

Buying While Black

Barriers to Black Homeownership in the Greater Toronto Hamilton Area

Prepared for the Canada Mortgage and Housing Corporation

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Project Partners



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Abstract

Homeownership has traditionally served as a primary avenue for wealth accumulation among Canadian households. However, many Black Canadians still face barriers to homeownership, particularly in the Greater Toronto Hamilton Area (GTHA). With homeownership rates among Black households in the GTHA remaining the lowest (38.9%), compared to 62.3% for racialized groups and 67.9% for non-racialized groups, a significant economic disparity persists. This gap impedes the intergenerational transfer of wealth for Black households, exacerbating existing economic inequalities.

This study promotes improved access to homeownership for Black Canadians as part of a broader effort to confront systemic anti-Black racism in societal and institutional frameworks. Achieving this goal requires comprehensive governmental policies and investments, as well as reforms within the real estate sector, to address and raise awareness of the obstacles confronting potential Black homeowners. Additionally, community-level investments are crucial to empower Black and other racialized groups to participate in wealth accumulation through the housing market and to foster intergenerational prosperity and socioeconomic equity.

Sommaire

L'accession à la propriété a toujours été le principal moyen pour les ménages canadiens d'accumuler un patrimoine. Cependant, de nombreuses personnes noires au Canada se heurtent encore à des obstacles à l'accession à la propriété, surtout dans la région du Grand Toronto et de Hamilton. Le taux de propriétaires-occupants parmi les ménages noirs dans cette région demeure le plus bas, à 38,9 %. Chez les groupes racisés, ce taux s'élève à 62,3 % et chez les groupes non racisés, à 67,9 %. Il s'agit d'une importante disparité économique qui persiste. Cet écart nuit au transfert intergénérationnel du patrimoine des ménages noirs, ce qui aggrave les inégalités économiques existantes.

La présente étude vise l'amélioration de l'accès à la propriété pour les personnes noires au Canada. Cette initiative s'inscrit dans le cadre d'un vaste effort visant à lutter contre le racisme systémique envers les personnes noires dans les cadres sociétaux et institutionnels. Pour ce faire, il faut des politiques et des investissements gouvernementaux complets, ainsi que des réformes dans le secteur de l'immobilier. Ces mesures permettront de s'attaquer aux obstacles que rencontrent les personnes noires susceptibles d'accéder à la propriété et de sensibiliser la population. En outre, les investissements dans les collectivités sont essentiels pour permettre aux personnes noires et aux autres groupes racisés d'accumuler du patrimoine à l'aide du marché de l'habitation. Ils contribuent également à la prospérité intergénérationnelle et à l'équité socioéconomique.

Executive Summary

Black households in the Greater Toronto Hamilton Area (GTHA) contend with a significant homeownership disparity, with an ownership rate of 38.9% compared to 62.3% for other racialized groups and 67.9% for non-racialized groups.¹ This stark contrast perpetuates the wealth divide between Black and non-Black Canadians and thus impedes the intergenerational transfer of wealth for Black households.

This report identifies three key barriers facing Black homebuyers:

1. **Financial Barriers:** Challenges in securing down payments, qualifying for mortgages, and accessing equity.
2. **Financial Literacy and Knowledge about the Homebuying Process:** Limited exposure to the home-buying process, weak financial literacy, and difficulty accessing reliable information.
3. **Racial Discrimination:** Discriminatory treatment when attempting to purchase a home, including more scrutiny on mortgage applications, steering towards racialized neighbourhoods, undervaluation of homes, and rejection of offers without apparent cause.

As part of this study, a survey was launched in 2022 to interview Black individuals who have bought or attempted to buy a home since 2006. Some of the key challenges underscored by the survey results include:

- **Financial Barriers**
 - **49%** reported securing the down payment as a barrier.
 - **39%** reported qualifying for a mortgage as a barrier.
 - **27%** found closing costs prohibitive.
 - **24%** reported existing debt as a barrier.
 - **51%** reported house prices as a barrier
- **Financial Literacy and Knowledge about the Homebuying Process**
 - **42%** reported insufficient knowledge about the home-buying process as a main concern during the home-buying process
 - **10%** reported knowledge of the RRSP Home Buyers' Plan
 - **8%** reported knowledge of the Options for Homes program
- **Racial Discrimination**
 - **22%** reported experiencing racism during house viewings (this percentage is higher among attempted buyers, 33%)

¹ Statistics Canada, 2021

- **18%** cited experiencing racism when setting up a mortgage (this percentage is higher among attempted buyers, 42%)
- **14%** reported experiencing racism when putting in offers (this percentage is higher among attempted buyers, 29%)

1. Financial Barriers

Financial barriers stand as the foremost obstacle confronting Black homebuyers. These constraints curtail the breadth of housing options available to Black homebuyers and restrict their choice of neighbourhoods and communities. Financial barriers affect the quality of homes they can afford and thus mould the social and cultural fabric of these areas. Discriminatory lending practices, historical inequities, and systemic hurdles compound these challenges, further restricting the range of viable housing options accessible to Black homebuyers. Addressing systemic financial barriers is critical to creating more equitable outcomes for Black homebuyers.

2. Financial Literacy and Knowledge about the Homebuying Process

Financial education and access to reliable information represented the second most significant challenge for Black homebuyers. Those interviewed felt that insufficient exposure to the homebuying process, particularly as first-generation homebuyers, limited their ability to make informed decisions. They cited limited connections within the real estate industry and weak financial literacy as additional disadvantages.

In their earnest desire to achieve the dream of homeownership, and dictated by their constrained options, some Black homebuyers may pursue homeownership with financial products, such as resorting to unaffordable financing in the secondary market when purchasing their homes.

3. Racial Discrimination

Black homebuyers cited numerous forms of racism in the homebuying process. Key informants reported that lenders often scrutinized the financial files of Black homebuyers more rigorously than those of other racial groups, creating additional barriers to securing loans. Additionally, there are reports of racial steering practices employed to direct Black homebuyers toward neighbourhoods predominantly populated by racialized communities, perpetuating the false belief that they prefer such areas. These practices reinforce segregation and limit housing choices for Black individuals. Furthermore, homes owned by Black individuals have reportedly been undervalued during appraisals, leading to disparities in property values and potential financial losses. Black homebuyers may face the rejection of their offers without clear justification, indicating systemic bias within the housing market. These discriminatory practices collectively contribute to the systemic inequalities faced by Black individuals seeking homeownership.

The Ontario Real Estate Association (OREA) has also reported a widespread prevalence of racism and discrimination within the sector (OREA, 2022). Primary research revealed that over 90% of Black real estate professionals interviewed encountered some level of discriminatory treatment due to their racial identity.² Perceptions of a lack of professionalism due to racial prejudices have reportedly hindered their ability to perform effectively. Many real estate professionals have also observed barriers to accessing information. Together, these various forms of racism experienced by Black real estate professionals could undermine or limit benefits to their clients.

Recommendations

The report presents a series of recommendations to address systemic barriers to Black homeownership while promoting equitable access for Black Canadians. These recommendations guide various stakeholders—government, professional organizations, the private sector, nonprofit organizations, and community groups—to actively support solutions that can enhance Black homeownership in the Greater Toronto and Hamilton Area (GTHA):

Recommendations	Actors
<ul style="list-style-type: none"> ● Increase Diversity and Awareness within the Real Estate Profession <ul style="list-style-type: none"> ○ Recruit more Black professionals across the Real Estate Profession ○ Raise Awareness of Anti-Black Racism within the Homebuying Process 	(professional organizations, private sector)
<ul style="list-style-type: none"> ● Increase the collection of Disaggregated Race-Based Data in Real Estate <ul style="list-style-type: none"> ○ Mandate the collection of disaggregated race-based mortgage loan data by lending institutions ○ Make disaggregated race-based mortgage loan data accessible to the public ○ Introduce legislation encouraging financial institutions to meet the credit needs of the communities in which they do business, including low- and moderate-income (LMI) neighbourhoods. 	(government, lending institutions)
<ul style="list-style-type: none"> ● Improve Financial Access <ul style="list-style-type: none"> ○ Amend Credit Scoring Metrics to remove discriminatory impacts on Black homebuyers. ○ Increase access to affordable loans. 	(government, lending institutions, non-profit)

²Female practitioners in the industry reported frequent experiences of racial discrimination from both non-Black peers and clients. They shared instances of feeling pressured to alter their hair and appearance to conform to the expectations of the majority White peers and clientele.

<ul style="list-style-type: none"> ○ Expand access to financial tools to save for homeownership, such as matched savings programs and tax credits. 	organizations)
<ul style="list-style-type: none"> ● Promoting Knowledge and Awareness <ul style="list-style-type: none"> ○ Invest in a comprehensive platform to broaden awareness of programs to support home ownership ○ Invest in Black-led homeownership coaching and counselling programs to create more resources to assist young Black individuals and families ○ Allocate resources to bolster Black-led organizations' ability to disseminate educational resources for prospective Black homebuyers 	(government, professional organizations, non-profit organizations, community-based organizations)
<ul style="list-style-type: none"> ● Invest in the Black Housing Ecosystem <ul style="list-style-type: none"> ○ Invest in a Black Home Ownership Fund ○ Introduce funding programs that support the scaling of Black-led development firms and Black-led, Black-serving organizations building housing. ○ Amend lending practices and credit policies to provide more equitable access to capital for small-scale developers. ○ Sustain collaborative, multi-sectoral, Black-led housing entities that seek to build up the Black housing economy. 	(government, lending institutions)

Résumé

Les ménages noirs de la région du Grand Toronto et de Hamilton se heurtent à une importante disparité en matière d'accession à la propriété. Le taux d'accession à la propriété chez cette population est de 38,9 %, contre 62,3 % chez les autres groupes racisés et 67,9 % chez les groupes non racisés³. Ce contraste marqué perpétue l'écart de richesse entre la population noire et le reste de la population au Canada et empêche les ménages noirs de transmettre un patrimoine d'une génération à l'autre.

Le rapport relève trois catégories d'obstacles majeurs que rencontrent les personnes noires qui accèdent à la propriété.

4. **Obstacles financiers** : Difficulté à obtenir une mise de fonds, à être admissible à un prêt hypothécaire et à accéder à des actifs.
5. **Littératie financière et connaissance du processus d'achat d'une habitation** : Exposition limitée au processus d'achat d'une habitation, faible littératie financière et difficulté d'accès à des renseignements fiables.
6. **Discrimination raciale** : Traitement discriminatoire lors de l'achat d'une habitation, ce qui peut prendre les formes suivantes : examen approfondi des demandes de prêt hypothécaire, choix de quartier où la population est majoritairement racisée, sous-évaluation des habitations ou rejet d'offres sans motif apparent.

Dans le cadre de l'étude, un sondage a été lancé en 2022 pour interroger des personnes noires qui ont acheté ou tenté d'acheter une habitation depuis 2006. Voici quelques-uns des principaux défis qui en ressortent :

- **Obstacles financiers**
 - 49 % ont indiqué que l'obtention de la mise de fonds constituait un obstacle.
 - 39 % ont déclaré que l'admissibilité à un prêt hypothécaire constituait un obstacle.
 - 27 % ont trouvé les frais de clôture prohibitifs.
 - 24 % ont indiqué que les dettes existantes constituaient un obstacle.
 - 51 % ont indiqué que les prix des habitations constituaient un obstacle.
- **Littératie financière et connaissance du processus d'achat d'une habitation**
 - 42 % ont indiqué que c'est le manque de connaissances sur le processus d'achat d'une habitation qui leur a principalement nui.
 - 10 % ont dit connaître le Régime d'accession à la propriété.
 - 8 % ont déclaré connaître le programme d'Options for Homes.
- **Discrimination raciale**

³ Statistique Canada, 2021.

- **22 %** ont déclaré avoir subi du racisme lors de visites d'habitations (ce pourcentage est plus élevé chez les personnes qui ont tenté d'acheter, soit 33 %).
- **18 %** ont déclaré avoir subi du racisme au moment de contracter un prêt hypothécaire (ce pourcentage est plus élevé chez les personnes qui ont tenté d'acheter, soit 42 %).
- **14 %** ont déclaré avoir subi du racisme lors de la présentation d'offres (ce pourcentage est plus élevé chez les personnes qui ont tenté d'acheter, soit 29 %).

4. Obstacles financiers

Les obstacles financiers sont le principal frein à l'accession à la propriété pour les personnes noires. Ces contraintes réduisent l'étendue des options de propriétés disponibles qui s'offrent à elles et limitent leur choix de quartiers et de collectivités. Les obstacles financiers nuisent à la qualité des logements qu'elles peuvent se payer et façonnent ainsi le tissu social et culturel de ces régions. Les pratiques discriminatoires en matière d'octroi de prêts, les inégalités historiques et les obstacles systémiques aggravent ces défis. Cette situation ne fait que restreindre davantage l'éventail d'options viables de propriétés accessibles à la population noire. Il faut absolument s'attaquer aux obstacles financiers systémiques pour que les personnes noires qui achètent une propriété obtiennent des résultats équitables.

5. Littératie financière et connaissance du processus d'achat d'une habitation

L'éducation financière et l'accès à des renseignements fiables représentaient le deuxième défi en importance pour les personnes noires qui accèdent à la propriété. Les gens interrogés étaient d'avis que le manque d'information sur le processus d'achat d'une habitation, surtout chez la première génération d'acheteurs, limitait leur capacité à prendre des décisions éclairées. Ils ont mentionné comme autres désavantages le manque de relations dans le secteur de l'immobilier et de faibles connaissances financières.

Dans leur désir sincère de réaliser leur rêve d'accéder à la propriété, certaines personnes noires peuvent se tourner vers des produits financiers qui ne correspondent pas à leur réalité financière. Par exemple, elles peuvent avoir recours à du financement inabordable sur le marché secondaire. Le manque de littératie financière chez les personnes noires qui accèdent à la propriété, combiné à l'aspiration généralisée à l'accession à la propriété, peut les amener à prendre des décisions financières imprudentes.

6. Discrimination raciale

Les personnes noires qui accèdent à la propriété ont fait état de nombreuses formes de racisme dans le processus d'achat. Les principaux intervenants ont indiqué que les prêteurs examinaient souvent les dossiers financiers des personnes noires qui accèdent à la propriété plus rigoureusement que ceux des autres groupes raciaux. Il en résulte des obstacles supplémentaires à l'obtention d'un prêt. En outre, on signale des pratiques qui visent à orienter les personnes noires vers des quartiers majoritairement composés de groupes racisés. De cette

façon, on perpétue la fausse croyance qu'elles préfèrent ce type de quartiers. Ces pratiques renforcent la ségrégation et limitent les choix de logement de la population noire. De plus, les habitations appartenant à des personnes noires auraient été sous-évaluées, ce qui aurait entraîné des disparités dans la valeur des propriétés et des pertes financières potentielles. Les personnes noires peuvent voir leurs offres rejetées sans justification claire, ce qui indique un préjugé systémique au sein du marché de l'habitation. Ces pratiques discriminatoires contribuent collectivement aux inégalités systémiques que connaissent les personnes noires qui cherchent à accéder à la propriété.

L'Ontario Real Estate Association a aussi signalé une tendance généralisée au racisme et à la discrimination au sein du secteur (Ontario Real Estate Association, 2022). Selon une recherche primaire, plus de 90 % des professionnels noirs de l'immobilier interrogés ont subi un traitement discriminatoire en raison de leur identité raciale⁴. La perception d'un manque de professionnalisme attribuable à des préjugés raciaux a apparemment nui à leur capacité d'exercer leurs fonctions efficacement. De nombreux professionnels de l'immobilier ont également observé des obstacles d'accès à l'information. Combinées, ces diverses formes de racisme subies par les professionnels noirs de l'immobilier pourraient compromettre ou limiter les avantages pour leur clientèle.

Recommandations

Le rapport présente une série de recommandations visant à lever les obstacles systémiques à l'accession à la propriété des personnes noires, tout en favorisant un accès équitable pour ce groupe de la population. Ces recommandations servent à divers intervenants, à savoir le gouvernement, les organisations professionnelles, le secteur privé, les organismes sans but lucratif et les groupes communautaires. En effet, elles les guident dans la recherche active de solutions susceptibles d'améliorer l'accès à la propriété des personnes noires dans la région du Grand Toronto et de Hamilton.

Recommandations	Acteurs
<ul style="list-style-type: none"> ● Accroître la diversité et la sensibilisation au sein de la profession immobilière. <ul style="list-style-type: none"> ○ Recruter un nombre accru de professionnels noirs dans la profession immobilière en général. ○ Promouvoir la lutte contre le racisme envers les personnes noires dans le processus d'achat d'une habitation. 	Organismes professionnels et secteur privé

⁴ Les professionnelles du secteur ont signalé avoir fréquemment vécu de la discrimination raciale de la part de leurs pairs et de leurs clients non noirs. Elles ont évoqué des cas où elles se sont senties obligées de modifier leur coiffure et leur apparence pour se conformer aux attentes de leurs pairs et de leurs clients, majoritairement blancs.

<ul style="list-style-type: none"> ● Accroître la collecte de données désagrégées sur le groupe racial dans le secteur immobilier. <ul style="list-style-type: none"> ○ Obliger les institutions prêteuses à recueillir des données désagrégées sur les prêts hypothécaires fondées sur le groupe racial. ○ Rendre accessibles au public les données désagrégées sur les prêts hypothécaires fondées sur le groupe racial. ○ Proposer des lois pour encourager les institutions financières à répondre aux besoins en matière de crédit des groupes qu'elles servent, y compris les quartiers à revenus faibles ou modestes. 	Gouvernement et institutions prêteuses
<ul style="list-style-type: none"> ● Améliorer l'accès aux produits financiers. <ul style="list-style-type: none"> ○ Modifier les mesures de notation financière pour éliminer les répercussions discriminatoires sur les personnes noires qui achètent une habitation. ○ Accroître l'accès à des prêts abordables. ○ Élargir l'accès aux outils financiers permettant d'épargner en vue d'accéder à la propriété, comme les programmes d'épargne de contrepartie et les crédits d'impôt. 	Gouvernement, institutions prêteuses et organismes sans but lucratif
<ul style="list-style-type: none"> ● Promouvoir l'éducation et la sensibilisation. <ul style="list-style-type: none"> ○ Investir dans une plateforme exhaustive pour mieux faire connaître les programmes de soutien à l'accession à la propriété. ○ Investir dans des programmes d'accompagnement et de consultation pour l'accession à la propriété dirigés par des personnes noires pour générer davantage de ressources afin d'aider les jeunes personnes et les familles noires. ○ Affecter des ressources pour renforcer la capacité des organisations dirigées par des personnes noires à diffuser des ressources éducatives pour les potentiels acheteurs noirs. 	Gouvernement, organisations professionnelles, organismes sans but lucratif et organismes communautaires
<ul style="list-style-type: none"> ● Investir dans l'écosystème du logement de la communauté noire. <ul style="list-style-type: none"> ○ Investir dans un fonds pour l'accession à la propriété destiné à la population noire. ○ Instaurer des programmes de financement qui soutiennent l'expansion des sociétés d'aménagement dirigées par des personnes noires et des organisations de construction résidentielle au service des personnes noires et dirigées par celles-ci. 	Gouvernement et institutions prêteuses

- | | |
|--|--|
| <ul style="list-style-type: none">○ Modifier les pratiques d’octroi de prêts et les politiques de crédit afin d’offrir un accès équitable au capital aux petits promoteurs.○ Soutenir les entités de logement collaboratives, multisectorielles et dirigées par des personnes noires qui cherchent à renforcer l’économie du logement de la communauté noire. | |
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Errata in web hyperlinks

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Prepared for Canada Mortgage and Housing Corporation

Prepared by Dr. Nemoy Lewis and Abigail Moriah

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Section 1: Introduction

Homeownership has traditionally served as a cornerstone for households to amass wealth within Canadian society. Yet, for many Black Canadians, home ownership remains largely out of reach. Black households in the Greater Toronto Hamilton Area (GTHA) exhibit low homeownership rates, currently 38.9%, in stark contrast to other racialized groups (62.3%) and non-racialized groups (67.9%).¹ As homeownership continues to serve as the primary avenue for building wealth, this pronounced disparity exacerbates the broader wealth gap between Black and non-Black Canadians. It thus impedes the intergenerational transfer of wealth and perpetuates economic inequality within Black communities. Addressing these inequities is crucial not only for fostering economic justice but also for dismantling systemic barriers that hinder equitable access to wealth-building opportunities across diverse racial and ethnic groups in Canada.

For many Canadians, the pursuit of homeownership presents a formidable challenge. This endeavour is compounded by various factors, including the daunting task of amassing the requisite savings for a substantial down payment and navigating the complexities involved in accessing reliable information about the intricacies of the home-buying process.

Research on the home-buying experience of Black Canadians remains a vastly underexplored area of inquiry within the Canadian context. In fact, research into Black homeownership in Canada has seen little advancement since the early 2000s, when the seminal study conducted by Darden and Kamel in 2000 appeared. Their investigation primarily utilized census data from Statistics Canada to scrutinize the disparity in homeownership rates between Black and White Canadians.² However, a significant gap in this research is the absence of qualitative methods, such as interviews with prospective Black homebuyers, current homeowners, or real estate professionals. This omission represents a critical gap in our understanding of the complex challenges faced by Black Canadians in their pursuit of homeownership. Furthermore, the lack of thorough policy analysis further limits insights into how housing policies influence the housing outcomes of Black Canadians, contributing to a substantial void in our comprehension of the factors shaping Black homeownership in Canada. Addressing these knowledge gaps through rigorous empirical research and comprehensive policy analysis is imperative for informing evidence-based interventions that promote equitable access to homeownership for all Canadians, and foster inclusive housing policies and practices.

In this report, we explore the obstacles that hinder homeownership for Black Canadians using a mixed-method approach that incorporates statistical analysis, survey data, and qualitative interviews with Black homebuyers and real estate professionals.

¹ Statistics Canada. 2021. This references cross-tabulated data, see Appendix F for the full chart.

² Darden, Joe T., and Sameh M. Kamel. 2000. "Black and White Differences in Homeownership Rates in the Toronto Census Metropolitan Area: Does Race Matter?" *The Review of Black political economy* 28 (2):pp. 53-76. doi: 10.1007/s12114-000-1017-6

The research aims to investigate the following:

- The role real estate professionals play in shaping access to homeownership for Black individuals
- Factors influencing the homeownership experiences of Black households in the Greater Toronto Area
- Elements contributing to the discriminatory barriers to homeownership among Black households

The research findings and recommendations in this report offer profound insights into all levels of government and departments, the private sector, non-profit organizations, and community-based groups regarding the complex challenges encountered by Black Canadians. These insights serve as critical foundations for developing evidence-based policy initiatives to strategically address these challenges. By leveraging policy to address disparities in homeownership, the report aims to heighten public awareness about the distinct obstacles confronting Black households. Furthermore, it strives to foster a deeper understanding among policymakers, regulators, and stakeholders of the systemic issue of anti-Black racism within the Canadian housing market and the specific barriers impeding Black households in their pursuit of homeownership.

This research study is funded by the Canada Mortgage Housing Corporation (CMHC) through the National Housing Strategy Research and Planning Fund. The proposed research project aligns with the following NHS Priorities:

- **Balanced Supply of Housing:** The research provides a better understanding of Canadians' diverse housing needs and supports projects that deliver affordable home ownership options. It will help inform policies and programs that reduce the homeownership gap between Black and white households and increase home ownership in the Black community.
- **Sustainable Housing and Communities:** The research will contribute to the social sustainability focus by exploring the resources and programs needed to help the Black community gain improved access to better housing and ownership options in new housing developments, including housing in mixed-tenure or mixed-use developments.

Section 2: Literature review

2.1 Contextualization of Anti-Black Racism

Advocating for greater investment to enhance homeownership access for Black Canadians must be contextualized within the broader historical framework of anti-blackness and racism in Canada. Additionally, these calls should be situated within the larger economic context, which includes rising interest rates, growing labour market precarity, and significantly inflated home values across the region.

A significant aspect of this challenge arises from the fact that the experiences and available data concerning Black Canadians are often conflated within the broader category of racialized individuals, commonly referred to as "visible minorities" in the Canadian context.⁷ However, this conflation obscures the historical and social nuances, as well as the distinctive challenges and barriers confronted by Black Canadians within this overarching classification.⁸

Consequently, there is a growing demand from scholars and advocates to differentiate between racism and anti-Black racism, with the aim of capturing the distinct experiences of racism faced by Black individuals and recognizing the diverse manifestations of it.⁹ Anti-Black racism, introduced in scholarship by Dr. Akua Benjamin, refers to the specific systemic racism - the practices, policies and procedures embedded within institutions - experienced by people of Black-African descent, i.e., Black individuals. These "attitudes, prejudice, stereotyping and/or discrimination towards people of Black-African descent" are rooted in global and Canadian historical and present practices.¹⁰

In his forthcoming scholarly contribution, sociologist Carl James advances the conceptualization of anti-Black racism as going beyond individual biases or actions. Instead, James underscores the necessity for scholars, policymakers, and advocates to recognize anti-Black racism as a complex phenomenon deeply woven into the fabric of societal structures.¹¹ James's conceptualization urges a reappraisal of how we address racial injustice, emphasizing the need to address systemic inequalities embedded within societal frameworks. He argues that anti-Black racism is not merely a series of isolated incidents. Rather, it '...is grounded in a social construction (or stereotypes) of Black people—using race as represented by skin colour,

⁷ Stapleton, John, Carl James, and Kofi Hope. 2019. *The Working Poor in the Toronto Region: A closer look at the increasing numbers*. Toronto, ON: Metcalf Foundation

⁸ Ibid.

⁹ Jung, Moon-Kie, and João H. Costa Vargas. 2021. "Antiblackness of the Social and the Human" In *Antiblackness* edited by Moon-Kie Jung and João H. Costa Vargas, pp. 1-10. Durham: Duke University Press; Stapleton and Hope, *"The Working Poor"*

¹⁰ <https://www.toronto.ca/legdocs/mmis/2017/ex/bgrd/backgroundfile-109126.pdf>

¹¹ James, Carl E. 2023. "'Not a tangible asset': What keeping Canada white has meant for its enrichment" In *Reading sociology: Decolonizing Canada*, edited by Johanne Jean-Pierre, Vanessa Watts, Carl E. James, Patrizia Albanese, Xiaobei Chen and Michael Graydon. Don Mills, Ontario: Oxford University Press.

hair texture, facial features, and other characteristics—to define them.¹² By shedding light on the systemic underpinnings of anti-Black racism, James challenges us to confront the structural barriers perpetuating racial discrimination.¹³ His insights underscore the importance of collective action to dismantle these systemic injustices and create a more equitable society for all individuals.

However, it is important to recognize that anti-Black racism alone cannot account for the significant disparities in income levels. Researchers must also consider other factors, such as educational attainment and generational differences.¹⁴ James' research underscores that Black Canadians often have lower rates of post-secondary enrollment and degree attainment, which can significantly hinder their ability to obtain the necessary qualifications for securing higher-paying jobs.¹⁵ This, in turn, exacerbates their challenges in managing the rising burden of mortgage debt required to purchase a home, particularly in cities like Toronto. Therefore, a comprehensive approach that considers a range of intersecting factors beyond racism alone is crucial in understanding and addressing the challenges faced by Black Canadians.

Calls for enhanced homeownership access for Black Canadians should thus be pursued responsibly and within the broader context of dismantling the anti-Black logic entrenched in societal and institutional structures. This approach is crucial if we are to ensure that Black Canadians not only secure access to homeownership but also gain entry into careers with equitable compensation, enabling them to attain the financial resources necessary not only to achieve homeownership but also to sustain it and thrive as successful homeowners.

Having established the essential groundwork to develop a full comprehension of the financial burdens weighing upon Black Canadians and their aspirations for homeownership, it is incumbent upon us to further explore the intricate way in which finance intersects with housing options and geographic constraints for Black homebuyers in the Greater Toronto Hamilton Area.

2.2 Financial Barriers

The acquisition of a home is often regarded as the most substantial financial commitment an individual will undertake in their lifetime. Homeownership represents far more than mere property possession; it symbolizes a pathway through which households cultivate wealth and engage in what is commonly termed “asset building” and “asset accumulation.”¹⁶ During the

¹² James, Carl E. In Press “Anti-Racist and Decolonial Struggles in the Contemporary University.” In *Caught in the Vortex of Racial Inequity: Black Students’ Experiences on University Campuses*, edited by A. Da Costa, S. Patel and P. Johnson. Edmonton, Alberta University of Alberta Press.

¹³ Ibid.

¹⁴ James, Carl E. 2021. *Colour matters: essays on the experiences, education, and pursuits of Black youth*. Toronto, ON: University of Toronto Press.

¹⁵ James, Carl, and Tana Turner. 2017. *Towards Race Equity In Education: The Schooling of Black Students in the Greater Toronto Area*. Toronto, ON: York University

¹⁶ Belsky, Eric S., Christopher E. Herbert, Jennifer H. Molinsky, and Studies Harvard University. Joint Center for Housing. 2014. *Homeownership built to last: balancing access, affordability, and risk after the housing crisis*. Washington, D.C: Brookings Institution Press.

1990s, the United States government extensively championed homeownership as a means to lift low-income and racialized households out of poverty, initiating the process of wealth accumulation to break the relentless cycle of impoverishment.¹⁷ Likewise, within Canada, certain advocates passionately argue that improved governmental policies and investments are imperative to afford Black and other racialized groups the opportunity to generate wealth from the housing market, thereby enabling them to partake in the intergenerational advancement that has historically benefited their white counterparts.¹⁸ Even some going as far as to say:

After years of limited attention to making housing more affordable, municipal, provincial and federal governments are all trying to address the affordability gap with new investments. However, most of this funding is earmarked for new rental housing — which will do a lot to house more Canadians — but do nothing to provide racialized people with the kind of opportunities for multi-generational advancement that history has afforded their white counterparts.¹⁹

Nevertheless, numerous Canadians, especially Black Canadians, face a multitude of obstacles in their pursuit of homeownership. Among these challenges, financial barriers loom large as a significant impediment. For Black Canadians, these hurdles manifest themselves in various forms, ranging from insufficient income to meet mortgage obligations to inadequate earnings for accumulating the down payment needed to secure a home in their desired location, particularly in coveted and costly housing markets. Yet, while numerous studies highlight finance as a formidable barrier impeding the homeownership aspirations of Black buyers, they often fail to fully contextualize it within a broader social and historical context marked by the pervasive influences of racism and racialization.²⁰

Instead, these studies tend to attribute the financial hurdles experienced by Black people to personal deficiencies without adequately considering the influence of factors such as income inequality and labour market discrimination on their disproportionately low rates of homeownership. Scholarly research has shed light on the fact that the financial obstacles faced by Black Canadians are not simply a result of personal deficiencies. Instead, they are deeply entrenched within a social and labour system historically steeped in anti-Blackness, racism, and inequality.²¹ It is crucial to recognize that these challenges are not isolated incidents but are

¹⁷ Ibid.

¹⁸ Olowolafe, Isaac, and Ene Underwood. 2020. "Black families are being left out of home ownership." *Toronto Star* November 23rd 2020 https://www.thestar.com/opinion/contributors/black-families-are-being-left-out-of-home-ownership/article_a4998880-c18a-5ddc-b8cd-cea66d5d35.html; Underwood, Ene. 2022. "Why Black Homeownership Matters." *Medium* February 28th 2022.; Hall, Wes, and Dahabo Ahmed-Omer. 2022. "Opinion: Opening the door to homeownership for more Black Canadians." *National Post* March 1st 2022 <https://nationalpost.com/opinion/opinion-opening-the-door-to-homeownership-for-more-black-canadians>

¹⁹ Olowolafe and Underwood, "Black families left out of homeownership"

²⁰ Consult, Morning. 2022. 2022 Obstacles to Home Buying. National Association of Realtors; Perry, Vanessa Gail, Michelle Aronowitz, Jung Choi, Edward Golding, Morgan Green, Richard Green, Maurice Jourdain-Earl, Ashlyn A. Nelson, Lisa Rice, and Lauren Rhue. 2020. 2020 State of Housing in Black America: Challenges Facing Black Homeowners During the COVID-19 Pandemic and An Agenda for Public Policy National Association of Real Estate Brokers; Taplin-Kaguru, Nora E. 2021. *Grasping for the American dream: racial segregation, social mobility, and homeownership*: Routledge.

²¹ Block, Sheila, and Grace-Edward Galabuzi. 2019. Canada's Colour Coded Income Inequality. Toronto, ON: Canadian Centre for Policy Alternatives; Stapleton and Hope, "The Working Poor".

rather symptomatic of broader systemic injustices. Consequently, these factors have led to the exacerbation of income disparities, contributing significantly to the widening wealth gap between Black Canadians and other racialized and non-racialized counterparts. By acknowledging the historical and structural dimensions at play, we can begin to address the underlying causes of financial disparities and strive to dismantle the institutional barriers perpetuating inequality in homeownership for Black Canadians.

