HOW AFRICAN AMERICANS IN RURAL AREAS

LEARN TO BECOME HOMEOWNERS

by

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(Under the Direction of Ronald M. Cervero)

ABSTRACT

The purpose of this study was to identify the process by which African Americans in rural areas become homeowners. To achieve this purpose, the following questions were guided the research: 1) what were the components of the process of becoming homeowners? 2) what did people learn in the process of becoming homeowners? 3) how did people learn in the process of becoming homeowners? 4) how did race and other factors shape the process of becoming homeowners in the rural context?

A qualitative study utilizing in-depth interviews to obtain data from the participants was conducted to identify the process by which African Americans in rural areas become homeowners. A purposeful sampling of ten African Americans first-time homebuyers living in rural middle Georgia and who purchased their homes through one of the Federal Rural Housing Programs within the past five years or less was conducted. Governmental documents obtained from various Federal Rural Housing agencies were also reviewed. Participants' interviews were the primary source of data with some official documents reviewed included in the analysis.

Four components assisted the respondents in becoming homeowners: a) desire to be a homeowner, b) systematic inquiry, c) application process, and d) approval. The homeowners learned lessons in four categories from going through the process: 1) steps and concepts of homeownership, 2) money management, 3) home maintenance, and 4) communication skills. Homeowners utilized informal and some formal methods of learning to obtain information. Race, participants' background, and the Federal Rural Housing Programs were factors that played a major part in shaping the process of becoming a homeowner. Three major conclusions were revealed in this study: (1) African Americans in rural areas lacked the knowledge and expertise of information gathering; therefore, retarding the homeownership process; (2) Before and during the participants' investigations, informal learning was the principal way for African Americans in rural areas to learn about the homeownership process; and (3) Racism was a barrier in the homeownership process for African Americans in rural areas.

INDEX WORDS: Adult Learning, Homeownership, Informal Learning, Racism in
                Homeownership.

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DEDICATION

I thank God for the vision that I embarked upon and the provisions made for my success.

Jamie M. and Hinton Jones, Sr., my parents, for all the love and support given to me over the many years. You two are the best parents in the world.

Dannie, Hinton Jr., Daisy, Jammie, Donald, Melvin, Jackie, and Curtis, my sisters and brothers, for your encouragement seasoned with unconditional love.

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TABLE OF CONTENTS

LIST OF TABLES

CHAPTER 1

INTRODUCTION

The majority of Americans aspire to own a home. Homeownership has been recognized by many as a depiction of wealth and in large part, symbolizes the American dream. Homeownership, however, is the socioeconomic measure that displays the single greatest disparity in America today. African Americans own, on average, one-twelfth the amount of property as whites, and the gap in net worth continues to grow even in the post-Civil Rights era (Conley, 2000). Also, it is estimated that the current generation of African Americans has missed out on $82 billion in wealth accumulation as a result of not having parity with whites in homeownership (Denton, 1999). Studies (Green & White, 1994; Rossi & Weber, 1996) have shown homeowners accumulate wealth as investment in their homes grows. They also enjoy better living conditions, are often more involved in their communities, and have children who tend to do better in school and are less likely to become involved in crime (Collins & Dylla, 2001; Housing Assistance Council, 2000; U.S. Department of Housing and Urban Development, 2001).

The Department of Housing and Urban Development (HUD) reports the overall homeownership rate for all American families in 2001 as 67.7 percent, including an all-time record for African American's homeownership in 2001 at 48.6% (U. S. Census Bureau, 2001; U.S. Department of Housing and Urban Development, 2001). The African American homeownership rate differs by about 20 percent. Even with this new record, minority homeownership continues to lag significantly behind the near-historic national average. The disparities in homeownership are evidenced by the percentage of African

Americans owning homes as opposed to European Americans (see Appendix A). From 1980 until 2001, the homeownership rate for African Americans has not surpassed 50% of the total population of African Americans which means fewer than 50% of African Americans are homeowners (Simmons, 2001; U. S. Census Bureau, 2001; U.S. Department of Housing and Urban Development, 2001). These figures show the need for policies promoting the American dream of homeownership for African Americans.

