

2024 | DETROIT

NEIGHBOR TO NEIGHBOR



ABOUT THIS REPORT

This report is the culmination of the 2024 Neighbor to Neighbor campaign and builds on the findings of Rocket Community Fund's previous annual campaigns. Each year, Neighbor to Neighbor connects all residents facing property tax delinquency with resources, while also gathering data to develop and improve programs combating property tax foreclosure, displacement and housing instability.

The data collected from Neighbor to Neighbor outreach has contributed to a significant decrease in occupied tax foreclosures in Detroit by informing residents of programs like the City of Detroit's Homeowners Property Exemption (HOPE) program, which can help qualified homeowners reduce their current year tax obligations, as well as Gilbert Family Foundation's Detroit Tax Relief Fund, which automatically eliminates delinquent taxes for qualified homeowners.

Each year, our team strives to raise awareness about these and similar programs, while also expanding our understanding of other critical housing needs and opportunities. This year, we also sought to learn about estate planning, insurance and home repair needs.

The Neighbor to Neighbor campaign was conducted via door-to-door canvassing and sought to reach 63,292 parcels throughout Detroit. In total, 51% of respondents (32,261) answered the door and provided valuable information that has been summarized in this report. This included both homeowner and renter respondents.



THANK YOU

NEIGHBOR TO NEIGHBOR would not have been possible without the coalition of neighborhood organizations, Detroit residents, and others who contributed to its success. This city-spanning network is powerful, informed, and motivated to make change in Detroit.

Rocket Community Fund would like to thank everyone who was involved in this project, including:

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- **FRIENDS OF THE ALGER THEATER**
 - **MATRIX HUMAN SERVICES**
 - **THE PEOPLES' ACTION**
 - **BASED ON ORIGINAL ILLUSTRATIONS
BY MIKE BURDICK AND DESIGNS BY
JOHN J. CUSTER**

A special thank you to the Detroit residents who worked as canvassers to make Neighbor to Neighbor possible. Your efforts are important steps towards rebuilding homeownership and equitable housing for the entire city of Detroit.



OUR FINDINGS

1. DESPITE REDUCED TAX FORECLOSURES, AWARENESS OF ASSISTANCE PROGRAMS REMAINS LOW

Recently, Rocket Community Fund joined the Wayne County Treasurer's Office and representatives from the City of Detroit, Wayne Metro Community Action Agency, and other nonprofit partners to celebrate the lowest number of tax foreclosures in more than 20 years (2,111) and an overall reduction of 84% between 2016 and 2024. Our collective success reducing tax foreclosures is a testament to the impact of the HOPE program, proactive outreach from Neighbor to Neighbor canvassers and the collaborative efforts of wide-ranging public, private and nonprofit partners to focus on the issue.

However, while this reduction is notable, Neighbor to Neighbor data reveals that many eligible Detroit homeowners may still not be aware of HOPE or are unsure if they qualify. Our reporting reveals that 66% of surveyed homeowners said they weren't familiar with the HOPE program. For the 28% of respondents that did know what HOPE was, only a fraction (32%) said they applied in the previous year. The reasons for not applying ranged from missing the deadline to believing they didn't qualify based on income to not having adequate transportation.

32% *of respondents who knew about HOPE said they applied in the previous year.*

2. RENTERS ASPIRE TO PURCHASE A HOME, BUT NEED SUPPORT

Homeownership is a priority for renters, with 47% of renter respondents indicating that they were seeking access to credit for purchasing a home. However, 77% of renter respondents indicated they don't know where to start when it comes to applying for financing or beginning the homeownership journey.

This high percentage demonstrates the importance of meeting people where they are and providing homeownership education, credit building and other financial counseling opportunities to the community in non-traditional ways. In total, 88% of renter respondents said "yes" when asked if they'd be interested in a program to help them make the leap to homeownership or achieve other financial goals.

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OUR FINDINGS

3. HOMEOWNERS SEEK EXPANDED ACCESS TO HOME REPAIR RESOURCES

While renters are interested in seeking credit and lending support for purchasing homes, homeowners primarily seek financial support for home repair. According to Neighbor to Neighbor data, 39% of homeowners surveyed identified home repair as their top priority from a list of 12 options. However, 72% of homeowner respondents said they were unsure where to start.

An estimated 37,630 Detroit households live in “inadequate” conditions, according to a 2021 report from the University of Michigan’s Detroit Metro Area Communities Study. This includes homes with broken HVAC systems, no running water, and electrical issues, among other concerns.