Illustrating this point, a 2019 study by Sheila Block and Grace-Edward Galabuzi revealed marked discrepancies in employment income in Ontario among racialized and non-racialized workers.²² Moreover, this gap is particularly pronounced when gender dynamics are considered. For instance, census data indicates that in Ontario, racialized women earn only 58 cents for every dollar earned by non-racialized men.²³ Conversely, although the gap is slightly narrower for non-racialized women, they still earn 69 cents for every dollar earned by non-racialized men in 2015, compared to 63 cents ten years earlier.²⁴ However, addressing these formidable challenges demands a nuanced and tailored approach, as succinctly advocated by Sheila Block and Grace-Edward Galabuzi, which emphasizes:

Addressing the labour market discrimination faced by racialized workers will require a deeper understanding of racism and the different ways it is manifested in the labour market for different racialized groups. That understanding needs to be used to shape policy to address these different barriers and forms of discrimination.²⁵

The limitations imposed by financial barriers not only influence the type of housing accessible to Black individuals but also dictate the neighbourhoods and communities they can realistically consider. This confluence of factors imposes a nuanced set of challenges, shaping not just the quality of homes one can afford but also the social and cultural fabric of neighbourhoods. Moreover, the impact extends beyond mere affordability concerns. Discriminatory lending practices, historical inequities, and systemic barriers compound these challenges, further constricting the scope of available housing options for Black homebuyers. As a result, the pursuit of homeownership transcends mere financial calculations, intersecting with broader socio-economic dynamics and historical legacies. In essence, understanding the intricate nexus between finance and housing options is crucial for illuminating the complexities of the Black Canadian experience in navigating the real estate landscape. By acknowledging these multifaceted constraints, we can strive towards fostering more inclusive and equitable pathways to homeownership for all members of society.

Credit constraints or gaining access to loans is another barrier to access and success in homeownership for Black Canadians. Historically, Black Canadians and other racialized groups were regarded as high risk for a variety of reasons. Evidence of this is a practice commonly referred to as redlining, in which banks and insurance companies refuse to grant loans or

²² Block, Sheila, and Grace-Edward Galabuzi. 2019. *Canada's Colour Coded Income Inequality*. Toronto, ON: Canadian Centre for Policy Alternatives.

²³ Ibid.

²⁴ Block and Galabuzi, "*Canada's Colour Coded Income Inequality*"

²⁵ Block and Galabuzi, "*Canada's Colour Coded Income Inequality*" 6.

provide insurance coverage in areas deemed high-risk, particularly Black neighbourhoods.²⁶ The introduction of the Home Owners' Loan Corporation (HOLC) helped institutionalize redlining by prescribing the use of colour-coded maps of more than 200 U.S. cities to guide the everyday practice of issuing loans.²⁷ As a result, such everyday business practices and policies helped to stigmatize Black geographies and classify them as a threat to real estate development. This vilifying depiction of Black urban spaces reflected the fears of white middle and upper-class households' of how a stigmatized territory would impact their investment.²⁸ However, it is crucial to recognize that these depictions are not confined to particular historical periods. Instead, these discriminatory practices serve as the bedrock upon which persistent discriminatory practices are built, evolving and adapting to align with the prevailing political, economic, and social climate. Despite the subprime mortgage debacle in the United States, which precipitated substantial losses in wealth for Black and Hispanic homeowners due to the foreclosure fallout, discriminatory practices persist within the lending sector.

In 1975, the United States began implementing mechanisms to monitor racial discrimination, such as the Home Mortgage Disclosure Act (HMDA), which mandates the collection of disaggregated race-based mortgage loan data from banks. This means the data are readily accessible to the public.²⁹ The primary objective of this act was to promote transparency and utilize data to discern whether lenders are adequately serving the housing needs of their communities.³⁰ In contrast, Canada lacks similar federal requirements. This poses significant challenges for gathering the necessary evidence to evaluate lending practices of federally regulated financial institutions in racially and economically disadvantaged communities.

As a result, Canada's lending industry lacks the infrastructure to systematically capture disaggregated race-based data, thereby hindering the comprehensive evaluation of mortgage approval and denial rates across diverse segments of the Canadian population. Disaggregated race-based data—which is collected and analyzed according to individuals' ethnic backgrounds and racial identities—pertains to both quantitative and qualitative information and can reveal nuanced patterns that remain concealed within aggregated datasets.³¹ Over the past decade, scholars and statisticians have spearheaded concerted efforts to disaggregate visible minority data in order to uncover and remedy entrenched social and economic disparities pervasive across Canada.³² In response, the federal government has invested millions to support

²⁶ Hillier, Amy E. 2003. "Redlining and the home owners' loan corporation." *Journal of Urban History* 29 (4):394.

²⁷ Crossney, Kristen B., and David W. Bartelt. 2005. "The legacy of the home owners' loan corporation." *Housing policy debate* 16 (3-4):547-574. doi: 10.1080/10511482.2005.9521555.

²⁸ Lewis, Nemoy K. Under Review "Urbanizing Racial Capitalism: Anti-Black Housing Policies and the Making of Perpetual Urban Crisis." *Annals of the American Association of Geographers*.

²⁹ (CFPB), Consumer Financial Protection Bureau. 2013. Navigating the Market: A comparison of spending on financial education and financial marketing. Washington, D.C. : Consumer Financial Protection Bureau (CFPB).

³⁰ Rogers, Christy, and John A. Powell. 2013. *Where Credit Is Due: Bringing Equity To Credit And Housing After The Market Meltdown*. Lanham, Maryland: University Press of America, Inc.

³¹ Quan, Donna, and Carl James. 2017. "Unlocking Student Potential Through Data " York University, Toronto, Ontario <https://news.yorku.ca/files/Feasibility-Study-Unlocking-Student-Potential-through-Data-FINAL-REPORT-Feb-2017.pdf>.

³² Henry, Frances, Carl E. James, Peter S. Li, Audrey Kobayashi, Malinda Sharon Smith, Howard Ramos, and Dua Enakshi. 2017. *The Equity Myth: Racialization and Indigeneity at Canadian Universities*. First ed. Vancouver: UBC

Statistics Canada in establishing the Center for Gender, Diversity, and Inclusion Statistics to target challenges related to racism, gender gaps, and other systemic barriers faced by diverse population groups.³³

Subsequent to these investments, the government invested more than \$170 million over five years to introduce the Disaggregated Data Action Plan (DDAP), designed to bolster Statistics Canada's representative data collection methods and societal initiatives in addressing pre-existing inequalities and promoting a fair, just, and inclusive society in Canada.³⁴ While DDAP has yielded valuable insights into housing affordability challenges among Canada's diverse renter population across various geographical regions, there remains a notable gap in publicly available data on the lending practices of Canada's financial institutions and other lending entities. Legislation mandating financial institutions to produce annual reports on their lending patterns in communities is critical to identifying which segments of the population are more susceptible to discriminatory lending practices. Establishing such legislation would empower the public and officials to make evidence-based decisions in crafting policies aimed at eliminating discriminatory practices and institutional racism within Canada's lending sector.

The financial challenge Black Canadians face in their pursuit of homeownership is compounded by the unfavourable outcomes Black people face during risk assessments undertaken by lenders to evaluate borrower creditworthiness. This, then, shapes the types of offers extended, the range of products available, and the interest rates applied. Research conducted in the U.S. has shed light on a contributing factor to this heightened risk: Racialized borrowers face limited access to mainstream financing options within their communities. Moreover, the study has highlighted the absence of affordable credit alternatives in racialized communities, placing them at a significant disadvantage in securing more conventional credit options from mainstream financial institutions in the future.

This predicament arises because the available options often consist of what some researchers term "fringe banks," encompassing financial service providers such as payday loan services, pawn shops, rent-to-own furniture stores, and tax-refund advancers, which offer expensive short-term loans.³⁵ As in the U.S., these service providers in Canada are abundant in

Press; Wall, Katherine, and Shane Wood. 2023. "Education and Earnings of Canadian-Born Black Populations. Insights on Canadian Society. Catalogue No. 75-006-X." *Insights on Canadian society*; James, Carl E. 2019. "The Case for The Disaggregation of the "Visible Minority" Data - Panelist " Toronto: A data story on ethnocultural diversity and inclusion in Canada: A discussion with Statistics Canada, Toronto April 2019; Grant, Tavia, and Denise Balkissoon. 2019. "How Canada's racial data gaps can be hazardous to your health: Canada lags far behind other countries in tracking how ethnicity affects the labour market, the justice system and health care. What are policy-makers missing?" *The Globe and Mail* (Online). <https://www.theglobeandmail.com/canada/article-how-canadas-racial-data-gaps-can-be-hazardous-to-your-health-and/>; Arora, Anil. 2019. A Data Story on Ethnocultural Diversity and Inclusion: A Discussion with Statistics Canada. Ottawa, ON, CA: Statistics Canada.

³³ Grant and Balkissoon, "Racial data gap hazardous to health"

³⁴ Statistics Canada, SC. 2023. "Disaggregated Data Action Plan." Statistics Canada, Ottawa, ON. <https://www.statcan.gc.ca/en/trust/modernization/disaggregated-data>.

³⁵ Buckland, Jerry. 2012. *Hard choices : financial exclusion, fringe banks, and poverty in urban Canada*. Toronto: University of Toronto Press.

economically disenfranchised areas of major urban centers that are predominantly occupied by racialized households. Conversely, mainstream financial institutions such as Canada's largest domestic banks—BMO, CIBC, RBC, TD, and Scotiabank—are scarce in the economically disenfranchised areas of Toronto, Winnipeg, and Vancouver.³⁶ Consequently, the lack of access to mainstream financial institutions can pose significant barriers for racialized borrowers seeking access to more affordable financing options due to their lower credit scores. Furthermore, timely payments of payday loans do not contribute to improving borrowers' credit scores. In fact, defaults on these financial instruments are reported only to credit bureaus, alongside loans reported to collection agencies, all of which have adverse effects on credit scores.

Both Canada and the United States employ a credit scoring system reliant on mathematical models to assess a borrower's ability to repay a loan or credit. Despite appearing neutral, these practices continue to yield disparate results that disadvantage Black and other racialized borrowers.³⁷ In this regard, researchers have identified three key variables: payment history, amounts owed, and the type of credit instrument used to assess impacts on racialized communities. Payment history, representing 35% of the score, significantly impacts the credit profiles of many prospective borrowers. However, delinquent payment behaviour is not solely indicative of poor financial habits but is rather a consequence of the riskier loan products that are widely available to Black and other racialized borrowers.³⁸ Consequently, Black borrowers are more likely to have a higher number of late payments on their credit profiles due to the lack of access to more affordable forms of credit. As such, researchers advocate for credit scoring models that incorporate the higher risks associated with these loan products.³⁹

Yet another challenge arises from the length of a borrower's credit history, a factor constituting 15% of one's credit score. Limited access to credit may indirectly disadvantage racialized borrowers, particularly new immigrants with limited credit access. This means that segments of the population are compelled to rely on cash, thereby excluding themselves from cheaper, conventional forms of credit for extended periods until alternative avenues are found to cultivate their credit profile and prove their creditworthiness. Regrettably, research indicates that these circumstances disproportionately affect racialized borrowers.⁴⁰

Finally, the type of credit utilized also plays a role in creating financial barriers, making up 10% of one's credit score. Research conducted in the United States indicates that certain credit instruments are more effective at enhancing credit scores, while others, as previously noted,

³⁶ Chin, Fallce. 2020. "Banking barriers: How the Canadian financial sector excludes Black entrepreneurs, stifling innovation." *CBC Radio* October 31st 2020. <https://www.cbc.ca/radio/costofliving/banking-while-black-1.5780927>.

³⁷ Hartman, Chester W., and Gregory D. Squires. 2013. *From foreclosure to fair lending: advocacy, organizing, occupy, and the pursuit of equitable credit*. New York, NY: New Village Press.

³⁸ Ding, Lei, Roberto G. Quercia, Wei Li, and Janneke Ratcliffe. 2011. "Risky Borrowers or Risky Mortgages Disaggregating Effects Using Propensity Score Models." *The Journal of real estate research* 33 (2):245-278. doi: 10.1080/10835547.2011.12091305; Lewis, Nemoy Kenyatta. 2018. "A Dream Denied: The Fight Against the Mass Eviction of Families in Chicago and Jacksonville, USA." Doctor of Philosophy, Department of Geography and Program in Planning ProQuest Dissertations Publishing (Dissertation/Thesis).

³⁹ Hartman and Squires, "From foreclosure to fair lending"

⁴⁰ Ibid.

such as payday loan providers and other fringe banking services, are unlikely to have a positive impact. Once again, limited access to mainstream service providers imposes a disproportionate disadvantage upon racialized borrowers, thereby impeding their capacity to enhance their creditworthiness and procure mortgages and other substantial credit instruments.

2.3 Financial Literacy and Access to Information

Following the financial crisis in 2008, substantial financial investments, totalling hundreds of millions of dollars, were directed towards bolstering the housing counselling and financial literacy sectors in the United States.⁴¹

In the Canadian context, a similar approach was adopted, with many real estate professionals, business leaders, and community organizations espousing the notion of financial literacy as a pivotal factor or potential remedy for addressing the challenges surrounding homeownership among Black Canadians.⁴² Various levels of government recognized the imperative to invest in financial literacy initiatives.⁴³ The aim was to equip all Canadians with foundational knowledge in essential financial competencies, including the complexities of compounding interest and the ability to accurately assess the true costs associated with loans and diverse credit instruments. This strategic emphasis seeks to cultivate individuals' proficiency in making sound financial decisions, thereby fostering a population that is better equipped to navigate the complexities of personal finance with confidence and prudence.

Despite the progress made, studies have revealed that Canada would need to intensify its efforts to achieve the exemplary financial literacy standards seen in Northern European countries like Denmark, Sweden, and Norway, where the financial literacy rate stands at 71%.⁴⁴ These countries consistently lead global rankings as a result of robust governmental backing and the implementation of comprehensive national strategies for financial education. They maintain their prominent position through proactive measures, including the crafting of regulatory frameworks that ensure equitable access to financial products and services for all consumers. Moreover, they have developed extensive financial education programs and advocacy campaigns to address this critical issue. For instance, both Denmark and Norway have enacted national strategies for financial education, encompassing mandatory initiatives such as integrating financial education into school curricula and conducting financial literacy

⁴¹ (CFPB), Consumer Financial Protection Bureau. 2013. Navigating the Market: A comparison of spending on financial education and financial marketing. Washington, D.C. : Consumer Financial Protection Bureau (CFPB).

⁴² Underwood, Ene. 2022. "Why Black Homeownership Matters." *Medium* February 28th 2022.

⁴³ Vermond, Kira. 2020. "The challenges of introducing financial literacy in Ontario schools." *The Globe and Mail* August 3rd 2020 <https://www.theglobeandmail.com/investing/personal-finance/young-money/article-the-challenges-of-introducing-financial-literacy-in-ontario-schools/>

⁴⁴ Rosenfeld, Jordan. 2022. "Financial Literacy Around the World: Top 10 Countries and the US." *Yahoo News* April 20th 2022 <https://ca.news.yahoo.com/financial-literacy-around-world-top-120017481.html>; Woods, Tanya. 2023. "Opinion: Canada needs to level up on financial literacy to navigate tricky economic times." *Financial Post* November 18th 2023 <https://financialpost.com/news/economy/canada-financial-literacy-navigate-tricky-economic-times>.

campaigns.⁴⁵ Additionally, both countries have allocated dedicated funds to promote financial education within diverse communities across their countries. These initiatives exemplify a proactive approach aimed at equipping citizens with essential financial knowledge and skills.

Tanya Woods proposes that the federal government, facilitated by the Financial Consumer Agency of Canada (FCAC), the custodian of Canada's national financial literacy strategy, spearhead these efforts.⁴⁶ They argue that this recommendation is essential to address prevailing gaps within the Canadian system and foster a more robust and comprehensive approach to financial literacy.⁴⁷

Some provinces have already responded to these appeals. One example is Ontario's introduction of a province-wide financial education program embedded within its revamped elementary math curriculum.⁴⁸ This initiative is designed to impart rudimentary financial skills to elementary school-aged children, spanning from practical knowledge of e-transferring money to the principles of compounding interest rates. The implementation of this mandatory financial initiative in Ontario's elementary schools follows the landmark introduction of the province's inaugural compulsory course on financial literacy in high schools in 2019.⁴⁹ Unlike previous practices, where financial literacy was typically incorporated as a module within elective courses like business or accounting classes, this move reflects a proactive shift. This strategic decision underscores Ontario's commitment to nurturing financial literacy from an early age, setting a precedent for other jurisdictions to follow suit in equipping future generations with essential financial competencies.

The federal government has established a five-year (2021–2026) national framework on financial literacy in Canada through the FCAC, with the explicit goal of safeguarding consumers and bolstering financial literacy efforts. Central to FCAC's mission is breaking down barriers, initiating proactive measures, and fostering collaborative efforts to collectively empower Canadians in developing financial resilience. However, unlike many advocates of financial literacy, the FCAC recognizes that this responsibility does not rest solely on the shoulders of everyday Canadians. As articulated by the FCAC, “to build financial resilience, Canadians need a financial ecosystem that works for them. Improving the financial resilience of Canadians is a shared responsibility, and all stakeholders have a role to play”.⁵⁰ However, it is equally important to delineate the essence of financial literacy. According to the FCAC, financial literacy includes more than just the skills and aptitude for making informed financial decisions; it also encompasses actions or behaviours that yield favourable financial results. Crucially, this implies that the success of financial literacy efforts hinges on empowering consumers to attain outcomes tailored to their individual needs. Financial literacy should enhance individuals'

⁴⁵ OECD. 2015. National Strategies for Financial Education OECD/INFE Policy Handbook OECD.

⁴⁶ Woods, “Canada needs to level up on financial literacy”

⁴⁷ Ibid

⁴⁸ Willis, Lauren E. 2011. “The Financial Education Fallacy.” *The American Economic Review* 101 (3):429-434.

⁴⁹ Vermond, “The challenges of introducing financial literacy in Ontario schools.”

⁵⁰ (FCAC), Financial Consumer Agency of Canada. 2021. Make Change That Counts: National Financial Literacy Strategy 2021 - 2026. Ottawa, ON: Financial Consumer Agency of Canada (FCAC), 5

capacity to achieve their specific objectives rather than achieving generalized results. To be effective, it must be easily understandable, pertinent to individuals' objectives and situations, and implemented at the opportune juncture through customized and validated approaches.

This FCAC initiative, initiated in the 2010s, marked the formal inception of Canada's awareness campaign on financial literacy. Since the launch of its National Financial Literacy Strategy in 2011, the agency has played a pivotal role in developing a plethora of programs and invaluable toolkits aimed at facilitating uniform financial literacy education across the country.⁵¹ This includes the creation of an online National database, available in both official languages, offering a multitude of resources such as finance calculators, educational programs, videos, literature, workshops, games, and information about local events.⁵² These efforts are crucial to fostering a broader awareness of financial literacy throughout Canada.

While the foundation of financial literacy lacks clear and empirically substantiated evidence, advocacy for financial literacy has gained significant traction within Canadian discourse. This advocacy, however, faces criticism from some scholars who argue that it closely aligns with the neoliberal agenda, which prioritizes individualizing risk and assigning personal responsibility for individual freedom and security.⁵³ In this evolution, the concept of home shifted from its traditional and sole role as a haven for shelter and "security of tenure" to an investment asset intricately linked to the global financial market through the securitization of mortgages. In the current political landscape, prospective homebuyers and existing homeowners alike are inundated with messaging, including messages from realtors and other real estate professionals encouraging them to view their homes not only as a place of residence but also as a strategic investment tool for accumulating household wealth.⁵⁴ This trend is propelled by the widespread belief that escalating property values offer a pathway to increase wealth through speculative strategies. For over a century, housing has stood as a cornerstone for wealth generation and the establishment of long-term financial stability for Canadian families. This reliance on real estate is particularly accentuated among younger families aspiring to emulate their parents' wealth accumulation strategies, with real estate constituting nearly 90% of their overall assets. However, this heightened reliance leaves them particularly vulnerable to the volatile fluctuations inherent in Canada's real estate market, as highlighted by Statistics Canada.⁵⁵

⁵¹ Ibid.

⁵² OECD, "National Strategies for Financial Education"

⁵³ Langley, Paul. 2007. "Uncertain Subjects of Anglo-American Financialization." *Cultural critique* 65 (65):67-91. doi: 10.1353/cul.2007.0009.

⁵⁴ Carrick, Rob. 2022. "Our other real estate problem – people have too much wealth tied up in houses." *The Globe and Mail* September 14th 2022 <https://www.theglobeandmail.com/investing/personal-finance/household-finance/article-our-other-real-estate-problem-people-have-too-much-wealth-tied-up-in/>; Lord, Craig. 2022. "Can't buy a home? Here's how to build your wealth outside the housing market." *Global News* October 8th 2022 <https://globalnews.ca/news/9180849/housing-market-wealth-building-stock-investments/>. Olowolafe and Underwood, "Black families left out of homeownership".

⁵⁵ Gauthier, James, and Carter McCormack. 2024. Housing, wealth and debt: How are young Canadians adapting to current financial and housing pressures? Ottawa, ON: Statistics Canada

Economic geographer Paul Langley has extensively investigated this phenomenon to illustrate how technological advancements in finance, along with the pursuit of a neoliberal agenda by the state, have assisted in the formation of self-disciplined subjects for a highly financialized society.⁵⁶ Put simply, these changes have transformed individuals into entrepreneurial subjects capable of assessing and navigating their own risks and rewards. Inherent in this advocacy for financial literacy is an emphasis on personal responsibility and a focus on leveraging financial literacy programs as mechanisms to equip individuals with the requisite skills and resources required to manage their long-term financial security. The momentum driving the advocacy for this educational initiative is fueled, in part, by concerns that Black Canadians are not allocating sufficient funds or investing effectively for retirement planning.⁵⁷ Central to this initiative is the pressing concern surrounding the supposedly low levels of financial literacy within Black households across Canada. Advocates of financial literacy programs assert that this deficiency has far-reaching implications beyond merely obtaining credit or securing a mortgage. Scholars contend that it profoundly impacts individuals' psychological attitudes, shaping their perceptions of the importance of saving for retirement.⁵⁸

Although economics professor Ngina Chiteji's focus on financial literacy originates from the American context, the relevance of her concern extends across our border as well. Central to Chiteji's argument is the imperative to ensure that all citizens possess a foundational skill set that enables them to effectively assess the true cost of home loans, understand the structure of payment terms, and compare offered rates with prevailing market standards.⁵⁹ Moreover, she contends that this is essential for promoting homeownership among historically underrepresented groups and ensuring their success. Nonetheless, she rightly emphasizes that financial education should complement regulatory measures.⁶⁰ Like Chiteji, we contend that it would be more effective for the government to restrict dangerous or predatory financial instruments from the market. While increased knowledge is undeniably beneficial for equipping consumers with the information needed to avoid predatory and exploitative financial instruments, it cannot substitute for robust government protection that safeguards its citizens.⁶¹

Moreover, the rapid pace of financial innovation renders today's knowledge potentially obsolete tomorrow. This places an unjust burden on consumers to catch up, especially when governments themselves may struggle to keep pace with financial sector dynamics.

⁵⁶ Langley, *"Uncertain Subjects of Anglo-American Financialization."*

⁵⁷ Anderson, Natalya. 2021. "The Black wealth gap in Canada: Blockages to building intergenerational wealth have consequences beyond the Black community." *Financial Post*, July 20th 2021.

⁵⁸ Alsemgeest, Liezel. 2015. "Arguments for and against financial literacy education: where to go from here?: Financial literacy education." *International Journal of Consumer Studies* 39 (2):155-161.

⁵⁹ Chiteji, Ngina. 2019. "The Connection Between Segregation, Predatory Lending, and Black Wealth." In *The dream revisited: contemporary debates about housing, segregation, and opportunity in the twenty-first century*, edited by Ellen Ingrid Gould and Steil Justin Peter. New York City, NY: Columbia University Press.

⁶⁰ Ibid.

⁶¹ Chiteji, *"The Connection Between Segregation, Predatory Lending, and Black Wealth."*

Even in the absence of obvious barriers, consumers are not always able to make the right financial decision at the right time. This may be because the financial marketplace is too complex, the number of choices is too confusing, or other factors and decisions compete for consumers' attention and motivation.⁶²

The substantial financial obstacles and a profound desire for homeownership often place many Black Canadians in precarious positions as they strive towards the Canadian dream. This pursuit often compels them to make financial decisions that, while not optimal or economical, are dictated by their constrained options. Driven by a genuine desire to own a home, some may end up choosing financial products that are misaligned with their actual financial circumstances.

Community organizations dedicated to enhancing financial literacy within the Black community offer specialized classes tailored to empowering Black households.⁶³ These organizations have insights into their personal finances and can thereby foster a more informed and empowered approach to financial management. In Canada, these initiatives may include financial counselling integrated into the home-buying process or broader educational programs to impart a wider array of financial and essential decision-making skills to school-aged children. We maintain that educating young people about the intricacies of credit and financial instruments is paramount. Yet, while we recognize the fundamental principle underlying financial literacy programs, evidence indicates that these programs fall short in cultivating positive financial behaviours and attitudes among individuals.⁶⁴ Neither scholars nor policymakers have succeeded in establishing a metric to systematically assess the effectiveness of financial literacy programs.⁶⁵ Furthermore, there exists a noticeable lack of industry standards regarding methodologies for data collection and analysis, as well as a lack of evidence to support the unequivocal attribution of changes in financial behaviours to financial literacy initiatives. Ismail Erturk and colleagues argue that promises of financial literacy can only materialize if citizens in

⁶² (FCAC), Financial Consumer Agency of Canada. 2021. *Make Change That Counts: National Financial Literacy Strategy 2021 - 2026*. Ottawa, ON: Financial Consumer Agency of Canada (FCAC), 16

⁶³ (CAUFP), Canadian Association of Urban Financial Professionals. 2024. "Financial Literacy". Canadian Association of Urban Financial Professionals (CAUFP), accessed August 13th 2024. <https://caufp.ca/programs/financial-literacy/#:~:text=CAUFP%20is%20committed%20to%20developing,well%2Ddesigned%20and%20targeted%20curriculum.>

⁶⁴ Alsemgeest, "Arguments for and against financial literacy education," Ellen, Ingrid Gould, and Justin Steil. 2019. *The dream revisited: contemporary debates about housing, segregation, and opportunity in the twenty-first century*. Edited by Ellen Ingrid Gould and Steil Justin Peter: Columbia University Press; Schuchardt, Jane, Sherman D. Hanna, Tahira K. Hira, Angela C. Lyons, Lance Palmer, and Jing Jian Xiao. 2009. "Financial Literacy and Education Research Priorities." *Journal of Financial Counseling and Planning* 20 (1):84-95.

⁶⁵ (FCAC), Financial Consumer Agency of Canada; Faber, Jacob. 2019. "Segregation and the Financial Crisis: Segregation Exacerbated the Great Recession and Hindered Our Policy Response " in *The dream revisited: contemporary debates about housing, segregation, and opportunity in the twenty-first century*, edited by Ingrid Gould Ellen and Justin Steil. Columbia University Press.

the relevant socio-economic group possess the calculative competence to comprehend various financial products and services.⁶⁶

In the wake of the 2008 housing crisis, a cohort of scholars has emerged offering critical assessments of financial literacy and its renewed political support.⁶⁷ Noteworthy among these dissenting voices is legal scholar Lauren Willis, who contends that the demand for heightened financial literacy has not only grown louder but has also exacerbated underlying issues. Furthermore, she argues that mass educational campaigns are ill-equipped to protect consumers from another financial disaster. The rapid turnover of financial products and practices is proving to be a daunting challenge for financial literacy programs to keep pace with. Alternatively, Willis asserts that to be effective, financial literacy education should be extensive, frequent, and individually tailored.⁶⁸

Willis argues further that the financial regulation-through-education policy model tends to scapegoat distressed borrowers for their difficulties and deflect attention away from demands for market reform and stronger regulatory measures.⁶⁹ Financial literacy initiatives, according to Willis, contribute to the perpetuation of the capitalist system by replicating financial practices and debt relationships that have historically contributed to inequalities and heightened poverty levels in communities of colour. Scholars have gone so far as to criticize financial literacy programs for their failure to contextualize the past failures of the financial system within the broader historical framework of racism that has disproportionately affected Black people and other racialized groups.^{70 71} We contend that racial illiteracy and financial illiteracy are intertwined, whereby individuals are encouraged to disregard historical contexts and embrace erroneous notions of equality within a superficially post-racial societal framework.^{72 73}

⁶⁶ Erturk, Ismail, Julie Froud, Sukhdev Johal, Adam Leaver, and Karel Williams. 2007. "The democratization of finance? Promises, outcomes and conditions." *Review of International Political Economy* 14 (4):553-575.

⁶⁷ Ibid; Willis, Lauren E. 2008. "Against Financial-Literacy Education." *IOWA LAW REVIEW* 94 (1):197-285; Willis, Lauren E. 2011. "The Financial Education Fallacy." *The American Economic Review* 101 (3):429-434; Arthur, Chris. 2012. *Financial literacy education: neoliberalism, the consumer and the citizen*. 1. Aufl. ed. Vol. 53;53.; Rotterdam; Boston; Sense Publishers; Haiven, Max. 2014. *Cultures of financialization: fictitious capital in popular culture and everyday life*. Houndmills, Basingstoke, Hampshire: Palgrave Macmillan; Olen, Helaine. 2013. "Why 'financial literacy' is a bunch of hooey – and why the banks promote it." *The Guardian* April 16th 2013 US Personal Finance Accessed May 24th 2017 <https://www.theguardian.com/money/us-money-blog/2013/apr/16/personal-financial-literacy-capability>; Faber, "Segregation and the Financial Crisis".

⁶⁸ Willis, "The Financial Education Fallacy."

⁶⁹ Willis, "Against Financial-Literacy Education."

⁷⁰ Haiven, "Cultures of financialization: fictitious capital."

⁷¹ Lewis, "A Dream Denied"

⁷² DiAngelo, Robin J. 2012. *What does it mean to be white?: developing white racial literacy*. Vol. 398.;398;. New York: Peter Lang.

⁷³ Giroux, Henry A. 2012. *Disposable youth, racialized memories, and the culture of cruelty*. New York: Routledge.

2.4 Barriers Facing Black Real Estate Professionals

In the Canadian context, the discourse surrounding barriers to homeownership has predominantly centred on the experiences of homebuyers, leaving the narratives of realtors, brokers, and legal practitioners largely unexplored. As a result, there remains a notable void in our understanding of the firsthand experiences of realtors, brokers, and legal practitioners within this field and the consequential ramifications on their capacity to provide optimal client service to Black homebuyers. While numerous studies have meticulously documented the challenges faced by clients navigating these systemic barriers, there remains a palpable dearth of research focused on the experiences of those operating within the real estate profession. This gap persisted until the Fall of 2022 amid fervent calls for a deeper examination of the industry's internal dynamics.

In response, the Ontario Real Estate Association (OREA) issued a pioneering report delineating the widespread prevalence of racism and discrimination within the sector.⁷⁴ This seminal publication marked a watershed moment representing the first work of its kind to illuminate the experience of a cohort of 2,000 agents, thus shedding light on a previously overlooked aspect of the profession.⁷⁵ The research uncovered a stark disparity, revealing that agents identifying as Black, Indigenous, or belonging to other racialized groups, as well as LGBTQ2S+ individuals, were notably more inclined to report instances of discriminatory treatment.⁷⁶ Amidst these revelations, some white realtors have expressed their dissatisfaction with the report's findings, articulating their discontent through angry emails directed at the OREA. Despite resistance, the OREA remained steadfast in its conviction, firmly convinced of the industry's need to address the pervasive issue of racism.⁷⁷ In response to the report, the president of the OREA convened the Presidential Advisory Group (PAG) on Diversity, Equity, and Inclusion (DEI), recognizing it as a paramount initiative to tackle these pressing issues within the sector.

The OREA report uncovers a troubling reality within the real estate sector, where racialized realtors, recount instances of clients refusing to work with them based solely on their racial identity. Astonishingly, the findings underscore that more than a third of racialized realtors have encountered discriminatory treatment attributable to their racial identity. Additionally, the research illuminates a significant trend whereby female practitioners within the industry frequently confront peer-to-peer discrimination.⁷⁸ Moreover, the report underscores the inadequacy of resources and essential infrastructure within the organizing body to tackle instances of racism and discrimination. Consequently, realtors and clients alike find themselves

⁷⁴ (OREA), Ontario Real Estate Association. 2022. *Fighting for Fair Housing: A report from the Ontario Real Estate Association's Presidential Advisory Group On Diversity, Equity and Inclusion*. Toronto, ON: Ontario Real Estate Association (OREA).