The quest to bring the American dream of homeownership to fruition started many years ago. Once the Civil War was over, the Civil Rights Act of 1866 guaranteed to all U.S. citizens the same rights enjoyed by European Americans to inherit, purchase, lease, sell, hold, and convey real and personal property. During the 1930s, public housing programs and banking reforms of the New Deal established the federal role in the expansion of homeownership and provided subsidies to the poor (Dreier & Atlas, 1995). The Housing Act of 1937, designed to achieve racial equity, was established to begin the process of assistance with housing. Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968 (i.e., the Fair Housing Act) were two major pieces of federal legislation designed to remove barriers to free choice in the housing market (Bullard, 1990).

Housing discrimination, a known barrier, was prevalent and the Fair Housing Act served as a national policy in hopes of embracing African Americans, as well as pregnant women and people with disabilities (Leigh, 1991a, 1991b). There are other barriers that serve to deter homeownership for African Americans such as inability to provide sufficient stable income streams for debt service, redlining, predatory lending, lack of initial equity, housing affordability, and lack of information on how to buy a home

2

(Collins & Dylla, 2001; Gerrie, 1998; Housing Assistance Council, 2000; U. S. Department of Housing and Urban Development, 1999). There are federal housing policies that govern housing programs that help families in need of homeownership assistance by providing resources to address some of the many barriers deterring homeownership for African Americans.

Some questions have been raised as to what extent these policies have prioritized serving those persons who are most in need, including poor African American households in rural areas (Housing Assistance Council, 2000). "Rural" has become increasingly difficult to define because many of the differences between rural and urban do not exist as they did in the past (Hill & Moore, 2000, p. 346). In 1920, an economic transformation from an agrarian to an urban, service oriented society took place and the rural population decreased because people moved northwards to find jobs (Allen-Smith, 1994). The rural context has shifted since the 1900's. In the 1900's, rural areas were where over two-thirds of the nation population resided (Housing Assistance Council, 2000) but by 1997, only 20% of the nation's population resided in rural areas (Rural Policy Research Institute, n.d.) (see Appendix B). The U. S. Census Bureau has not yet tabulated the rural and urban areas using the 2000 census data; however, data for over forty years have shown a decline in the rural population (see Appendix B). These changes have been recognized by the U.S. Census Bureau with the advent of the dichotomous nonmetropolitan versus metropolitan replacing the terminology rural versus urban (Hill & Moore, 2000). In rural areas, one in every five households pays more than the Federal standard of 30 percent of income allocated for their housing costs (Housing Assistance Council, 2000). Paying more than the average percentage for housing can cause burdens

and hardships, especially for areas that do not have a great economic base provided by good paying jobs.

Rural areas in North America are characterized by a low tax base, low wages, low population density, a limited resource base in human as well as financial capital, lack of specialization and diversity, and a tendency toward relative insulation and closely knit homogeneous communities (Barker, 1985). Lower tax bases in rural areas mean fewer resources on which to operate public services. Quality of educational public services such as library, community colleges, and vocational-technical schools is limited in rural areas. The low quality of education received by many students in rural school districts and past and present racial and class discrimination in housing, education, and employment adversely affect the status of African Americans in rural areas (Allen & Christy, 1992). Rather than truly living, poor African Americans in rural areas merely exist; they have only a slim chance to achieve a better standard of living. Low educational levels, poor health, lack of competitive job skills, housing, and a mindset restricted by an impoverished existence all give little hope for mobility, especially in a community devoid of opportunity and supportive programs (Bedic, 1987; Collins & Dylla, 2001).

African Americans in rural areas have utilized education to bring political consciousness to address policies and programs that impact their lives (Barnhardt, 1992; Gadsden, 1994). One of the biggest impediments to the development of an active minority community role in education has been the long history of economic exploitation. For example, sharecropping in the South and the legacy of exploitation continue to be reflected in the high levels of poverty and stifled aspirations imbedded in the homes and communities of people who have been victims (Barnhardt, 1992; Walters, 1996).

4

Education, in one form or another, usually assists with overcoming the sense of powerlessness (Barnhardt, 1992).

<div align="center">Problem and Purpose of the Study</div>

African Americans in rural areas pursuing homeownership must first learn about rural housing resources funded by public and private organizations if equality in homeownership is to become a reality. Public and private organizations develop strategies and methods to inform potential homeowners of available resources through disseminating information in various forms such as brochures, pamphlets, radio, newspaper, websites, television, and office visits. Several documents exist that discuss available Federal Rural Housing Programs but little information in the documents specifically addresses the process of becoming a homeowner. As a result, potential homeowners have no models or strategies to follow in becoming a homeowner. Frequently, this leads to frustration and poor decision-making, which may culminate in individuals aborting the homeownership process. Yet, we know that many African Americans in rural areas do become homeowners. It is likely that they use informal means in learning to become homeowners.

