

Providing Foreclosure Prevention Services to LGBTQ+ Homeowners

Presenters:

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Funded through the New York State Attorney General Homeownership Protection Program



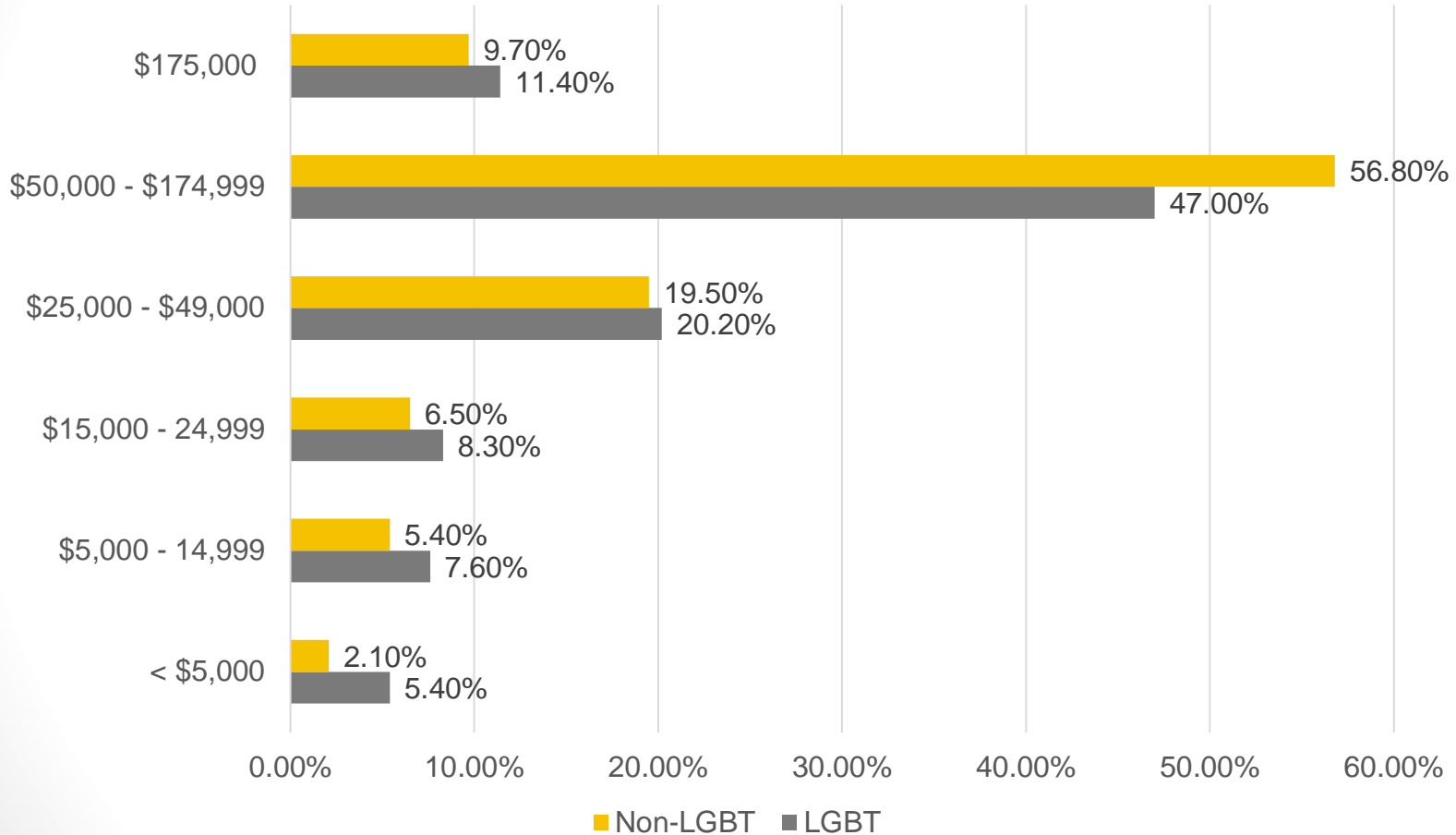
Who are LGBTQ+ People?

- **5.6%** of U.S. adults identified as LGBTQ+ in 2020
 - **15.9%** of Gen Z (born 1997-2002) identify as LGBTQ+
 - **9.1%** of Millennials (born 1981-1996) identify as LGBTQ+
- Race:
 - 21% of LGBTQ+ people are Latino/a
 - 12% of LGBTQ+ people are Black
 - 58% of LGBTQ+ people are White
 - 5% are multiracial
- LGBTQ+ adults more likely to be single and not previously married
- Parenthood:
 - 29% of LGBT people are raising children

