

Thank you, Chairwoman Waters and members of the House Financial Services Committee. My name is Symone Crawford. I am here today as the incoming executive director of the Massachusetts Affordable Housing Alliance based in Dorchester, Massachusetts, and a first-time, first generation homeowner.

We are a statewide organization singularly focused on breaking down barriers for first-time and first-generation homebuyers and closing the racial homeownership and wealth gaps. We have graduated 40,000 Massachusetts residents from our homeownership education programs and have negotiated a mortgage program that has made it possible for over 23,000 low-to-moderate income first-time homebuyers to purchase their first home.

That was me in 2004. As an immigrant from the Island of Jamaica that migrated here in 1998, I was a renter in Boston experiencing an unstable housing situation in a high-cost market. An extended family member was kind enough to offer us a small temporary space to live, but it wasn't a long-term solution for our family of five. My husband and I realized that we needed to buy a home and stabilize the living environment for our three growing daughters.

I took a first-time homebuyer class at MAHA in 2004. They assisted us as we found an affordable mortgage that MAHA had negotiated with an area bank thanks to the Community Reinvestment Act. We bought a three-family home in Mattapan, where we still live today. We garden in the backyard and benefit every day from the fixed costs of owning our own home. Now that our daughters are grown, we are happy to report our oldest daughter bought her first home less than a mile from where we live. And the two younger ones are each on their path to owning a home as well.

We are experiencing a crisis in the United States where buying a first home is out of reach for many of our working families, particularly first-generation homebuyers, those without the Bank of Mom and Dad. Investments in homeownership from our federal government will stabilize individuals and communities and benefit our economy.

If you are a person of color, Massachusetts is arguably the hardest state in the nation to buy a home. We rank 48th in affordability and 45th in closing our

racial homeownership gap. 69% of white households in Massachusetts own their homes, but just 35% of people of color are homeowners.

Homeownership is generational. Children of homeowners tend to become homeowners. Children of renters are more likely to stay renters throughout their lifetime. We can, and we need to break this pattern.

We desperately need funds to address racial and economic inequities that existed *before* Covid-19 struck and then worsened over the course of the pandemic. Communities of color that were hit the hardest by Covid-19 have been deliberately, systematically excluded from homeownership opportunities for generations. We can use housing funds in Build Back Better, at this moment of racial reckoning, to begin to repair the harm that has been done. And we should ensure that a significant portion of these resources benefit households making below the area median income, those who need this assistance the most in order to buy a home in this country.

We need supply-side solutions that build and renovate homes for households below median income like what is proposed for the Build Back Better legislation. More affordable homes are needed. All I need to do to remind myself of that, is to look at the nearly 3,000 people that will graduate from one of our homeownership classes this year. Just a couple of years ago, we graduated one-third of that number.

We need a historic investment in first-generation homebuyers. First-gen homeowners can be anyone - those homebuyers without a parent who is a homeowner. Disproportionately first gen buyers are Black, Latinx, Asian, Native American and other people of color that have been redlined out, discriminated against or otherwise unable to afford a piece of the American Dream.

We need to give first-gen buyers a leg up in competing for homes in this housing market. Proposals for downpayment assistance for first-generation homebuyers will help millions of homebuyers achieve their dream of owning a home and help us narrow the racial homeownership gap. Homebuyers like Akilah who is now a first-generation homeowner in Taunton thanks, in part, to MAHA's STASH program and the innovative first-time homebuyer product – ONE Mortgage from the Massachusetts Housing Partnership and participating lenders. Akilah completed an seven year journey to homeownership last July.

In her own words...”About a month and half before I had to move because of a rent increase, my neighbor mentioned a friend was looking to rent a single room with its own bathroom and a shared kitchen. This was not an ideal situation for me and my son, one because it was only one room and not the 2-bedroom apartment I was looking for. I had to really think about the bigger picture, my homeownership goal. The rent was going to be less than half of the lowest 2-bedroom I searched for in Boston. With that in mind, I could save an extra \$200-\$300 a month on top of what I was already saving. So I made a huge sacrifice and rented the room also knowing that the landlord had two cats and a dog. That meant my son couldn’t stay with me full time as I didn’t want to further aggravate his asthma and allergies.

“In January 2019, I retook the first-time home buyer classes at MAHA as I felt my financial situation was in much better condition to move forward. The STASH matched savings program was introduced to the class and I thought this was an excellent way to help reach my goal. The extra money I was saving I began to put the funds into my STASH account, and I was able to save an additional \$2,000. The match was a huge help to my overall condo purchase in July 2020. I am extremely grateful the program was available to me and is still available to others who might be in a similar situation as I was. I’m elated to finally become a homeowner after the long journey I went through. I faced a number of hard obstacles between 2013 and July 2020, and now am able to provide my son an environment free of anything that may trigger his allergies and asthma. I’m grateful for it all. It’s rewarding to me that my son was able to watch and learn the process with me and see that with hard work and sacrifice you can reach your goals.”

Another first-generation homeowner that we have worked with is Dafany of Mattapan. She enrolled in MAHA’s STASH program in 2019 and worked closely with me as she began her journey toward homeownership. After many twists and turns, not to mention being outbid five times by homebuyers with more resources, Dafany was able to close on a single-family home in the Boston neighborhood of Mattapan last summer, thanks to the assistance and encouragement she received during our first-generation homebuyer program, and the ONE Mortgage. As she states, “STASH kept me on track and motivated to complete my dream of homeownership.”

We know this works because we started the nation's first program targeting first-generation homebuyers. MAHA's matched savings program known as STASH (Saving Toward Affordable Sustainable Homeownership) is helping first-generation homebuyers like Akilah and Dafany afford the costs associated with purchasing a home. Launched in 2019 with support from Boston Children's Collaboration for Community Health and the City of Boston, 97% of the participants to date are persons of color. This is an example of a race-conscious homeownership policy that we need to expand considerably if we are to close the racial wealth gap. STASH participants are those without the "Bank of Mom and Dad." They enter the competitive housing market at a disadvantage. A robust first-generation homebuying program can help level that playing field.

MAHA enrolls first-generation homebuyers and challenges them to save \$2,000 over 12 months. Participants are eligible for a match of that savings to be used in one of three ways: 1) Lowering the interest rate on an already affordable mortgage; 2) Down payment or closing cost assistance; 3) Post-purchase assistance for home repairs on a newly purchased home.

It is working. We have enrolled 227 participants over the last two years. 28 have already purchased homes in a Greater Boston market that is unaffordable to many. Sixty-four others have met savings and education goals and are ready to buy. Most of the others are on the path to completing those goals. Two-thirds are under 40 years old. 60% have children. We need to scale. If we scale a national first-generation homebuyer assistance program now, we will realize immediate benefits and will realize lasting benefits when those children grow up and buy homes of their own.

The Urban Institute estimates that a national first-generation downpayment program of \$25,000 would cover about 5 million households, disproportionately Black but also including millions of white, Asian and Hispanic households. This is a necessary part of a Build Back Better Act and there is no time like today to significantly invest in our nation's first-generation homebuyers. We thank Chairwoman Waters, my own Congresswoman Ayanna Pressley, Senator Warren and all those who are fighting hard to include housing and first-gen homebuyers in this legislation. Thank you.