The learning process by adults can be realized through formal, non-formal and a spectrum of incidental and informal learning available in a multicultural learning society (Coombs, Prosser, & Ahmed, 1973; Merriam & Brockett, 1997). Formal learning takes place in an educational institution (Merriam & Caffarella, 1999). Nonformal learning is held outside of an educational institution such as in churches, community centers, and cooperative extension offices (Merriam & Caffarella, 1999). Just as the majority of adult learning is informal (Galbraith, 1992; Livingstone, 1998; Marsick & Watkins, 2001),

informal learning is often the primary vehicle for acquiring knowledge needed to become a homeowner. Informal learning refers to experiences of everyday living from which we learn something (Merriam & Cafarrella, 1999). When adults take the initiative to learn, the type of learning realized is considered to be learner directed or self-directed (Merriam & Brockett, 1997; Merriam & Cafarrella, 1999; Watkins & Marsick, 1992b). The vast majority of education that takes place is within community structures (Galbraith, 1992). Marsick and Watkins (2001) postulate informal learning takes place wherever people have the need, motivation, and opportunity to learn. A form of informal learning happens through word of mouth, which is one of the techniques that African Americans in rural areas may use in learning to become homeowners. Sometimes these opportunities may be mentioned in casual conversation between families and friends who serve as support networks (Lubben & Becerra, 1987), informing others of resources that have been helpful to them or other African Americans in rural areas in the acquisition of homes.

There is little identifiable research on strategies and methods African Americans in rural areas employ to become homeowners. Knowledge is power that must be available to all. Knowledge can be passed on in several forms and fashions. When adults have specific tasks in mind, they have an idea of what they need to know in order to accomplish those specific tasks. Learning how to do a task such as purchasing a home must begin with knowledge of what are the components or the makeup of that specific task so that the learner can develop a process to realize accomplishment. The problem is that the process African Americans in rural areas employ to become homeowners and how they learn about resources to assist with purchase of their homes are not known.

The purpose of this study was to identify the process by which African Americans in rural areas become homeowners. More specifically, the following questions were guiding the research:

- What were the components of the process of becoming homeowners?

- What did people learn in the process of becoming homeowners?

- How did people learn in the process of becoming homeowners?

- How did race and other factors shape the process of becoming homeowners in the rural context?

Significance of the Study

Little was known about the process that takes place with African Americans in rural areas wanting to become homeowners and how they learn about resources available to assist with homeownership. The primary significance was to provide data on the process African Americans in rural areas undergo to become homeowners, identify what and how adults learn about homeownership, and identify factors that exist in impeding and facilitating that learning. It is necessary to look at literature on informal learning to understand the nature of African Americans in rural areas becoming homeowners.

The study has significance both theoretically and practically by providing an examination of several adult education concepts, especially informal learning. Examining how adults experience learning provides a theoretical basis for planning and implementing programs that inform of resources regarding housing geared toward improving one's life. The differences and similarities of participants' experiences help to give insights into different approaches to both practitioners and planners of educational programs.

From this study, local agencies responsible for housing resources that are available to citizens to assist with homeownership will better understand how African American adults in rural areas begin the process of becoming homeowners and how or if their programs fit into the process. Factors were examined to determine its role in learning and to obtain an understanding of the dynamics created due to its presence. It is pertinent to know which factors may be present in hopes of understanding their impact on the learning process.

To understand the process, attempts were made to determine how racism shaped the process and impact African Americans' in rural areas efforts in becoming homeowners. Results of this study can assist agencies in planning and marketing programs to attract those persons in need of assistance by knowing how they may approach homeownership. Learning about rural housing programs would further empower African Americans in rural areas and equip them with tools that are needed to become homeowners.

Learning occurs when knowledge has been transferred and possible options that were not evident become available, and are considered as alternatives for African Americans in rural areas who want to obtain homeownership. This study identified the different components of the process and the role they play in African Americans in rural areas becoming homeowners. The study also provides local agencies with other ways to inform African Americans in rural areas of public and private resources. In addition, the study begins to fill a gap in the housing literature and allows housing professionals to begin building a literature base that will benefit future homeowners. In summary, it is

possible that programs can be developed to employ a variety of learning strategies and

methods discovered by this study.

