

# The Decision to Own:

Smart Leverage or Unnecessary Risk?



# Disclaimer

The opinions expressed are those of the author and do not reflect the opinion of the Patricia Roberts Harris National Fair Housing Training Academy, U S Department of Housing and Urban Development, or the Graduate School USA



# My Role on this Panel



Canary in the Coal Mine



[http://www.andygonsalves.com/design/color\\_design/threadless/canaryinthecoalmine.html](http://www.andygonsalves.com/design/color_design/threadless/canaryinthecoalmine.html)

# Current Market Conditions



[http://farm4.static.flickr.com/3156/3946174063\\_9406dea031\\_z.jpg](http://farm4.static.flickr.com/3156/3946174063_9406dea031_z.jpg)



# The “American Dream”

- The American Dream is that dream of a land in which life should be better and richer and fuller for everyone, with opportunity for each according to ability or achievement."
- James Truslow Adams  
“The Epic of America.”



# Benefits to Broader Society

- Social Cohesion
  - Social Inclusion in our Civil Society
  - Shared Values
  - Stability
  - Predictability
  - Trust



# Benefits to Communities and Neighborhoods

- Homeowners bring stability to neighborhoods
- Homeownership improves the “Quality of life”
- Homeowners are more engaged in local civic affairs



# Benefits to Homeowners

- Financial Stability
- Social Capital
- Social Mobility
- Trans-generational benefits



# Benefits to Investors

- Long-Term ROI
- Hedge against uncertainty



# The Keys to Unlock Housing's Future



*The current crisis an opportunity for positive systemic change*



*In a properly regulated market homeownership does not pose an unnecessary risk to households or investors*



*All families including low-income and low-asset families benefit from homeownership*



*Sustainable homeownership is a leveraged path to financial stability, and social mobility*



*Effective enforcement of laws and regulations coupled with the underwriting of safe, sustainable and affordable loans limits systemic risk*



# Going Forward Together



<http://virtual.auburnworks.org/profiles/blogs/canary-in-a-coal-mine>





# Questions

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