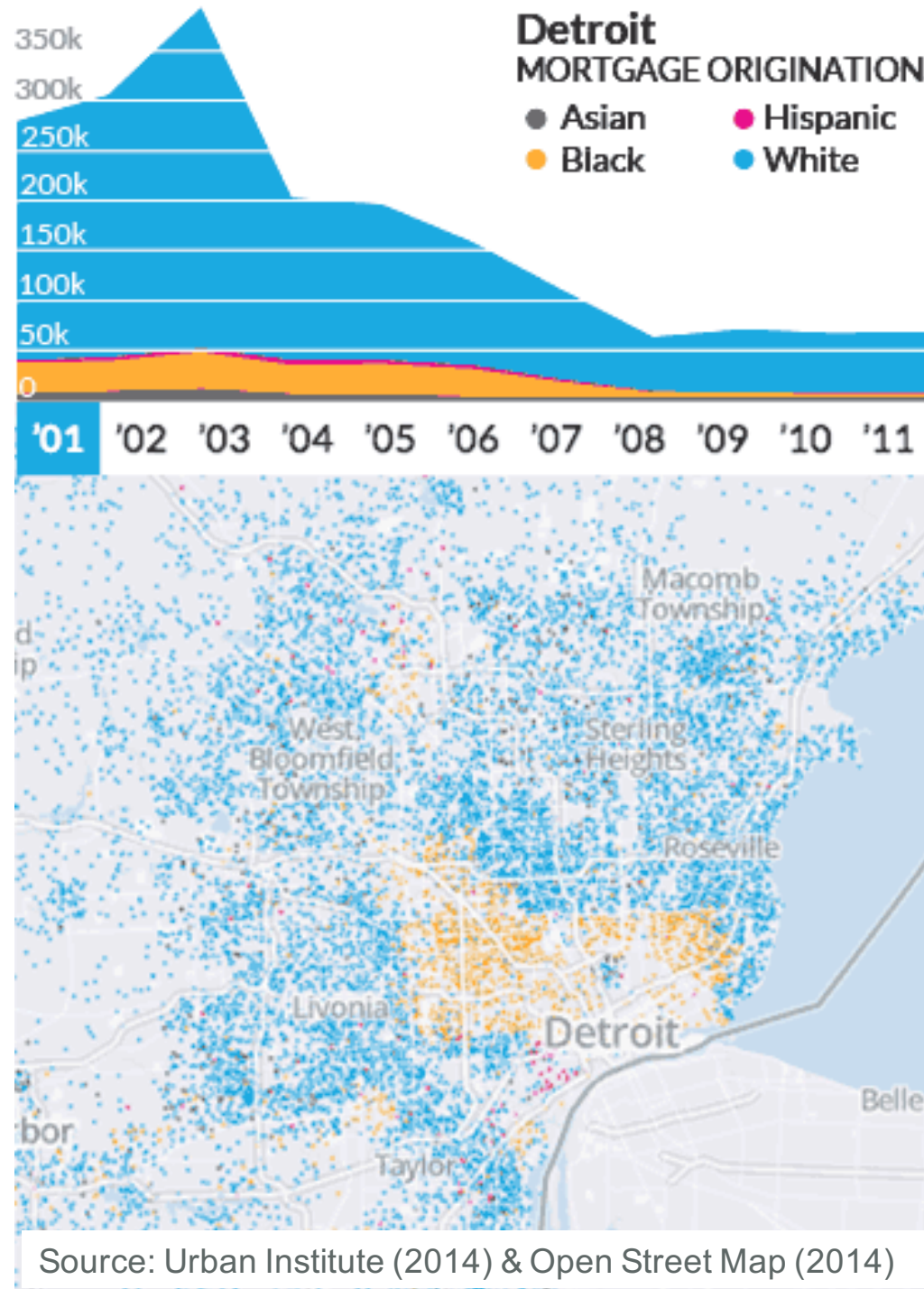
# Setting the Context: Redlining in its latest incarnation