Income

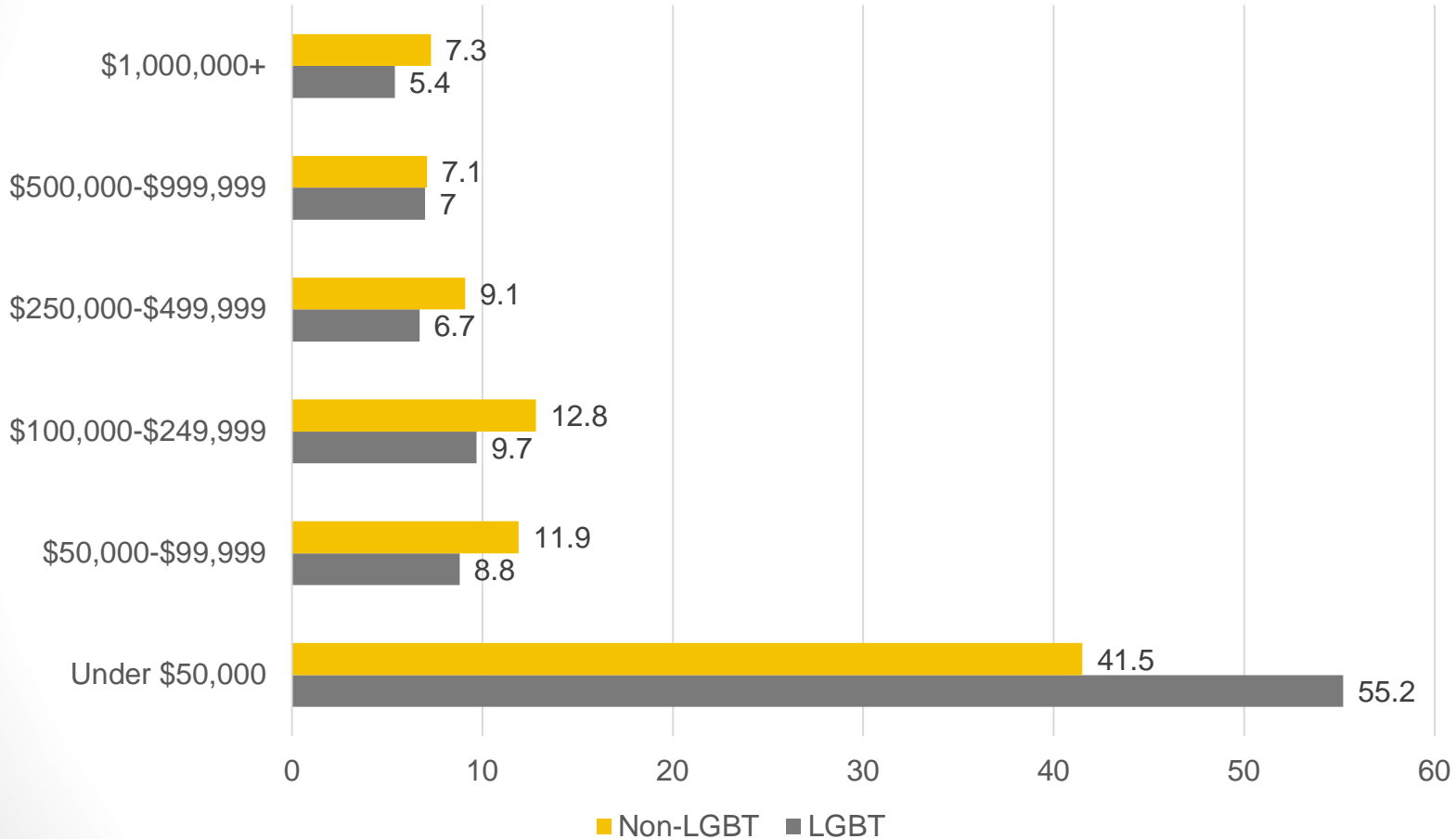
- One in five LGBTQ+ people live in poverty (21.6%)
 - One in three transgender people live in poverty (29.4%)
 - One in six lesbian women live in poverty (17.9%) similar to straight/cisgender women (17.8%)
 - One in eight gay men live in poverty (12.1%) slightly less than straight/cisgender men (13.4%)

Income



Source: Spencer Watson, Oliver McNeil, and Bruce Broisman, [The Economic Wellbeing of LGBT Adults in the U.S. in 2019](#), CTR. LGBTQ ECON. ADVANCEMENT & RES. (June 2020)