⁷⁵ Ibid

⁷⁶ OREA, *"Fighting for Fair Housing"*

⁷⁷ Deschamps, Tara. 2022. "Realtors, consumers facing racism on the job and when buying and selling homes: OREA." *Toronto Star* https://www.thestar.com/business/realtors-consumers-facing-racism-on-the-job-and-when-buying-and-selling-homes-orea/article_5265bab1-fbf6-502d-b3cf-adb969bb9dec.html.

⁷⁸ OREA, *"Fighting for Fair Housing"*

disinclined to report these issues, or worse, are uncertain where to seek assistance out of fear that their concerns will not be adequately addressed.⁷⁹ Furthermore, the research brings to light the parallel experiences of racialized and LGBTQ2S+ clients, who often encounter similar challenges to those faced by racialized real estate professionals. This is exemplified by the grievances expressed by consumers regarding the discriminatory treatment they encounter when attempting to secure mortgage approval for home purchases. In essence, this report serves as a poignant reminder of the entrenched biases that continue to permeate the real estate sector, underscoring the urgent need for systemic change and unwavering commitment to fostering inclusivity and equality for all.

2.5 Racism Facing Black Homebuyers

In the United States, there has been a scarcity of studies aimed at understanding how racism manifests itself within the home-buying process for racialized buyers.⁸⁰ Much of this research has concentrated on the pivotal role of real estate agents, who wield considerable influence over the decisions of their clients. These studies share many commonalities, with one prominent feature being their utilization of matched-pair audits.⁸¹ Through this methodological framework, researchers aim to explain the potential systemic inequities in the dissemination of information by realtors and other intermediaries in the market, such as mortgage brokers and lenders. This methodological framework stands as a pivotal instrument for amassing empirical data to scrutinize whether disparities exist in how real estate professionals engage with buyers of different racial backgrounds.⁸² These inequities materialize in various ways, including the disclosure of information regarding available properties for sale, the accessibility of more favourable conventional financing options, or the geographical areas where realtors choose to show properties to their clientele. Since the start of the millennium, such audits have uncovered that while real estate professionals may not be overtly racist toward racialized individuals, they nevertheless tend to impart more information to their white clients.⁸³ Empirical evidence reveals that Black homebuyers are consistently denied crucial information necessary for securing the most advantageous deals within the housing market, including properties offering optimal value and access to more affordable credit options.⁸⁴ This systematic disparity often steers Black

⁷⁹ Ibid.

⁸⁰ Galster, George, and Erin Godfrey. 2005. "By Words and Deeds: Racial Steering by Real Estate Agents in the U.S. in 2000." *Journal of the American Planning Association* 71 (3):pp. 251-268. doi: 10.1080/01944360508976697; Lake, Robert W. 2012. *The new suburbanites : race & housing in the suburbs*. 1st pbk. ed. ed. New Brunswick, NJ: Transaction Publishers; Oh, Sun Jung, and John Yinger. 2015. "What Have We Learned From Paired Testing in Housing Markets?" *Cityscape (Washington, D.C.)* 17 (3):15-60; Hall, Matthew, Jeffrey M. Timberlake, and Elaina Johns-Wolfe. 2023. "Racial Steering in U.S. Housing Markets: When, Where, and to Whom Does It Occur?" *Socius: sociological research for a dynamic world* 9. doi: 10.1177/23780231231197024.

⁸¹ Besbris, Max. 2021. "Real Estate Agents and Neighborhood Inequalities " In *Upsold: real estate agents, prices, and neighborhood inequality*, edited by Max Besbris, pp. 94-112. Chicago, IL: The University of Chicago Press.

⁸² Ibid.

⁸³ Besbris, "Real Estate Agents and Neighborhood Inequalities"

⁸⁴ Ibid.

homebuyers toward predominantly Black neighbourhoods, inaccurately reinforcing the perception of Black buyers' preference for areas with a similar demographic composition.

These systemic practices resonate with George Lipsitz's concept of a "possessive investment in whiteness" operating as racialized hierarchies within the built environment.⁸⁵ They serve to suppress property values in Black and other racialized neighbourhoods while concurrently inflating property values within racially homogeneous white communities. The work of Liptiz and Harris illustrates how whiteness not only permeates our social structures but has also long been entrenched in public policies that once facilitated the explicit racial segregation of communities.⁸⁶ In the contemporary housing context, these ongoing investments in whiteness perpetuate historical fabrications of Black and other racialized people, which once helped justify racial and economic subjugation.⁸⁷ Thus, research has demonstrated that these practices carry profound implications for Black and other racialized homeowners, significantly hindering their capacity to accumulate wealth and exacerbating existing wealth disparities.⁸⁸

However, such narratives extend beyond the confines of the United States. In fact, *Toronto Life* magazine annually publishes a neighbourhood ranking that highlights the most desirable areas in Toronto.⁸⁹ Interestingly, the neighbourhoods receiving the lowest rankings, indicating lesser desirability, tend to be those with higher levels of diversity and primarily inhabited by Black and other racialized groups.⁹⁰ Conversely, neighbourhoods ranking highest in desirability often exhibit lower diversity levels and are predominantly inhabited by white residents.⁹¹ We contend that these rankings are not only deeply concerning due to their reinforcement of stereotypical perceptions about racialized communities but also because they contribute to the exacerbation of inequalities within real estate markets, thereby further impeding the wealth accumulation of residents in these communities.

In 2023, the editor of the magazine penned a letter entitled *Editor's Letter: The perilous practice of neighbourhood rankings*, in which he defended the longstanding practice by asserting, "There are no bad neighbourhoods in a city as vibrant as Toronto. But, depending on your metrics, some perform better than others."⁹² While we acknowledge the editor's attempt to address potential criticisms of the annual rankings, the letter fails to adequately contextualize the underlying factors that contribute to these rankings. Furthermore, it overlooks an important

⁸⁵ Lipsitz, George. 1995. "The Possessive Investment in Whiteness: Racialized Social Democracy and the "White" Problem in American Studies." *American quarterly* 47 (3):369-387. doi: 10.2307/2713291.

⁸⁶ Ibid; Harris, Cheryl I. 1993. "Whiteness as Property." *Harvard law review* 106 (8):pp.1707-1791. doi: 10.2307/1341787.

⁸⁷ Mullen, Carol A. 2021. *Handbook of Social Justice Interventions in Education*. 1st Edition 2021 ed, Springer International Handbooks of Education. Cham: Springer International Publishing AG; Harris, "Whiteness as Property."

⁸⁸ Besbris, "Real Estate Agents and Neighborhood Inequalities."

⁸⁹ D'Cruz, Andrew. 2013. "The Best Places to Live in the City: A (Mostly) Scientific Ranking of All 140 Neighbourhoods in Toronto." *Toronto Life* August 14th 2013.

⁹⁰ Ibid.

⁹¹ D'Cruz, "The Best Places to Live in the City"

⁹² Johnston, Malcolm. 2023. "Editor's Letter: The perilous practice of neighbourhood rankings." *Toronto Life* October 23rd 2023

examination of the historical legacy of racism within the city and the ramifications of both state and private capital abandonment, which are essential for understanding the dynamics contributing to the lower rankings assigned to racially diverse communities. Despite the existence of this letter, one could argue that the rankings not only perpetuate notions of whiteness but also inflict considerable damage on the reputation and real estate value of these communities.

Studies conducted in the United States have revealed that a considerable number of white real estate professionals, including brokers and realtors, exhibit a reluctance to engage Black and other racialized clients for a variety of reasons.⁹³ For instance, a study focusing on real estate agents operating within the Houston area revealed that white agents were urged to prioritize social networking as an integral aspect of their professional practice, primarily due to its perceived impact on the level of commissions they might earn. Consequently, white real estate agents routinely integrated a racial hierarchy into their daily business operations to maximize their commission earnings, positioning white clients at the top while relegating Black clients to the lower end of the spectrum in terms of perceived value.⁹⁴ For instance, certain white realtors exhibited a strong preference for exclusively serving white clients, driven by the belief that "...Whites were deemed 'high value'...possessing greater financial resources, owning homes of higher market value, exhibiting a deeper understanding of the home buying or selling process, and ultimately expected to present fewer complications in transactions."⁹⁵ In contrast, some white agents were observed to have harbored the belief that Black and other racialized buyers, often stereotyped as having lower incomes or less favourable credit histories, might necessitate their educational intervention regarding the complexities of the home-buying process (Korver-Glenn 2021). Moreover, there was an expectation that these clients would negotiate for reduced commissions. Consequently, these white realtors formulated what Korver-Glenn identifies as a 'racist market rubric' to guide their selection of clients (Korver-Glenn 2021).⁹⁶

Once more, this situation yields significant consequences for Black and other racialized homebuyers, as they are systematically denied access to wealthier white enclaves where property values far exceed those in predominantly Black neighbourhoods, thereby constraining their capacity to achieve the highest level of wealth accumulation possible. Furthermore, akin to previously discussed practices, this perpetuates the preservation of exclusivity and higher property values within predominantly white communities, thereby widening the gap between white and Black homeowners in terms of wealth accumulation. However, it is essential to note that white realtors are incentivized to perpetrate racially biased practices, such as facilitating racially skewed home searches, which contribute to the creation of increasingly segregated residential landscapes. By prioritizing the preferences of white homeowners within their social

⁹³ Robert, W. Lake. 2017. "The Real Estate Agent's Perspective " In *The New Suburbanites: Race and Housing in the Suburbs*, edited by W. Lake Robert, Nine. Taylor and Francis; Korver-Glenn, Elizabeth. 2021. *Race Brokers: Housing Markets and Segregation in 21st Century Urban America*. 1 ed. New York: Oxford University Press.

⁹⁴ Ibid.

⁹⁵ Korver-Glenn, "Race Brokers: Housing Markets and Segregation", 68

⁹⁶ Korver-Glenn, Elizabeth. 2021. *Race Brokers: Housing Markets and Segregation in 21st Century Urban America*. 1 ed. New York: Oxford University Press.

networks, these realtors' actions bolster property values in predominantly white areas while suppressing values in Black and other racialized neighbourhoods. Such discriminatory practices hinder the intergenerational transfer of wealth by potentially impeding their ability to move into white enclaves that have higher rates of property appreciation.

These and other discriminatory practices have resulted in real estate agents specializing in specific submarkets. Research conducted in New York City has shown that this specialization was not arbitrary on the part of realtors.⁹⁷ Instead, realtors often targeted neighbourhoods capable of yielding the highest commissions, typically white homogeneous communities. Some agents sought to justify their actions by asserting that they were primarily focused on serving individuals who shared similar racial characteristics, implying a greater understanding of their needs.⁹⁸ Conversely, they expressed apprehension about working with Black individuals, citing a perceived lack of familiarity and anticipating a greater degree of effort required.⁹⁹ Put differently, white realtors in this context justify their conduct by framing it as an act of efficiency or as a response to the racist inclinations of their clientele, aiming to maximize profits by closing on fewer lucrative deals. This rationale is rooted in the belief held by white realtors that racialized communities yield smaller commissions.

Despite fair housing laws in the US that expressly prohibit such practices, this behaviour persists.¹⁰⁰ Researchers rightfully contend that there is an urgent need for enhanced training to educate realtors and other intermediaries about what constitutes a violation of these laws, irrespective of their client's preferences.¹⁰¹ While education represents a crucial component, it alone cannot resolve this issue, given the substantial role housing plays in household wealth accumulation. Instead, researchers advocate for market interventions aimed at disassociating an individual's financial interests from their residential location.¹⁰² This approach reframes the concept of a home, treating it not merely as an asset but as a fundamental provision of shelter, security, and protection from adverse weather conditions. Although these critical issues are extensively addressed within the US context, they prompt further inquiry into their manifestation within the Canadian landscape. We assert that there is no better time than the present to commence an exploration of these issues, given their profound implications for Black homebuyers and homeowners.

⁹⁷ Besbris, *"Real Estate Agents and Neighborhood Inequalities"*

⁹⁸ Ibid.

⁹⁹ Besbris, *"Real Estate Agents and Neighborhood Inequalities"*

¹⁰⁰ Besbris, *"Real Estate Agents and Neighborhood Inequalities;"* Gotham, Kevin Fox. 2014. *Race, real estate, and uneven development : the Kansas City experience, 1900-2010*. Second edition. ed. Albany: State University of New York Press; Lewis, *"A Dream Denied"*

¹⁰¹ Besbris, *"Real Estate Agents and Neighborhood Inequalities"*

¹⁰² Ibid.

Section 3: Methodology

Ontario is home to more than half of the Black Canadian population, with 442,015 individuals (36.9%) residing within the Toronto Census Metropolitan Area (CMA).¹⁰³ We chose to focus our study on the GTHA due to the significant population of Black Canadians within the CMA. However, we suggest that future research endeavours expand the scope to include other major cities across the country.

The methodology employed for this research comprises a mixed-method approach, integrating both primary and secondary data collection, spanning a period of 24 months, from January 2022 to February 2024.

3.1 Primary Data Collection

Given the scarcity of data on Black homeownership, we adopted a comprehensive data collection methodology, focusing on surveying 200 Black homebuyers and interviewing 25 real estate professionals within the Greater Toronto Hamilton Area (GTHA).

The primary data collection aimed to achieve several objectives:

- a. Gain a comprehensive understanding of the factors influencing the homebuying experience of Black Canadians in the GTHA.
- b. Obtain insights into the specific financial barriers Black Canadians encounter when purchasing or attempting to purchase their homes.
- c. Investigate government policies and programs to identify potential barriers—both direct and indirect— to accessing home ownership for Black Canadians.
- d. Explore how current market conditions, policies, and programs compel prospective Black homebuyers to resort to unaffordable financing in the secondary market when purchasing their homes.
- e. Assess whether homeownership enables Black families to break the cycle of poverty

The primary data collection was structured into three main phases:

1. Phase 1 (July 2022 - January 2023): Conducting key Informant interviews with real estate professionals
2. Phase 2 (July 2022 - October 2023): Surveying Black homebuyers, consisting of Black individuals who have either bought a home or attempted to purchase a home since 2006

¹⁰³ StatsCan Plus. 2022. "Marriage: "I do"? More like "I don't"." Statistics Canada, Ottawa, Ontario.
<https://www.statcan.gc.ca/o1/en/plus/2507-marriage-i-do-more-i-dont#>.

3. Phase 3 (January 2023 - February 2024): Interviewing a subset of Black homebuyers who have completed the survey and consented to be contacted for an interview

3.1.1 Ethics Application

The Ethics Application for this research required the development of interview guides, a survey questionnaire, the preparation of a confidentiality agreement and consent forms, recruitment materials and an outreach plan.

Our research used a phased ethics approach. The initial submission covered Phase 1 of the project (Key Informant Interviews), and two subsequent amendments were made for Phase 2 and Phase 3 (Survey of Black Homebuyers) and (Interview of Black Homebuyers) respectively.

We submitted the ethics application for Phase 1 of the research (Key Informant Interviews) in July 2021 to the Toronto Metropolitan University Research Ethics Board and obtained approval in December 2021 with amendments.

A submission for Phase 2 of the research (Survey of Black Homebuyers) was made in November 2021. Initial ethics approval was granted in December 2021 with a request for amendments. The final ethics approval was obtained in January 2022, permitting the distribution of the survey.

The ethics application for Phase 3 (Interviews of Black homebuyers) was submitted in August 2022, and approval was obtained in November 2022.

3.1.2 Phase 1 – Key Informant Interviews

The first phase of the primary data collection involved gathering data from 25 real estate professionals. The interviews (July 2022 - January 2023) were conducted by a team of research assistants¹⁰⁴ from Toronto Metropolitan University (TMU), supervised by Dr. Nemoy Lewis, Principal Investigator from TMU, with support from Abigail Moriah, Project Director from the Black Planning Project.

The key informants included a range of professionals from diverse racial backgrounds within the real estate industry. The participation criteria for the key informant real estate professionals included the following:

- a. Employed in the real estate sector in the GTHA (realtor, mortgage broker and advisor, real estate investor, lawyer, and home appraiser)
- b. Experience working with Black homebuyers since 2006

¹⁰⁴ The research assistants who conducted the interviews were Selma Elkhazin, Bachelor of Urban and Regional Planning candidate; Jamila Gowie, BA, Bachelor of Urban and Regional Planning candidate.

c. In good professional standing¹⁰⁵

Outreach was done through Black professional networks and snowball sampling, resulting in many key informants who self-identified as Black. The real estate professionals interviewed included appraisers (2), lawyers (2), mortgage advisors (1), mortgage brokers (4), realtors (15), and a real estate investor (1). The main aim of the interviews was to explore preliminary research questions and provide a more nuanced perspective on the challenges prospective Black home buyers face in the GTHA housing market.

The interviews were conducted virtually, through online video conference software. Each interview lasted about 90-120 minutes and involved guided open-ended questions, which allowed the interviewees to elaborate on their answers. The questions were also tailored to each type of real estate professional based on their expertise, area of operation, and years of experience. Sample interview guides are found in Appendices D-F.

The main themes explored during the interview included a) knowledge of the home buying process, b) racism and discrimination in real estate and financing, and 3) barriers resulting from housing policies. After each interview, individuals were invited, but not obligated, to share information about the research project with individuals in their network.

The interviews were transcribed and coded manually or using coding software.

3.1.3 Phase 2 – Surveying Black Homeowners

The second phase of the primary research (Survey of Black homebuyers) was conducted online through Qualtrics. The survey was launched in July 2022 and recruited 191 participants.

The defining criteria for the survey participants include:

- a. Individuals who self-identify as Black
- b. Individuals who have bought or attempted to buy a home since 2006 within the GTHA (there was no requirement to be a first-time homebuyer)

The survey had three primary goals:

1. To identify the barriers that exist along the pathway to homeownership for Black Canadians;
2. To analyze the homebuying experience of Black Canadians; and

¹⁰⁵ 'In good professional standing' refers to individuals in regulated professions such as realtors, brokers and lawyers, whose license, certificates or other credentials are valid.

3. To assess the impact of housing policies and programs on Black homeownership.

The survey had a mix of qualitative and quantitative questions and was divided into two sections, which included:

1. Demographic data (covering questions on race, ethnicity, gender, age, income etc.)
2. Homebuying Experience (covering the themes below):
 - a. Reasons and expectations for buying a home
 - b. Financial arrangements
 - c. Barriers during the purchasing process
 - d. Concerns about the home-buying process
 - e. Knowledge of and participation in homeownership programs.

The survey allowed individuals who consented to receive a follow-up interview as part of phase three of the research (Interview of Black Homebuyers).

Survey Data Limitations

The questionnaire survey was based on a convenience and snowball sampling approach that sought responses from the target population using social media and email distribution. This approach is a non-probability-based approach that is widely used in qualitative research due to its relatively low cost, ability to fit into challenging time constraints, and usefulness where there may be a lack of complete information and/or access to the sample population. However, it has appreciable data limitations: Whereas a probability-based sample may be used to estimate results of the total population, a non-probability sample may only represent results about the sample. As a qualitative approach, confidence in the results can be established through saturation and triangulation. However, readers should be cautious about inferring results from the target population. To address this issue, the survey results are contextualized using interview data and a review of the literature.

Non-probability sampling, such as convenience and snowball sampling approaches, is also likely to have sample bias because the respondents in the survey are significantly different from the non-respondents to the survey or sample population. In the case of a convenience/snowball approach, participants may have common characteristics that are not representative of the total population. Also, because snowball sampling relies on the survey being passed along through family, friends and peer networks, this method of sampling may lead to a disproportionate number of responses from people with similar experiences and viewpoints.

In this research, survey participants voluntarily completed the questionnaire after receiving the request to participate in the study via social media channels such as Facebook, X (previously known as "Twitter"), LinkedIn, and also through their social and professional networks. However, if outreach was done through social media platforms, users tend to have a higher income and educational attainment than would be found from a true cross-section of the

population. A review of the demographics of the survey participants indicates that the sample was unlike a truly representative sample of the Black population in the GTHA: For example, survey participants were overwhelmingly female, graduates of post-secondary education, including a sizable number of people with graduate degrees, and most of the participants reported having Caribbean identity and origins.

The survey can be found in Appendix A of this report.

3.1.4 Phase 3 - Interviewing Black Homebuyers

The third and final phase of primary research involved interviewing Black homebuyers. The Black homebuyer interviews involved a subset of individuals (Black homeowners or prospective Black homebuyers) who had consented to participate in a follow-up interview following the completion of the online survey (Phase 2).

The participants interviewed for the study all self-identified as Black and either owned their home or had attempted to purchase a home but were impeded by financial barriers such as lack of down payment or overall savings, impaired credit, and debt-to-income ratios, or other barriers.

During the individual interviews, participants were asked a set of guided open-ended questions to further extrapolate the initial findings from the online survey. Interviews were mostly conducted through online video conferencing software and lasted between 90-120 minutes.

3.1.5 Procedure to Ensure Anonymity/Confidentiality of Participants or Informants

Data collection instruments (questionnaires, interview notes, and observation notes) do not include self-identifying information. Instead, study codes were used, and a separate document linking the study codes with participants' identifying information are kept in either a locked cabinet or assigned as password-protection accessible by the researchers only. Identifying information stored in the linked document will only include demographic data such as the participants' name, age, gender, ethnic background. The linking document will be destroyed at the end of the research analysis.

Information collected from individuals participating in interviews were not anonymous but are kept confidential. Written data documents/records will be kept in a locked cabinet, accessible by the researchers only. Electronic data including audio recordings and online questionnaires are kept on password-protected USB keys and computers. Research data will be retained for up to 5 years post-study. All written records will then be shredded, and the USB keys will be destroyed. Files will be deleted from computers.

3.1.6 Outreach and Engagement

Outreach and engagement to recruit participants for all three phases involved a combination of website and social media communications, snowball recruitment, cold contacts and direct outreach.

a. Web communications and social media

A dedicated webpage was developed for the Buying While Black project and hosted on the Black Planning Project's website. This webpage includes a background of the study, a link to CMHC's page, and information on how real estate industry professionals and Black homebuyers can engage in the study. CMHC also included a link to the research project page in its list of projects funded through the National Housing Strategy in 2021.

The Black Planning Project used a social media communication calendar to disseminate information about the research project on its Facebook, X, and Instagram platforms and to recruit participants. Social media posts ran on a cyclical basis throughout the data collection phase starting July 2022 and included various iterations of recruitment flyers targeted to real estate industry professionals and Black homebuyers. Additionally, information was shared on LinkedIn through individuals and other organizations.

b. Snowball recruitment

Through snowball sampling, interviewed participants were asked to identify other potential participants in their network. Participating real estate agents and brokers were asked to contact their Black clients about the study, seeking their permission to be contacted by a member of the research team. In the recruitment letter to key informants and during the key informant interviews, real estate professionals were asked to voluntarily share information about the study. Similarly, each person recruited for the online survey was asked to voluntarily share a flyer and information with their personal and professional networks. The research team, advisory team and organizational partners were also asked to leverage their professional and personal networks to share information about the research. Individuals and organizations asked to share information are provided with an email script and/or letter about the study, including a description of the purpose of the study, links to the project website and online survey (for homebuyers), a recruitment flyer and consent form.

Acknowledging that snowball sampling approaches are likely to have sample bias, we addressed the issue by commencing the study with a diverse pool of informants recruited by realtors, brokers, and community or nonprofit organizations. Participants were provided with an introductory letter describing the study to share with individuals in their network who may fit the study's inclusion criteria. Contact information was added to these letters, allowing interested participants to contact the lead researcher. Participants were also informed of the voluntary nature of the study; for example, that forwarding the letter is not a requirement in the research.

This strategy ensures the snowballing process reaches different segments of the target population.

c. Cold Contacts and Direct Outreach

The research team has also directly reached out to Black real estate professionals, Black real estate organizations or networks, and Black-led, Black-serving and Black-focused organizations to introduce them to the project and to ask for support to share information and recruit participants, particularly for the online survey. In fall 2022 the Black Planning Project reached out to forty-five of such organizations through 'cold' emails.

3.2 Secondary data collection

Secondary data collection consists of a number of sources, including a review of scholarly literature, census data, real estate sales data, and review of relevant government policies.

The literature review covered past and present homeownership conditions for Black Canadians and highlighted gaps in research. This literature included scholarly publications, government and/or nonprofit policy papers, research publications, newspaper articles, and other forms of digital media. The literature review provided a description of the present situation, framed the challenges and identified pathways to address the barriers.

Census data was collected on the socio-demographic characteristics of the Census Metropolitan Areas within the study area of GTHA to provide a clear understanding of the demographic, socio-economic, and household characteristics of the Black population in the GTHA. Real estate sales data has been collected on dwellings purchased within the study area to identify emerging trends and determine whether prospective Black home buyers are being priced out of certain markets in the GTHA.

Sources for this data include the Toronto Real Estate Board (TREB) and reports from RealNet, newspaper articles, industry newsletters, and various real estate blogs in an effort to understand housing trends. Finally, government policies were reviewed, including CMHC's underwriting criteria, the Provincial and Municipal Land Transfer Tax within the GTHA, and other key policy documents.

Section 4: Findings

As detailed in the methodology section, our research examined the barriers to homeownership for Black Canadians through a mixed-method approach that combined statistical analysis, survey data, and interviews with Black homebuyers and real estate professionals.

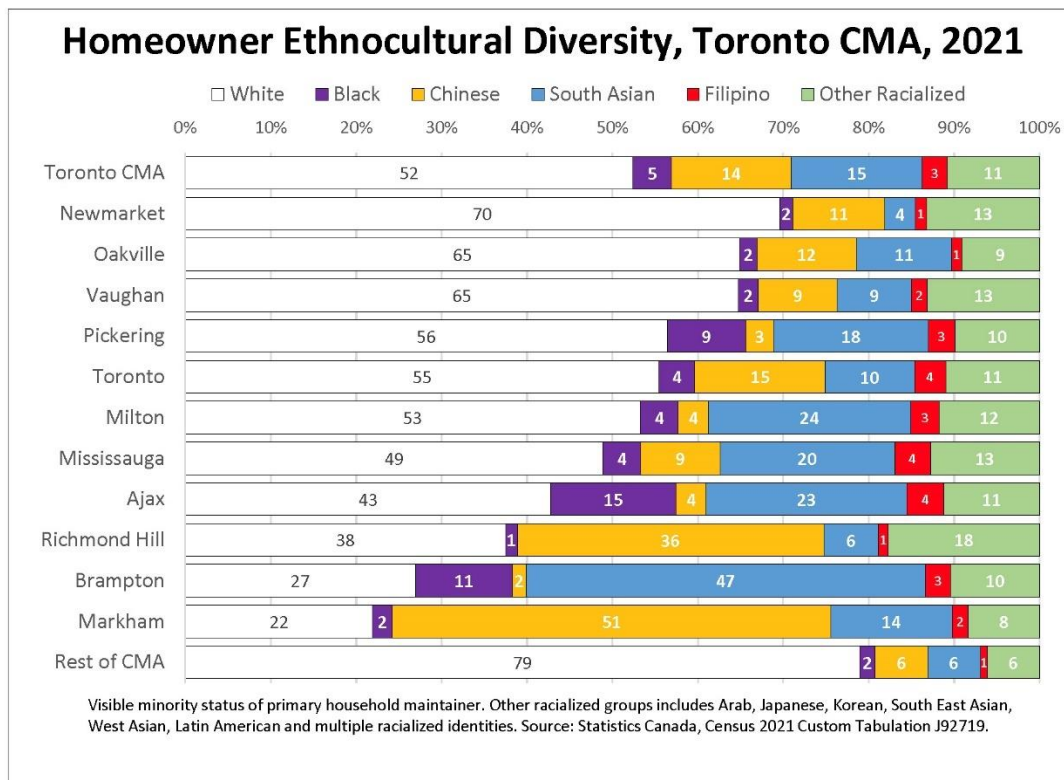
The objective of the research was to investigate the following:

- The role of real estate professionals in shaping access to homeownership for Black individuals
- Factors influencing homeownership experiences of Black households in the Greater Toronto Area
- Elements contributing to discriminatory barriers to access to homeownership among Black households

The findings shared in this section include the following:

- Black Homeowner demographics
- Barriers Black individuals encounter in the home-buying process
- Barriers facing Black real estate professionals
- Strategies to attain homeownership among Black homebuyers

4.1 Black Homeowner Demographics

**Figure 1**

Homeowner Ethnocultural Diversity, Toronto CMA, 2021

In the Toronto Census Metropolitan Area (CMA), custom tabulation census data from 2021 unveils a striking trend: Brampton, Ajax, and Pickering emerge as geographies with the highest share of Black homeowners within the region (see Figure 1). Among these locales, Ajax claims the top spot with a 15% share of homeownership. These findings resonate deeply with the migratory currents observed across decades, where a significant cohort of middle and working-class Black Canadians opted to move from Toronto to establish familial roots in the suburbs. In the outskirts of Toronto, suburbs such as Brampton, Pickering, and Ajax have assumed pivotal roles as spaces for Black Canadians to realize their aspirations of becoming first-time homeowners. However, a notable demographic trend emerges in Ajax, where the majority of Black homeowners are aged 55 years and older, comprising 69% of the Black demographic. This suggests that many of these Black homeowners represent some of the earliest residential owners in the region.

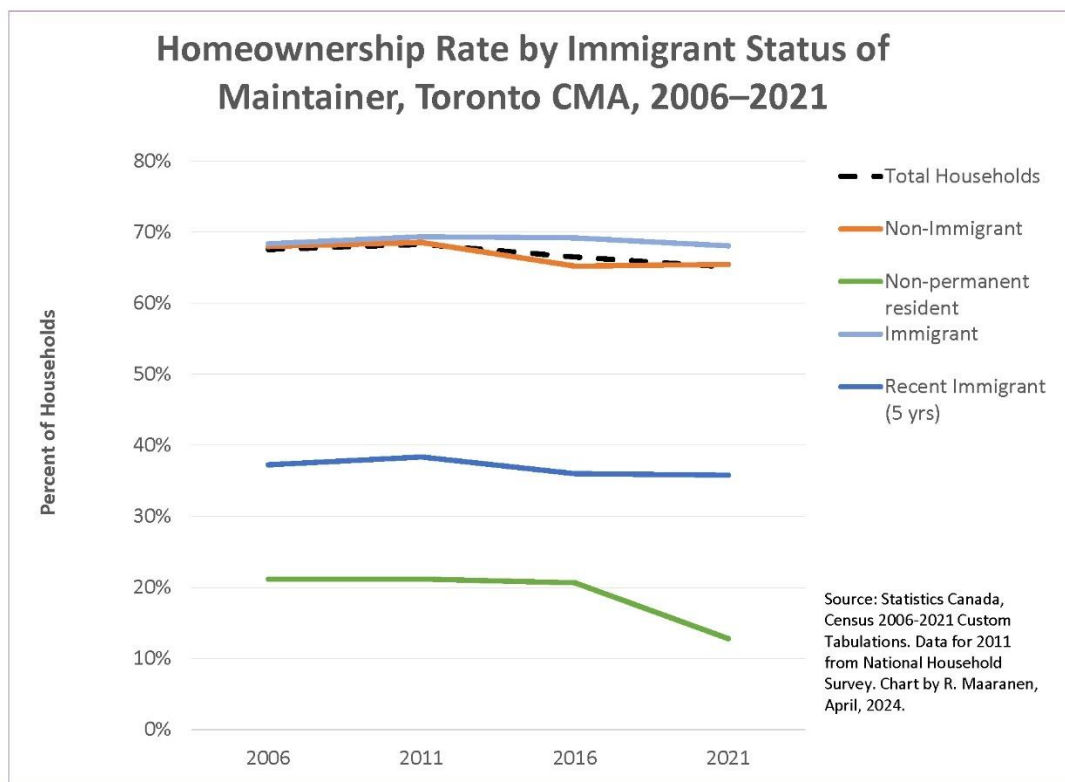


Figure 2

Homeownership Rate by Immigrant Status of Maintainer, Toronto CMA, 2006-2021

Even more intriguing, our custom tabulation data has revealed a compelling trend: Immigrant homeowners within the Toronto area (CMA) exhibit a slightly higher homeownership rate compared to their non-immigrant counterparts (see Figure 2). These insights defy conventional expectations in that we would typically expect non-immigrants to fare better in terms of their wealth accumulation and rates of homeownership, given their presumed familiarity with the processes and access to networks that would presumably help them to attain the homeownership to which they aspire. Put differently, conventional wisdom would suggest that long-term Canadian-born residents would be more likely to become homeowners; this expectation stems from an assumption that they would have had extensive exposure to the Canadian educational systems and familiarity with a diverse economic network, which are essential to navigating the complexities of the Canadian labour market. As a result, they would likely be able to amass the income needed to save for a down payment on a home and the related costs associated with servicing the mortgage and maintaining the home.