# New Era of Redlining

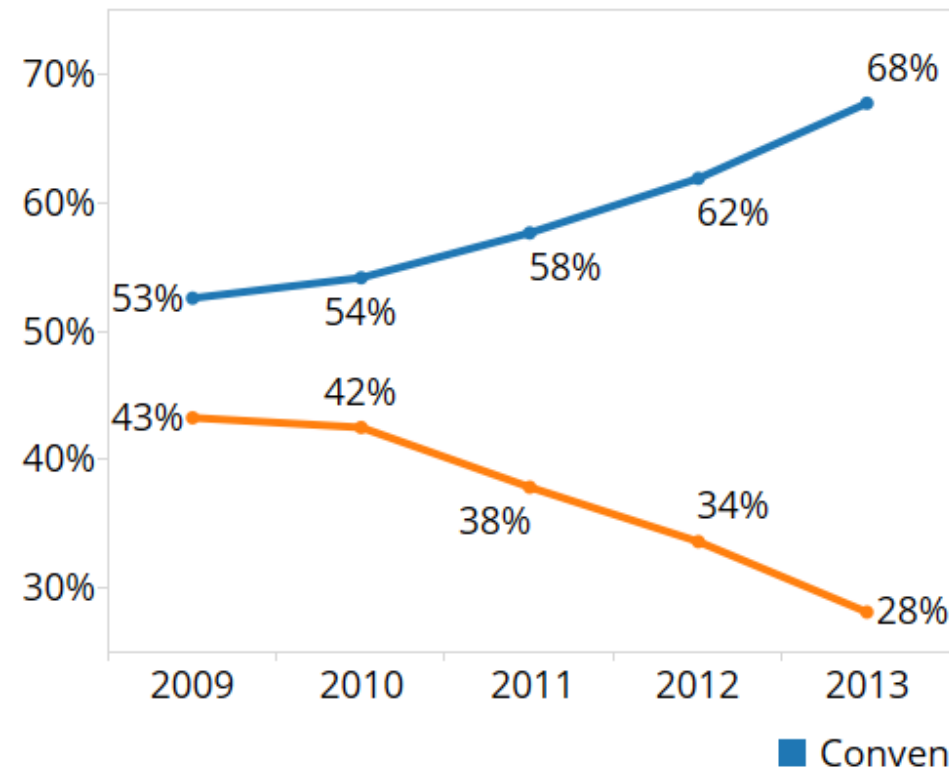
Redlining that relies on appraisals and underwriting anchored in the decimation of values and equity in communities of color

From 2006-2012 – Metro region mortgage originations fell 79% for African American applicants. By comparison, mortgage originations dropped only 11% for white applicants. (Urban Institute, 2014)

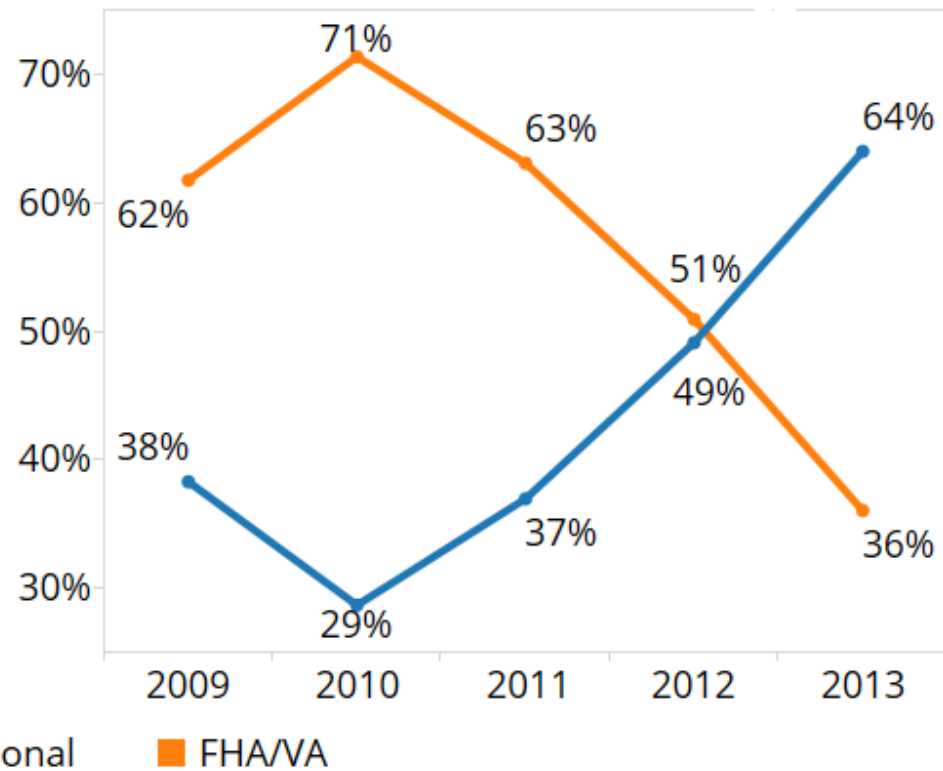


# Decline in FHA loans

United States



City of Detroit



Source: Zillow analysis of Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act (HMDA) data, 2009-2013





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