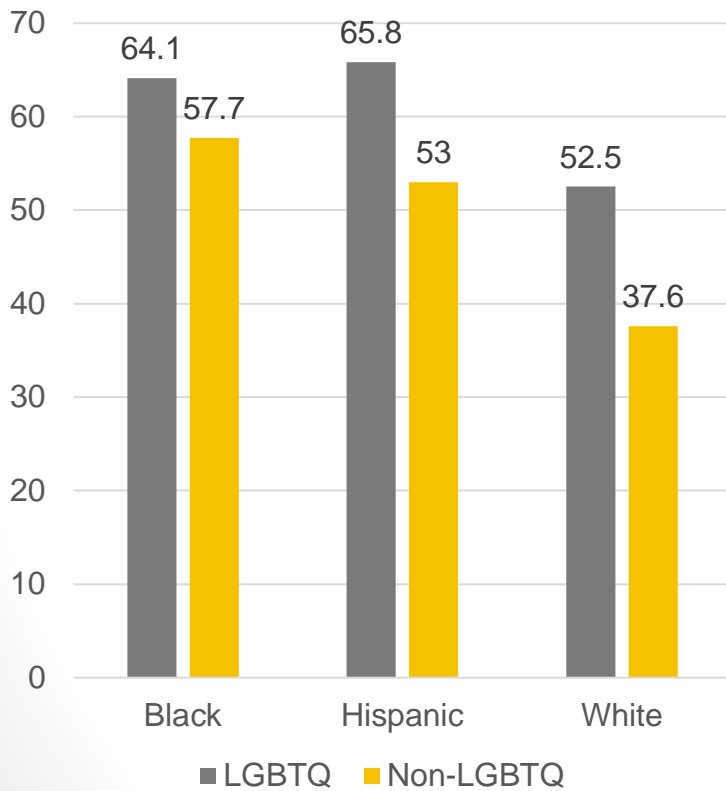
Savings



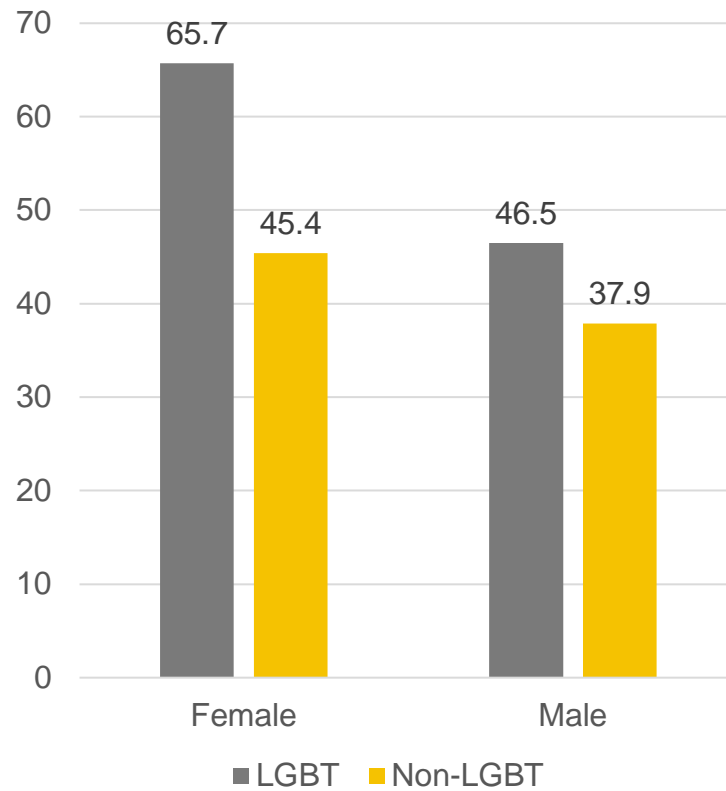
Source: Spencer Watson, Oliver McNeil, and Bruce Broisman, [The Economic Wellbeing of LGBT Adults in the U.S. in 2019](#), CTR. LGBTQ ECON. ADVANCEMENT & RES. (June 2020)

Savings

Less than \$50,000 in Savings



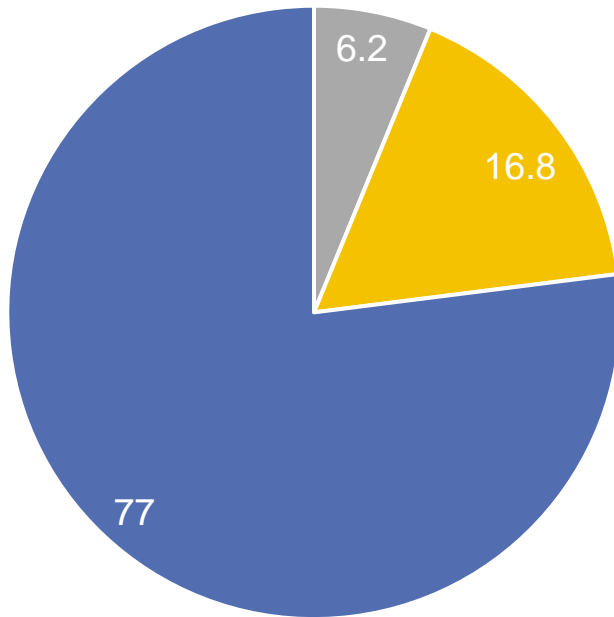
Less than \$50,000 in Savings



Source: Spencer Watson, Oliver McNeil, and Bruce Broisman, [The Economic Wellbeing of LGBT Adults in the U.S. in 2019](#), CTR. LGBTQ ECON. ADVANCEMENT & RES. (June 2020)