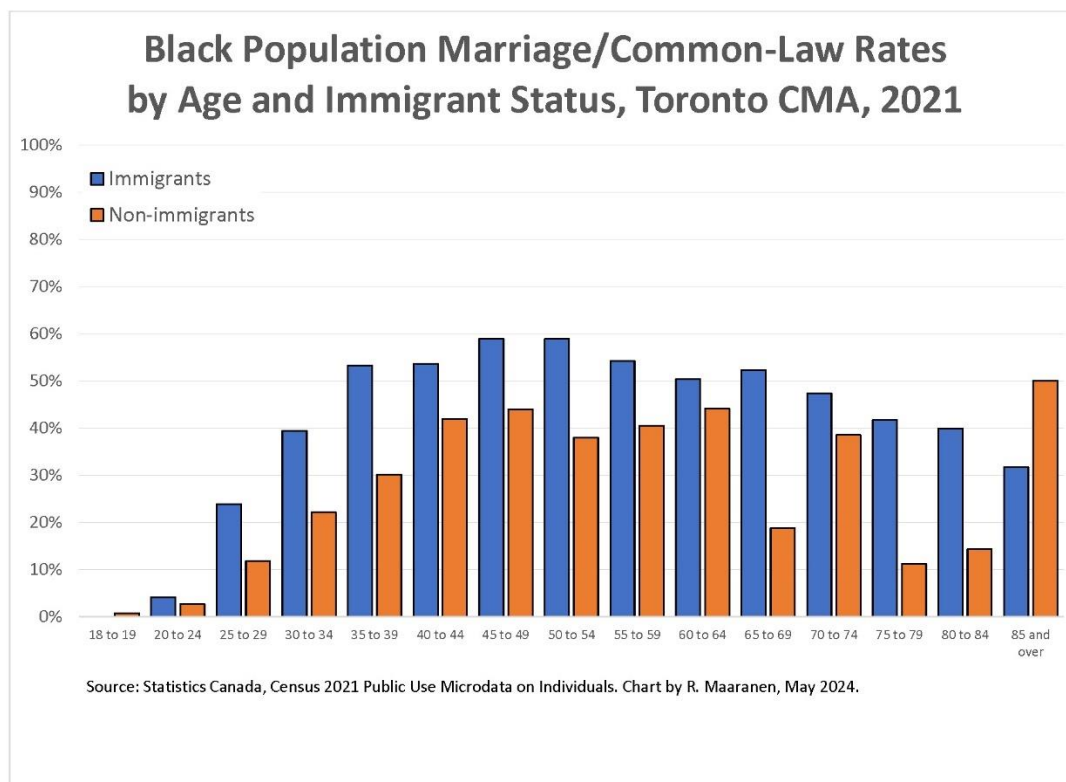
In fact, research has shown that Black immigrants or second-generation immigrants tend to have higher levels of education and earnings, which is critical to having the necessary income for a mortgage. A similar revelation is offered by economists in an American study, where they attribute the economic success of second-generation immigrants to their ability to overcome language barriers and obtain the necessary professional accreditations that hindered their parents' progress.¹⁰⁶ Additionally, they posit that immigrants tend to settle in regions experiencing strong economic growth, in stark contrast to American-born residents who may reside in areas grappling with economic downturns.¹⁰⁷

However, an often-overlooked facet of this phenomenon is immigrants' tendency to enter marriage at an earlier age than non-immigrants. One plausible explanation for these slightly higher rates of marriages among immigrants in Canada could be that immigrants opt for earlier unions to facilitate spousal sponsorship or VISA applications to secure permanent residency in Canada. Despite these higher marriage rates among immigrants, rates of marriage in Canada as a whole have plummeted to their lowest point since 1938, (only 98,355 unions were recorded for the year 2020).¹⁰⁸ In addition, Black marriage rates are very low across all age groups, for both immigrants and non-immigrants (see *Figure 3*).

¹⁰⁶ Abramitzky, Ran, and Leah Platt Boustan. 2022. *Streets of Gold: America's Untold Story of Immigrant Success*. First ed: Public Affairs; Wall, Katherine, and Shane Wood. 2023. "Education and Earnings of Canadian-Born Black Populations. Insights on Canadian Society. Catalogue No. 75-006-X." *Insights on Canadian society*; James, Carl E. 2021. *Colour matters: essays on the experiences, education, and pursuits of Black youth*. Toronto, ON: University of Toronto Press.

¹⁰⁷ Abramitzky and Boustan, "*Streets of Gold: America's Untold Story of Immigrant Success*"

¹⁰⁸ StatsCan Plus. 2022. "Marriage: 'I do'? More like 'I don't'." Statistics Canada, Ottawa, Ontario. <https://www.statcan.gc.ca/o1/en/plus/2507-marriage-i-do-more-i-dont#>.

**Figure 3**

Black Population Marriage/Common-Law rates by Age and Immigration Status, Toronto CMA, 2021

However, it is worth highlighting that the data also indicates that Black immigrants tend to marry more frequently and at an earlier age than their Black non-immigrant counterparts. Nevertheless, this decline in the overall marriage rates is attributed partly to various public health restrictions and provincial lockdowns in 2020 due to the COVID-19 pandemic. Another contributing factor to the decrease in marriage rates across Canada is the upward trend in the average age of marriage, which hit its lowest point in 1968 at 25.6 years and steadily increased to 35.3 years in 2019.¹⁰⁹ Consequently, common-law unions have surged in popularity, contributing to the delay in formal marriages among Canadians.

Amidst these trends, entering marriage at an early stage in life can be advantageous, affording immigrants the opportunity to capitalize on dual incomes, thereby satisfying the criteria of a higher income to qualify for larger mortgages and expediting their journey towards

¹⁰⁹ Ibid.

homeownership and wealth accumulation. Furthermore, early marriages serve as an indication of stability to financial institutions approving loans, thereby augmenting the likelihood of securing mortgage approval. In regions like the Toronto CMA, where real estate costs are prohibitive, financial institutions may show a preference for higher-income households or those with dual incomes or multiple earners. This inclination stems from the perception by lending institutions that such households present a lower risk of defaulting on mortgage payments, particularly in scenarios where one income earner loses their job and becomes unemployed.

Interestingly, these observations prompt a critical examination of how Black applicants, irrespective of their marital status in Canada, are perceived by financial institutions and other lenders. Entrenched negative stereotypes pertaining to Black family dynamics, including notions of heightened divorce rates, single parenthood, and absentee fathers, may lead to the perception of heightened risk, potentially impeding their access to financial resources. Consequently, this may impede equitable access to financial resources for Black individuals within the lending sector. Moreover, this nuanced perspective underscores the intricate interplay of socioeconomic determinants that shape immigrants' accelerated trajectory toward achieving homeownership and financial stability within the broader context of economic mobility and societal integration.

Moreover, research by Katherine Wall and Shane Wood in Canada provides valuable insights into the earnings differentials among Black Canadians, emphasizing the profound significance of educational attainment.¹¹⁰ Among those possessing a bachelor's degree or higher, individuals of African origin stand out with the highest representation, comprising 46%. Following closely behind, individuals of Caribbean descent within the Black population account for 27% of those with a bachelor's degree, while those of Canadian origin constitute 16% of those holding an undergraduate degree. These findings underscore the importance of educational attainment, as the study reveals a correlation between higher education and increased earnings among African-origin Black Canadians. In fact, the research highlights a stark income gap between Black men and non-racialized third-plus generation men, with the widest disparity observed among Canadian-born Black men (-\$16,300) and the narrowest among African-origin Black men (-\$8,500).¹¹¹ Moreover, the study emphasizes the significant correlation between education and income, with an \$8,000 gap between the highest-educated (African-origin) and lowest-educated (Canadian-born) Black cohorts. Furthermore, a striking divergence emerges between the Caribbean-origin and Canadian-origin Black populations, with disparities approximating \$5,000 for women and \$4,000 for men, underscoring the pivotal role of education in shaping economic outcomes.¹¹²

¹¹⁰ Wall, Katherine, and Shane Wood. 2023. "Education and Earnings of Canadian-Born Black Populations. Insights on Canadian Society. Catalogue No. 75-006-X." *Insights on Canadian society*.

¹¹¹ Wall and Wood, "Education and Earnings of Canadian-Born Black Populations", 2

¹¹² Wall and Wood, "Education and Earnings of Canadian-Born Black Populations"

Studies also indicate that educational attainment tends to be the primary determinant of the pronounced disparities within the Canadian Black population.¹¹³ As Carl James suggests, the foundations for these disparities are often established early in their schooling and educational lives. Specifically, in his examination of Black high school students' educational experiences in Toronto schools, James reveals that first- and second-generation Black students are more likely than their third-plus generation Canadian counterparts to be enrolled in academic or advanced-level educational programs, which are imperative for pursuing post-secondary education at Canadian universities.¹¹⁴

Interestingly, disparities in program enrollment are also related to the country of origin of students' parents.¹¹⁵ For instance, there is a higher likelihood of first- and second-generation African-descent students compared to their Caribbean counterparts to be enrolled in advanced-level courses. This discrepancy widens among second-generation students, with 77% of African-descent students enrolled in academic courses, compared to 43% of those with Caribbean backgrounds (James 2021).¹¹⁶ Such distinctions highlight the intricate interplay of cultural and socioeconomic factors in shaping educational trajectories, economic opportunities, and, consequently, social attainments.

Neither can the importance of a selected high school program of study be overstated, as it serves as a compass, guiding individuals toward post-secondary education and, consequently, towards rewarding and higher-paying careers, which ultimately help to determine one's social attainment and participation in society. It is not surprising, then, that immigrants exhibit higher rates of homeownership, given their increased representation in advanced or university preparatory programs. This, in turn, facilitates their access to lucrative employment opportunities which are essential for navigating the exorbitant costs of homeownership in the Toronto region. Thus, the nexus between education, economic opportunities, and homeownership underscores the need to address systemic disparities in educational access and opportunities within the Black Canadian community.

In the Toronto CMA, the suburbs have proven to be instrumental, offering Black Canadians access to larger and more affordable housing options, thereby enabling the realization of their dream to become first-time homeowners and cultivate family legacies. Nonetheless, it is essential to closely examine municipal policies in Ajax to determine the availability of support mechanisms for these homeowners, to age in place and ensure the successful transfer of accumulated wealth within the community to a younger generation of Black homeowners. However, the most notable feature revealed by this analysis is the increasing unevenness and segregation in homeownership within this region. For instance, in Markham, Chinese Canadians

¹¹³ James, "Colour matters pursuits of Black youth," Wall and Wood, "Education and Earnings of Canadian-Born Black Populations".

¹¹⁴ James, "Colour matters pursuits of Black youth".

¹¹⁵ Ibid

¹¹⁶ James, "Colour matters pursuits of Black youth"

constitute a majority share of homeownership, just eclipsing the 50% mark. In Brampton, a parallel narrative unfolds as South Asian Canadians account for nearly half of the homeowner demographic, exemplifying a pattern of distinct ethnocultural enclaves within the landscape of residential property ownership.

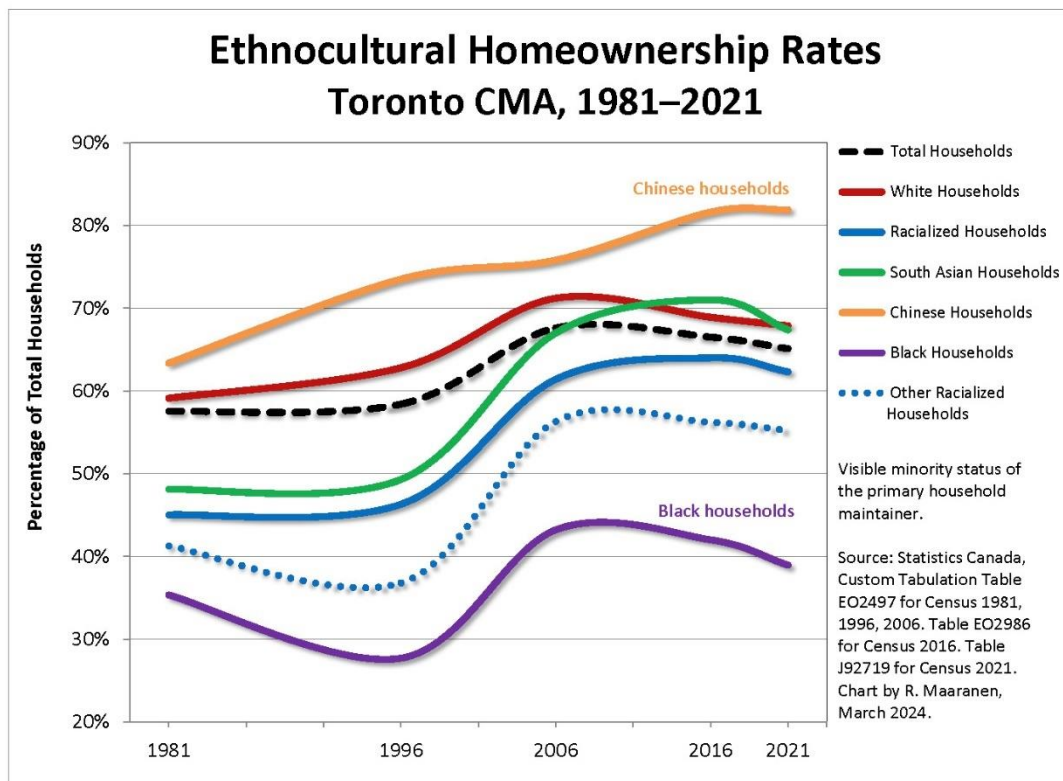


Figure 4

Ethnocultural Homeownerships Rates Toronto CMA, 1981-2021

Mirroring the national trend, Black Canadians exhibit the lowest homeownership rates within the Toronto CMA, standing at 38.9%. However, this declining pattern is not a recent development. In fact, the graph illustrates a sustained decrease in the rate of Black homeownership since its peak just above 40% in 2006, a period characterized by considerably more affordable housing options than the current era (see Figure 4). Cities like Ajax, Pickering, and Milton have some of the highest rates of homeownership among Black Canadians. While these rates may seem encouraging, it is crucial to dig deeper into the demographic makeup of these locales. In truth, these cities and towns have some of the smallest numbers of households with a Black primary maintainer. Therefore, while the rates of homeownership appear high, they are juxtaposed

against a backdrop of relatively low numbers of Black-headed households within these areas. In the broader context of the CMA, both Toronto and Brampton emerge as leaders, collectively accounting for 61% of the 67,095 Black homeowners in the Toronto CMA.

The city of Newmarket boasts the highest percentage of young Black homeowners, aged 44 years and younger, despite the overall representation of Black homeowners remaining notably low at 2%. However, this seemingly modest statistic unveils a broader narrative, shedding light on the formidable affordability challenges encountered by young Black families. Driven by the escalating housing costs and the scarcity of adequately sized homes conducive to family life, these young families are being forced to live farther from Toronto. This phenomenon is propelled by the imperative of securing affordable housing options, even for those whose employment ties them to Toronto. Such a phenomenon signifies a shift in housing dynamics, where the quest for affordability propels families to settle in locales beyond the city limits of Toronto.¹¹⁷ As a consequence, young homeowners find themselves contending with longer commutes to access their places of employment, which results in less time spent at home with their families. This reality underscores the intricate interplay between housing affordability, location of employment, and the quality of family life, and how this shapes the experiences of young Black homeowners in the Greater Toronto Area.

Another revelation unearthed from this data is the rapid aging trend among Black homeowners in the Toronto CMA. This trend is unfolding in places like Toronto, Ajax, Brampton, and Mississauga, signifying significant challenges for younger generations and new immigrants aspiring to become homeowners. As Black homeowners age, they are accumulating substantial wealth from the housing market, exacerbating the affordability crisis for younger cohorts.

¹¹⁷ Gibson, Victoria. 2024. "As Toronto becomes increasingly unaffordable, these families found a way to stay – can others?" *Toronto Star* March 21 2024. https://www.thestar.com/real-estate/as-toronto-becomes-increasingly-unaffordable-these-families-found-a-way-to-stay-can-others/article_b498b776-e16c-11ee-abc9-9f8da49eaa1f.html.

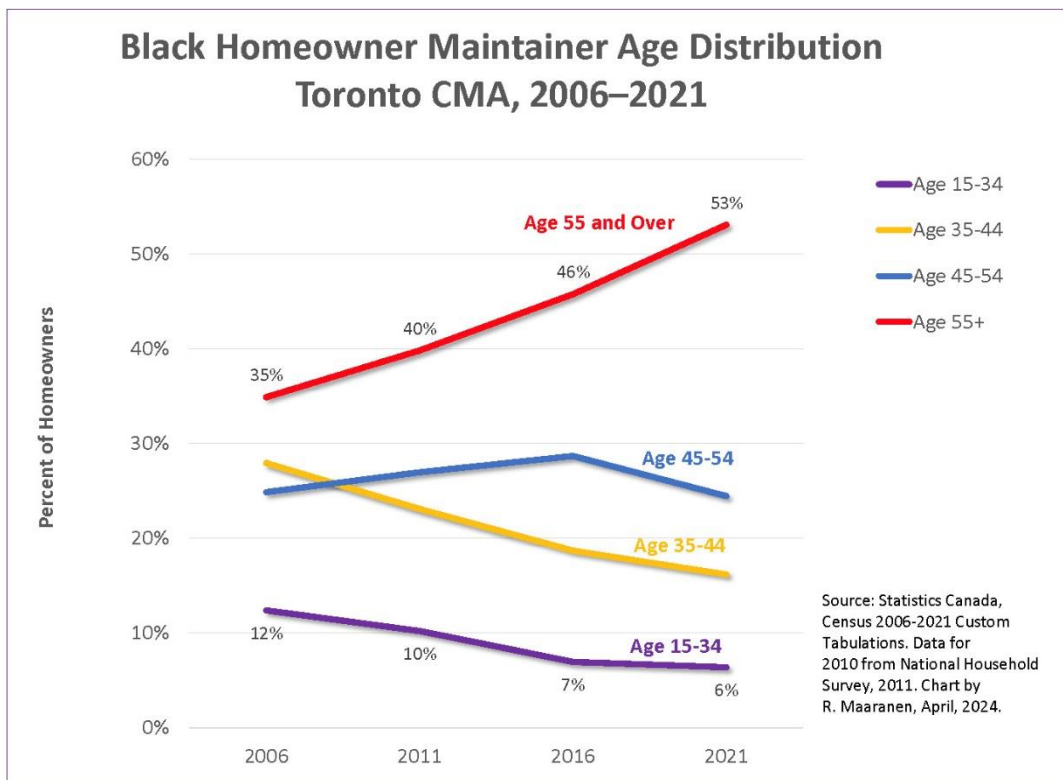
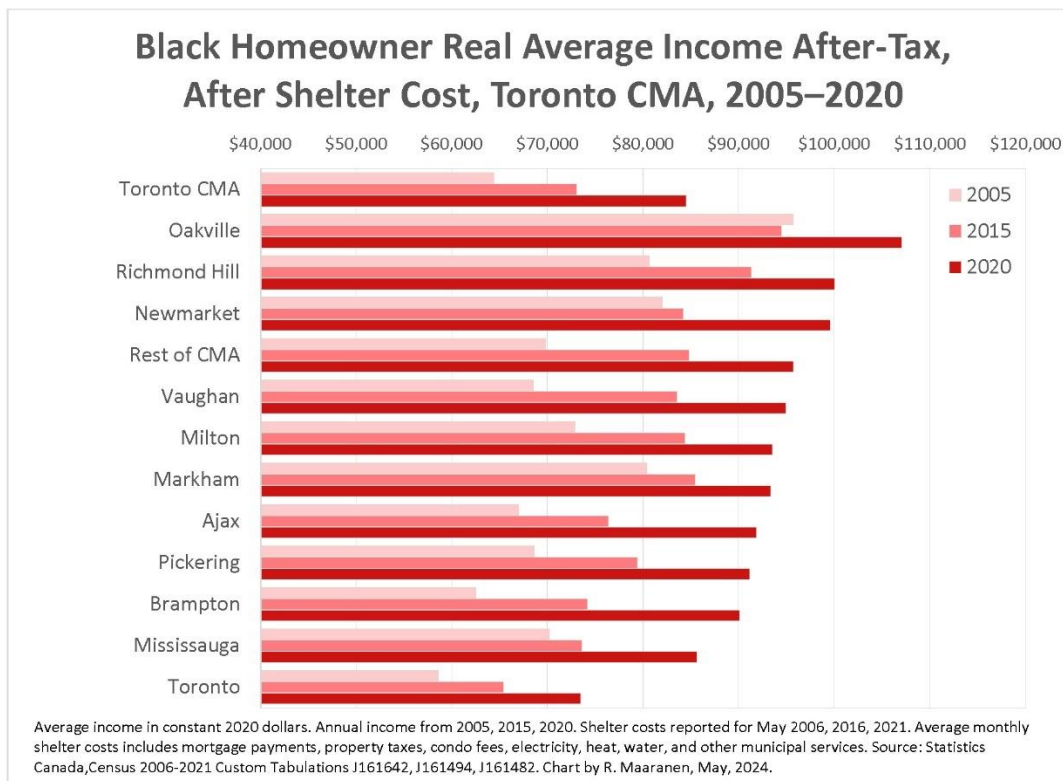


Figure 5

Black Homeowner Maintainer Age Distribution, Toronto CMA, 2006 - 2021

Consequently, younger Black Canadians are confronted with limited options, including prolonged dependency on parental support, renting, or relocating to more affordable areas farther from urban hubs like Toronto. Rising housing prices have transformed homeownership into a luxury predominantly accessible to individuals aged 55 and above, while younger counterparts, particularly those aged 15 to 34, find homeownership increasingly beyond reach. The accumulation of substantial student debt further compounds financial constraints, impeding young people's ability to afford soaring rents or accumulate savings for down payments. As a result, some individuals may opt to live with their parents to alleviate monthly expenses and accumulate the necessary funds to purchase their own homes in the future. However, surveys have revealed growing acceptance among younger generations of the reality of being lifelong renters, as the dream of homeownership appears increasingly unattainable.¹¹⁸

¹¹⁸ (BMO), Bank of Montreal. 2023. Over Two Thirds of Canadians are Planning on Waiting until Mortgage Rates Drop to Purchase a Home: BMO Survey. Toronto, ON: BMO.

**Figure 6**

Black Homeowner Real Average Income After-Tax After Shelter Cost, Toronto CMA, 2006 - 2021

In terms of income for Black homeowners in the Toronto CMA, the real average after-tax income surpassed \$110,000 in 2020, reflecting a significant increase of nearly \$20,000 since 2005 (see Figure 6). It is important to recognize, however, that the 2020 income figures were unusually high due to the COVID-19 pandemic emergency supports, leading to an artificial inflation of household incomes. Nevertheless, our analysis, as depicted in the chart above, reveals that Black homeowners in locales such as Oakville, Richmond Hill, and Newmarket boast the highest discretionary income after covering tax obligations and housing expenses. Conversely, Black homeowners in Toronto exhibit the most constrained financial flexibility after accounting for all shelter-related expenditures. It is important to recognize that households in these areas typically tend to be smaller, comprised of older individuals, and rely more heavily on non-employment sources of income. Moreover, Black homeowners in Toronto tend to have the

smallest households and given that this subset of homeowners represents some of the oldest in the region, many are likely retired seniors on fixed incomes. However, an overlooked segment of the population contributing to this trend could be the single individuals residing in condominiums. This demographic context offers essential insights into the intricate financial dynamics influencing the experiences of Black homeowners across various regions within the Toronto CMA.

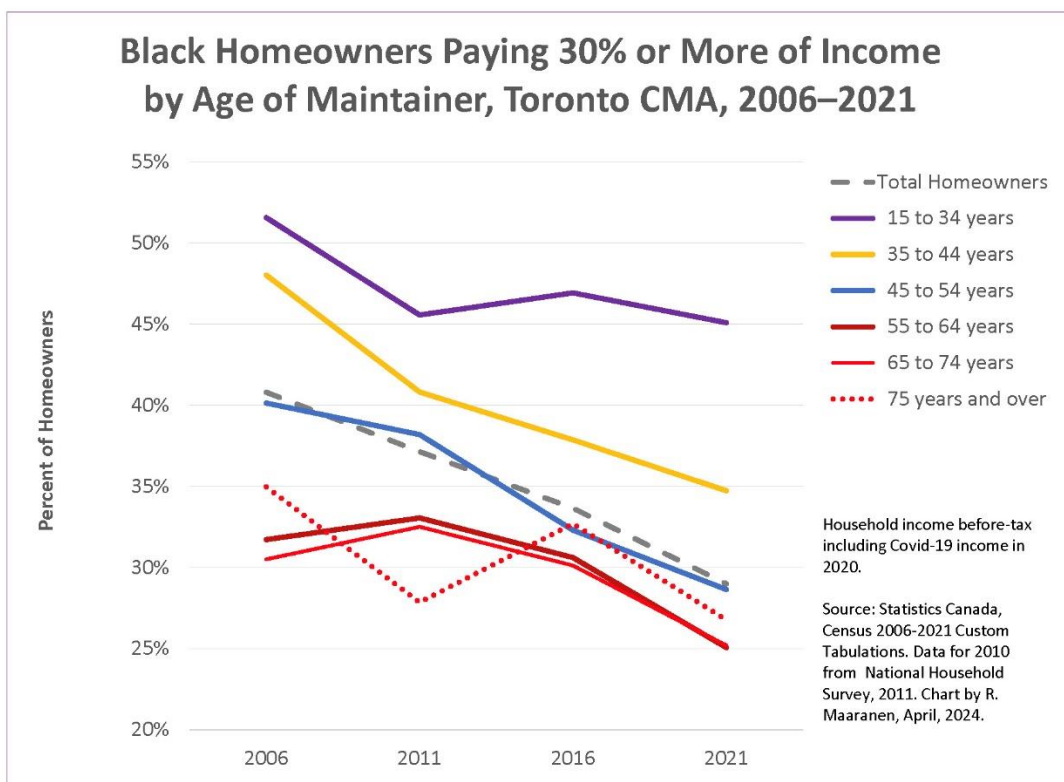
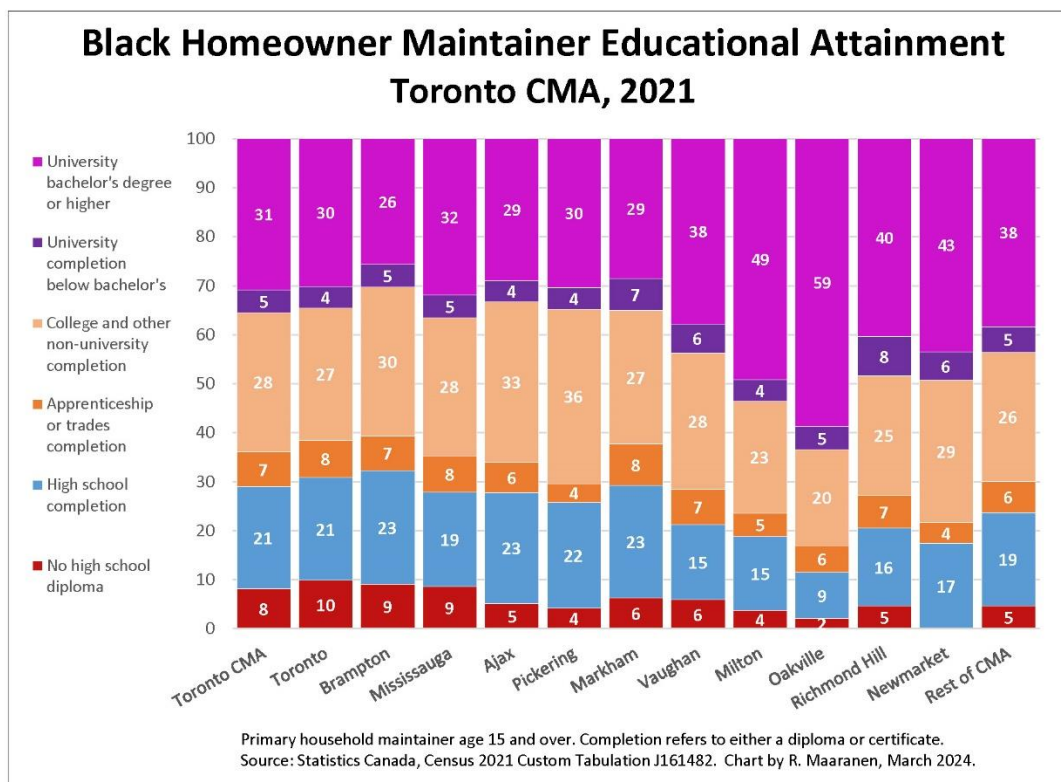


Figure 7

Black Homeowners Paying 30% or More of Income by Age of Maintainer, Toronto CMA, 2006 - 2021

Although homeownership seems like an elusive dream for many Canadians in the region, census data reveals a gradual improvement in affordability across all age groups. However, as home values soar due to various factors, including an extended period of historically low interest rates, homeownership has become a luxury reserved for the wealthiest and most

successful Black Canadians. In other words, individuals who may have faced challenges in academic and professional arenas find themselves increasingly excluded from homeownership opportunities. As previously mentioned, these individuals are left with limited choices: renting, prolonged residence with parents, or relocation to areas farther from Toronto in pursuit of more affordable housing options. An alternative explanation for the observed improvement in affordability among Black Canadians may stem from their strategic approach to homeownership. It is plausible that many Black homeowners entered the housing market at a young age, during the early stages of their careers. Over time, as these homeowners progressed in their careers, their increased earnings likely reduced mortgage sizes, resulting in lower monthly payments. Moreover, some of these homeowners may have started families, leading to additional household income contributions from their adult children who have entered the workforce, striving to save for their own homes amidst the formidable housing costs in the Toronto CMA. Furthermore, the integration of grandparents into the household or the sponsorship of immigrants by these maintainers could further increase household incomes. These multifaceted dynamics contribute to the eventual repayment of mortgages, thereby enhancing affordability within these households.

**Figure 8**

Black Homeowner Maintainer Educational Attainment, Toronto CMA, 2021

Regarding educational attainment, our examination of custom census tabulated data indicates a notable trend: Black homeowners in earlier census periods were less likely to be university-educated. Instead, a vast majority of Black homeowner maintainers were likely to possess college credentials or high school diplomas. Historically, individuals could achieve a satisfactory standard of living to meet mortgage obligations without a university degree. However, with the globalization of the economy, Canada has witnessed a substantial decline in highly paid manufacturing and skilled positions.¹¹⁹ These positions have since migrated overseas, where labour costs are lower.¹²⁰ The erosion of these jobs coincided with the rise of lower-paying service-based employment characterized by high precariousness and minimal benefits.

¹¹⁹ Walks, Alan. 2020. "Inequality and Neighbourhood Change in the Greater Toronto Region." In *Changing neighbourhoods: social and spatial polarization in Canadian cities*, edited by Jill Grant, Alan Walks and Howard Ramos, pp. 79-100. Vancouver: UBC Press.

¹²⁰ Ibid.

Nevertheless, as homeownership increasingly eludes many Canadians in the region, our data indicates a significant trend: higher educational attainment is becoming imperative for racialized groups to access homeownership within this region. As underscored in the study by Wall and Wood, heightened educational achievement is increasingly correlated with higher wages, particularly for those holding bachelor's degrees or higher qualifications.¹²¹ Indeed, the 2021 census indicates that Black homeowner maintainers with bachelor's degrees or higher now outnumber their college-educated counterparts. Intriguingly, the most highly educated Black homeowner maintainers are situated in Oakville and Milton within the Halton Region, which are recognized as some of the most affluent areas. Conversely, Toronto and Brampton exhibit the lowest levels of educational attainment within the CMA. This phenomenon may be attributed to the fact that these areas host some of the oldest Black homeowner maintainers in the region, who purchased their homes during a time when homeownership did not necessitate a bachelor's degree or higher education. Additionally, it is important to note that Toronto and Brampton together account for 61% of the total number of homeowners in the Toronto CMA.