CHAPTER 2

REVIEW OF THE LITERATURE

The purpose of this study was to identify the process by which African Americans in rural areas become homeowners. Of particular concern in this study were the components of the process of becoming homeowners, what people learn in the process of becoming homeowners, how people learn in the process of becoming homeowners, and how did race and other factors shape the process of becoming homeowners in the rural context. In order to provide the background for this study, three major sections were reviewed: homeownership, informal learning, and barriers to adult education and learning. The first section reviews homeownership including housing needs of African Americans in rural areas, discrimination in homeownership, and barriers to homeownership. The second section reviews informal learning including definitions of informal learning, types of informal learning, and research and models on informal learning. The concluding section discusses barriers to adult education and learning.

Homeownership

American families want to live in decent homes and suitable environments. Homeownership has been recognized as a contributor to the quality of life and economic well-being. Homeownership and a decent, safe, and comfortable living are goals shared by the majority of citizens; however, many obstacles may prohibit some members of the population from realizing that American dream. Those populations that experience a

disproportionate number of obstacles include African Americans, rural families, low-income families, seniors, and differently-abled persons.

<u>Housing Needs of African Americans in Rural Areas</u>

To better understand the federal housing programs, it is important to know what dictated the need to establish programs providing resources to assist Americans with one of their major needs, housing. The lack of equality of opportunities in access to housing was challenged by actions of the legislative and the judicial branch of government (Leigh, 1991a). The Fourteenth Amendment, guaranteeing privileges and immunities of citizenship, due process, and equal protection and the Fifteenth Amendment, guaranteeing privileges for citizens to vote, were two amendments issued to solidify the rights of all Americans, including African Americans (Leigh, 1991a). However, these amendments have not been consistently enforced.

The persisting ill treatment of African Americans wanting to be treated equally in obtaining housing was alive and flourishing. Leigh (1991a) states:

The period from the post-Civil War era up to the passage of the 1968 Fair Housing Act provides several examples of measures enacted to limit equality of access to housing for African Americans. First, during the Reconstruction period when the south in particular and the nation overall were adjusting to the dismantling of the slave system and were establishing a new economic order, African Americans promulgated the doctrine of "separate but equal" with its associated constraints on access to housing. Second, while the northern states were industrializing, their localities used racially restrictive covenants and racial zoning to limit the access to housing of African Americans seeking employment

11

opportunities in the North. Third, the decentralization of industry that began in the

middle of the twentieth century was accompanied by federal government housing

policies that limited the ability of African Americans to suburbanize along with

the industries that might employ them. (p. 6)

Although the federal government has exerted efforts to improve homeownership,

individual and institutional discrimination remain major obstacles for many African

Americans and other ethnic minorities seeking decent and affordable housing (Bulllard,

1983; Krivo, 1982; Pol & Guy, 1982). Affordability is the relative comparison of

household incomes with housing costs (Ziebarth, Prochaska-Cue, & Shrewsbury, 1997).

The federal government, through the Federal Housing Administration (FHA),

created under the National Housing Act of 1934, was tasked with improving the housing

status as well as increasing the percentage of African Americans purchasing homes

through various federal housing resources (U.S. Department of Housing and Urban

Development, 1999). To handle the housing needs of the public and of African

Americans in particular, FHA was consolidated and established as the Department of

Housing and Urban Development (HUD) in 1965 and charged with addressing one of the

nation's problems (Dreir & Atlas, 1995; Gotham, 2000). Yet both the Clinton

administration and congressional Republicans favored dismantling the long standing

housing programs for the poor, and some in the Congress wanted to eliminate HUD

(Dreier & Atlas, 1995) due to its ineffectiveness in reducing the homeownership gap.

However, HUD was reinvented with plans to consolidate programs to better serve

cities and states (Dreier & Atlas, 1995). To improve services, the agency has tried to

achieve equal opportunities in access to housing by three major means: enforcing fair

12

housing and anti-discrimination laws, choosing sites for housing projects to enhance the racial integration of neighborhoods, and providing vouchers for rental housing (Leigh, 1991b). These were all attempts to improve the housing status in rural and urban areas in the United States. It is difficult to determine whether federal and state policies adequately address housing needs of African Americans in rural areas (Ziebath, Prochaska-Cue, & Shrewsbury, 1997). One problem in providing equal opportunities is a lack of comparable baseline knowledge regarding the housing status of rural areas and local perceptions regarding housing needs.