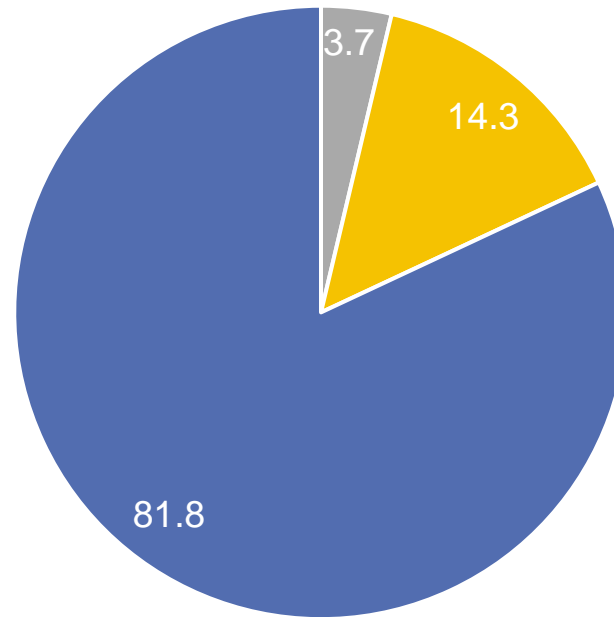
Access to Banking

LGBT



■ Unbanked ■ Underbanked ■ Fully Banked

Non-LGBT

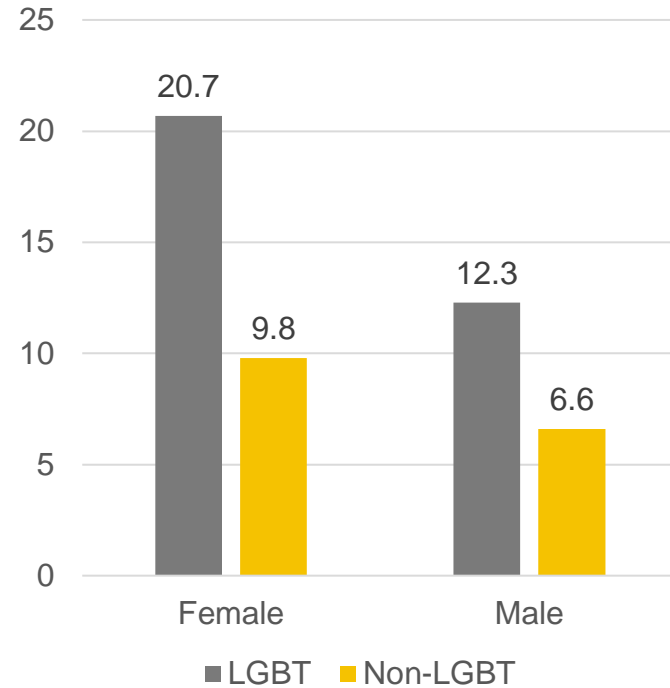
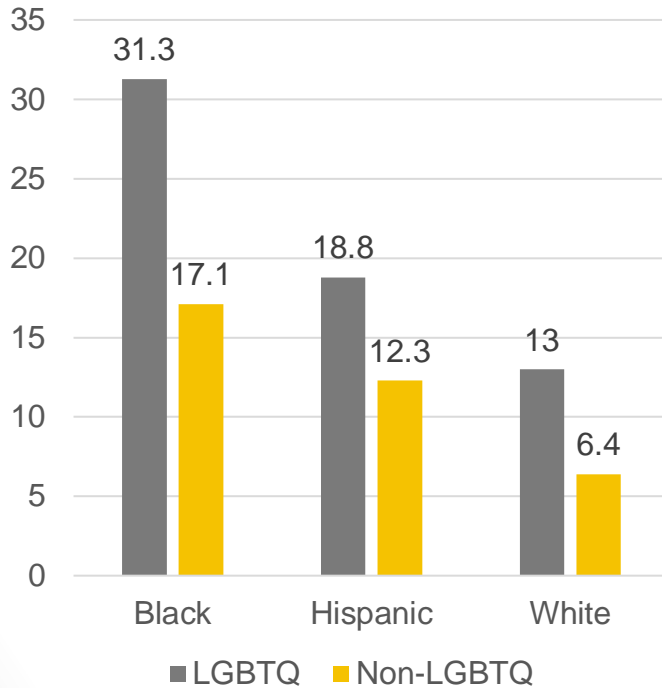


■ Unbanked ■ Underbanked ■ Fully Banked

Source: Spencer Watson, Oliver McNeil, and Bruce Broisman, [The Economic Wellbeing of LGBT Adults in the U.S. in 2019](#), CTR. LGBTQ ECON. ADVANCEMENT & RES. (June 2020)