¹²¹ Wall and Wood, *"Education and Earnings of Canadian-Born Black Populations"*

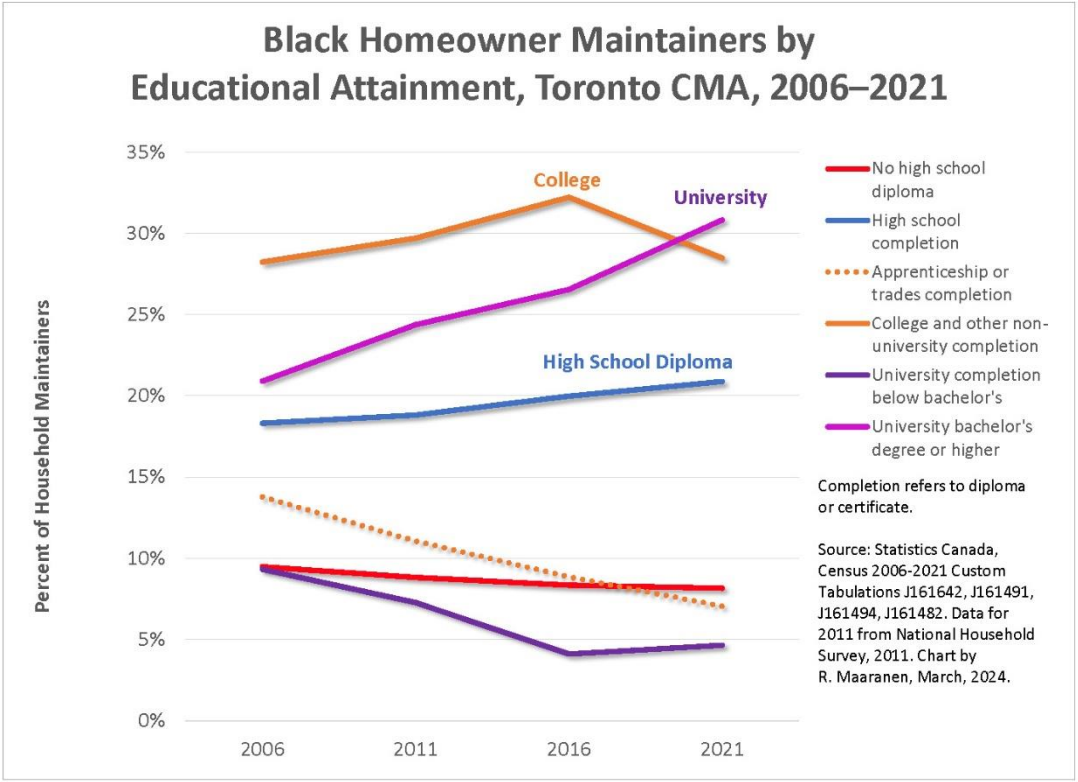


Figure 9

Black Homeowner Maintainers by Educational Attainment, Toronto CMA, 2006-2021

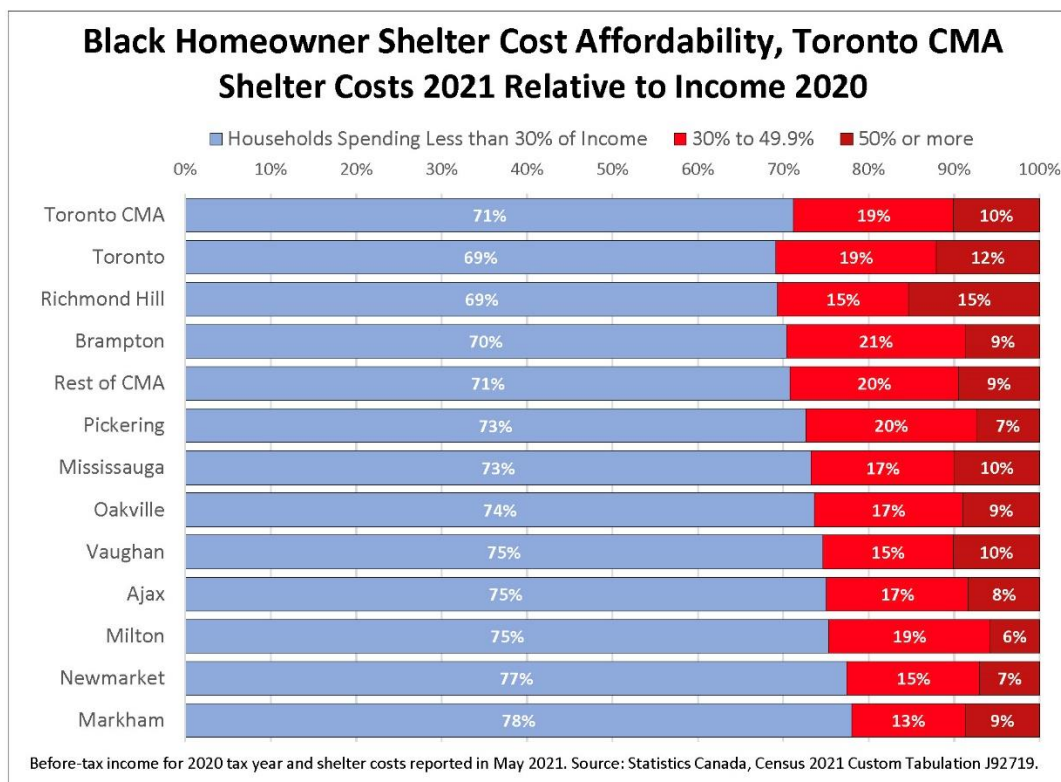


Figure 10

Black Homeowner Shelter Cost Affordability, Toronto CMA, 2006-2021

4.2 Barriers Black individuals encounter in the home-buying process

The primary data gathered from interviews and surveys of Black Homebuyers indicates three main barriers encountered during the home-buying process.

1. Financial Barriers: Challenges in securing down payments, qualifying for mortgages, and accessing equity.
2. Financial Education: Limited exposure to the homebuying process, weak financial literacy, and difficulty accessing reliable information.

3. Racism: Encountering discriminatory treatment while attempting to purchase a home, including stricter file adjudication, steering towards racialized neighbourhoods, undervaluation of homes, and rejection of offers without clear cause.

According to the results of survey responses, when asked about their main concerns during the homebuying process, the most common responses were paying too much for a home (51%), securing the down payment (46%), and lack of knowledge about the home buying process (42%) (see Table 1). Paying too much and securing a down payment were especially common concerns among those who attempted to buy a home but were unsuccessful. Lack of knowledge about the home buying process (43%) and paying too much for a home were the most cited concerns among homeowners.

Table 1

Main Concerns During Home Buying Process

What were your main concerns during the home-buying process?	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
Paying too much for a home	50	41%	47	67%	97	51%
Coming up with the down payment	46	38%	42	60%	88	46%
Lack of knowledge about the home-buying process	52	43%	28	40%	80	42%
Finding a professional I could trust	40	33%	31	44%	71	37%
Negative past experience	6	5%	15	21%	21	11%
Survey Participants	121	100%	70	100%	191	100%

4.2.1 Financial Barriers

The income disparity between Black individuals and other racialized groups has profound implications for homeownership. This income gap results in lower household savings, a critical factor for accumulating the initial down payment required for purchasing a home. Moreover, mortgage qualification hinges on the ability to demonstrate sufficient funds for both the down payment and closing costs, posing a substantial challenge for households without conventional savings or adequate bank balances.

When survey respondents were asked to identify the financial barriers encountered during the home-buying process (see Table 2), the most commonly reported obstacles were high house prices (51%), difficulty securing enough funds for the down payment (49%), and challenges in

qualifying for a mortgage (39%). These barriers were particularly prevalent among those who attempted to purchase a home but were ultimately unsuccessful. While homeowners cited these issues less frequently, they remained the primary challenges experienced throughout the home-buying journey.

Table 2

Barriers to Home Buying Process

Which of the following barriers did you face in the home-buying process?	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
House prices	52	43%	45	64%	97	51%
Coming up with the down payment	51	42%	43	61%	94	49%
Qualifying for a mortgage	38	31%	37	53%	75	39%
Money for closing costs	35	29%	17	24%	52	27%
Existing debt	22	18%	24	34%	46	24%
Not enough suitable housing on sale in the market	22	18%	24	34%	46	24%
Stress test	22	18%	23	33%	45	24%
Mortgage payments are too high	18	15%	26	37%	44	23%
Credit score	7	6%	14	20%	21	11%
Land transfer tax	16	13%	5	7%	21	11%
Unexpected repairs after purchasing the house	16	13%	3	4%	19	10%
Lack of job security	10	8%	8	11%	18	9%
Property taxes	8	7%	2	3%	10	5%
Appraisal of the purchase property	5	4%	3	4%	8	4%
Appraisal of existing home	4	3%	1	1%	5	3%

During the homebuyer interviews, 75% of participants identified financial barriers as a primary concern. Among the recurring issues were housing unaffordability, difficulty securing funds for the down payment, challenges in qualifying for a mortgage, and unexpected additional costs at or immediately after the point of purchase.

a) Downpayment

A third of the homebuyers interviewed (32%) cited securing a down payment as their biggest challenge, a concern more prevalent among millennials (aged 28-43) than any other age group. With the surge in home prices in the Greater Toronto Hamilton Area (GTHA) over recent years, the amount required for a down payment has increased significantly, excluding many who previously could have managed this financial hurdle. For instance, a couple with a household income exceeding \$130,000 struggled to secure the necessary down payment: “[we] tried to purchase through Trillium, which indicated they offered assistance, but the downpayment required was too high.” Comparisons were made to the cost of down payments in other provinces, highlighting the disparity:

Down payment in this city. Yeah, it's difficult, because you need \$150,000 down, or \$200,000 down. Like, that's what the thing is in the city versus like my friend [who] purchased a home in Montreal, and her down payment was \$10,000. Like, I would have been able to buy 5 homes in Montreal easily.

It was also observed that lower down payments limited the ability of Black homebuyers to submit more competitive bids, resulting in missed opportunities even for homes within their budget. One real estate agent highlighted this issue:

Some of the challenges... do you have enough of a down payment? The young White people tend to have more of a down payment than the Black people, and that's a problem. Because if you don't have enough of a down payment, you don't qualify. And even if you qualify for something, you qualify for something that is very low and in the market we're in, you probably won't find anything.

b) Qualifying for a mortgage

Among the homebuyers interviewed, qualifying for a mortgage emerged as the second most significant financial barrier. Various reasons were cited, including weak credit history, outstanding student debt, absence of a co-signer, and being self-employed.

Credit presented the primary obstacle for homebuyers seeking access to shared equity and down payment assistance programs like Options for Homes. One interviewee who had gone through the Habitat Program cited down payment and good credit as her main obstacles in qualifying. She stated, “Initially I tried to apply, and then I was given that information... I think it was 2 years until I finished clearing up ... improving my credit.”

Several real estate professionals interviewed for this study emphasized that income and credit-to-debt ratio are interconnected and impact access to financing. Debt ratio and credit scores pose challenges for prospective Black homebuyers who, due to lower incomes, may need to take on higher debt loads to manage costs, subsequently affecting their credit scores. One real estate agent stated, “They don't have good credit, they don't have enough [for] a downpayment.

They don't have a high-paying job. They have a lot of debt. So their debt-income ratio is skewed."

Having weak credit or debt was also cited as one of the main reasons why some individuals found it challenging to secure a mortgage. This concern was mentioned multiple times in the interviews. One couple explained that despite having a combined household income of over \$135,000, they still struggled to secure a mortgage due to student debt:

We don't have an issue with income. I think that's what they should look at because our income together is great. It's just when they get to the debt part which I've been able to manage for so long without a problem. It's just always like, oh, don't think you can manage [a mortgage] because of this [debt].

A number of interview respondents cited not having a cosigner or guarantor as their primary challenge in obtaining mortgage approval. One interviewee described not having a co-signer but being short on the required funds. Another interviewee felt their income prevented them from getting a mortgage: "At that point I think I was like, making, like \$64,000. So ... that was the reason why I was having some troubles like getting the mortgage by myself."

Self-employed women who were interviewed indicated that their employment status posed the most significant challenge in qualifying for a mortgage. One self-employed interviewee shared:

Typically, it is harder for self-employed people to get [a] home just because of our income. It's considered more volatile like you could be making money one month and then broke the next month [...My] husband's best friend is an entrepreneur. His wife is also an entrepreneur. They make a decent, fairly good amount of money when their income is combined, and they had the hardest time getting a home.

c) Unexpected costs

In addition to securing a down payment and qualifying for a mortgage, one of the most commonly cited barriers for homebuyers was unexpected costs. These included closing fees, condo fees, property taxes, development fees, apportionment tax, land title tax, and maintenance costs. Many homebuyers who successfully purchased a home mentioned that they were caught off guard and were not informed by their realtors about additional costs to expect at closing and immediately after. Several interviewees expressed that a discouraging part of their homebuying process was that they weren't aware of closing costs or how substantial these costs would be. Another interviewee shared that this information wasn't clearly communicated by her realtor:

I don't think it was as clear to me, and maybe that was just me ... I just didn't read the fine print.... I think it was like \$10,000 or \$12,000'. Similarly, another interviewee remarked, 'That was a surprise for me because I didn't really know [about] all of the taxes and... other things involved. So yeah, I needed to pay an additional \$12,000.

The financial shocks resulting from these unexpected costs have caused extreme distress to many homebuyers. One interviewee reflected on the stressful situation she faced at closing:

At closing. I sat at my table and cried because I didn't know where I was gonna get almost \$22,000 [in] a month.

Real estate professionals shared similar sentiments about the shock homebuyers felt when they learned about the closing fees at the end of the process.

I think that a lot of them are shocked with the fees. And I don't think it's an inability to pay the fees because obviously, they end up coming up with the money to pay what needs to be paid to close. I just think it's a matter of a lack of knowledge. And I feel that sometimes from the outset, like from the mortgage process from the brokers and the real estate agents, sometimes they don't give them a full picture of what they're going to be expected to pay. (Real estate lawyer)

d) Access to Equity - Family Support

Another factor discussed in the interviews was the challenge faced by Black homebuyers in accessing equity, specifically the 'Bank of Mom and Dad'. Key informants indicated that the parents of Black homebuyers were either unable or uncomfortable with assisting with down payments for their children's home purchasing. One of the real estate agents interviewed emphasized the significance of family assistance, stating:

The 'bank of mom and dad', 'the bank of brother and sister' [...] money from an immediate family member. It plays a huge role. A huge role. That has been the difference between a lot of my clients being able to get a mortgage and close on a home or not. (Real Estate Agent)

Table 3

Percentage of the total down payment from family loan or gift

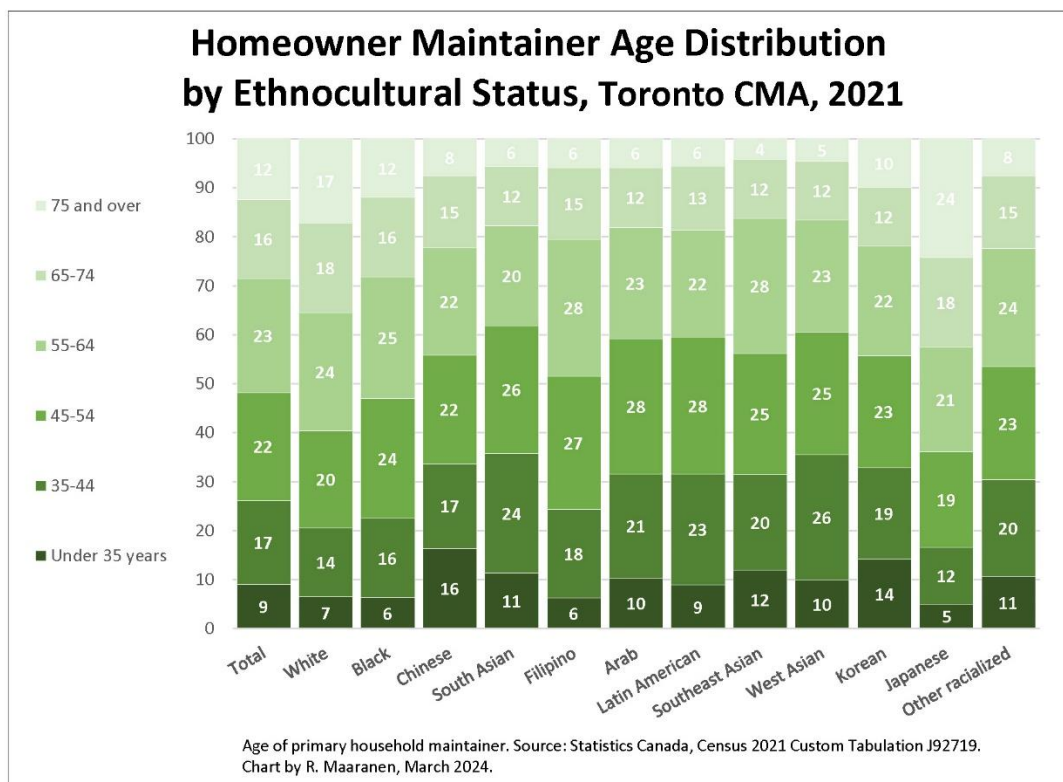
Category	Number	Percent
0%	75	72.1
1-20%	4	3.8
20-40%	6	5.8
40-60%	11	10.6
60-80%	1	1.0
80-100%	7	6.7

Total	104	100.0
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This is reflected in data from StatsCan which records the age of first-home buyers, showing significant differences among various ethnocultural groups. The highest percentage of homebuyers aged 35 and under are Chinese (16%), Korean (14%), and Southeast Asian (12%), compared to Black individuals at 6%.¹²² This discrepancy can partly be attributed to a culture of gifting prevalent among these communities as explained by a key informant: “The Asian community really strives to help their children, and then they themselves continue building legacies and wealth through real estate. As I started to expand my clientele, I realized that those same teachings were not in all communities”. They then contrasted that with Black families, stating:

You can't pull from family because most of the time [they] don't have anything to give. Black homebuyers who do not have the financial advantage of parents supporting them with downpayment assistance struggle during the home buying process...many [Black homebuyers] are at a disadvantage when it comes to trying to get into the housing market in qualifying because they don't have a sizable downpayment to compete with increased prices. (Real estate broker)

¹²² Statistics Canada. 2021. This references cross-tabulated data, see Appendix F for full chart on page 149.

**Figure 11**

Homeowner Maintainer Age Distribution by Ethnocultural Status, Toronto CMA, 2021

The inability to access family support was connected to the low rate of homeownership amongst Black parents, diminishing Black homebuyers' opportunities to leverage real estate equity from their families.

We lack a lot of resources. And a lot of our people are scraping up for the first time to buy their property so they don't have mommy and daddy to back them if there's a shortfall, [un]like most communities where their parents have been homeowners for years and years and years and can assist them... but you know the Black community, our parents weren't really homeowners so it's really a struggle for them to enter the market, especially with what the price points are right now. (Black Realtor)

Several real estate professionals noted that even when prospective Black buyers' parents owned homes, they were hesitant to leverage their equity or offer financial assistance for a down payment. This reluctance may stem from a general aversion to risk, a lack of experience

borrowing against their homes, or the fact that their entire wealth is tied up in their homes without any other financial safety net.

As a result, many first-time Black homebuyers who are unable to show proof of equity, end up having to put down larger down payments or are forced into higher-interest mortgage loans. Realtors who were interviewed expressed concern about the number of Black homebuyers who are being pushed to obtain loans from private lenders.

I have seen more people recently go to private lenders than banks which can be deadly. They do that so they can qualify for the mortgage but if it is not properly structured it can really cost them.

4.2.2 Financial Education

Many find the risk of investing all of their savings into a single investment, such as purchasing a home, daunting. Those who decide to go through the process are often encouraged by the fact that their parents or siblings have already purchased homes and can provide support and guidance.

During the interviews, it became evident that the majority of Black individuals who owned homes had family members who were homeowners. As a result, they had access to more knowledge about the home-buying process and felt more confident about its significance for wealth generation.

Risk aversion, highlighted as one of the main obstacles to homebuying among Black individuals, was directly connected to the experiences (or lack thereof) that Black homebuyers or their family members had with the process. The less experience they had with the home-buying process, the more their confidence in pursuing homeownership was undermined.

During the Black homebuyer interviews, two-thirds cited a lack of knowledge about the home-buying process as a major barrier. Issues frequently cited included:

- Insufficient exposure to the home-buying process
- Limited networks and connections within the real estate industry
- Limited financial education
- Challenges in accessing clear and accurate information

a) Insufficient exposure to the home-buying process

Forty-six percent of survey respondents cited having insufficient information to guide their decision-making prior to the homebuying process. This lack of information seems to disproportionately affect Black immigrants and newcomers, who may lack the familiarity with the system that others possess. One respondent, who attempted to purchase a home three

times, attributed her challenges to “being an immigrant, and not knowing or understanding the system”.

Overcoming limited exposure to the homebuying process through self-education and research seemed to vary amongst the Black community. One realtor observed that their Black clients who are new immigrants and professionals tend to be more knowledgeable—by means of their own research— compared to their counterparts who were born and raised in Canada or are in lower income brackets. Statistical data of Black home maintainers by immigrant status confirms this assertion, indicating a marked difference of 60-70% between immigrants and non-immigrants. This disparity has been explained in greater detail in section 4.1.

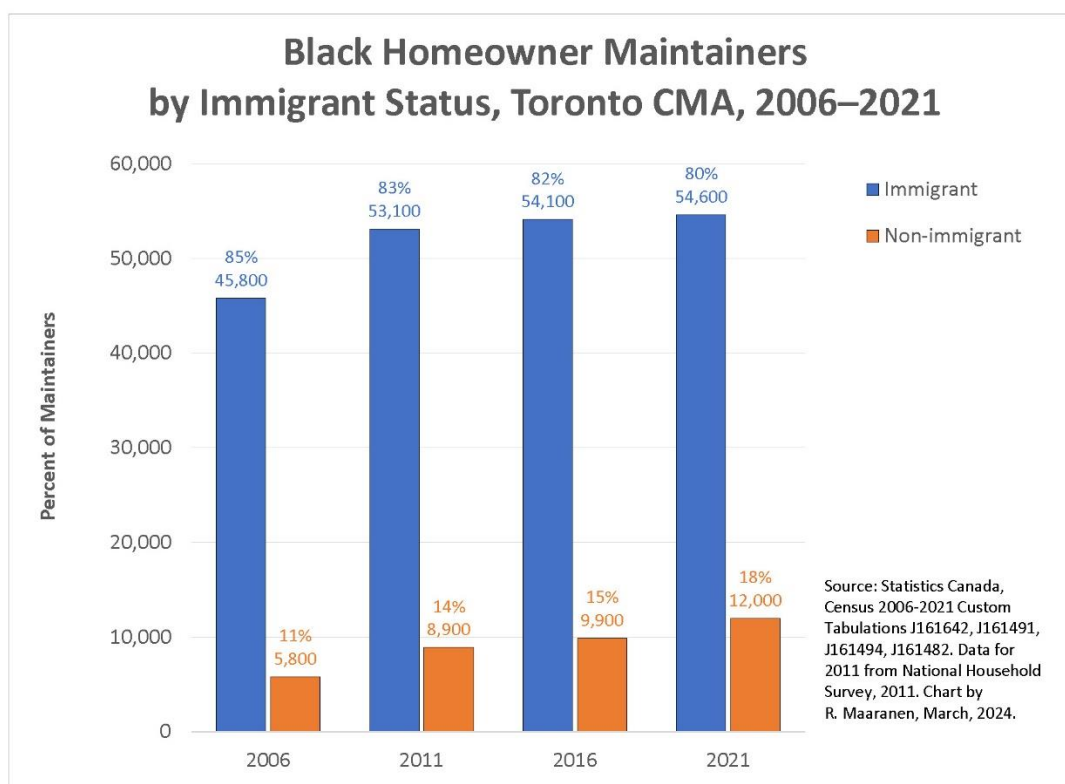


Figure 12 *Black Homeowner Maintainers by Immigrant Status, Toronto CMA, 2006-2021*

b) Limited networks and connections within the real estate industry

Several real estate professionals noted that numerous Black clients hailed from families where they were the first to venture into homeownership, rendering them unfamiliar with the intricacies

of buying and selling residential properties. This lack of familiarity, coupled with challenges in accessing information on real estate acquisition, led to discomfort, prompting Black individuals to halt their pursuit of homeownership, especially when confronted with other barriers early in the home-buying process.

A number of Black homebuyers felt that their lack of networks within the industry, particularly on the lending side (working with mortgage brokers or financial institutions), has impacted the amount of information they can access ahead of time.

That's a really huge barrier to entry if you don't have representation on the lending side that are kind of looking out for racialized communities, or in this case, Black communities, then it makes it really tough. Because no one's advocating for you. No one's pushing for you. No one's giving you insight.

c) Limited financial education

Financial literacy was also cited as a main barrier. According to one of the interviewees, financial literacy was extremely important in understanding mortgage amortization schedules and knowing how much interest is owed versus how much is going toward the principal:

I just didn't have a real sense of 'if I have this much money, then this means, then that means this'. And then, you know, putting a down payment and stuff like that. And then, you know, this is how much you know it's going to be left on your principal, and the interest and all those types of things.

All real estate professionals interviewed expressed significant concern about their Black clients' knowledge of financial information to navigate the real estate process, questioning if the information clients need, such as new mortgage rules or closing costs." For some clients, this knowledge gap led to practices that impacted their credit scores prior to the home buying process, which impeded their chances of accessing the housing market: "[I have] clients who want to buy, but they have created barriers for themselves because of lack of [financial] education."

This lack of financial understanding opens up the opportunity for predatory lending, which puts many homebuyers at risk of losing their deposits or even their homes.

I've seen people losing out on their deposits because they weren't properly advised. (Real Estate Professional)

A lot of these private lenders bank on the fact that, like, they want you to default, so they can, you know, take you to court and have possession of your home... And I find they don't really have the education. (Real Estate Professional)

4.2.3 Racial Discrimination in the Homebuying Process

Survey participants were asked how frequently they experienced racism in the home-buying process (see Table 4). Over 1 in 5 survey participants reported experiencing racism during house viewings (22%), and close to the same number (18%) reported experiencing racism when setting up a mortgage. Experiences of racism were much more frequently cited among those who attempted to buy a home but were unsuccessful than those who were able to buy a home. This could be attributed to the level of understanding of the home-buying process as well as the financial capacity of buyers that may have mitigated some of the racism experienced.¹²³ For those who attempted to purchase and were unsuccessful, experiences of racism and discrimination may have deterred them from trying again. During the interviews, buyers who had attempted to purchase a home expressed that they felt disparaged during the process due to the dismissive and arrogant attitude of the real estate professionals they engaged with.

The majority of those who experienced racism in the homebuying process cited condescending and dismissive attitudes. In describing her first experience with home buying, one interviewee described an experience where the bank official who met with them was extremely condescending. Another Black couple described their humiliation after the bank official burst out laughing after reviewing their finances.

After me and my husband first got married, and we were looking into getting a property for the first time, I remember he went to this bank. This bank is [name of bank removed] I remember [the staff] took a look at our finances. And I kid you not. He laughed in our faces in the office... and was letting us know the way he laughed was like...this is never going to happen. [The staff] was just so arrogant ... so that kind of discouraged my husband and myself. We were very discouraged.

Experiences such as these reinforced the belief that, as one Black homebuyer described, non-Black [professionals] lacked a general “understanding of barriers or socio-economic realities of Black purchasers.” This has discouraged some Black buyers from working with non-racialized or sometimes even non-Black professionals. One of the interviewees explained that her experiences had led her to avoid non-racialized professionals “being very candid. I just don't go to White people at the bank.” As a result, Black homebuyers cited feeling a level of distrust towards real estate professionals.

¹²³ During the interviews the number of homeowners who shared that they experienced racism during the homebuying process was almost equal to the number of attempted buyers who reported similar negative experiences. Given that the interview participants were a subset of those who completed the survey and consented to be interviewed, it is possible that they may have had extreme experiences (both positive or negative) with the homebuying process.

Table 4

Frequency of Racism Experienced in Home Buying Process

How frequently did you experience racism in the following aspects of the home buying process? ("Always" / "Very often")	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
During house viewings	7	9%	18	33%	25	22%
When setting up a mortgage	8	9%	21	42%	29	18%
When putting in offers	5	7%	10	29%	15	14%
When closing the deal	7	8%	6	27%	13	12%
During home appraisal	4	6%	6	23%	10	11%
During home inspection	3	4%	6	25%	9	10%

Twenty-five percent of interview respondents shared that they experienced discrimination or racism when working with real estate professionals. Examples cited include behavioural racism expressed in dismissive or condescending attitudes, taking advantage of inexperienced buyers who did not have the financial literacy to make better-informed decisions, and steering buyers toward racialized neighbourhoods. These will be discussed in greater detail in the sections below.

a) Lenders adjudicating files of Black homebuyers more strictly

Real estate professionals noted that lenders often adjudicated the files of their Black clients more strictly relative to non-Black clients.

When it comes to... providing an approval or adjudicating a file, I've noticed that Black homebuyers are adjudicated a bit more strictly. (non-Black mortgage advisor)

One way this practice was apparent was that mortgage pre-approvals took longer for Black clients with foreign names on the mortgage applications compared to clients whose names were more familiar or commonplace. In particular, files with foreign names elicited more questions from the lender about the applicant, sometimes leading to the file being denied.

When you submit a mortgage...they see these interesting names, you get a lot more questions than the simple, you know, North American names or whatever. [And] I know this, because I've seen the comparison, literally the same people, but just different names, probably in the same field, but they'll just ask a little bit more questions. So I've made it my business to literally work with a mortgage agent that actually just, I mean, that is from my country as well, so he knows how to deal with my clientele. (Key Informant Interview)

Key informants have provided valuable insights into the discretionary practices used by lenders during the loan approval process and the resultant impact on loan accessibility within predominantly Black, other racialized, or economically disadvantaged communities. Notably, one informant furnished a list of neighbourhoods deemed as higher risk, including Eglinton and Oakwood (commonly referred to as Little Jamaica), Jane and Finch, Jane and Steeles, Jane and Wilson, and segments of Scarborough—communities characterized by a substantial presence of Black and other racialized households.

However, the informant further elaborated that not all financial institutions uniformly rejected loan applications outright. Instead, certain institutions opted to impose capped lending amounts specific to neighbourhoods, often below the market price of the homes for sale. This practice frequently placed Black clients in precarious positions, particularly when faced with the challenge of securing the shortfall amount required to proceed with the transaction. Consequently, while some financial entities refrained from outright denial of applications, their implementation of lending constraints effectively compelled many Black clients to forgo transactions due to their inability to secure the requisite financing.

Moreover, in other scenarios, alternative financial institutions, such as C plus lenders, adopted similar practices, further complicating the financial landscape for Black borrowers seeking equitable access to loan opportunities. As highlighted by one key informant, these lenders would often defer decisions, stating, "We will get back to you on this one. Let me run this by the manager; we have concerns about this neighbourhood." Subsequently, they would communicate, "I will pass on this one." This practice, as noted by the informant, has persisted for many years and has also been observed with Mortgage Investment Corporations (MICs), indicating a systemic challenge in the lending landscape affecting Black borrowers.

Mortgage Investment Corporations (MICs) were established by the Government of Canada through the *Residential Mortgage Financing Act* in 1973 to stimulate private lending and expand the investment pool, thereby enhancing the accessibility of the residential mortgage and real estate markets for small investors.¹²⁴ Currently, MICs are predominantly regulated under the *Income Tax Act (ITA)*, which specifies the regulatory framework for MICs and their shareholders.¹²⁵ Unlike traditional chartered banks, MICs raise capital by issuing shares to investors. The capital raised is then invested in a portfolio of mortgages that offer more flexible financing terms than those provided by traditional banks. This flexibility arises from MICs not being subjected to the stringent lending guidelines that traditional banks must follow, allowing

¹²⁴ DeCosimo, Michael C., Colton Riley, and Paige Donnelly. 2022 "Alternative lending: Overview of mortgage investment corporations (MICs) in the Canadian real estate market." Dentons, Toronto, ON. <https://www.dentons.com/en/insights/articles/2022/june/14/alternative-lending-overview-of-mortgage-investment-corporations>.

¹²⁵ Bruvels, Alex, Andrew Stirling, and Michael Shannon. 2023. "Structuring Mortgage Investment Corporations in Canada." Tressie McMillan Cottom, Toronto, ON. <https://mcmillan.ca/insights/publications/structuring-mortgage-investment-corporations-in-canada/>

them to provide more tailored loans for borrowers needing quick and short-term (6 to 36 months) access to capital. It is important to note that while this research was not specifically designed to examine the lending practices of MICs or traditional lenders, the concerns raised highlight the necessity for further inquiry to comprehend these practices holistically and to identify the additional oversight required to prevent their continuation and proliferation.

a) Realtors steering toward certain neighbourhoods

Real estate professionals described incidents where realtors were steering their Black clients towards neighbourhoods that the clients did not express interest in.

This couple they wanted to buy in Hamilton, and looking at their budgets, they can actually get in a better location in Hamilton like Ancaster and Stoney Creek...but this White agent always takes them to the downtown [known for] the drug addicts and all...so there's that racial judgment ... 'you know what because you're black I don't think you fit into this particular environment' it happened to two of my clients.