National housing policies were developed in hopes of enhancing the process of providing housing to both rural and urban areas. The objectives of the national housing policy (U.S. Code: Title 42, Section 12702) were to reaffirm the long-established national commitment to decent, safe, and sanitary housing for every American by strengthening a nationwide partnership of public and private institutions in order:

- to ensure that every resident of the United States has access to decent shelter or assistance in avoiding homelessness;

- to increase the Nation's supply of decent housing that is affordable to low-income and moderate-income families and accessible to job opportunities;

- to improve housing opportunities for all residents of the United States, particularly members of disadvantaged minorities, on a nondiscriminatory basis;

- to help make neighborhoods safe and livable;

- to expand opportunities for homeownership;

- to provide every American community with a reliable, readily available supply of mortgage financing at the lowest possible interest rates; and

- to encourage tenant empowerment and reduce generational poverty in federally assisted and public housing by improving the means by which self-sufficiency may be achieved.

Since HUD is mainly organized to administer funds to urban areas, funds to assist citizens living in rural areas were channeled through the United States Department of Agriculture (USDA). Under the auspices of the FHA, USDA restructured services to rural areas in 1996 through the establishment of the Farm Bill. The Farm Bill consists of three services: the Rural Housing Service (RHS, formerly known as Farmers Home Administration), Rural Utilities Service (RUS), and the Rural Business-Cooperative Service (RBS). The RHS is important in providing funds to those needing support for purchasing and building homes in rural areas. Rural areas are defined as:

1. an open country that is not part of, or associated with, an urban area or

2. any town, village, city, or place, including a densely settled area, that

    a. is not part of, or associated with, an urban area and has a population not in excess of 10,000 and is rural in character, or

    b. has a population in excess of 10,000 but not in excess of 20,000 and is not contained within a Metropolitan Statistical Area (MSA) and has a serious lack of mortgage credit as determined by the Department of Agriculture and the Department of Housing and Urban Development (HUD).

Sichelman (2000) states the pledge of a home was part of the 1949 Housing Act but, as has been well documented, the American Dream is still a "pipe dream" for many people, especially African Americans in rural areas wanting to become homeowners.

14

Traditionally, families were working toward being successful in purchasing homes by achieving three objectives: working hard, budgeting prudently, and saving regularly. These objectives seem unrealistic when HUD's calculations of 5.3 million American families (12.5 million people) spend more than half of their household income on housing costs or live in substandard housing (Pitcoff, 2000).

Most of the literature reviewed references no more than thirty percent of a family's household income should be spent on housing costs (Collins & Dylla, 2001; Housing Assistance Council, 2000; Sichelman, 1999, 2000; U. S. Department of Housing and Urban Development, 1999). The generally accepted guideline of paying 30% of family income for housing means that the median housing wage, the hourly wage needed to afford fair market rent, averages out to $11.08 an hour nationally, going as high as $22.44 an hour in San Francisco (Pitcoff, 2000). After paying excess amounts for housing, poor African American families in rural areas are left having to spend their remaining wages on food, clothing, child-care, health care, and other cost of living expenses for families.

Housing spending has increased, which can be attributed to an increase in the cost of living. As of 1995, there were 19.5 million poor households in the United States, of which 11.1 million were renters (Andrews, 1998), mostly African Americans in rural areas and other minorities. Young African American families in rural areas just beginning to work and hoping to raise their families in a home are not able to afford to pay daily expenses and save money to assist with purchasing a home. More than half of these families can't afford the American dream of homeownership (Dreir & Atlas, 1995) because of the low wages received, classifying a great number of them as working poor.