Credit Scores

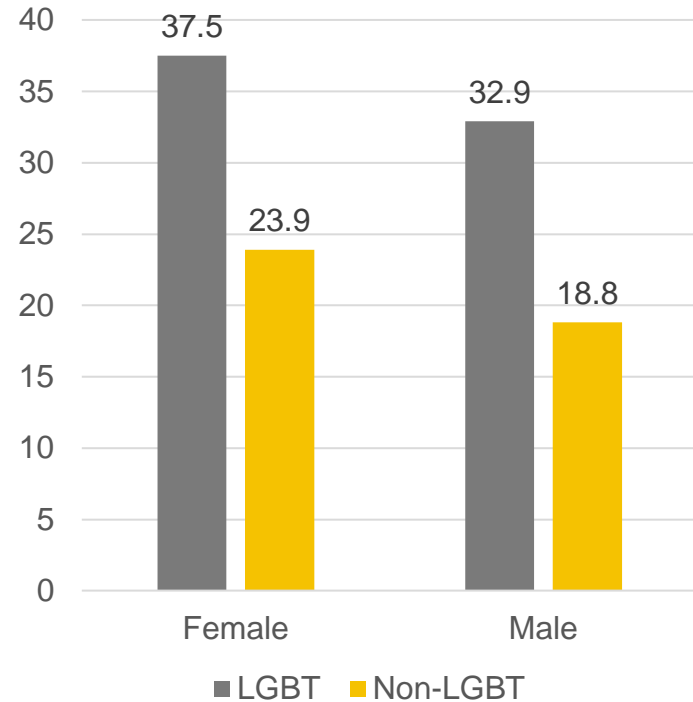
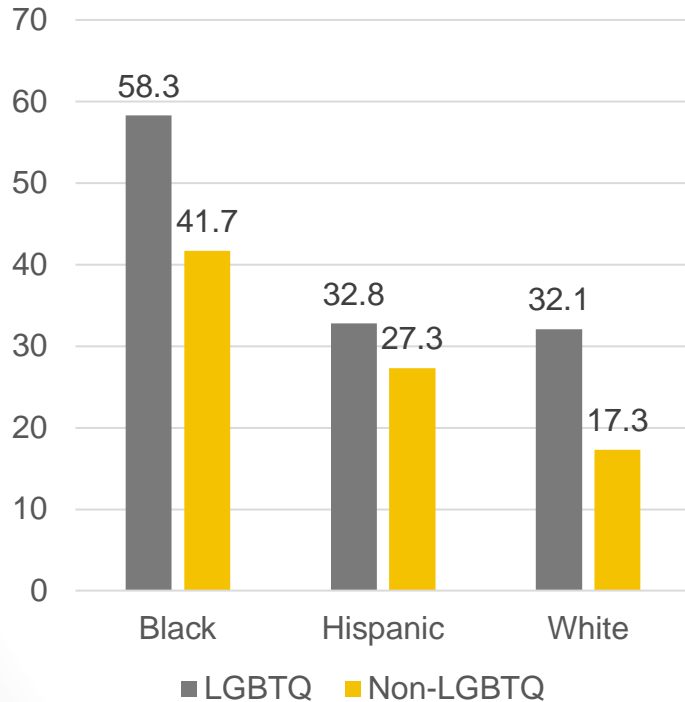
LGBT adults are nearly 2x more likely to report having a poor or very poor credit score (16.1% vs. 8.2%).



Source: Spencer Watson, Oliver McNeil, and Bruce Broisman, [The Economic Wellbeing of LGBT Adults in the U.S. in 2019](#), CTR. LGBTQ ECON. ADVANCEMENT & RES. (June 2020)