They may feel that you know what this neighbourhood may not be for you. And they deter them from a neighbourhood because they felt that their neighbourhood wasn't suited for them, even though they could purchase in that neighbourhood. (Real Estate Professional)

The mere suggestion that Black homeowners would not be a suitable fit for predominantly White neighbourhoods perpetuates a historically constructed fiction about their adverse impact on property values and the future appreciation of properties in the community. Despite the absence of empirical evidence supporting such claims, real estate professionals have, for decades, employed these strategies across the United States to maintain segregated landscapes.¹²⁶ Although some researchers consider racial steering a relic of the past, sociologist Max Besbris stresses that these practices remain integral to the profitability of contemporary real estate environments.¹²⁷

This practice was reported several times by Black clients working with non-Black realtors in the study, who felt they were steered away from higher-income or predominantly White neighbourhoods and into racialized areas. This steering implied that the buyers were unsuitable for certain neighbourhoods, irrespective of their purchasing power. In Canada, there has been limited research on these issues, with most reports emerging through anecdotal accounts or isolated studies. It is evident that more research is necessary to understand the pervasive nature

¹²⁶ Besbris, Max. 2021. "Upsold: Real Estate Agents and Neighborhood Inequalities " In *Upsold: real estate agents, prices, and neighborhood inequality*, edited by Max Besbris, pp. 94-112. Chicago, IL: The University of Chicago Press; Hall, Matthew, Jeffrey M. Timberlake, and Elaina Johns-Wolfe. 2023. "Racial Steering in U.S. Housing Markets: When, Where, and to Whom Does It Occur?" *Socius* 9. doi: 10.1177/23780231231197024; Lewis, "A Dream Denied," Gotham, Kevin F. 2002. *Race, Real Estate, and Uneven Development: The Kansas City Experience, 1900-2000*. Albany, NY: State University of New York Press.

¹²⁷ Besbris, Max. 2020. "How Real Estate Agents Keep Cities Segregated " Jacobin November 9th 2020.

of this practice and its profound impacts on the ability of Black homebuyers and homeowners to close the wealth gap with their White counterparts.

I feel they were steering us to more racialized neighbourhoods. And I think at one point we had looked at something in the High Park area. And you know the realtor really wasn't showing us a lot of spots in this area, even though you know I thought it was a great area with great amenities. So we ended up not buying in that area. The value of real estate increased significantly more by High Park, and I felt that you know that interaction cost us generational wealth.

b) Appraisals coming in with lower values

Another barrier affecting the amount of mortgage that can be taken out against an existing property and applied towards purchasing an existing property is under appraisal of homes. Key informants have indicated that Black individuals who would ideally have access to equity through a second mortgage (for example, through their parent's home, a property in their family or an existing property they own) still faced challenges in the home valuation process which directly affected the mortgage for which they could qualify. One realtor described a situation of receiving a lower-than-expected appraisal and requesting a second appraisal, which was significantly higher than the first, providing a much larger amount which could be applied towards the purchase of a new home:

I will never forget when I went to get my house appraised... I needed to get a mortgage on a property. And I needed it to appraise at a certain value. And the houses all around were selling for crazy prices. And the person, the appraiser, under-balled me, right. And I know for a fact, the house was worth much more than he said, and I'm not saying that it was racism, like I don't know, for a fact. But it's interesting when I requested a new appraiser, and he sounded like me...the difference in values as the appraisal was \$250,000 [more].

If Black buyers are attempting to leverage the value of an existing property in their family, they have less money to work with when they receive a lower appraisal value because their properties are undervalued. As one real estate professional recalled:

There have been instances where the appraiser will go in and see that the home is owned by a Black person and automatically give the home a lesser value, whether that's on a conscious level or on a subconscious level.

One real estate attorney interviewed for the study noted that during COVID, some Black-owned homes were appraised at slightly higher prices because homeowners were hesitant to allow people into their homes due to safety concerns. As a result, the appraiser did not know the homeowner's race and had to rely more on technical information and recent comparable sales, leading to higher appraised values.

c) Rejection of offers

Due to the lack of transparency in the bidding process, it is difficult to link any rejections directly to racial motivations. However, a number of key informants cited cases in which offers were rejected with little rationale. There were also accounts of hesitation expressed by real estate agents about the ability of Black clients to close, even though all the documentation was in place. A key informant recounted instances where sellers, although not supposed to be present during property viewings, would be more inclined to attend visits by prospective purchasers if they knew the individuals were Black. Additionally, sellers might pose inquiries to prospective buyers during visits. Both sellers and realtors representing sellers may exhibit reluctance when a Black homebuyer seeks to secure a property, expressing doubts about their ability to provide a down payment and complete the transaction. Consequently, sellers may reject offers from Black clients without providing a justification.

We had our offer refused without reason, even though the home ended up selling for less than our offered price... I called to inquire and they gave us a flimsy excuse ... but we can't tell for certain that it was racism or because we were Black (Black real estate agent)

Requests for additional time to assemble funds are often met with high levels of doubt and suspicion. At the same time, often high deposits are requested to ensure that the home buyers have the ability to complete the purchase. One real estate professional shared:

They'll always want like extra proof or maybe additional monies to go towards a deposit, like maybe \$20,000 would be normal, but they'd be like, well, we want \$50,000.

d) Distrust of real-estate professionals

The discrimination many buyers experience during the homebuying process, has led to a general distrust towards real estate professionals. Fifty-seven percent of interviewees cited distrust as a barrier to engaging in the homebuying process as well as lack of satisfaction after the purchase has been made. Higher levels of distrust were noted within the 50-64 age group.

Prospective buyers felt that these real estate professionals often withheld important information, concerned only for their bottom line and pushing buyers to close deals that did not benefit them, rushing the buyers into making a decision or sharing listings above the price range that had been stipulated by the homebuyer.

Other examples cited include not taking the time to share sufficient information at the start of the process and forcing individuals to rely on their own research about the homebuying process. One interviewee questioned whether her realtor had helped her at all and expressed clear disappointment in their work:

The broker let me down. The realtor let me down. I just felt like they just wanted their profit. They just wanted their commission; that's all they wanted. They did not care to help me. And once the

deal fell through nobody cared. That's how I felt they just moved on to someone else. They didn't even care about my \$5,000 [deposit lost].

Another general sentiment relayed throughout the interviews with homebuyers was that realtors focused mainly on buyers with higher incomes or buyers with mortgage qualifications which allowed them to purchase more expensive homes. This would enable realtors to receive higher pay at the end of the process. As one interviewee expressed:

Realtors are more focused on people who qualify for [\$600,000] and up, and I was qualifying under my income only. You feel like you're being treated like a second-class citizen, because your budget is lower.

Some interviewees mentioned that their realtors kept showing them homes outside of their price range, pushing them to attempt a purchase that would have placed financial strain on them:

I found a lot of realtors initially were showing me things outside of my price range, even though they knew my price range. And then, when I would address that, it was like, oh, well, don't you have family members who can give you an extra \$20,000, or extra \$40,000, or extra \$50,000? I'm like, no.

Incidents such as these have made Black homebuyers question the ability to find honest and genuinely good realtors who are not focused mainly on their commission:

It was difficult to find [...] a realtor, a good realtor who was invested...a good realtor who was not focused on just the bottom line trying to sell you anything and just to make some money.

4.3 Barriers facing Black real estate professionals

Well, we don't have the same opportunities that other groups [have] because we don't have the same information, period. (Black Realtor)

Key informants elucidated challenges they encountered or observed regarding access to pertinent information that would benefit their clients. Realtors highlighted obstacles in obtaining information about available properties for sale, particularly when serving predominantly Black clientele. For instance, one realtor explained how the tightly networked real estate industry prioritizes swift and high-volume property sales to maximize profitability, placing those representing Black homebuyers at a disadvantage. Realtors catering to client demographics capable of purchasing properties in larger quantities often receive greater access to property listings, sometimes in bulk, compared to those serving primarily Black clients. Consequently, realtors with predominantly Black clientele may receive fewer property listings or may only gain access once units are publicly listed on platforms such as MLS, resulting in higher purchase prices for their clients.

Moreover, Black homebuyers may be susceptible to overpaying for properties relative to other buyers due to limited access to properties before public listing, particularly when represented by realtors who are Black themselves. As a result, several Black realtors had noticed that Black clients were reluctant to work with them, preferring to work with White realtors who had better access to more listings in different markets.

Perceptions of a lack of professionalism due to racial prejudices have reportedly hindered Black realtors' ability to perform effectively. One realtor shared that she would ask her white colleague to accompany her when meeting an appraiser:

[I] remember showing a property in Hamilton with a realty partner and they were the only Black realtor. [I] felt they had to rush the viewing because they were worried they might not be perceived as professional; anxious that they were not doing things correctly because they know that someone is waiting to file a complaint. (Black realtor)

Black female practitioners in the industry reported frequent experiences of racial discrimination from both non-Black peers and clients. They shared instances of feeling pressured to alter their hair and appearance to conform to the expectations of the majority White peers and clientele:

The fact that we this is still this is something that we have to think about and like consciously say, okay, you know what, you have your hair braided, I'm going to keep my hair straight, just in case like the agents or you know, whatever, like create a make them feel comfortable. (Black realtor)

4.4 Strategies that can assist Black Homebuyers

This section is divided into 2 parts;

- Strategies homebuyers deploy to assist their homebuying process
- Strategies real estate professionals employ to support Black homebuyers

a) Strategies homebuyers deploy to assist their homebuying process

Strategies employed by homebuyers to facilitate their home-buying process encompass various avenues, including financial assistance from family, utilization of government support programs, enhancement of financial literacy, and engagement with racialized professionals.

Regarding information access and financial literacy, interviewees relied predominantly on familial and social networks for guidance and conducted independent research. Establishing relationships with real estate professionals, often through familial or social connections, facilitated trust-building and personalized assistance throughout the home-buying journey. Furthermore, engagement with organizations like Habitat for Humanity provided educational programs and recommended professionals to support homebuyers.

Another notable strategy involved working with racialized real estate professionals as a way of fostering trust and actively participating in the decision-making process, as cited by twelve interviewees. Financial literacy emerged as an asset for navigating mortgage processes and tax obligations, with four interviewees highlighting its significance.

Various saving strategies were also reported, including debt reduction, diligent saving habits, and leveraging employer RRSP matching contributions. Additionally, some interviewees utilized equity from existing properties or worked multiple jobs to accumulate savings. Selecting preconstruction builds allowed for cost savings in finishing materials, with plans for future upgrades over the duration of homeownership.

Family financial support emerged as a prevalent theme, with approximately 30% of interviewees receiving monetary assistance through gifts or loans. Other forms of support included family acting as guarantors or cosigners, living with parents while saving for a down payment, and contributing labour hours to Habitat for Humanity projects.

To broaden the application of these strategies collaboration among community organizations, real estate professionals, and government entities is essential. Future exploration through homebuyer surveys and interviews with relevant organizations will further delineate effective strategies for promoting Black homeownership.

b) Strategies real estate professionals employ to support Black homebuyers

1. Education and Knowledge sharing

All real estate professionals interviewed for the study underscored the significance of education in enabling Black homebuyers to make well-informed decisions throughout the home-buying journey. Several realtors extended their efforts by offering webinars and educational materials to the community. Concern was expressed, however, over the limited engagement of Black homebuyers with these educational resources. They noted that only a small proportion of prospective Black homebuyers attended the webinars, possibly due to perceptions that the material would be too complicated, the process too challenging, or a general apprehension that it would highlight their unreadiness for homeownership.

Yet, as one realtor clarified, these educational seminars are not solely for those ready to purchase but also for those preparing to do so in the future. Preparation for homeownership can be a lengthy process, especially for individuals needing to address credit concerns in order to qualify for a mortgage. This suggests that education should begin with fundamental concepts such as budgeting, planning, and fostering good credit practices. One realtor shared:

We find that we spend a lot of time just going over the basics, just for the simple fact that you know homeownership hasn't been part of our [Black people] way of life so it's not like they passed

down the knowledge, it's actually brand new information, from simple things of knowing your credit score and what you can afford, knowing how to maintain a home, understanding what equity is, understanding how to actually make wealth and make money from real estate, so we spend a lot more time as Black professionals coaching our clients in the beginning.

A common issue identified by key informants is that Black homebuyers often approach realtors without the necessary financial readiness, leading to discouragement and eventual disengagement from the home-buying process.

Black real estate professionals believe they can tailor educational material specifically to the Black community, leveraging their lived experiences to effectively develop and deliver content. Representation plays a crucial role in fostering trust and engagement, with one key informant emphasizing the importance of having experienced Black professionals conduct training sessions: "when they see a Black man they feel more at home to come and hear what he has to say."

Ultimately, the goal is to empower buyers to make informed and independent decisions and navigate the home-buying process confidently. As one key informant stated:

I try to educate my buyers to the point where they are self-sufficient. It's not good for me. But at the end of the day, I believe in empowering people. Information is free. So I believe in giving people that information to the best of my ability...And then I set them up to also do some work because sometimes when you feed people, you should train fish, you should train people how to fish, not keep giving them fish, but I provide some of this information to them.

The fragmentation of information has made it difficult for homebuyers to see the full picture. They have expressed a desire to access simple, clear, and consistent information in one document or video. Real estate professionals echoed this sentiment, emphasizing the importance of an accessible A-Z guide to streamline the home-buying journey for buyers and sellers alike:

Our firm specifically is working towards putting together like this whole guide if I'm buying a house or if I'm selling a house. What do I do; what are all the fees incorporated ... because I feel the information is not out there. And it's only when it's too late that this information is available to potential buyers and sellers.

2. Prepping clients for home buying ahead of time

Real estate professionals frequently encounter clients who are not financially prepared to purchase a home. While problem-solving with clients is inherent to their role, this can consume considerable time and result in frustration. One realtor, who worked primarily with Black homebuyers, shared that the process would often be fraught with "frustration, anxiety, tears; not an uplifting experience for client and realtor," emphasizing the importance of approaching these

situations with care and empathy. Several of the key informants we interviewed emphasized the necessity of adequately preparing their clients well ahead of time to prevent frustration from building up, even if it entails a delay of several years. One realtor elucidated her approach to working with clients:

I prep you to afford it...I have clients that can't afford it right now. But I'm getting you ready to be able to afford it in a year or two. You know, this is a long-term decision. This is not some, it's not a car, it's not, you know, you're not buying something at the mall. Like, this is the biggest purchase you're ever going to make in your life. So, preparation is key.

Working with trustworthy professionals who prioritize the best interests of homebuyers is paramount as they embark on the significant investment of purchasing a home. At times, reputable realtors may advise buyers to pause and reconsider, even if it diverges from their immediate objectives. The eagerness for homeownership can occasionally prompt buyers to make decisions that are not financially sound. Consequently, certain realtors feel a sense of responsibility to encourage clients to reassess their options before proceeding. Additionally, a real estate lawyer emphasized the importance of empowering clients with the information and guidance necessary to make informed decisions at the appropriate juncture:

You have to care about yourself and prepare yourself and have that financial education and just the education about what you're getting into. To know if it's a feasible decision for you. It's great to own real estate, but maybe it's not your time to own real estate. So even though on paper, the numbers may look right, if you financially have other obligations, or if a recession happens, which is what's happening, and you don't have a backup plan, you can lose that house. So is this the best time?

3. Working with clients to engage their families/communities and defining the role they can play in supporting the homebuyer

Black homebuyers often encounter challenges in receiving financial support from their families to assist with down payments or qualify for mortgages. According to the survey, 75% of respondents received no assistance from their parents. This lack of support may stem from parental risk aversion and concerns about the potential risk of losing their own homes.

Many real estate professionals suggest that addressing this situation requires a better explanation of the home-buying process to parents and assistance in evaluating how much support they can feasibly provide without overextending themselves. In some cases, parents may not be aware of the various ways they can aid their children in the home-buying process.

One realtor emphasized the importance of involving the entire family, particularly parents who have previously accessed the housing market and have accumulated substantial wealth over time. These realtors stressed the need for education within the Black community about how equity functions and the potential benefits of leveraging home equity to create additional

wealth. This education could help parents understand the significance of not solely paying off their homes but also leveraging the equity to support their children's endeavours and foster intergenerational wealth accumulation.

Education for parents who own properties. Education for them for how they can, how can you help give your kids a step forward? ...There are many children who just need the opportunity, just some funds to help them get their foot on the right path. So, I feel like education within the Black community about how equity works. Why, you know, not just paying off your house, leaving it there is a good decision, like using the debt in your house to help, you know, create other wealth. (Real estate agent)

Several success stories resulting from involving parents in the home-buying process were recounted. These successes were attributed to engaging parents early in the process, educating them about both the risks and benefits, and equipping them with a detailed understanding of the home-buying process.

4. Diversifying the profession and ensuring that more Black real estate professionals are available to work with Black homebuyers in different areas of the GTHA to support their homebuying journey

During the interviews with homebuyers, a notable challenge that emerged was the lack of trust towards real estate professionals, particularly when they were visibly White. Homebuyers expressed a perception that these professionals prioritized their bottom line over the needs of the buyers, leading to feelings of discrimination and discomfort with the home-buying experience.

One recommendation put forward by both the home buyers and the real estate professionals was more diversification of the profession. Several homebuyers expressed that they would feel more comfortable working with racialized professionals and recounted favourable incidents in which the interaction produced positive results. One home buyer shared: "I just naturally feel more comfortable dealing with my own people like I feel they get me. They get where I'm coming from. They get the struggle, and they will. I feel like they'll more fight for me". One of the Black real estate professionals echoed the same sentiment:

They don't understand what it means; they're not in our shoes. They don't know what my experience is, so they don't know what to fight for, for us. There are over 70,000 agents in the GTA, and I don't think we have to have. I don't know what the percentage of Black people is. But if you don't walk in our shoes, if you haven't worked with many Black agents, or Black buyers and sellers, you don't know what our needs are. We have unique needs... different, different from the average person because of access.

Many home buyers cited the problem of not knowing any Black real estate professionals operating in the areas where they were interested in purchasing a home: "I did not find any black

real estate, the one that I talked to, and she was too far. I didn't see anyone in Toronto who's Black who *was accessible to us.*"

The field could undoubtedly benefit from more diversification at all levels. An increased number of Black and racialized financial advisors, mortgage brokers, real estate lawyers, realtors, real estate investors, and specifically appraisers, are needed. One professional shared, "We should have more people of colour in appraisal positions. So that we can have people of our own kind appraising in our houses and, you know, pushing for us to get what we need."

Section 5: Recommendations

Even today, the journey to homeownership is fraught with social injustice challenges for many. Deliberate and sustained actions are required to dismantle systemic racism in Ontario's real estate and housing sector. - OREA, *Fighting for Fair Housing* (2022)¹²⁸

This section provides a number of policy recommendations to enable the government, private sector, nonprofit and community sector to address homeownership barriers faced by Black homebuyers in the GTHA. Informed by the literature review and study findings, these actions seek to complement and build on other efforts that contribute to remedying inequality in homeownership.

There are five main areas of action:

1. **Increase Diversity and Awareness within the Real Estate Profession**
2. **Increase the Collection of Disaggregated-Race- Based Data in Real Estate**
3. **Improve Financial Access**
4. **Promote Knowledge and Awareness**
5. **Invest in the Black Housing Ecosystem**

5.1 Increase Diversity and Awareness within the Real Estate Profession

Actors: *Professional organizations, Private sector*

a) **Recruit More Black professionals across the Real Estate Profession**

Increasing the representation of Black real estate professionals will aid in identifying, responding to and mitigating bias and discrimination faced by Black homebuyers and provide them with the opportunity to work with professionals who can identify with their lived experience and experiences of racism.

Diversifying the real estate profession requires supporting recruitment and hiring practices that attract Black individuals to work across various positions in real estate, including real estate agents, mortgage brokers, and appraisers, among others. This should include targeted recruitment strategies to hire and retain Black professionals.

¹²⁸ OREA, *"Fighting for Fair Housing"*

Diversity efforts should also increase internship and mentorship opportunities for Black individuals to pursue careers within the industry. Efforts should start early, engaging secondary school students in addition to college and university students or recent graduates. An early focus will help improve awareness about careers in the field of real estate and position students to take steps to secure the requisite high school credits to pursue a career in this industry.

Models to learn from

ULI Toronto's Urban Plan program engages secondary school students in interactive workshops to expose them to real estate development through hands-on engagement with real estate challenges. Real estate professionals work with local high schools to deliver this classroom-based program.

<https://toronto.uli.org/programs/urban-plan/>

The Mentorship Program for Indigenous, Black and Planners of Colour (MIPOC) offers a mentorship program for BIPOC planning students and emerging planning professionals where they are matched with experienced professionals in the development field. In 2023, MIPOC partnered with Arcadis IBI and the City of Markham to create internship opportunities for BIPOC planning students and emerging planning professionals who participate in MIPOC mentorship programs.

<https://miipoc.com/>

b) Raise Awareness of Anti-Black Racism within the Homebuying Process

There is minimal acknowledgement or discussion of racism within the homebuying process and much less explicit discussion of racism faced by Black homebuyers. This results in incidents of racism being unacknowledged and unaddressed, further perpetuating inequities.

- i) **Create and enforce a mandatory Equity, Diversity, and Inclusion (EDI) education curriculum and professional development requirement that focuses on highlighting and responding to the barriers faced by Black individuals in the home-buying process.**

This education should be mandatory for all new real estate professionals and offered by self-regulating bodies, academic institutions (Appraisal Institute of Canada, Real Estate Council of Ontario) and certification granting institutions. Existing professional members would also be required to complete EDI training—

with a specific focus on racism and discrimination faced by Black individuals—as part of their annual professional development requirements.

Instituting a mandatory educational requirement would provide a common knowledge basis for prospective and established professionals to better identify, understand and address (remove or respond to) systemic racism and biases in the homeownership process.

This action advances the Ontario Real Estate Association (OREA) recommendation to advocate for the inclusion of a mandatory DEI education in Real Estate Council of Ontario (RECO) registration and continuing education, certification granting institutions, and brokerages for prospective and established realtors.

- ii.) **Invest resources to support Black real estate professionals in navigating racism. For example, establishing a community of practice for Black real estate professionals would provide a supportive environment where Black professionals can discuss the incidences of racism and discrimination they experience as real estate professionals and those they see Black homebuyers experience in the home-buying process.**

These workshops can provide an opportunity to identify points in the process where individuals experience racism, explore appropriate ways to address it through education and training, and put in place accountability or reporting mechanisms. In addition, a community of practice for Black real estate professionals can examine existing policy and industry guidelines, such as reviewing the real estate code of ethics to integrate more specific language around racism and discrimination.

Until this DEI education curriculum is developed, certification granting institutions and professional self-regulatory bodies can share training and education resources with their membership through publishing on the website and membership newsletter.

- ii) **Develop a process for handling and investigating complaints by real estate professionals and homebuyers**

Currently, within Ontario, individuals encountering instances of racism and discrimination within the real estate sector have recourse through two primary channels. First, the Real Estate Council of Ontario (RECO) has instituted a mechanism specifically tailored to address complaints within the real estate domain. Additionally, individuals can file grievances under the purview of the Ontario Human Rights Commission Policy on the grounds of human rights and

rental housing (2009), which governs discrimination complaints within the rental housing market. However, findings derived from our study reveal participant dissatisfaction with these processes, citing them as overly burdensome and time-consuming. Consequently, they express minimal confidence in the efficacy of these mechanisms in resolving their grievances. Moreover, Black real estate professionals express apprehension about potential repercussions, fearing they may be 'blacklisted' as a consequence of their involvement in such procedures.

Resonating with concerns echoed in the OREA study, real estate professionals voiced their reluctance to report incidents of discrimination and racism due to the challenges associated with substantiating such occurrences and skepticism about the likelihood of meaningful redress.¹²⁹ Meanwhile, prospective homebuyers lament a lack of clarity regarding where to report instances of racism and discrimination.

In alignment with the recommendations outlined by the OREA we advocate for bolstering the enforcement of the REALTOR® Code of Ethics as an additional avenue for addressing instances of racist or discriminatory behaviour among real estate professionals.¹³⁰ Additionally, we emphasize the importance of investing in the promotion and dissemination of information regarding the mechanisms available for prospective homebuyers and renters to file complaints about racism and discrimination in the real estate sector. It is evident from our research and the OREA study that further efforts are required in this area to restore trust and confidence in the real estate industry within the Black community.¹³¹

Moreover, we assert that increased investments from professional real estate bodies are necessary for the promotion and dissemination of information on the mechanisms and systems available for prospective homebuyers and renters to file complaints about racism and discrimination in the real estate sector. It is clear from our research and the OREA study that more work is needed in this area to help restore trust and confidence in the real estate industry from the Black community.¹³² We firmly believe that such initiatives will communicate a resolute message to industry professionals and clients alike: that there is no tolerance for racism and discrimination within the real estate sector.

¹²⁹ OREA, *"Fighting for Fair Housing"*

¹³⁰ OREA, *"Fighting for Fair Housing"*

¹³¹ Ibid.

¹³² OREA, *"Fighting for Fair Housing"*

Models to learn from

Building Owners and Managers Association (BOMA) Canada has recently implemented a [DEI education program](#)

The Law Society of Ontario has a continuous professional development requirement for EDI hours and a toolkit that members can use to design and deliver their own programs that advance equity, diversity and inclusion in the legal profession.

The Ontario Association of Black Paralegals has developed a [Strategies for Impactful Allyship workshop](#) which has been accredited by the Law Society of Ontario

The Black Planners and Urbanists Association piloted a [Navigating anti-Black racism for Black planners workshop](#).

5.2 Increase the Collection of Disaggregated Race-Based Data in Real Estate

Actors: *Government, Lending institutions*

1. **Invest in resources and structures to facilitate disaggregated race-based data collection.**

a) **Mandate the collection of disaggregated race-based mortgage loan data by lending institutions.**

Disaggregated race-based data pertains to quantitative and qualitative information collected and analyzed according to individuals' ethnic backgrounds and racial identities.

b) **Make disaggregated race-based mortgage loan data accessible to the public.**

Establishing such legislation would empower the public and officials to make evidence-based decisions about crafting policies to eliminate discriminatory practices and institutional racism within Canada's lending sector.

- c) **Introduce legislation that encourages financial institutions to meet the credit needs of the communities in which they do business, including neighbourhoods**

Introducing such legislation would help to promote transparency and utilize data to discern whether lenders are adequately serving the housing needs of their communities.¹³³

Models to learn from

[Home Mortgage Disclosure Act \(HMDA\)](#) mandates the collection of disaggregated race-based mortgage loan data from banks, making them readily accessible to the public

The Community Reinvestment Act requires the Federal Reserve and other federal banking regulators to encourage financial institutions to help meet the credit needs of the communities in which they do business, including low—.

The Center for Gender, Diversity, and Inclusion Statistics aims to address gaps in the availability of information by gender, sex, and other intersecting identity factors and enable users to easily access and analyze a wealth of statistical information relevant to the evaluation of programs, policies, and initiatives from a gender, diversity, and inclusion perspective.

[Disaggregated Data Action Plan \(DDAP\)](#) aims to increase and improve statistics on diverse populations, and to support more representative data collection methods.

5.3 Improve Financial Access

Actors: *Government, Lending institutions, Non-profit organizations*

- a) **Amend Credit Scoring Metrics to remove discriminatory impacts on Black homebuyers.**

¹³³ Rogers, Christy, and John A. Powell. 2013. *Where Credit Is Due: Bringing Equity To Credit And Housing After The Market Meltdown*. Lanham, Maryland: University Press of America, Inc.

Homebuyers interviewed in our study revealed that credit scores created a significant barrier in their pursuit of homeownership. The metrics used to determine credit worthiness can be amended to allow rental and utility payments to be considered. Conversely, credit scoring metrics could choose to partially count /de-prioritize student loans, thereby removing credit penalties for individuals with student loans and increasing their credit worthiness.

b) Increase access to affordable loans

- i) **Implement a program to partially forgive student loans to improve credit worthiness** of individuals who are required to take out loans to continue their education. Black homebuyers with student loans often cited this as a barrier to securing a mortgage with a good rate, if at all.
- ii) **Extend mortgage amortizations for first-time buyers** of new builds or resales. This will enable individuals to benefit from lower mortgage payments over a longer-term.
> In Progress: In the Budget 2024, the Federal Housing Plan proposes to amend mortgage insurance rules to allow for 30-year mortgage amortizations for first-time homebuyers who are purchasing newly constructed homes.

c) Expand access to financial tools to save for homeownership such as matched savings programs and tax credits.

- i) **Increase access to financial programs to support homeownership** that will provide down-payment assistance, shared-equity ownership, co-ownership and rent to own.
- ii) **Introducing a down payment assistance program** would address a major disparity Black homebuyers face. Black homebuyers are less likely to have access to down payment support from parents or other family members. Access to financial support that can be flexibly used towards down payment or closing provides a significant step-up to Black homebuyers.

Models to learn from

Canada-Ontario Affordable Housing Homeownership Program provided interest-free down payment assistance loans to low to moderate-income households to purchase affordable homes.

City of Toronto's Home Ownership Assistance Program: In 2021 City of Toronto initiated a review of its affordable housing program which included identifying actions to ensure better access to the programs by the City's priority groups, which include Black households.

- iii) **Expand shared-equity ownership programs:** These programs provide an opportunity for moderate-income households to share the purchase of a home with assistance from a sponsoring organization or government entity, enabling the homebuyer to receive a share of the appreciated value.

Models to learn from

[City of Toronto Affordable Home Ownership program](#) involving Options for Home, Trillium, Miziwe Biik Development Corporation.

[BlackNorth Initiative \(BNI\) Homeownership Bridge Program](#) involving Habitat for Humanity, Black North Initiative, and Dream Legacy Foundation with financial support from different levels of government.

- iv) **Develop policies to incentivize co-ownership, which provides an opportunity for families or individuals to collectively purchase a home.** This minimizes the amount individuals are required to contribute for a down payment, minimizes individual mortgage requirements, and reduces mortgage insurance requirements while still building equity.
- v) **Co-design Rent-To-Own programs allow renters to start their homeownership journey** while still renting. In this model, individuals pay towards a downpayment over a specified period before purchase. This program requires engagement with landlords to design. It provides the opportunity for individuals to purchase their rental unit and the added advantage of supporting individuals to remain in their communities.

5.4 Promote Knowledge and Awareness

Actors: *Government, Professional organizations, Non-profit organizations, Community-based organizations*

Our firm specifically is working towards putting together like this whole guide if I'm buying a house or if I'm selling a house. What do I do; what are all the fees incorporated? So it's more like we want the education to get out there. We want to start doing more webinars and in person seminars and things like that to share the information because I feel the information is not out there. And it's only when it's quote unquote too late that this information is available to potential buyers and sellers.

(Lawyer, Key Informant)

a) Invest in a comprehensive platform to broaden awareness of programs to support home ownership

This platform would bring together information and resources on the home buying process and home ownership. It could include resources that prospective homebuyers can access to self-educate themselves on the process, links to resources by real estate professionals who have designed tailored programs for Black homebuyers, as well as public, nonprofit and private financial assistance programs and grants. In addition, it could include a database of real estate professionals who have equity, diversity and inclusion training and can provide culturally-competent, racially-sensitive and language-appropriate services.

b) Invest in Black-led coaching and counselling programs to create more resources to assist young Black individuals and families as they prepare for homeownership

This would include pre-purchase financial planning, counseling for individuals who have been denied mortgages or faced other significant obstacles in the homebuying process, and post-purchase counselling to support sustainable homeownership

c) Allocate resources to Black-led organizations for the dissemination of educational materials for prospective Black homebuyers

Educational programs should provide a comprehensive guide for individuals covering the entire process of buying and owning a home. Building on the recommendations to invest in Black-led coaching and counselling programs and creating homeownership information platforms, these programs should provide detailed insights and resources covering every facet of the home-buying process, from assembling the right team of real estate professionals to devising effective financial strategies, and understanding the significance of leveraging equity.

Models to learn from

[Black Housing Collaborative](#) (US) has created a road map for individuals exploring home ownership.

[Financial Consumer Agency of Canada](#) and [Canada Mortgage and Housing Agency](#) (2020) have published step-by-step guides to home ownership.

[Toronto Regional Real Estate Board's Property Intelligence Hub](#) provides a selection of online interactive resources to help homebuyers in the GTA explore

questions about the homebuying process, research the housing market and learn about the role of a realtor.

[CMHC's Homebuying step by step guide](#) briefly summarizes the key steps in the homebuying process and is accompanied by a workbook to support each step.

[Toronto Regional Real Estate Board's Buying & Selling Intelligence](#) includes interactive online resources for homebuyers such as information on government programs for homebuyers and in Toronto, Ontario and Canada, for example, the First-Time Home Buyers tax credits.

5.5 Invest in the Black Housing Ecosystem

Actors: *Government, Lending institutions*

a) Invest in a Black Home Ownership Fund

The Federal Housing Plan should commit to funding a Black Home Ownership Fund in partnership with private and philanthropic sectors. This would provide funding to address homeownership barriers faced by Black individuals by supporting implementation of the recommendations and also providing an ongoing source of financial resources.

> In Progress: Black Opportunities Fund is creating a private equity fund to support homeownership for Black Canadians.

b) Introduce funding programs that support the scaling of Black-led development firms and Black-led, Black-serving organizations building housing.

c) Amend lending practices and credit policies to provide more equitable access to capital for small scale developers (both nonprofit and for profit) that are Black-led, Black-serving and seek to provide affordable homeownership opportunities for Black households.