A range of home repair programs have been launched in recent years to address this need, including the City of Detroit’s Renew Detroit and a 0% Interest Home Repair loan program (supported by Rocket Community Fund) . Gilbert Family Foundation also founded the Detroit Home Repair Fund, a \$20 million effort launched in 2022 with the goal of streamlining multiple home repair resources in one place. While these programs are helping many Detroiters, there remains a need for even more home repair funding, as well as clearer information on how to navigate the different resources available.



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RECOMMENDATIONS

COLLECTING DATA through Neighbor to Neighbor is only the first step. Rocket Community Fund is committed to using this data to inform potential future investments alongside community partners.

RAISE AWARENESS AROUND HOPE AND OTHER HOUSING STABILITY PROGRAMS

There are multiple programs designed to help low-income Detroit residents address property tax concerns, most importantly the HOPE program. We recommend expanding outreach focused on HOPE, including more proactive efforts to reach eligible households through canvassing, community events and other neighborhood-centered outreach.

This should include a mix of new partnerships, including participation from community partners in underrepresented areas, and support for paid advertising where appropriate. Additionally, because there are many different programs and many providers that offer assistance, it can be challenging for homeowners to know who to call. For this reason, partners should prioritize sharing the City of Detroit's Housing Resource HelpLine (866-313-2520) as the primary point of entry for residents seeking housing support.

The HelpLine is staffed by trained experts from Wayne Metro Community Action Agency who can answer questions about HOPE and other programs and coordinate assistance through the Detroit Housing Network, an alliance of housing agencies from across the city.

CONNECT ASPIRING HOMEOWNERS TO FINANCIAL SUPPORT

Homeownership continues to be the best long-term path to financial security and building generational wealth, so it is unsurprising to see a high number of renters (88%) saying they were interested in programs that could help them achieve homeownership. According to the City of Detroit¹, "Detroit homeowners gained \$1.4 billion in wealth in 2024 from appreciating property values," demonstrating the wealth-building potential of homeownership.

However, Detroit has also seen the second-highest increase in home prices between 2020 and 2024 according to an analysis by MortgageCalculator.org², with the average home price increasing 72% from \$46,586 to \$80,127. While the overall cost of housing in Detroit remains affordable by national standards, the rapid increase presents a challenge for low-income homebuyers who may not have the necessary cash on hand to make a down payment or address critical repairs that may be required on an older home.

To address this gap, we recommend investing in programs that focus on homeownership readiness, budgeting and downpayment assistance. One example is the Rocket Wealth Accelerator program, which was launched by Rocket Community Fund and Local Initiatives Support Corporation (LISC) in 2022 in Detroit, Cleveland, Atlanta and Milwaukee. The program provides clients with coaches who will work with them to improve their ability to meet emergency needs and build credit. In addition to coaching, the Rocket Wealth Accelerator also provides matching dollars for participants' savings plans, with up to \$500 for people with large-dollar goals such as purchasing a home or vehicle, and up to \$300 for those with short-term or emergency savings goals.

Rocket Community Fund also maintains a partnership with GreenPath, a financial counseling services firm, to provide financial counseling and credit coaching focused specifically on current affordable mortgage products, such as Rocket's HomeReady loan, which is customized to client-specific goals. These and similar programs make the path to homeownership clearer and more achievable for participating clients.

1 <https://detroitmi.gov/news/detroit-home-values-increased-average-19-2024-individual-tax-increases-capped-31-detroit-homeowners>

2 <https://www.mortgagecalculator.org/helpful-advice/home-price-growth-since-pandemic.php>

RECOMMENDATIONS

ASSIST RENTERS (AND LANDLORDS) WITH SUPPORTIVE SERVICES

A common challenge for renters is the prevalence of illegal leases or unhelpful or unresponsive landlords. Fortunately, Neighbor to Neighbor respondents do not universally face these issues with 73% saying they have a lease in place and 78% saying their landlord or property company are easy to reach.

Nonetheless, Detroit's rental compliance rate is only 10%, meaning 9 out of 10 rental properties are not adhering to the compliance ordinance. Rocket Community Fund supported efforts to update the ordinance to allow more landlords to come into compliance, so the City can better provide supportive services for landlords operating in good faith.

Additionally, it is important that we recognize home repair opportunities for landlords, who need to ensure they are providing safe and secure housing to their tenants. Rocket Community Fund participates in a citywide Home Repair Task Force and one area of focus is how to support smaller "mom-and-pop" landlords, who represent 87% of all Detroit landlords and often maintain very slim margins of profit to reinvest in improving their units. Continued research will identify the kind of supports needed to help smaller landlords provide higher quality rental units while also ensuring the investment home can be a source of income stability and growth.



We invite you to join us. For more information on Neighbor to Neighbor and other Rocket Community Fund programs, visit RocketCommunityFund.org.