Credit Applications

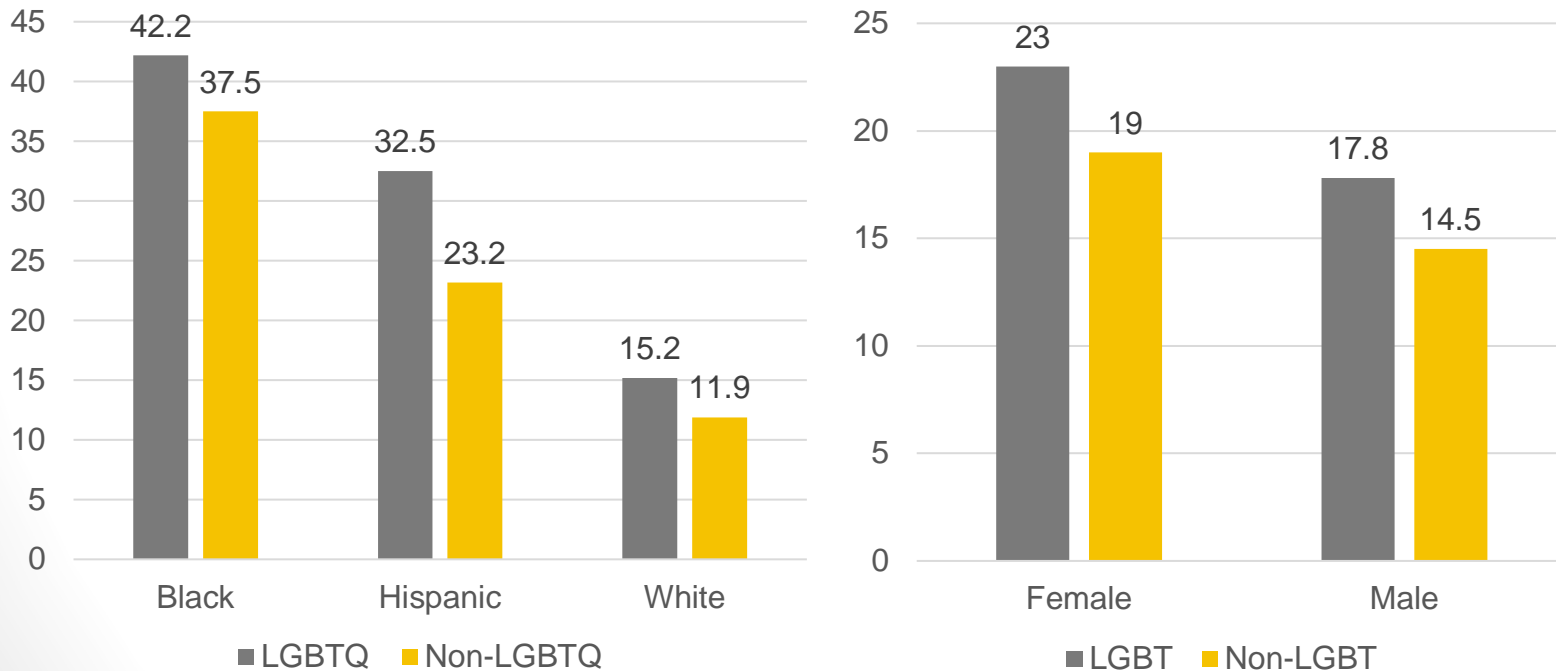
LGBT credit applicants are turned down 1.5x more often than non-LGBT applicants (35.1% vs. 21.3%).



Source: Spencer Watson, Oliver McNeil, and Bruce Broisman, [The Economic Wellbeing of LGBT Adults in the U.S. in 2019](#), CTR. LGBTQ ECON. ADVANCEMENT & RES. (June 2020)

Alternative Financial Services

One in five LGBT households used 1+ AFS in 2019 (20.8%), 1.25x more often than non-LGBT households (16.2%)



Source: Spencer Watson, Oliver McNeil, and Bruce Broisman, [The Economic Wellbeing of LGBT Adults in the U.S. in 2019](#), CTR. LGBTQ ECON. ADVANCEMENT & RES. (June 2020)

Homeownership

- **49.8%** of LGBT adults owned their own home in 2020, as compared to **70.1%** of non-LGBT adults.
 - Only **25%** of transgender people own their home.
- **63.8%** of same-sex couples owned their home in 2020, as compared to **75.1%** of different-sex couples.
- Among homeowners, same-sex couples are more likely than different-sex couples to be carrying a mortgage (**77%** vs. **68.2%**).

Homeownership

LGBT renters are more likely to say they prefer to rent because they are unable to afford a down payment or to qualify for a mortgage than non-LGBT renters.

Reasons for Renting for LGBT and Non-LGBT Renters in 2019		
	LGBT	Non-LGBT
Cheaper to Rent	58.1%	55.6%
Financial risk of homeownership	56.8%	50.5%
Convenience	55.1%	52.5%
Looking to buy	28.0%	33.1%
Unable to qualify for mortgage	44.3%	39.2%
Cannot afford down payment	71.0%	60.8%

Source: Spencer Watson, Oliver McNeil, and Bruce Broisman, [The Economic Wellbeing of LGBT Adults in the U.S. in 2019](#), CTR. LGBTQ ECON. ADVANCEMENT & RES. (June 2020)

LGBTQ+ Friendly Agents

In a 2018 Freddie Mac study:

- 94% of LGBT people that bought or sold a home in the previous five years used a real estate agent.
- Of the 65% who used an LGBT-identified or LGBT-friendly real estate agent, 57% indicated that the agent's LGBT or LGBT ally identity influenced their decision to work with the agent.

Credit Reporting Issues

Transgender and nonbinary consumers who change their names may experience a **fragmented credit file** and a **loss of credit score**.