Models to learn from

Boann Social Impact, a partnership between several housing organizations backed by a contribution from the Government of Canada's Social Finance Fund, focuses on

supporting purpose-driven investments in under-capitalized sectors, communities, and geographies across Canada. <https://boann.ca/>

- d) **Sustain collaborative, multi-sectoral Black-led housing entities that seek to build up the Black housing economy**, eliminating housing inequities and improving housing outcomes for Black residents.

> In Progress:

Black Community Housing Advisory Table is a Greater Toronto Hamilton Area coalition of social service and housing providers, developers, planning experts, and government and community leaders who aim to eliminate housing inequities and improve outcomes for Black residents.

Black Community Housing Centre (BCHC), a pan-Canadian collaboration of Black leaders and Black-led organizations engaged in housing, seeks to establish an organization to build up the Black housing economy and address housing precarity within Black communities.

Section 6: Conclusion

The aim of this study was to investigate the barriers that Black households encounter in achieving homeownership in Canada, specifically within the Greater Toronto Hamilton Area (GTHA). By conducting a rigorous examination of the factors influencing the lower homeownership rates among Black Canadians in the GTHA, this research seeks to illuminate the distinct and multifaceted challenges experienced by Black Canadians in their pursuit of homeownership.

This research involved primary and secondary data collection in the GTHA. Primary data collection comprised three phases: 1) Conducting interviews with key informants; 2) administering surveys to Black Canadians involved in the homebuying process; and 3) conducting in-depth interviews with Black homebuyers to elicit detailed information about their experiences and perspectives. Secondary data collection drew from diverse sources, including a comprehensive review of grey and scholarly literature, analysis of custom census data pertinent to housing trends, and an examination of relevant government policies impacting homeownership. The research findings are organized around two primary themes: (a) Factors shaping homebuying behaviours within Black communities and (b) Challenges faced by Black Canadians throughout the home-buying process.

During the interviews, it became clear that Black homebuyers encounter various forms of racism throughout the housing market. Key informants reported that lenders often scrutinized the financial files of Black homebuyers more rigorously compared to other racial groups, creating additional barriers to securing loans. There were reports of steering practices being used to direct Black homebuyers toward neighbourhoods predominantly populated by racialized communities. Furthermore, homes owned by Black individuals have reportedly been undervalued during appraisals, leading to disparities in property values and potential financial losses. Finally, Black homebuyers sometimes faced the rejection of their offers without clear justification, indicating systemic bias within the housing market. Collectively, these discriminatory practices contribute to the systemic inequalities faced by Black individuals seeking homeownership.

This study affords Canadians significant insight into the obstacles confronting Black Canadians in their quest for homeownership. Additionally, our research team discovered that many Black homebuyers lack sufficient knowledge about the intricacies of the home-buying process, prompting them to seek information from potentially unreliable sources such as friends and family, who may not be aware of the latest policies and programs designed to facilitate homeownership. In response, some realtors have organized informal educational sessions aimed at dispelling misinformation, easing fears and anxieties, and rebuilding trust within the Black community. These initiatives—often spearheaded by Black professionals in the industry—underscore the necessity for broader efforts to disseminate accurate and comprehensive information about the home-buying process within Black communities, not only in the GTHA,

but potentially on a wider scale. Therefore, we encourage the Canada Mortgage and Housing Corporation (CMHC) to collaborate with local real estate boards to allocate resources to these initiatives within Black communities. The aims of this partnership would be to enhance community infrastructure and establish standardized educational protocols focused on the home buying process.

While efforts to treat all citizens equally are commendable, the absence of an equity lens in housing policy implementation overlooks the unique circumstances of marginalized groups and perpetuates existing inequalities stemming from systemic racism, which manifests in disparities in income and educational attainment. We therefore advocate for the implementation of targeted initiatives specifically designed to assist young Black families in overcoming the financial barriers hindering their path to homeownership in the GTHA region. As emphasized earlier in this report, there is a critical need for robust housing programs that are specifically tailored to the financial challenges faced by Black Canadians, in a way that facilitates access to more affordable housing options.

While different levels of government are making investments to bolster the housing supply, we are concerned that such efforts alone may not provide the timely relief needed by young Black families to achieve homeownership in this area. Without intervention, there is a legitimate concern that Black families will continue to reside in rental accommodations for an extended period, postponing their aspirations of homeownership indefinitely. This, we contend, will have lasting implications on the ability of Black households to participate in the wealth accumulation opportunities that have traditionally been available to their white counterparts. Additionally, an increasingly unaffordable housing market, will contribute to greater housing instability for these households. Therefore, we argue that failing to act will only exacerbate wealth disparities between Black individuals, other racialized groups, and non-racialized groups and threaten Black households' ability to continue living in certain areas of the GTHA.

Prior initiatives have not been fully successful in fostering equitable access to the housing market. Black individuals, along with other racialized groups and LGBTQ2S+ individuals, consistently maintain the lowest rates of homeownership, both locally and nationwide. For instance, endeavours such as the shared equity program, while theoretically advantageous in facilitating homeownership for households teetering on the brink of homeownership, have generated minimal interest from Black homebuyers. This lack of uptake can be attributed to a lack of trust within the Black community and the dissemination of misinformation surrounding the program. In light of these challenges, we advocate that any future implementation of new housing programs must include substantial investments in community outreach and collaboration with Black-led, Black-focused and Black-serving organizations. These efforts should aim not only to dispel misconceptions but also to foster trust in the program's efficacy among Black communities and other marginalized groups. Such measures are essential to ensure that all demographic groups, including Black Canadians, have equal opportunities to benefit from and participate in homeownership initiatives.

Addressing financial barriers, through programs such as financing options and initiatives aimed at alleviating student debt burdens, is essential for empowering Black Canadians to realize their homeownership aspirations. Equally important is the need to combat misinformation and enhance financial literacy, enabling prospective Black homebuyers to navigate the complexities of the homebuying process with confidence and clarity.

Central to this endeavour is the imperative to amplify the voices and representation of Black real estate professionals in leadership roles, ensuring that their perspectives shape policies that dismantle racial biases and promote fair access to homeownership across this region and throughout Canada. Real estate professionals from all backgrounds must collectively shoulder this responsibility, unified in their commitment to equity and inclusivity. Moreover, our call for comprehensive race-based data collection underscores the critical need for informed policymaking and targeted interventions that address the specific challenges faced by Black Canadians. These initiatives are pivotal for creating environments where every Canadian can aspire to homeownership without encountering systemic barriers.

Lastly, investing in Black-led development firms and safeguarding properties under Black ownership can help preserve cultural heritage and bolster the economic resilience of Black communities that are continually threatened by gentrification. These investments not only safeguard valuable spaces but also empower future generations to thrive and contribute to the vibrancy of our region.

The challenges faced by Black homebuyers underscore the necessity for more tailored approaches to address the distinctive obstacles encountered by Black homebuyers in Canada. However, effective resolution of these issues in specific jurisdictions will demand concerted efforts from all tiers of government to ensure equitable access to all housing markets.

In conclusion, our recommendations stand as a beacon of hope and progress in the ongoing struggle against anti-Black racism within Canada's housing sector. By advocating for greater diversity among real estate professionals, robust data collection, improved financial access, increased knowledge dissemination, and strategic investments in the Black housing ecosystem, we strive not only to rectify systemic inequities but also to cultivate a more inclusive and just society.

Embracing these recommendations advances a vision of Canadian society where equitable access to housing is not merely a privilege but an inherent right within the market. It envisions a future where diversity is not merely acknowledged but embraced and celebrated, enabling every Canadian to pursue homeownership without hindrance.

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Appendices

Appendix A: Survey

Preamble:

Study Name: Buying while Black: Barriers to Black Homeownership in Canada

This survey is administered by Dr. Nemoy Lewis, Assistant Professor in the School of Urban and Regional Planning at Ryerson University. The purpose of this survey is to help us understand the distinct barriers to home ownership for Black Canadians. We expect to recruit a minimum of 500 survey participants from the Greater Toronto Hamilton Area (GTHA) for this research study. What we learn from this survey will help us construct a useful understanding of the effective public policies and practices required to improve the Black home ownership rate in Canada. Information gathered during this survey will be disseminated as conference presentations, scholarly journal articles, and community presentations.

Funding for this study is provided by the National Housing Strategy Planning and Research Fund. Part of the objective of the fund is to provide support to not-for-profit organizations to conduct research to better understand the housing needs of racialized individuals and communities.

What You Will Be Asked to Do in the Research: This survey should take approximately 10-15 minutes to complete. The survey will ask you questions pertaining to your home buying experience in Canada. With your permission, after the survey, you may be contacted to participate in an online (using zoom) semi-structured interview with a member of the research team. The interviews are intended to elaborate on the initial findings of the survey. Your choice to participate or not in the semi-structured interview will not impact your involvement in the study. **Please note by participating in the follow-up virtual interviews, all survey responses will no longer be anonymous, but all data collected from the survey will be kept confidential.**

Individuals filing out this survey must: Self-identify as Black; have purchased or attempted to purchase residential property between 2006–2021; and currently reside in the Greater Toronto and Hamilton Area (GTHA).

Benefits of the Research and Benefits to you: There is no direct benefits to you from this research. The results from this study may contribute to public discourse and policy by enriching our understanding of the barriers Black households face in accessing home ownership in Canada. We hope this research will help inform public policy by enriching our understanding of the barriers Black households face in accessing home ownership. This will provide policymakers, regulators, and other stakeholders with a deeper understanding of anti-Black racism in the Canadian housing market.

Please note that researchers cannot guarantee direct benefits to participants in this research study.

Risk: There is a potential psychological risk of emotional discomfort in participating in this survey. For example, some questions may result in you feeling sad or upset. To mitigate this risk, you have the option to refuse to answer any questions at any time or end my participation, either momentarily or permanently.

Voluntary Participation: Your participation in the study is completely voluntary and you may choose to stop participating at any time. Your decision not to volunteer will not influence your relationship with Ryerson University, Habitat for Humanity GTA, or the Canada Mortgage Housing Corporation (CMHC) either now or in the future.

Withdrawal from the Study: Taking part in the study is completely voluntary. You may decide not to take part, or you may leave the study at any time before submitting your survey. You will not be penalized in any way for withdrawing. If you so decide, your decision to stop question or withdraw from the study by simply closing your browser. If you leave the survey at any time before you click "SUBMIT," no data is collected. In the event you withdraw from the study, all associated data collected will be immediately destroyed wherever possible.

Confidentiality: All survey responses will be collected in an online survey where data will be stored in a password protected electronic format. The survey will not collect identifying information such as your name or email address. Therefore, your responses will remain anonymous. No one will be able to identify you or your answers, and no one will know whether or not you participated in the study.

Please note: At the end of the survey, you will be asked to provide your contact information if you are interested in participating in a voluntary follow-up virtual interview. If you choose to provide contact information such as your phone number or email address, your survey responses may no longer be anonymous to the research team. However, no names or identifying information would be included in any publications or presentations, and your responses to this survey will remain confidential.

Data Storage: All electronic data will be stored in a password protected file on a Ryerson University Shared Drive after being transferred from the online survey. Access to the data will be restricted to the principal investigator, Dr. Nemoy Lewis, project manager, Abigail Moriah, and the two research assistants working on this project. Once the data has been fully analyzed it will be destroyed as soon as feasible. Confidentiality will be provided to the fullest extent possible by law.

This survey is part of a study that has been reviewed and approved by **Ryerson REB (REB 2021-350)**. The following statement has been added to the survey consent form: The findings from this study will be shared broadly through publications and conferences. Study results will also be made available on the Black Planning Project website at www.blackplanningproject.com/blackhomeownership and all social media platforms (Facebook and Twitter).


Questions about the Research:

If you have questions about the research in general or about your role in the study, please feel free to contact Dr. Nemoy Lewis either by telephone at (416)-979-5044 Ext.544865, or by email nemoy.lewis@ryerson.ca).

If you have any questions about the ethics process, or about your rights as a participant in the study, please contact the **Ryerson Research Ethics Board** c/o Office of the Vice President, Research and Innovation (1+ 416-979-5042 or by email at rebchair@ryerson.ca).

Having read the above, I understand that by clicking the “Yes” button below, I agree to take part in this study under the terms and conditions outlined above. You are not waiving any legal rights by consenting.

 Yes. I agree to participate (Proceed to Section 1)

 No. I do not agree to participate (End survey)

SECTION 1: Qualifying questions**1. Racial Identity***

Which of the following categories best describes your racial identity, regardless of your ethnicity and place of birth? (Please choose one)

- ☐ Black
- ☐ Other (end survey)

2. Do you currently live in the Greater Toronto-Hamilton Area, which includes the City of Toronto, Peel Region, Durham Region, York Region, Halton Region, and the City of Hamilton?*

- ☐ Yes
- ☐ No (end survey)

3. Residential Purchase*

Have you purchased or attempted to purchase a home (residential property) **since 2006?**

- ☐ Yes, I successfully purchased a residential property (go to Section 2)
- ☐ Yes, I tried to purchase a residential property, but was not successful (Go to Section 5)
- ☐ No, I have not purchased or attempted to purchase residential property since 2006 (end survey)

SECTION 2: Home Ownership

This section asks questions about your most recent home purchase in Canada, that is residential property that is your primary residence.

4. How many house purchases have you made since 2006?
☐ ____
5. How many house purchases have you attempted since 2006? [An attempted purchase is defined as "..."]
☐ ____
6. What types of purchase(s) you have made since 2006: (Please check all that apply)
 - ☐ First-time home buyer
 - ☐ Repeat buyer (not your first home purchase)
 - ☐ Rental property
 - ☐ Other, please specify: _____
7. What types of purchase(s) you attempted to make since 2006: (Please check all that apply)
 - ☐ First-time home buyer
 - ☐ Repeat buyer (not your first home purchase)
 - ☐ Rental property
 - ☐ Other, please specify: _____
8. What was your age when you purchased your **first** home?
☐ ____
9. What year did you purchase your **first** home?
☐ ____
10. What year did you purchase your **current** home?
☐ ____

11. Which best describes the most recent home (that is, “your primary residence”) you purchased or attempted to purchase:

- ☐ Detached house
- ☐ Semi-detached house
- ☐ Townhouse (freehold)
- ☐ Townhouse (condo)
- ☐ Apartment/Condo
- ☐ Duplex
- ☐ Pre-construction property (house or condo)
- ☐ Other, please describe: _____

12. In which municipality do you currently live:

- ☐ City of Toronto (which includes Downtown Toronto, York, North York, East York, Scarborough and Etobicoke)
- ☐ Peel Region
- ☐ York Region
- ☐ Durham Region
- ☐ Halton Region
- ☐ City of Hamilton
- ☐ Other, please describe: _____

13. Up to this point, how many homes (that is residential properties that have been your primary residence) have you purchased?

- ☐ 0 (Go to Section 5)
- ☐ 1 (Go to Section 3)
- ☐ 2 (Go to Section 4)
- ☐ 3 (Go to Section 4)
- ☐ 4 (Go to Section 4)
- ☐ 5 or more (Go to Section 4)

Section 3: One-time Homebuyers

14. Before purchasing your current home, what was your living situation?

- ☐ Rented
- ☐ Lived with parents or other family/friends
- ☐ Lived outside of the country and rented
- ☐ Lived outside of the country and owned a home
- ☐ Live in a home I owned
- ☐ Other, please specify: _____

15. How long did it take to save up your down payment (that is the proportion of the down payment that came from your own personal savings)? Please enter the number of years it took to save for the down payment below.

- ☐ _____
- ☐ None of the down payment came from my personal savings

16. How much of the total price did your down payment comprise of your first home purchase?

- ☐ 5%
- ☐ 5-10%
- ☐ 10-20%
- ☐ Over 20%
- ☐ The home was purchased cash and did not require a mortgage

SECTION 4: Motivation to buy

These questions refer to reasons why you've purchased a home, with a focus on the home you currently live in.

17. Please describe your motivation to purchase the home you currently live in:

(Select all that apply)

- | | |
|---|--|
| <input type="checkbox"/> To become a homeowner | <input type="checkbox"/> To be closer to my family |
| <input type="checkbox"/> Market conditions (it was a good time to buy) | <input type="checkbox"/> To be closer to schools |
| <input type="checkbox"/> Because my financial situation improved | <input type="checkbox"/> To be closer to work |
| <input type="checkbox"/> Encouragement from family | <input type="checkbox"/> To be closer to daycare |
| <input type="checkbox"/> To upgrade to a larger home | <input type="checkbox"/> To be closer to nature |
| <input type="checkbox"/> For more outdoor space | <input type="checkbox"/> To be in a more walkable community |
| <input type="checkbox"/> To upgrade to a better quality home | <input type="checkbox"/> To be closer to events, attractions and entertainment |
| <input type="checkbox"/> To downsize to a smaller home | <input type="checkbox"/> To move to a community with more diversity |
| <input type="checkbox"/> To form a new household with a partner | <input type="checkbox"/> To move to a community with less diversity |
| <input type="checkbox"/> To accommodate a growing family | <input type="checkbox"/> To move to a community with more employment opportunities |
| <input type="checkbox"/> To move to a better community | <input type="checkbox"/> For more opportunities to make friends |
| <input type="checkbox"/> Because owning a home is a good investment | <input type="checkbox"/> Because of a partner |
| <input type="checkbox"/> I could finally afford to buy | <input type="checkbox"/> Other, please specify: |
|
 | <hr/> |
| <input type="checkbox"/> I found a home I could afford | |
| <input type="checkbox"/> It was the right location | |
| <input type="checkbox"/> So that my children/grandchildren could go to better schools | |

18. If you like, please tell us more about your motivation to purchase a home in the space below.

19. What were your top 3 "must haves" in your most recent home purchase?

- | | |
|--|---|
| <input type="checkbox"/> Price / Affordability | <input type="checkbox"/> Size of living space |
| <input type="checkbox"/> Location | <input type="checkbox"/> Amount of outdoor space |
| <input type="checkbox"/> Proximity to family | <input type="checkbox"/> Diversity of community |
| <input type="checkbox"/> Proximity to schools | <input type="checkbox"/> Walkability |
| <input type="checkbox"/> Proximity to work | <input type="checkbox"/> Buying a brand new home |
| <input type="checkbox"/> Proximity to daycare | <input type="checkbox"/> Purchasing a fixer-upper |

- ☐ Proximity to events, attractions and entertainment
- ☐ Proximity to nature/outdoor space
- ☐ The desired community
- ☐ Other, please specify:

20. When purchasing a home, you may not get everything that was important to you and you may have had to make compromises. What weren't you able to get with this purchase / where did you have to compromise? (Select all that apply)

- ☐ Price
- ☐ Location
- ☐ Proximity to family
- ☐ Proximity to schools
- ☐ Proximity to work
- ☐ Proximity to daycare
- ☐ Proximity to public transit
- ☐ Proximity to events, attractions and entertainment
- ☐ Proximity to nature/outdoor space
- ☐ The desired community
- ☐ Size of living space
- ☐ Size of outdoor space
- ☐ Waived home inspection
- ☐ Waived financial conditions
- ☐ Waived the lawyer's review of the condo status certificate
- ☐ Diversity of community
- ☐ Walkability
- ☐ Buying a brand new home
- ☐ Purchasing a fixer-upper
- ☐ Other, please specify:

21. Please explain the impact these compromises have had on you, if any.

22. Please rate your satisfaction with the home you purchased from 1 (not satisfied) to 5 (very satisfied)? (scale from 1 to 5)

23. Please rate how well your current home meets your present needs from 1 (not very well) to 5 (very well)? (scale from 1 to 5)

24. Do you have any additional comments about your motivation to buy or the compromises you had to make to purchase your most recent home?

SECTION 5: Motivation to buy

These questions refer to reasons why you attempted to purchase a home and the home buying process.

25. Please describe your motivation to purchase a home: (Select all that apply)

Economic	Family	Neighbourhood and Amenities
<ul style="list-style-type: none"> • To become a homeowner • Market conditions (it was a good time to buy) • Because my financial situation improved • Because owning a home is a good investment • I could finally afford to buy • I found a home I could afford • It was the right location 	<ul style="list-style-type: none"> • Encouragement from family • To upgrade to a larger home • To downsize to a smaller home • For more outdoor space • To upgrade to a better quality home • To form a new household with a partner • To accommodate a growing family • So that my children/grandchildren could go to better schools • Because of a partner 	<ul style="list-style-type: none"> • To be closer to schools • To be closer to work • To be closer to daycare • To be closer to nature • To be in a more walkable community • To be closer to events, attractions and entertainment • To move to a community with more diversity • To move to a community with less diversity • To move to a community with more employment opportunities • For more opportunities to make friends • To move to a better community

26. If you like, please tell us more about your motivation to purchase a home in the space below.

27. What were your top 3 “must haves” in your most recent home purchase?

- | | |
|---|---|
| <input type="checkbox"/> Price / Affordability | <input type="checkbox"/> Size of living space |
| <input type="checkbox"/> Location | <input type="checkbox"/> Amount of outdoor space |
| <input type="checkbox"/> Proximity to family | <input type="checkbox"/> Diversity of community |
| <input type="checkbox"/> Proximity to schools | <input type="checkbox"/> Walkability of community |
| <input type="checkbox"/> Proximity to work | <input type="checkbox"/> Buying a brand-new home |
| <input type="checkbox"/> Proximity to daycare | <input type="checkbox"/> Purchasing a fixer-upper |
| <input type="checkbox"/> Proximity to events, attractions | <input type="checkbox"/> Other, please specify: |

and entertainment

- ☐ Proximity to nature/outdoor space
- ☐ The desired community

28. What were the main reasons why you were not able to complete your most recent attempt to purchase a home? (Select all that apply)

- | | |
|--|--|
| <input type="checkbox"/> House prices are too high | <input type="checkbox"/> I couldn't find the home I want in the location I want |
| <input type="checkbox"/> I couldn't qualify for the mortgage I needed | <input type="checkbox"/> I lost out in a bidding war |
| <input type="checkbox"/> My credit score wasn't good enough | <input type="checkbox"/> I wasn't willing to waive the financial conditions |
| <input type="checkbox"/> My co-signer changed their mind | <input type="checkbox"/> I wasn't willing to waive the home inspection |
| <input type="checkbox"/> I couldn't find a place I can afford in the location I want | <input type="checkbox"/> I wasn't willing to waive the lawyer's review of the condo status certificate |
| | <input type="checkbox"/> Other, please specify: |

29. Do you have any additional comments about your reasons for wanting to purchase your home?

30. Do you have any additional comments about the difficulties you faced in the home buying process?

SECTION 6: Finances

These questions refer to your most recent home buying process.

31. Please indicate the combined net income (not including taxes) of the purchasers of your most recent home at the time of your purchase:

☐ _____

32. What was the purchase price of your most recent home?

☐ _____

33. What was the **initial** interest rate of the mortgage for your current home?

☐ Under 2%

☐ 2-3%

☐ 4-5%

☐ 5-6%

☐ 7-8%

☐ 8-9%

☐ 9-10%

☐ Higher than 10%

34. What is the **current** interest rate of the mortgage of your current home?

☐ Under 2%

☐ 2-3%

☐ 4-5%

☐ 5-6%

☐ 7-8%

☐ 8-9%

- ☐ 9-10%
- ☐ Higher than 10%
- ☐ Not relevant, I haven't yet purchased a home

35. What proportion of the total down payment came from the following sources? (Scale from 0 to 100%)

- ☐ Equity from the sale of previous home
- ☐ Personal savings
- ☐ RRSP
- ☐ Bank or credit union loan
- ☐ Line of credit
- ☐ Family
- ☐ Cash
- ☐ Other, please specify: _____

36. What was the source of your mortgage?

- ☐ Bank
- ☐ Credit union
- ☐ Other mortgage lender/broker
- ☐ Private lender
- ☐ No mortgage
- ☐ Other, please specify: _____
- ☐ Not relevant, I haven't yet purchased a home

37. Did you purchase the property with someone?

- ☐ Yes, co-signer who doesn't live with me
- ☐ Yes, purchased the home jointly with someone I live with
- ☐ Yes, purchased the home jointly with someone who doesn't live with me
- ☐ No, purchased the home on my own
- ☐ Other, please specify: _____

38. Do you rent out part of your home for additional income?

- ☐ Yes
- ☐ No

39. Are you planning on renting out part of your home for additional income?

- ☐ Yes
- ☐ No

40. What are the main qualities you are looking for in a tenant?

- ☐ _____

41. Which of the following financial barriers did you face in the home buying process? (Select all that apply)

- ☐ Coming up with a down payment
- ☐ Money for closing costs
- ☐ Unexpected after-purchase repairs
- ☐ Credit score
- ☐ Qualifying for a mortgage
- ☐ Existing debt
- ☐ Monthly mortgage payments are too high
- ☐ Lack of job security
- ☐ Property taxes
- ☐ Not enough homes for sale
- ☐ Appraisal of existing home
- ☐ Appraisal of the purchase property
- ☐ Land transfer tax
- ☐ House prices
- ☐ Stress test
- ☐ Other, please specify: _____
- ☐ None of the above

42. Do you have any additional comments about the financial challenges you faced in buying a home?

SECTION 7: Home Buying Process

This section asks questions about the most recent home buying process you engaged in.

43. What were your main concerns during the home buying process? (Check all that apply)

- ☐ Lack of knowledge about the home buying process
- ☐ Negative past experience
- ☐ Paying too much for a home
- ☐ Finding professionals I can trust
- ☐ Coming up with the down payment
- ☐ I didn't have any concerns
- ☐ Other, please specify: _____

44. Was it important to you for any of the following professionals to be Black?

	Y es	N o	Don't Know
Real estate agent	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mortgage agent/broker	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Home inspector	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lawyer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Home appraiser	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

45. Why was (or wasn't) the race of these professionals important to you?

46. How easy were these steps for your most recent purchase? Please rate from 1 (very difficult) to 5 (very easy).

- Finding a place to purchase
- Finding a place at the right price
- Qualifying for a mortgage
- Home inspection process
- Appraisal process
- Coming up with the closing costs

47. Do you think you experienced any racism during any part of the home buying process?

- ☐ Yes (go to Q41)
- ☐ No (go to Q43)

48. Please identify the points at which you think you experienced racism:

	Y es	N o	Don't Know
Finding a place to purchase	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mortgage qualification	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Home inspection	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appraisal ¹	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Closing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

49. Please describe the ways in which you think you experienced racism.

50. Do you have any additional comments about any of the topics covered on this survey?

SECTION 8: Home Ownership Programs

This section asks questions about your knowledge of and participation in home ownership programs.

51. Are you aware of any programs to help people purchase their homes?

- ☐ Yes (Go to Q45)
- ☐ No (Go to Section 9)

52. Did you qualify to participate in the program?

- ☐ Yes (Go to Q46)
- ☐ No (Go to Section 9)
- ☐ Don't know (Go to Section 9)

53. Did you participate in a program to help you purchase your home?

- ☐ Yes
- ☐ No

If yes, please describe the program. If no, please explain why not.

SECTION 9: Demographics

This section asks about you so that we can better analyze the data and understand the purchasing experience of Black home buyers.

54. Please select your marital status:

- ☐ Single, never married
- ☐ Married or common law
- ☐ Separated or divorced
- ☐ Widow or widower
- ☐ I prefer not to answer

55. What is your age group?

- ☐ 18 – 29
- ☐ 30 – 39
- ☐ 40 – 49
- ☐ 50 – 59
- ☐ 60 – 64
- ☐ 65+
- ☐ I prefer not to answer

56. Gender identity is a person's internal and individual experience of gender. This may or may not correspond to one's biological sex assigned at birth. What is your gender identity?

- ☐ Woman
- ☐ Man
- ☐ Gender Diverse / Non-binary
- ☐ Transgender woman
- ☐ Transgender man
- ☐ Two-Spirit
- ☐ I prefer not to answer

57. What is your highest level of education?

- ☐ Less than high school
- ☐ High school diploma
- ☐ College diploma
- ☐ Trades certificate / license
- ☐ Bachelor's degree
- ☐ Master's degree
- ☐ Doctoral degree
- ☐ Other: ____
- ☐ I prefer not to answer

58. What is your employment status?

- ☐ Employed – Full-time
- ☐ Employed – Part-time
- ☐ Self-employed
- ☐ Retired
- ☐ Other: ____
- ☐ I prefer not to answer

59. Which of the following categories best describes your ethnic identity/heritage?

- ☐ West African (e.g. Nigerian, Ghanaian, etc.)
- ☐ East African (e.g. Kenyan, Ethiopian, etc.)
- ☐ Central African (e.g. Congolese, Cameroonian, etc.)
- ☐ Southern Africa (e.g. South African, Zimbabwean, etc.)
- ☐ North African (e.g. Moroccan, Egyptian, etc.)
- ☐ Caribbean / West Indian (e.g. Jamaican, Trinidadian, etc.)
- ☐ Central American (e.g. Honduran, Panamanian, etc.)
- ☐ South American (e.g. Colombian, Brazilian, etc.)
- ☐ Black Canadian

- ☐ Another ethnicity, please specify: _____

60. Were you born in Canada?*

- ☐ Yes (go to Q53)
☐ No (go to Q52)
☐ I prefer not to answer (go to Q53)

61. In what year did you arrive in Canada?

- ☐ _____

62. Would you like to participate in a follow up interview, with a chance of winning a \$80 Visa gift card?

- ☐ Yes (go to Q54)
☐ No (end survey)

63. Please provide the following information so that we can contact you to set up an interview:

First name:	
Last name:	
Email address:	
Phone number:	

***Please note if you provide us with your email address, all survey responses will no longer be anonymous, but all data collected will be kept confidential.

Thank you for registering to participate in a one-on-one interview. If selected for an interview, you will be contacted within the next two weeks to set up a convenient time for the interview.

Appendix B: Survey Results - Summary

Demographics of Survey Participants

70 percent of survey participants were between the ages of 35 and 54 (Table 1), approximately 20 percent reported being under 34 years of age and roughly 15 percent were over 54 years of age.

Table 1

Age Groups of Survey Participants

What is your age group?	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
35-44 years old	42	42%	21	37%	63	40%
45-54 years old	23	23%	25	44%	48	30%
25-34 years old	20	20%	9	16%	29	18%
55-64 years old	10	10%	7	12%	17	11%
65+ years old	3	3%	1	2%	4	3%
Under 18	2	2%	1	2%	3	2%
18-25 years old	1	1%	0	0%	1	1%
Survey Participants	101	100%	57	100%	158	100%

Woman comprised the majority of survey participants – making up approximately 80 percent of respondents (Table 2). Women made up a slight smaller proportion of homeowners who completed the survey.

Table 2

Gender of Survey Participants

What is your gender?	Buyers	Attempted Buyers	All Participants
----------------------	--------	------------------	------------------

	N	%	N	%	N	%
Woman	73	73%	55	87%	128	79%
Man	25	25%	8	13%	33	20%
Transgender Woman	1	1%	0	0%	1	1%
Two-Spirit	1	1%	0	0%	1	1%
Survey Participants	100	100%	63	100%	163	100%

1 in 4 survey participants reported their marital status as single who had never been married (Table 3). A slightly smaller proportion reported being married or in a common law relationship.

Table 3

Marital Status of Survey Participants

What is your marital status?	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
Single - Never Been Married	38	38%	29	47%	67	41%
Married or Common Law	45	45%	15	24%	60	37%
Separated or Divorced	14	14%	18	29%	32	20%
Widowed	2	2%	0	0%	2	1%
Other: Please Specify	2	2%	0	0%	2	1%
Survey Participants	101	100%	62	100%	163	100%

Over 60 percent of survey participants were university-educated with an undergraduate or graduate degree (Table 4). Almost 30 percent of survey participants reported a college diploma as their highest level of education.

Table 4***Highest Level of Education of Survey Participants***

What is your highest level of education?	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
Less than high school	1	1%	0	0%	1	1%
High school diploma	4	4%	2	3%	6	4%
College diploma	18	18%	26	41%	44	27%
Trade certificate / license	4	4%	1	2%	5	3%
Bachelor's degree	31	32%	20	31%	51	31%
Master's degree	35	36%	15	23%	50	31%
Doctoral degree	5	5%	0	0%	5	3%
Survey Participants	98	100%	64	100%	162	100%

Approximately 80 percent of survey participants reported being employed full-time, and 13 percent reported being self-employed (Table 5).

Table 5***Current Employment Status of Survey Participants***

What is your current employment status?	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
Employed - Full-time	75	77%	48	81%	123	78%
Employed - Part-time	1	1%	4	7%	5	3%
Self-employed	16	16%	5	8%	21	13%
Retired	2	2%	0	0%	2	1%
Unemployed - Looking for work	3	3%	2	3%	5	3%
Unemployed - Not looking for work	1	1%	0	0%	1	1%
Survey Participants	98	100%	59	100%	157	100%

Over 60 percent of survey participants reported having Caribbean identity and heritage (Table 6). 14 percent of survey participants reported their identity/heritage as Black or African Canadian, 10 percent reported East African identity/heritage and 8 percent reported their identity and heritage were West African.

