



THE BLACK FAMILY OFFICE

MONTHLY WEALTH NEWSLETTER •

APRIL 2026 • ISSUE 1

A Framework for Creating Generational Wealth

THIS MONTH'S FOCUS

Homeownership & Credit — The Twin Engines of Black Wealth

April is Financial Literacy Month. There's no better time to talk about the two tools that move the needle most.

IN THE NEWS

What's Happening Right Now

Current events shaping Black wealth — April 2026

HOMEOWNERSHIP • APRIL 2026

The 3 by 30 Initiative: 3 Million New Black Homeowners by 2030

A coalition of 100+ organizations is pushing to add 3 million Black homeowners by 2030. Recent reporting in the Michigan Chronicle highlights that equally qualified Black buyers still face higher mortgage denial rates and are shown fewer homes — confirming this is a systems problem, not a knowledge problem. Down payment assistance and expanded credit underwriting are the coalition's top priorities.

POLICY • JULY 2025

Mortgage Insurance Tax Deduction Permanently Restored

The One Big Beautiful Bill Act restored the MI premium tax deduction, starting tax year 2026. For buyers putting less than 20% down — which USMI data shows would take the average Black household 37 years to save — this deduction meaningfully reduces the cost of entry-level homeownership and makes the low-down-payment path more attractive than it's been in years.

COMMUNITY • DECEMBER 2025

African Diaspora Federal Credit Union Opens in Missouri

The ADFCU launched in St. Ann, MO — a federally chartered credit union designed to keep Black dollars circulating within Black communities. Credit unions consistently offer better rates, lower fees, and more flexible underwriting than commercial banks, making them a foundational tool in the Black Family Office framework for families building credit and accessing capital.

FEATURE • TOPIC 1 OF 2

Property Is Power: Making Homeownership Work for Your Family

Homeownership is a powerful wealth-building vehicle available to most American families. The equity you build does three things no other investment does simultaneously: it appreciates, it creates forced savings through mortgage paydown, and it provides leverage — allowing you to control a \$300,000 asset with as little as \$15,000 down. For Black families, it is also the most direct answer to the wealth gap.

The data is urgent: only 44.2% of Black Americans own their homes, compared to 73% of white Americans. That gap — stubbornly persistent for decades — remains nearly 30 points today, not by accident, but as the

compounded result of redlining, discriminatory FHA lending, and a housing system explicitly designed to exclude Black families.

44.2%Black Homeownership Rate
(2025)**73%**White Homeownership Rate
(2025)**37 yrs**Avg. years to save 20%
down payment (Black
household)**2M+**Black Americans mortgage-
ready but not yet
homeowners

The Down Payment Myth Keeping Black Families Out

One of the most damaging misconceptions: that you need a 20% down payment to buy a home. USMI research found 62% of Black respondents believe 10% or more is required. The reality: FHA loans allow as little as 3.5% down. With the MI tax deduction now restored, the lower-down-payment path is more affordable than it has been in years. Down payment assistance programs — from state agencies, HUD-approved nonprofits, and employers — can cover that gap entirely. Bank of America's Home Grant® offers up to \$7,500 toward closing costs, and a separate Down Payment Grant provides up to \$10,000 — both can be combined for up to \$17,500 in total assistance in select markets. NAREB secured \$50 million in down payment assistance funds for Black buyers in 2025. These resources exist. Most people who qualify never use them.

“More than two million Black Americans can qualify for home loans but are not homeowners. These are the people we want to reach.”

— Dr. Courtney Johnson Rose, NAREB President

Heirs' Property: The Silent Wealth Destroyer

Chapter 1 of The Black Family Office documents how 90% of peak Black-owned farmland was lost in a single century — much of it through a legal trap called heirs' property. When a homeowner dies without a will, property passes to all descendants without a clear legal title. Any heir — even a speculator who purchases a small fractional interest — can force a sale at below-market value. Entire family homes have been lost this way. The protection is simple: a will and a living trust. Don't let the absence of a \$1,500 document cost your family a \$300,000 asset.

FEATURE • TOPIC 2 OF 2

Your Credit Score Is a Wealth Tool. Treat It Like One.

The difference between a 620 and a 760 credit score on a \$250,000 mortgage is tens of thousands of dollars in interest over the life of the loan. Credit is the bridge between income and ownership. For Black families disproportionately targeted by predatory lenders and locked out of mainstream credit access, rebuilding and strategically managing credit is an act of financial self-determination.

The Five Factors That Drive Your Score

Payment History (35%): The single biggest factor. One missed payment can drop your score 60–100 points. Set every recurring bill on autopay.

Credit Utilization (30%): Keep your balance under 30% of available credit — ideally under 10% for maximum score impact.

Length of Credit History (15%): Older accounts help. Never close your oldest card, even if you don't actively use it.

Credit Mix (10%): A healthy mix of revolving credit (cards) and installment loans (auto, mortgage) signals reliability.

New Inquiries (10%): Each hard pull temporarily lowers your score. Space out credit applications strategically.

Special Purpose Credit Programs: A Door Opening Right Now

Under the Equal Credit Opportunity Act, lenders can create Special Purpose Credit Programs (SPCPs) specifically for historically underserved groups. Twin Cities Habitat for Humanity launched a pilot SPCP with alternative credit requirements and flexible student loan treatment, backed by a \$1 million Fannie Mae grant. Bank of America and Wells Fargo have rolled out similar programs nationally — using rent history, utility bills, and phone payments to qualify buyers turned away by traditional underwriting. If you've been denied a mortgage, ask your lender specifically about SPCP options. Most borrowers who qualify don't know how to ask.

“More than 2 million Black households were mortgage-ready but lacked sufficient credit history to meet traditional requirements for home loans.”

— Freddie Mac Research

YOUR ACTION STEPS THIS MONTH

- 1 Pull your free credit reports at annualcreditreport.com. Dispute any errors immediately — errors affect an estimated 1 in 5 credit reports.
- 2 Research down payment assistance in your state. HUD's database at hud.gov lists every approved program by zip code.
- 3 Ask your lender about Special Purpose Credit Programs (SPCPs) if you've been denied or have limited credit history.
- 4 If you own a home, review your deed. If a parent or grandparent died without a will, consult an estate attorney about heirs' property exposure.
- 5 Recalculate your homeownership savings goal using 3.5% FHA as your target — not the 20% myth.

FROM THE BOOK

Go Deeper This Month

Chapter 1**The Wealth Divide**

The full history of redlining, GI Bill exclusion, and the Tulsa Race Massacre — how the homeownership gap was deliberately built.

Chapter 4**Credit & Debt Strategy**

Complete framework for repairing credit, building a debt payoff plan, and using credit as leverage rather than a liability.

Chapter 8**Structure, Estate Planning & Governance**

Wills, living trusts, heirs' property protections — the legal tools that turn your home into a generational asset.

NEXT MONTH

Entrepreneurship: Building Wealth Through Business Ownership

How to start, fund, scale, and exit a Black-owned business as the cornerstone of your family's wealth strategy.



The Black Family Office • *A Framework for Creating Generational Wealth*

black-familyoffice.com