



Advancing Black Homeownership Initiative

Spring 2025 Report: Summary and Next Steps

Habitat for Humanity Portland Region's initiative to remove barriers and increase homeownership rates for Black households

Habitat for Humanity's vision is a world where everyone has a decent place to live, but a system of intentional and systemic racial discrimination in the U.S. and in the Portland region created barriers to homeownership for many Black families and individuals. In response to these inequities, we launched an Advancing Black Homeownership Initiative, examined our own homeownership data, and conducted listening sessions in our community with our partner, Try Excellence.

We want to extend a wholehearted, genuine thank you to everyone who participated in listening sessions, surveys, and interviews throughout this project. Your insights, experiences and direct feedback illuminated numerous opportunities for Habitat to improve our homeownership program and reduce barriers to homeownership for Black buyers, from outreach and pre-application support through the post-purchase experience.

The following are the results of our initial study and outreach.



Examining Habitat's Internal Data

In 2023, the Habitat Homeownership team conducted an internal review of available data on homeownership applicants and homeowners through Habitat's homeownership program.

That data review resulted in a number of findings, including that Black applicants to the homeownership program made up a significantly larger proportion of applicants than homeowners. In addition, half of Black applicants who were denied to the program were denied due to an incomplete application.

These findings led us to dig deeper into the question of why Black applicants might not be successfully completing applications. We also wanted to gain a greater understanding of other barriers Black applicants or prospective applicants might face when applying for Habitat's homeownership program.

Conducting Listening Sessions

Habitat hired Try Excellence, a local consulting firm, to conduct listening sessions and facilitate a survey with Black Habitat homeowners, former applicants and prospective homeownership applicants. Our aim was to better understand the experiences that Black homeowners and prospective homeowners have had with Habitat, and to gain clarity on the wider community's understanding of Habitat's program.

In addition, Try Excellence conducted interviews with staff at partner organizations and in the traditional real estate space. This engagement was conducted in the fall of 2024.

Listening sessions

50 homeowners and prospective homeowners participated in the listening sessions.

Surveys

More than 180 people who self-identified as Black took part in the survey.

Interviews

7 community partners and real estate professionals were interviewed over the course of four months.

Results of Listening Sessions

Try Excellence provided Habitat with an in-depth report based on these listening sessions, surveys, and interviews. Their findings and recommendations highlight barriers to homeownership, confusion, mistrust, and lack of clarity with the Habitat homeownership model, and recommendations for improvement.

The following page contains a summary of Try Excellence's findings and primary takeaways from the engagement.

Summary of Takeaways from Listening Sessions

Wider Perceptions of Homeownership and Barriers for Black Families

Homeownership is viewed as essential for stability, generational wealth, and community empowerment.

Respondents feel burdened by financial challenges such as down payments, credit scores, and ability to pay property taxes.

Some respondents felt that homeownership opportunities were not designed with Black families in mind.

Challenges with Habitat's Model

Sweat Equity Requirements

While seen as beneficial, many found the required hours difficult to complete due to work and family responsibilities.

Home Design & Quality

Some respondents felt that Habitat homes lacked space for gathering, multigenerational families, privacy, and parking, making them less desirable compared to single-family homes.

HOA Fees & Restrictions

Concerns were raised about unexpected costs and HOAs limiting control over properties after purchasing.

Background Checks

While some supported background checks for neighborhood safety, others saw them as a barrier disproportionately affecting Black applicants.

Perception

Misunderstandings and skepticism exist about Habitat's program's requirements, accessibility, and fairness. Many respondents cited outdated or incorrect requirements, policies or other incorrect information about Habitat's homeownership program.

Survey & Interview Insights

Over 80% of renters surveyed expressed a desire for homeownership, yet many felt the process was too complex or inaccessible.

Current Black Habitat homeowners noted difficulties in the application process, multiple denials before approval, and a lack of Black representation in program staff and leadership.

Interviews with real estate and lending professionals expressed skepticism about Habitat's recent focus on Black homeownership, citing a lack of long-term community trust and cultural awareness.

Try Excellence's Recommendations

Increase Outreach

Collaborate more with local, Black-led organizations.

Provide Financial and Post-Purchase Support

Offer ongoing education, mentorship programs, and financial planning resources for first-time Black homeowners.

Review Home Design

Develop larger, culturally appropriate housing models that meet the needs of multigenerational families.

Enhance Transparency and Accountability

Clearly communicate program requirements, explain limitations, and ensure Black professionals are involved in decision-making roles.