Table 6

Ethnic Identity/Heritage of Survey Participants

Which of the following categories best describes your ethnic identity/heritage?	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
West African (e.g. Nigerian, Ghanaian, etc.)	9	8%	6	9%	15	8%
East African (e.g. Kenyan, Ethiopian, etc.)	9	8%	9	13%	18	10%
Central African (e.g. Congolese, Cameroonian, etc.)	2	2%	1	1%	3	2%
Southern African (e.g. South African, Zimbabwean, etc.)	2	2%	0	0%	0	0%
North African (e.g. Moroccan, Egyptian, etc.)	3	3%	0	0%	3	2%
Caribbean / West Indian (e.g. Jamaican, Trinidadian, etc.)	73	63%	43	62%	116	63%
South American (e.g. Colombian, Brazilian, etc.)	1	1%	1	1%	2	1%
Black Canadian / African Canadian (e.g. Nova Scotian, etc.)	17	15%	9	13%	26	14%
Survey Participants	116	100 %	69	100 %	183	100 %

Survey participants were split evenly between people who were born in Canada or born outside of Canada. A slightly higher proportion of homeowners who completed the survey were born in Canada.

Table 7

Immigrant Status of Survey Participants

Were you born in Canada?	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%

Yes - I was born in Canada	58	57%	23	37%	81	50%
No - I was born outside Canada	43	43%	39	63%	82	50%
Survey Participants	101	100%	62	100%	163	100%

Of the survey participants born outside of Canada, almost 60 percent came to Canada in the 1990s or 2000s, 30 percent came to Canada before 1990 and 13 percent arrived in Canada since 2010 (Table 8).

Table 8

Period of Arrival of Survey Participants (Born Abroad)

What year did you arrive in Canada?	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
1970s	7	16%	5	13%	12	14%
1980s	7	16%	6	15%	13	16%
1990s	14	33%	9	23%	23	28%
2000s	10	23%	14	35%	24	29%
2010s	5	12%	6	15%	11	13%
Survey Participants	43	100%	40	100%	83	100%

Experiences in Homeownership

The survey examined the experiences of homeowners to prepare to buy a home and their experience during the process. 64 percent of respondents reported that they saved up their down payment in less than 5 years (Table 9).

Table 9

Length of Time to Save Down Payment by Homeowners

How long did it take to save up your down payment?	Buyers	
	N	%
Less than 5 years	45	64%

5 or more years	25	36%
Survey Participants	70	100 %

The most frequently cited amount of down payment used to buy a home was between \$50,000 and \$99,999 dollars (30%), followed by \$25,000 to \$49,000 dollars (27%) and 19 percent reported using less than \$25,000 to buy their home (Table 10).

Table 10

Total Amount of Down Payment of Homeowners

What was the total amount of your down payment for your home purchase?	Buyers	
	N	%
Less than \$25,000	12	19%
\$25,000-\$49,999	17	27%
\$50,000-\$99,999	19	30%
\$100,000-\$199,999	10	16%
\$200,000 or more	5	8%
Survey Participants	63	100 %

Almost 50 percent of homeowners reported having a combined income of over \$100,000 dollars between them and their partner, if not single (Table 11). 35 percent reported having a combined net income of less than \$80,000 dollars per year.

Table 11

Net Combined Income of Homeowners

Please indicate the combined net income (not including taxes) of the purchasers of your more recent home at the time of your purchase?	Buyers	
	N	%
Under \$20,000	2	2%
\$20,000-\$39,999	1	1%

\$40,000-\$59,999	15	15%
\$60,000-\$79,999	18	17%
\$80,000-\$99,999	10	10%
\$100,000-\$149,999	31	30%
\$150,000-\$199,999	14	14%
\$200,000 and over	12	12%
Survey Participants	103	100%

50 percent reported that the home they purchased most recently was sold for less than \$500,000 dollars; followed by roughly 30 percent who reported the house price was between \$500,000 and \$749,999 (Table 12).

Table 12

Purchase Price of Recent Home

What was the purchase price of your most recent home?	Buyers	
	N	%
Less than \$500,000	50	50%
\$500,000-\$749,999	29	29%
\$750,000-\$999,999	11	11%
\$1-\$2 million	8	8%
Over \$2 million	2	2%
Survey Participants	100	100%

Just over 40 percent of homeowners who completed the survey reported that they bought their first home between ages 25 and 34 (Table 13). Almost 20 percent bought their first home between 35 and 44.

Table 13***Age at Time of First Home Purchase***

What was your age when you purchased your first house?	Buyers	
	N	%
18-24	6	4%
25-34	69	42%
35-44	29	18%
45-54	15	9%
55-64	1	1%
Survey Participants	163	100 %

90 percent of survey participants bought their first home since year 2000 (Table 14); almost 45 percent bought their first home in the 2010s.

Table 14***Period of First Home Purchase***

What year did you purchase your first home (recoded)?	Buyers	
	N	%
1970s	2	2%
1980s	4	3%
1990s	6	5%
2000s	36	30%
2010s	54	44%
2020s	20	16%
Survey Participants	122	100 %

Homeowners were asked to describe the type(s) of house purchases they have successfully made

since 2006 (Table 15) with focus on their first home, buying their next home and buying a rental property (that they do not live in). Over 65 percent reported that they made their first home purchase during this period and almost 35 reported repeated purchases. 20 percent reported buying a rental property during the period as well.

Table 15

Type of Home Purchase(s) Made

What types of house purchase(s) you have made since 2006?	Buyers	
	N	%
First-time house buyer	100	66%
Repeat buyer (not your first purchase)	52	34%
Rental property	29	19%
Survey Participants	152	100 %

Over 70 percent of homeowners reported that they held a mortgage with a bank, followed by almost 20 percent that reported they mortgage was held by a mortgage lending agency or brokering agency (Table 16).

Table 16: Type of Mortgage Lender Financing their House

What type of lender is providing your mortgage?	Buyers	
	N	%
Bank	70	71%
Private lender	3	3%
No mortgage	1	1%
Credit union	5	5%
Mortgage lending / broker	19	19%
Survey Participants	98	100 %

Approximately 60 percent of homeowners purchased a resale property; while over 70 percent

of survey participants who attempted to buy a home but were unsuccessful had attempted to buy a resale property (Table 17).

Table 17: Purchase of Resale Property vs. Pre-Built Property

Was the home you purchased or attempted to purchase a resale property or pre-built off plan property?	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
Resale property	65	58%	48	72%	113	63%
Pre-built - off plan property	48	42%	19	28%	67	37%
Survey Participants	113	100 %	67	100 %	180	100 %

Barriers in the Home Buying Process

Survey participants were asked to identify barriers they faced in the home buying process (Table 1). The most frequently cited barriers for participants were house prices (51%), securing enough funds for the down payment (49%), and qualifying for a mortgage (39%). These reasons were especially found among those who attempted to buy a home but were unsuccessful. For homeowners, these reasons were less frequently cited but remained the main challenges experienced during the home buying process.

Table 18: Barriers in Home Buying Process

Which of the following barriers did you face in the home buying process?	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
House prices	52	43%	45	64%	97	51%
Coming up with the down payment	51	42%	43	61%	94	49%
Qualifying for a mortgage	38	31%	37	53%	75	39%
Money for closing costs	35	29%	17	24%	52	27%
Existing debt	22	18%	24	34%	46	24%

Not enough suitable housing on sale in the market	22	18%	24	34%	46	24%
Stress test	22	18%	23	33%	45	24%
Mortgage payments are too high	18	15%	26	37%	44	23%
Credit score	7	6%	14	20%	21	11%
Land transfer tax	16	13%	5	7%	21	11%
Unexpected repairs after purchasing the house	16	13%	3	4%	19	10%
Lack of job security	10	8%	8	11%	18	9%
Property taxes	8	7%	2	3%	10	5%
Appraisal of the purchase property	5	4%	3	4%	8	4%
Appraisal of existing home	4	3%	1	1%	5	3%

Homeowners were asked how easy (or difficult) the steps in their most recent house purchase were (Table 2). 57% of participants rated the home inspection process as “very easy” or “easy”, followed by the appraisal process, and qualifying for a mortgage. The most difficult steps cited were finding a place at the right price (42%), qualifying for a mortgage (30%) and securing the funds for the closing costs (25%). Notably, qualifying for a mortgage was identified as “easy” and “difficult” for a similar number of homeowners who completed the survey.

Table 19: Ease of Steps in Most Recent House Purchase

How easy these steps for your most recent purchase?	Very easy / Easy		Very difficult / Difficult	
	N	%	N	%
Home inspection process	46	57%	7	9%
Appraisal process	26	36%	8	11%
Qualifying for a mortgage	31	32%	29	30%
Coming up with the closing costs	23	24%	24	25%
Find a place at the right price	19	20%	40	42%

Table 3 provides results of responses when asked about their main concerns during the home

buying process, the most common concerns were paying too much for a home (51%), securing the down payment (46%), and lack of knowledge about the home buying process (42%). Paying too much and securing a down payment were especially common concerns among those who attempted to buy a home but were unsuccessful. Lack of knowledge about the home buying process (43% and paying too much for a home were the most cited concerns among homeowners.

Table 20: Main Concerns During Home Buying Process

What were your main concerns during the home buying process?	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
Paying too much for a home	50	41%	47	67%	97	51%
Coming up with the down payment	46	38%	42	60%	88	46%
Lack of knowledge about the home buying process	52	43%	28	40%	80	42%
Finding professional I could trust	40	33%	31	44%	71	37%
Negative past experience	6	5%	15	21%	21	11%
Survey Participants	121	100%	70	100%	191	100%

Survey participants were asked how frequently they experienced racism in the home buying process (Table 4). Over 1 in 5 survey participants reported experiencing racism during house viewings (22%), and close to the same number (18%) reported experiencing racism when setting up a mortgage. Experiences of racism were much more frequently cited among those who attempted to buy a home but were unsuccessful than those who were able to buy a home.

Table 21: Frequency of Racism Experienced in Home Buying Process

How frequently did you experience racism in the following aspects of the home buying process? ("Always" / "Very often")	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
During house viewings	7	9%	18	33%	25	22%

When setting up a mortgage	8	9%	21	42%	29	18%
When putting in offers	5	7%	10	29%	15	14%
When closing the deal	7	8%	6	27%	13	12%
During home appraisal	4	6%	6	23%	10	11%
During home inspection	3	4%	6	25%	9	10%

62% of homeowners reported being aware of programs that help people purchase homes; 56% of people who attempted to purchase a house but were unsuccessful were aware of these programs.

When asked what programs they were aware of (Table 5), the most commonly mentioned programs were using RRSP savings as a first time buyer (10%), Options for Homes (8%), Habitat for Humanity (3%) and gradual deposit plans offered by some home builders (3%). Survey participants who were successful buying a home were more likely to report being aware of programs that support homeownership than those who were unable to buy a home.

Table 22: Awareness of Programs to Help Enable Home Ownership

Please list the names of the programs you are aware of that help people purchase their homes	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
RRSP Home Buyers' Plan	15	15%	2	3%	17	10%
Options for Homes	10	10%	4	6%	14	8%
Habitat for Humanity	2	2%	3	5%	5	3%
Home Builders' Gradual Deposit Plans	2	2%	3	5%	5	3%
Home Ownership Alternative	3	3%	0	0%	3	2%
CMHC First Time Home Buyer Initiative	1	1%	0	0%	1	1%

66% of homeowners who participated in a survey reported that they qualified to participate programs to help purchase a home; while 50% of survey participants who were unsuccessful buying a home reported qualifying for these programs. The most commonly cited reasons for not using these programs (Table 6) were not qualifying (19%), not having enough money to buy

a home (9%) and not needing to use a program (4%).

Table 23: Reasons for Not Using Programs to Help Purchase a Home

Tell us why you were unable to participate in the program(s) to help purchase a home	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
Did not qualify	9	6%	10	12%	19	19%
Not sufficient to buy	2	1%	7	8%	9	9%
Did not need it	4	2%	0	0%	4	4%
It wasn't the right time	0	0%	3	4%	3	3%
Was not aware of programs at the time of purchase	2	1%	1	1%	3	3%
Did not like location	0	0%	2	2%	2	2%

Motivations and Preferences in Housing Purchases

Survey participants were asked to rank their reasons for pursuing home ownership (Table 7). The most frequently reported reason for buying a home was economic such as to build equity and assets. Just over 75 percent of survey respondents ranked this as their most important reason for pursuing home ownership; followed by family / social reasons at roughly 20 percent of participants. 5 percent of participants cited neighbourhood reasons such as seeking to be close to amenities as their motivation for pursuing home ownership.

Table 24: Top Ranked Reasons for Pursuing Home Ownership

Please rank your motivations for buying a home (Rank 1)	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
Economic reason (e.g. to build equity and grow your assets)	79	74%	41	64%	120	77%
Family / Social reasons (e.g. to be close to family)	16	15%	12	19%	28	18%

Neighbourhood reasons (e.g. to be close to amenities like parks)	2	2%	6	9%	8	5%
Survey Participants	107	100%	64	100%	156	100%

Survey participants were asked what were their three “must have” considerations when purchasing a house (Table 8). Price (or affordability) was the prevailing “must have” with almost 80 percent of survey participants ranking this as their first choice in a “must have” for the house they buy. Value for money, which was distinguished by considering what housing amenities were received for the cost, was the next most frequently first choice in a “must have”. Together, both qualities constituted approximately 80 percent of the top-ranked “must haves”. The third most frequently “must have” that was chosen at the first rank was proximity to work (7%). Among homeowners, the top “must haves” were price/affordability (64%), value for money (11%) and proximity to family and friends; among those who have attempted to buy a house but have been so far unsuccessful, the top “must haves” were price/affordability (77%), cultural and ethnic diversity of the neighbourhood (8%) and proximity to work (6%).

Table 25: Top Ranked “Must Have” Characteristics for House Purchase

Please rank your three “must haves” in a home (Rank 1)	Buyers		Attempted Buyers		All Participants	
	N	%	N	%	N	%
Price / Affordability	73	64%	49	77%	122	69%
Value for money (e.g. size of living space, backyard)	13	11%	1	2%	14	8%
Proximity to Work	8	7%	4	6%	12	7%
Proximity to Family / Friends	11	10%	0	0%	11	6%
Cultural / Ethnic diversity of neighbourhood	4	4%	5	8%	9	5%
Proximity to Amenities (e.g. daycare, schools, grocery store)	4	4%	3	5%	7	4%
Walkability of neighbourhood / Access to parks	1	1%	2	3%	3	2%
Survey Participants	107	100%	64	100%	156	100%

Homeowners who completed the survey were asked about qualities in their home buying

preferences that they felt they compromised to buy their home (Table 9). The most frequently cited compromises were location (39%), preferred neighbourhood (36%), and price (32%). Location and preferred location, together, accounted for 75% of responses.

Table 26: List of Compromises for Successful Homeowners

What did/would you compromise when buying a home	Buyers	
	N	%
Location	42	39%
Preferred Neighbourhood	39	36%
Price	34	32%
Proximity to Work	31	29%
Proximity to Family / Friends	29	27%
Walkability of neighbourhood / Access to parks	12	11%
Proximity to Amenities (e.g. daycare, schools, grocery store)	10	9%

The vast majority of homeowners (80%) reported being 'extremely satisfied' or 'somewhat satisfied' with the home they purchased while 15 percent reported being 'extremely dissatisfied' or 'somewhat dissatisfied' with their home.

Table 27: Satisfaction with House Purchase

Please rate your satisfaction with the house you purchased	Buyers	
	N	%
Extremely satisfied / Somewhat satisfied	86	80%
Extremely dissatisfied / Somewhat dissatisfied	16	15%
Survey Participants	107	100%

When asked whether their home purchase met their needs, 64 percent of homeowners reported that their home purchase met their needs 'extremely well' or 'very well' (Table 11). 7 percent reported feeling their home purchase did not meet their needs.

Table 28: Whether House Purchase Met Needs

How well does the house you purchased meet your needs	Buyers	
	N	%
Extremely well / Very well	68	64%
Not well at all / Slightly well	8	7%
Survey Participants	107	100%

Survey participants who had been unable to buy a house at the time of the survey were asked to identify the main reasons for not being about to purchase a house despite their attempts (Table 12). The question allowed respondents to select as many reasons as applicable to their experience. 75 percent of participants identified house prices as being too high as a reason, followed by not qualifying for a mortgage (72%), not finding an affordable house in the location they wanted (52%). Less frequently, participants selected that their cred score wasn't high enough (28%) and losing out in the bidding process (19%).

Table 29: Main Reasons for Not Being Able to Complete House Purchase

What were the main reasons why you were not able to complete your most recent attempt to purchase a home?	Buyers	
	N	%
House prices are too high	48	75%
I couldn't qualify for the mortgage I needed	46	72%
I couldn't find an affordable house in the location I desired	33	52%
My credit score wasn't high enough	18	28%
I lost out in the bidding process	12	19%
My co-signed backed out of the deal	4	6%
I wasn't able to waive the financial conditions	4	6%
I wasn't able to waive the home inspection	4	6%
I wasn't able to waive the lawyer's review of the condo status certificate	1	2%
Survey Participants	64	100%

Survey participants were asked how important it was for their real estate professionals to be Black (Table 13). Approximately, 40 percent of participants reported that it was important that their home appraiser is Black. Slightly less than 40 percent of participants also felt it important that their mortgage agent / broker is Black, and about 1 in 3 participants reported it was important that their real estate agent is Black.

Table 30: Preference for Real Estate Professionals to be Black

Please indicate your level of preference for any of the following real estate professionals to be Black ("Very important" / "Important")	Buyers		Attempted Buyers		All Participant	
	N	%	N	%	N	%
Home appraiser	39	39%	25	44%	64	41%
Mortgage agent / Broker	31	31%	29	51%	60	38%
Real estate agent	24	24%	32	56%	56	35%
Home inspector	28	28%	27	47%	55	35%
Lawyer	28	28%	24	42%	52	33%

Appendix C - Black Homebuyers Interview Guide

INTRODUCTION

1. Tell us about your homebuying experience.
2. Are you the first homeowner in your family?
 - a. If yes, how significant was it for you to become a homeowner? (If applicable)
 - b. If not, who was the first to own a home in your family? (If applicable)
 - i. How did their decision to become a homeowner influence your pursuit of homeownership? (If applicable)
3. Did you move closer to work or family with the purchase of your first home?
 - a. If not, how did this move to your new home impact your life and routines? (If applicable)
 - b. At any point, did you ever regret purchasing this home? (If applicable)
4. At what point during the homebuying process did you feel the most discouraged?
5. At what point during the homebuying process did you feel the most encouraged?
 - a. Who helped you in feeling this? (If applicable)
6. How does your current home compare to your dream home?

FINANCES

1. Did you require a co-signer or receive any monetary gifts from an immediate family member in order to purchase your home?
2. How did you acquire the funds to purchase your home?
3. At any stage of the homebuying process were you concerned about losing your down payment?
4. Was there a point when the deal was in jeopardy?
 - a. What was the cause? (If applicable)
 - b. Did you require additional funds to secure the deal? (If applicable)
 - c. If yes, from where or whom did you acquire these funds? (If applicable)
5. How did your credit profile influence your homebuying experience?
6. How did your income influence the amount you qualified to borrow for your mortgage?
 - a. How did this then impact where you were able to purchase a home?
7. What type of lender did you use to purchase your home?
 - a. Why did you use that type of lender?
8. At any stage of the homebuying process were you ever encouraged to waive any of your financing, home inspection, or any other conditions
 - a. If so, what did you decide? How did this make you feel? (If applicable)
9. Did you encounter any surprises during the home buying process?

EXPERIENCE WITH REAL ESTATE PROFESSIONALS

1. Tell us about your experience with your realtor, mortgage broker, and lawyer that you used to purchase your home?
 - a. How did you meet these real estate professionals?
2. Did your realtor use any pre-screening strategies/practices to determine your budget and where you could purchase your home?
 - a. If yes, how did this practice influence your home buying experience? (If applicable)
 - b. Did you ever withdraw from homeownership after a pre-screening process? (If applicable)

3. Did your realtor or any real estate professional in the homebuying process offer you any alternative strategies in order to purchase your dream home?
4. Was race a factor in selecting the real estate professionals with which you worked?
 - a. Why was the racial identity of your realtor significant to your homebuying experience? (If applicable)
5. How compatible were your realtor's suggestions compared to your desired outcome?
6. How did the potential future of your children influence the decisions you made in purchasing your home? Regarding your home and its location?
7. Who provided you with the most information during the homebuying process?
 - a. How did this information influence your homebuying experience?
 - b. Is there anyone that you felt could have been more informative?

KNOWLEDGE OF THE HOMEBUYING PROCESS

1. Did you feel you had enough knowledge about the home buying process prior to your pursuit of home ownership?
 - a. What knowledge do you believe you lacked in the pursuit of buying your first home? (If applicable)
 - b. Why do you believe you lacked this knowledge? (If applicable)
 - c. How did you overcome this lack of knowledge? (If applicable)
2. What are some of the misconceptions that you discovered during the homebuying process?
 - a. What was informing these misconceptions? (If applicable)
 - b. How did these misconceptions influence your homebuying experience? (If applicable)
3. Do you believe that you have enough knowledge about the home buying process to be confident with the purchase of your next home?

RACE AND THE HOMEBUYING PROCESS

1. How did the racial identity of the real estate professionals with which you worked influence your homebuying experience?
2. Did you feel you were discriminated against in your journey to obtain home ownership?
3. Did you consider the racial characteristics of the location in which you purchased your home?
 - a. How did your realtor respond to your preference? (If applicable)

HOUSING POLICIES

1. Were there any government or financial policies that you felt limited or enabled your options when purchasing your primary residence?

CONCLUSION

1. If you were to purchase another home, what would you do differently or the same?
2. Would you like to review a typed copy of our conversation today to confirm, add or edit

any of your comments? A copy of today's interview will only be viewed by members of the research team permitted to have access, and your name(s) will not be associated with this record.

3. Would you like to receive a final summary of the results of this project (electronic or hard copy)?
4. Would you be willing to pass along the link to our survey to interested parties in your network? Please note: You are under no obligation pass along this material, and whether you share this information will not affect your relationship with TMU, CMHC, or Habitat for Humanity.
5. Do you have any questions for me?
6. Thank you for your time and consideration.

Appendix D - Key Informant Interview Guide – Realtors

Part A: Background Question

1. How long have you worked in the real estate sector?
2. Have you worked with Black homebuyers?
3. Tell me about your professional work experience in the real estate sector?

Part B: Realtors Experience with Black Home buyers

1. Tell me about your experience with Black home buyers?
2. What are the strategies people use to find their home, and are there racial differences in those strategies?
3. What strategies do you use to assist your clients in finding their home?
 - a. Does this vary by race?
4. Does the racial characteristic of a location in which people search for a home vary by race?
5. Are there any barriers to home ownership in Canada?
 - a. How might race be a factor?
 - b. What does these barriers look like for Black home buyers? (If Applicable)
 - c. Does Black Canadians have the same opportunities as other groups?
 - d. If you have observed barriers, what changes are needed to overcome these issues? (If Applicable)

Part C: Knowledge of the Homebuying Process

1. How is information disseminated regarding the homebuying process in the GTHA?
2. Are your clients aware of any government first-time homebuyers' programs?
 - a. Does this vary by race?
 - b. How accessible is this information for Black Canadians?
 - c. How might this influence the homebuying experience for Black Canadians?
3. What are some of the misconceptions around the homebuying process in the GTHA?
 - a. What is informing these misconceptions?
 - b. How might these misconceptions influence the differences in homeownership that we might observe among Black and other Canadians in the GTHA?

Part D: Racism and discrimination in real estate

1. How does race operate in the home buying process in the GTHA?
2. Are there issues of racism and discrimination in the real estate sector?
 - a. How might this look for Black buyers?
3. Have you ever reported an incident of racism you experienced or witnessed?

4. Have you ever had an offer declined without reason?
 - a. Looking back, did this happen while representing a Black client?
5. Has your racial identity ever prevented you from delivering the best service to your clients?
6. Do you think real estate boards in the (GTHA) are racially diverse?
 - a. How might this impact homebuying experience of Black Canadians?

Part E: Housing Policies

1. Are there any municipal or federal policies that affect your strategy in delivering the best service to your clients?
 - a. Can you please describe this policy (or policies)?
 - b. Do these policies have a positive or negative impact on the services offered?
 - c. Can you describe the limitation they create? (If applicable)
 - d. Can you describe any opportunities they offer? (If applicable)
 - e. How might race be a factor?

Part F: Finance:

1. What are some of the challenges in qualifying for mortgage?
 - a. Does this vary by race?
 - b. What are the difficulties Black home buyers face in qualifying for a mortgage?
2. What steps have you taken to assist Black home buyers overcome a mortgage denial?
3. What type of lenders does Black homebuyers use to purchase their homes?
4. What role has gifting played in the homebuying process for your clients?
 - a. What does this look like for Black homebuyers?
5. From you experience, are parents and other family members co-signing mortgages or leveraging home equity lines of credit?
 - a. What does this look like for Black home buyers?
 - b. Are there any differences for Black and non-Black home buyers?

Part F: Conclusion

1. Is there anything else we haven't talked about that you would like to share to help us better understand the homebuying experience of Black Canadians?
2. Would you like to review a typed copy of our conversation today to confirm, add or edit any of your comments? A copy of today's interview will only be viewed by members of the research team permitted to have access, and your name(s) will not be associated with this record.
3. Would you like to receive a final summary of the results of this research project (electronic or hard copy)?
4. Is there anybody else that you think I should talk to regarding their experience in working with Black homebuyers?
5. Do you have any questions for me?

Appendix E - Key Informant Interview Guide – Appraisers

Part A: Background Question

1. What is your profession in the real estate sector?
2. How long have you worked in the real estate sector?
3. Have you worked with Black homebuyers?
4. Tell me about your professional work experience in the real estate sector?

Part B: Information on Appraisals:

1. Tell me about how are homes appraised in the GTHA?
2. How might this process enable neighbourhood racial composition to influence the appraised value of homes?
 - a. How might this look in Black communities?
4. What factors do you consider when computing a final estimation of property values?
5. Does your process take into consideration homeownership rates, poverty rates or the quality of amenities?
6. Are there variations in appraisal methods used to select comps?
 - a. How do you select your comps or similar neighbourhoods?
 - b. Do you consider communities with similar racial demographics for your comps?
 - c. How would the variations in the appraisal methods influence the homebuying process?
7. Does the neighbourhood racial composition influence the appraisal value of home above and beyond home features and quality, neighbourhood socioeconomic status, neighbourhood amenities, and consumer housing demand?
8. Does the appraisal industry need government oversight?
 - a. How might this influence the value of homes in Black neighbourhood?
9. Looking back, have you considered the reputation of schools, crime rate or proximity to certain amenities such as parks to determine the value of a home?

Part C: Appraisals and Racism:

1. How does race operate in the appraisal industry?
2. Are there issues of racism and discrimination in the appraisal industry?
 - a. What does this look like for Black home buyers and homeowners? (If applicable)
3. Have you witnessed any discrepancies in the appraisal of a home?
 - a. Without revealing any identifying information, please share an experience where you witnessed or experienced a discrepancy in the appraisal of a home?
 - b. What was the difference in value?
 - c. How might race be a factor in the differences in appraisals?
4. Have you ever been hired to conduct an appraisal rebuttal?

- a. What does this process entail?
 - b. How might race be a factor in a request for an appraisal rebuttal?
- 5. What kind of competencies do you need to effectively deliver the best service?
 - a. Do you need to be geographically competent of a neighbourhood?
- 6. Is the appraisal industry racially diverse?
 - a. How might this affect the home buying experience in Black communities?
 - b. What steps should be taken to improve the lack of racial diversity in the appraisal industry? (If Applicable)

Part D: Conclusion

- 1. Is there anything else we haven't talked about that you would like to share to help us better understand the homebuying experience of Black Canadians?
- 2. Would you like to review a typed copy of our conversation today to confirm, add or edit any of your comments? A copy of today's interview will only be viewed by members of the research team permitted to have access, and your name(s) will not be associated with this record.
- 3. Would you like to receive a final summary of the results of this research project (electronic or hard copy)?
- 4. Is there anybody else that you think I should talk to regarding their experience in working with Black homebuyers?
- 5. Do you have any questions for me?

Appendix F - Key Informant Interview Guide – Lawyers

Part A: Background Question

1. What is your profession in the real estate sector?
2. How long have you worked in the real estate sector?
3. Have you worked with Black homebuyers?
4. Tell me about your professional work experience in the real estate sector?

Part B: Barriers to Closing

1. Please tell me about the real estate closing process?
2. What are some of the things that can go wrong during closing?
3. What happens when a real estate deal is unable to close?
 - a. How does this look for Black home buyers?
4. What are some of the challenges Black home buyers face during closing?
 - a. What steps have you taken to assist Black home buyers in overcoming these barriers?
5. Looking back, have you ever failed to close a real estate deal while representing a Black client?
 - a. Was this due to any of the following: low appraisal; failure to secure financing; insurability of the home; or a failed home inspection.

Part C: Racism during Closing

1. How might someone experience racism at closing?
 - a. How does this look for Black home buyers?
2. Has your racial identity ever prevented you from delivering the best service to your clients?
3. What steps should be taken to create an anti-racism environment during the closing process? (If Applicable)

Part D: Conclusion

1. Is there anything else we haven't talked about that you would like to share to help us better understand the homebuying experience of Black Canadians?
2. Would you like to review a typed copy of our conversation today to confirm, add or edit any of your comments? A copy of today's interview will only be viewed by members of the research team permitted to have access, and your name(s) will not be associated with this record.
3. Would you like to receive a final summary of the results of this research project (electronic or hard copy)?
4. Is there anybody else that you think I should talk to regarding their experience in working with Black homebuyers?
5. Do you have any questions for me?

Appendix G – Additional Charts

Ethnocultural Homeownerships Rates, Toronto CMA, 2021, Statistics Canada 2021

Ethnocultural Homeownership Rates, Toronto CMA, 2021

Largest				South					Latin	Southeast	West			Other	Multiple
Census Subdivisions	Total	Non-racialized	Racialized	Asian	Chinese	Black	Filipino	Arab	American	Asian	Asian	Korean	Japanese	Racialized	Racialized
Toronto CMA	65.1%	67.9%	62.3%	67.4%	81.9%	38.9%	54.1%	49.8%	41.8%	65.5%	55.7%	60.6%	61.8%	65.0%	60.5%
Vaughan	85.9%	87.8%	82.7%	83.0%	94.1%	63.1%	81.2%	74.7%	68.9%	88.5%	78.6%	85.3%	86.7%	85.3%	85.7%
Pickering	85.2%	85.3%	85.0%	90.1%	94.9%	74.2%	89.8%	78.7%	79.6%	84.8%	80.7%	90.9%	90.5%	85.7%	85.5%
Ajax	83.5%	79.6%	86.7%	90.9%	96.3%	79.8%	88.5%	76.7%	83.2%	89.4%	85.0%	84.6%	94.1%	85.8%	86.3%
Milton	82.6%	81.9%	83.5%	85.9%	96.3%	71.9%	84.1%	76.3%	75.8%	93.0%	85.9%	93.3%	75.0%	87.0%	87.8%
Markham	81.7%	78.5%	82.6%	79.8%	88.6%	60.7%	69.2%	68.1%	53.9%	80.0%	59.3%	61.6%	75.0%	78.1%	81.2%
Richmond Hill	78.2%	77.0%	79.0%	75.8%	91.3%	50.2%	59.0%	64.1%	55.5%	76.3%	63.9%	74.6%	84.4%	62.6%	79.7%
Brampton	78.1%	76.7%	78.6%	81.8%	93.3%	65.4%	80.4%	71.7%	72.4%	87.7%	76.9%	82.1%	87.1%	83.1%	81.1%
Oakville	77.5%	78.0%	76.6%	78.5%	91.5%	55.2%	61.9%	62.3%	65.0%	83.1%	67.3%	75.2%	83.3%	65.3%	76.4%
Newmarket	75.8%	73.8%	80.8%	80.4%	93.9%	50.0%	68.5%	70.3%	63.9%	84.3%	80.4%	88.9%	69.2%	89.7%	83.6%
Mississauga	70.4%	75.7%	66.0%	67.5%	86.6%	46.1%	69.1%	52.0%	55.2%	74.8%	58.1%	72.4%	79.7%	70.2%	68.1%
Toronto	51.9%	56.5%	47.2%	48.7%	73.6%	24.1%	43.0%	31.6%	28.6%	53.4%	40.5%	51.5%	53.1%	50.6%	46.7%
Rest of CMA	84.5%	83.5%	88.3%	92.2%	94.4%	76.0%	78.1%	85.8%	81.2%	91.6%	82.2%	89.3%	86.2%	85.0%	87.2%

Source: Statistics Canada, Census 2021 Custom Tabulation J92719