Affirmatively Furthering Fair Housing

TOWN OF THURSTON 11/13/24

The Fair Housing Act (1968)

Protects people from discrimination when renting or buying a home, getting a mortgage, seeking housing assistance, or engaging in other housing-related activities.

Protects from discrimination on the basis of:

- Race
- Color
- National Origin
- Religion
- Sex
- Familial Status
- Disability

**Note*: The New York State Human Rights Law prohibits discrimination in the sale or rental of housing, or in related practices, based on a person's age.*

The Town of Thurston

According to the Thurston Housing Needs Assessment 13.7% of residents are living with one or more disabilities, 17.3% of households spend 30% of more of their income on housing costs, 9.6% of residents live at or below the poverty line (of which 13.8% are under the age of 18), and 19.6% of residents are over the age of 65.

Nearly 100% of survey respondents in the Housing Needs Assessment survey said they owned their own home.

Therefore, the areas most likely for Thurston to focus on in terms of fair housing are **homeowner-related activities related to income/credit, age, and those with disabilities**.

Subprime Loans

Identified as an impediment to fair housing in the Steuben County Fair Housing Plan

What is a subprime loan?

- A loan for people with low credit scores (generally below 600)
- Fixed-rate mortgage might last 40-50 years instead of 15-30 years
- Adjustable-rate mortgages rate resets according to a market index

Risks/Cons

- Adjustable-rate mortgage loans are the most common type and can be misleading as there can be an initial low fixed rate and then jump to a much higher adjustable rate
- Costs and fees are generally much higher for these loans

Subprime is not the only option for those with lower credit scores!

- Federal Housing Administration (FHA) loan or Veterans Affairs (VA) loan

Reverse Mortgages

Identified as an impediment to fair housing in the Steuben County Fair Housing Plan

Targeted audiences for reverse mortgages are generally the <u>elderly</u>

Reverse Mortgages
- Lender takes equity from your home but the lender pays you
- You do not have to pay back lender until you either leave the home, pass away, or sell the home

Risks of Reverse Mortgages
- There are high costs (lender fees, insurances charges, closing costs)
- Home may need to be sold upon death of person taking out the reverse mortgage

There are alternatives for seniors who need to access cash from equity in their home!
- Home Equity Line of Credit (HELOC)

Adapting for those with Disabilities and an Aging Population

Approximately 5% of households nationwide report difficulty in navigating or using their homes and that these difficulties are especially difficult among older households and those with disabilities.

Accommodation for those with disabilities has also been an issue identified as an impediment to fair housing in Steuben County.

A future CDBG grant for housing rehabilitation and/or other programs available to Thurston residents can help homeowners adapt their homes to improve their accessibility!

Discussion/Questions?