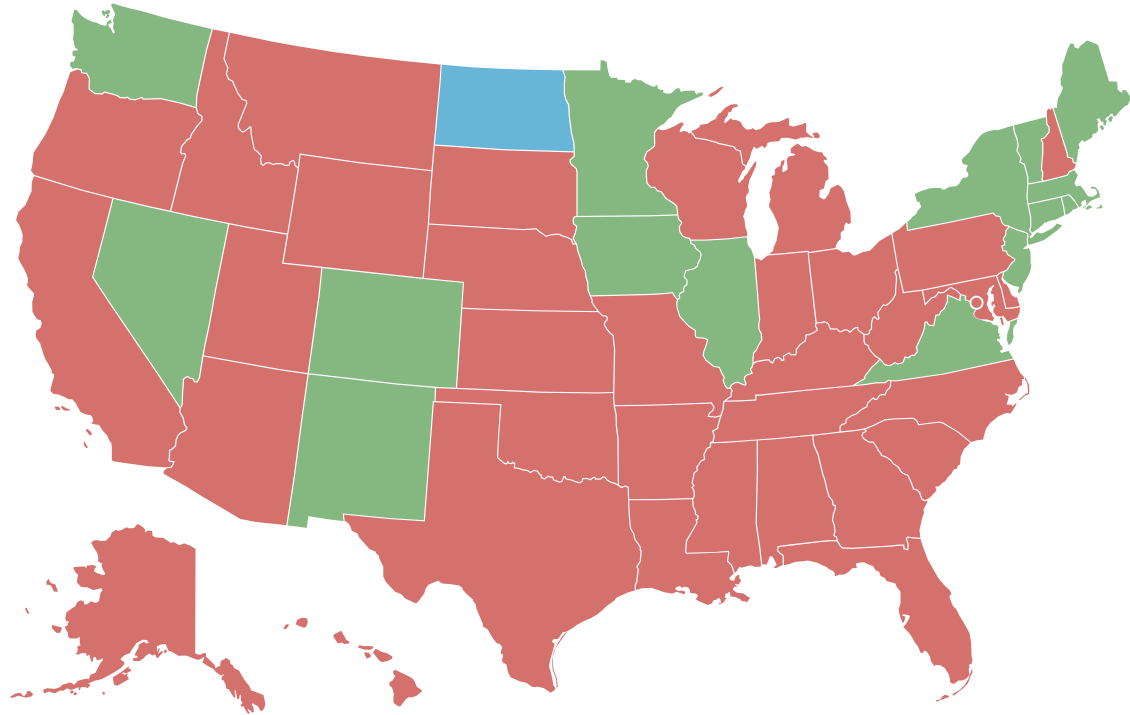
Lending Discrimination

Same-sex couples are:

- 3-8% less likely to be approved for a mortgage—i.e., 73.1% more likely to be denied
- Charged up to 0.2% more in interest and fees.
- Overpaying up to \$86 million more annually than different-sex couples of similar financial and credit quality

The Patchwork of Protections

- **15 states** explicitly prohibit discrimination based on sexual orientation and gender identity in credit.
- **1 state** interprets state law on sex discrimination to include sexual orientation or gender identity in credit.
- **35 states** do not have any protections based on sexual orientation or gender identity in credit.



Nondiscrimination Guidance

The Department of Housing and Urban Development

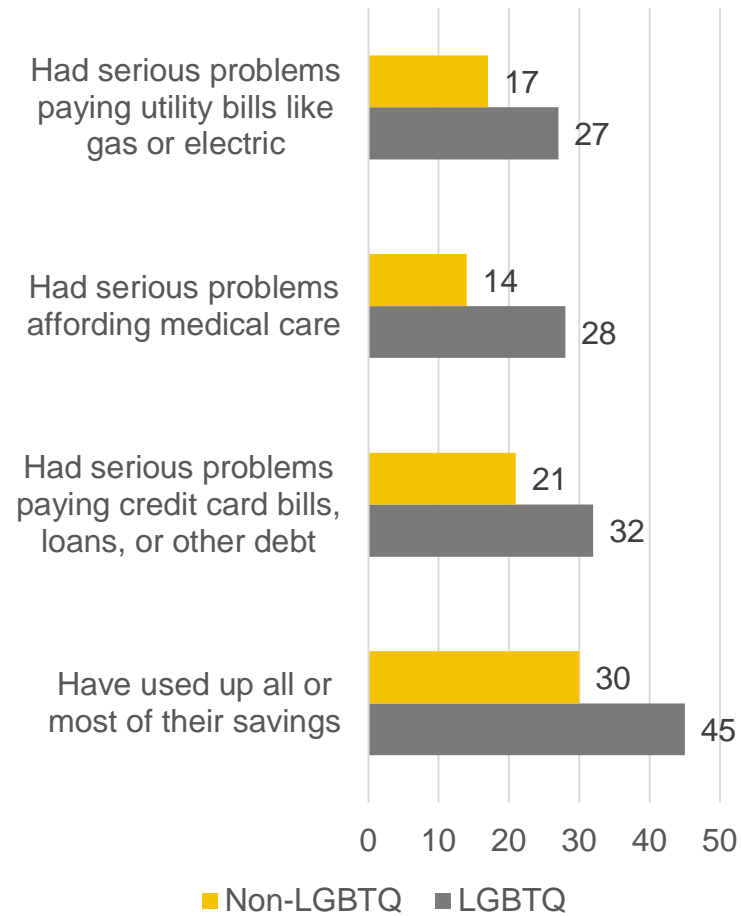
- Sexual orientation and gender identity included in sex discrimination under Fair Housing Act (February 11, 2021). Covers:
 - Rentals
 - Real Estate Transactions
 - Residential Home Loans
 - Shelters

