



**Housing accounts for almost 20% of our national economy. Disruptions in the housing sector will have a ripple effect across the economy. Actions must be taken now to protect financially vulnerable families most impacted by the crisis:**

- A moratorium on evictions and foreclosures for renters and homeowners should be put in place for at least six months or the duration of the crisis, if longer. The moratorium should cover manufactured homes, whether titled as real or personal property, and should prohibit evictions in manufactured homes communities. Although tenants will be responsible for paying back unpaid rent, the law should prohibit rent arrears accumulated during the period covered by the moratorium, from forming the basis of an eviction. This moratorium on foreclosures should not apply to vacant or abandoned properties.
- Increased funding for rental assistance to avoid a financial cliff for renters when eviction moratoria are lifted and back-rent is owed.
- Families must be able to resume payments affordably post forbearance and without lump sum demands, even for privately held loans.
- Adequate increased funding should be provided for counseling, legal services, outreach, free advice, and assistance to all consumers seeking to navigate their financial situation.
- Adequate increased funding should be provided for fair housing and fair lending enforcement.
- A dedicated Credit Facility at the Federal Reserve.

**This crisis lays bare wealth and income inequality, including the racial wealth gap, that worsened in the last crisis and the structural flaws in our economy that produce this inequality. Beyond immediate relief, fundamental changes to the economy that provide real support and opportunity for families and that create systemic change through new social contracts are needed:**

- Equitable Homeownership: Close the 30% homeownership gap with equal levels of homeownership across race and income levels in the next ten years.
  - Restorative Justice Home Loan Guarantee Program guaranteed by Fannie/Freddie and with homebuyer down payment assistance.
    - Eligibility: Borrowers who experienced subprime lending and/or who are not being served by the current market, including residents of formerly redlined communities who can demonstrate a mortgage loan denial within the last 10 years.
    - CDFI and Minority Depository Institutions would be provided resources to play a significant part in the program.
    - National banks and large mortgage lenders using government backed loans must fully participate in the program. Consider a targeting requirement based on principles in Representative Clyburn's 10-20-30 plan that was part of the proposed American Recovery and Reinvestment Act of 2009.
- First time homebuyer tax credit: a targeted version of the Obama Administration tax credit to all first-time homebuyers for up to \$7,500 for the purchase of a first home.
- Require the GSEs to insert fair housing protections into the eligibility guidelines of all affordable loans they purchase, including LIHTC, State Housing Finance Agency, Tax Credit and other programs.
- Ensure that the GSEs, FHFA, and Treasury are explicitly subject to the Fair Housing Act provision to affirmatively further fair housing.

- Require GSEs to expend no less than 30% of their previous year’s annual net income in grants and/or investments on Low Income Housing Tax Credit, State Housing Finance Agency, Fair Housing, Housing Counseling or other similar programs to promote the development and/or preservation of affordable housing for under-served borrowers in central cities, rural areas and underserved areas.
  - Home Improvement Loan Program: HUD
    - Low rate loans - 3-3.5% interest rate loans to residents of formerly redlined communities who resided in the neighborhoods for the last 20 years.
    - No collateral.
- Rental Support
- Renter’s tax credit: 60% AMI that is refundable for those with the lowest tax burden.
- Repeal the Faircloth Amendment and allocate \$10 billion for a public housing rehabilitation fund to build 5 million new units.
- Make explicit that Treasury’s LIHTC program is “federal financial assistance” to ensure it is subject to Title VI and other civil rights statutes.