Revise the Sweat Equity Model

Make participation more flexible and accommodate different life circumstances.

Address Systemic Barriers

Consider alternative financial qualifications when possible, adjust background check policies, and explore accessible lending options.

The report from Try Excellence underscores the need for Habitat for Humanity to review and refine its approach to increasing Black homeownership.

While the program offers an affordable pathway to homeownership, barriers – financial, trust, and structural – prevent wider participation. Addressing these concerns through genuine, culturally relevant engagement, improved partnerships, and investment in financial resources, will be critical in increasing Black homeownership rates and fostering lasting trust.

Beyond the Listening Sessions

Habitat's internal team has spent the last few months reviewing the feedback and data from the listening sessions, surveys, and interviews.

We've also hosted follow-up focus groups with our Homeowner Leadership Council – a leadership and advisory group comprised of Habitat homeowners – to dive deeper into the impacts of our current sweat equity and background check policies and weigh potential changes for both.

In addition, we sent out surveys to nearly 1,000 homeowners and buyers currently working toward owning a Habitat home to gain greater insight into how we can make Habitat's programming more accessible and supportive.

Kicking off in Fiscal Year 2026

As a result of this engagement, Habitat has developed a plan to begin implementing the feedback from Try Excellence's outreach and our own internal engagements. The first year of this plan will officially kick off in fiscal year 2026 (July 2025 through June 2026).

Review Background Check and Sweat Equity Policy

Staff will review the background check and sweat equity policies through the lens of community feedback received and Habitat's internal racial equity filter. We will explore how these policies might be revised to reduce barriers to the selection and participation of Black homebuyers in Habitat's program

Introduce Home Tours

The introduction of home tours will allow community members to see Habitat homes in person, showcasing the sustainable features, locations, neighborhood makeup, and variety of homes built.

Habitat will also explore inviting homeowners to home tours to answer questions, share their experiences with Habitat, and build connections with prospective applicants. An emphasis will be placed on inviting Black homeowners. Homeowners would be compensated for their time.

Design a New Staff Position

Habitat will design and build capacity for a new position that will focus on strengthening partnerships with organizations that can provide in-depth homebuyer counseling and financial support for prospective Black homebuyers. This role will also develop strong relationships with the wider community and provide ongoing support to Black prospective homebuyers.

Develop an Educational Campaign

Habitat will develop an educational marketing campaign to increase transparency and trust in Habitat's program for prospective applicants. It will also aim to correct misconceptions identified during this outreach about Habitat's program, homes, and other concerns such as: Why does Habitat build multi-family homes? How does Habitat calculate my mortgage? How do property taxes and tax abatement work? How do they impact my mortgage?



Beyond the First Year

Beyond the next year, Habitat will explore ways we can offer financial support and additional resources that reduce barriers to accessing homeownership for Black buyers, including:

- Exploring the development of a special purpose credit program for Black homebuyers.
- Explore the development of a new homeownership readiness program that would cover the fees for homebuyer readiness and counseling for prospective buyers.
- Using first- and secondhand data resources to identify and prioritize opportunities to build neighborhoods where people most want to live, whenever possible.
- Continue to identify and invest in partnerships that build stronger pathways from renting to homeownership for Black individuals and families. These partnerships would also offer opportunities to build vital knowledge around homeownership, home maintenance, and transferring wealth to the next generation.
- Track engagement data to understand who is engaging with Habitat's outreach efforts, applying to Habitat's homeownership program, and becoming successful homeowners. This ensures we are working toward closing the homeownership gap for Black individuals and families in a meaningful way.
- Cross-tabulate data from the upcoming homeownership impact survey to learn about non-immigrant Black homeowners' experiences with homeownership over time.

Thank You for Being a Part of this Work

As Habitat continues to lay the groundwork for these changes, we will keep our community apprised of additional opportunities to engage, as well as new programs, policies, and employment opportunities. For those interested in following along, please connect with us below.

Reach out with questions

If you have questions about the homeownership program or Habitat's Advancing Black Homeownership Initiative, please email us at homeownership@habitatportlandregion.org.

Join our general email list

To keep up with the latest Habitat news, subscribe to our main email list. We send out a monthly newsletter with progress updates and event information. Sign up at habitatportlandregion.org/contact-us.

Join our homeownership interest list

Sign up for our homeownership interest list to be notified when homeownership application opportunities become available. Sign up at habitatportlandregion.org/how-to-apply.