Consumer Financial Protection Bureau

- Sexual orientation and gender identity included in sex discrimination under Equal Credit Opportunity Act (March 9, 2021). Covers:
 - Auto Loans
 - Credit Cards
 - Mortgages
 - Business Credit

The Impacts of COVID

- 66% of LGBTQ households have experienced serious financial problems (vs. 44% of non-LGBTQ households).
- 64% of LGBTQ households have had a loss of employment (vs. 45% of non-LGBTQ households).



Source: MOVEMENT ADVANCEMENT PROJECT, [The Disproportionate Impacts of COVID-19 on LGBTQ Households in the U.S.](#) (November 2020)

AGENDA

- **Introductions**
- **History and Background**
- **Intakes & Interviewing Exercise**
- **Self-assessment and Planning**



What is cultural competency?

Cultural competency refers to a practice of being respectful, responsive, adaptive and thoughtful about working with diverse populations. It involves **assessing the needs** of those from the target group and **proactively responding** to those needs through strategies such as:

- ▶ conducting **targeted outreach**
- ▶ designing **inclusive programs**
- ▶ providing **knowledgeable, relevant information and support**
- ▶ creating a **welcoming environment** that respects clients' dignity and experience.

INTAKES & INTERVIEWING



GOALS

- Understand **importance of the intake process** in providing inclusive and effective services for LGBTQ clients.
- Review **tips for conducting culturally competent intake interviews** in the area of sexual orientation and gender identity.
- Practice **conducting intakes** with LGBTQ clients that are not only sensitive and respectful, but also surface relevant case information.

Importance of Intake Process

- Sets the tone for future interactions.
- Chance to assess whether issues of sexual orientation or gender identity are relevant or may come up in the case.
- Chance to gather information about sexual orientation and gender identity along with other demographic information.



BRAINSTORM

Please unmute or type into the chat

What are some considerations during intake to be inclusive of LGBTQ clients?

ROLEPLAY EXERCISE: IN PAIRS

Divide up in pairs.

One person will play the role of a staff member and will conduct the intake. The other person will play the role of a new client, using the facts in Client Scenario 1.

After 5 minutes, we will switch roles. For the second round, the person playing the client will use facts in Client Scenario 2.

The person playing the staff member should treat the new client like someone who has just come in to your office. You will be trying to assess whether your organization can represent the client, and what basic issues they will need representation for. Do not worry about screening to make sure they are income-qualified.

Take note of any questions that come up while you are doing this, and please share your experience in the large group discussion.

GROUP DISCUSSION: INTAKES

Please unmute or type into the chat

How was that experience?
As intake staff?
As potential client?

Key Practice Tips

- **Ask about clients' sexual orientation or gender identity AT EVERY INTAKE just as you would any other demographic questions about their lives or identity.**
- **Be prepared to give a clear explanation if a client asks why you are asking about sexual orientation and gender identity:**
 - **May be relevant to their case, or help identify other legal needs, for example if there are discrimination issues**
 - **Helps the organization assess how well we are serving all members of the community**
- **Follow up later at in-person meeting to get information about a client's sexual orientation or gender identity if they decline to tell you over the phone or on a form.**

Self-Assessment and Next Steps



For the discussion

Pick **ONE** or **TWO** of these areas you want to think about and discuss with other participants:

- Leadership and Vision
- **Welcoming Environment**
- Intake Systems
- **Case Handling Practices**
- Outreach and Messaging
- **Ongoing Training, Needs Assessments and Evaluations**

SMALL GROUP DISCUSSION

In your breakout groups, please discuss

- 1) What are your organization's **strengths** in this area?
- 2) Where could your organization **improve**?
- 3) What is/are the **next step(s)** you could start today/tomorrow?

**TAKE NOTES FOR YOURSELF
AND PREPARE TO SHARE**

GROUP DISCUSSION: NEXT STEPS

Please unmute or type into the chat

Strengths?
Areas for Improvement?
Next steps?

NOTE: PLEASE AVOID
NAMING SPECIFIC
INDIVIDUALS

Questions



Thank you for attending...

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