Spending most of their income on daily expenses does not allow for accumulating funds for a down payment. Swanson and Harris (1994) say it is inferred that the working poor averaged about 22 percent of the labor force and that there is a good likelihood that African Americans represent a sizable proportion of the working poor. Kusimo (1999) cites Wimberly and Morris (1996) as saying:

>While about half (53%) of the African American population lives in the South, nearly all (91%) African Americans in rural areas live mostly in an area termed by some as the Black Belt. Encompassing 623 counties in 11 Southern states (Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas and Virginia), the area is 27% African Americans (ranging from 12% in some counties to 86% in other). Poverty is concentrated more heavily in these Southern states than in any other U.S. region and according to 1990 census data, over half (54%) of all African Americans in rural areas aged 25 or older living there do not have high school diplomas causing them to settle for lower wages and inadequate housing. (p. 1)

Southern counties with higher concentrations of African Americans have a higher rate of unemployment and poverty than those with lower concentrations of African Americans (Swanson & Harris, 1994).

Ratner (1996) summarizes factors such as age, household makeup, and socioeconomic status as contributing to the homeownership rate gap. Income, age, and household type statistically explain 81 percent of the difference in the homeownership rate between African Americans, European Americans, and other minorities (Wachter & Megbolugbe, 1992). Most Americans want to own a home but it is difficult to purchase a

16

home on the income earned by many. Low wage jobs do not offer opportunities to secure homes in the present housing stock (Allen & Christy, 1992; Allen-Smith, 1994). Many times the costs of homes are out of reach for families receiving only living expenses from their low wage jobs.

Much of the difference in homeownership between African Americans and European Americans can be attributed to income on the average (see Appendix C), but income does not explain differences fully (Ratner, 1996). The average educational attainment of African Americans is lower than for European Americans in all areas (see Appendix D). The socioeconomic status is a significant factor in determining homeownership attainment (Allen & Christy, 1992; Allen-Smith, 1994; Ratner, 1996); however, median incomes compared to educational attainment of African Americans and European Americans denote discriminatory factors. What happens in an education setting to a great extent mirrors what is happening in the culture (Johnson-Bailey, Tisdell, & Cervero, 1994). The interaction of cultural, social, and economic influences has meaning in homeownership attainment and a study done by Ratner (1996) highlights the interaction of culture, social, and economics. He lists the following as shortfalls:

1. lack of home-purchasing knowledge, credit knowledge, and credit judgment,

2. limitations of existing financial tools,

3. cultural gaps, misunderstandings, and biases that distance minority and ethnic group members from mainstream real estate, and mortgage lending institution, and

4. lack of appropriate, affordable housing.

Homeownership builds better citizens because working people are more active in their community and it allows them to build an asset for future generations (Nixon, 1998).

<u>Discrimination in Homeownership</u>

Eugene Lowe, housing expert for the U.S. Conference of Mayors, suggested that racial discrimination in the lending industry has played a role in locking out potential African American homebuyers (Associate Press, 1998). In November 1962, Executive Order 11063 was issued, prohibiting racial discrimination in housing financed by the federal government (Leigh, 1991a). It was realized that racial discrimination stood in the way of many African Americans becoming homeowners.

Leaders in the federal government knew that they had to do something about the problem of racial discrimination in an effort to lessen the gap of homeownership between African Americans and European Americans. Studies across the nation have documented that financial institutions are 60 percent to 300 percent more likely to deny mortgages to African American applicants than European American ones, even when their incomes are the same (Hudson, 1996). A study by the Federal Reserve Bank of Boston found that even when factors such as employment history and credit records are taken into account, African Americans are still more likely to be rejected (Hudson, 1996).

During 1968, legislative initiatives were placed to expand assistance through housing opportunities for African Americans, other minorities, and the poor. European American families were able to afford new suburban homes through Veterans Administration (VA) and Federal Housing Administration (FHA) insurance and generous mortgage interest deductions; although, housing and urban renewal policies as they applied to lower-income households, many of which were African Americans, promoted

18

racially segregated public housing and inner-city rental housing (Downs, 1974; Massey & Denton 1993). African American households were mostly directed toward public housing that was generally located in the areas of the city not favored by European American households (Leigh, 1991a; 1991b). These areas were located "across the railroad tracks" near hazardous waste sites or in close proximity to noisy factories. Two hundred and thirty times more toxic waste is dumped in disproportionately lower-income and African Americans neighborhoods than where corporate CEOs live (Grossman & Morehouse, 1995). These conditions continued to place African Americans in unhealthy places.

African Americans were often intentionally placed in public housing that was used to segregate African Americans by keeping them out of the areas populated by European Americans. They were placed in public housing units built and occupied with no consideration of maintaining the upkeep of the facility by addressing the wear and tear from everyday usage and abuse. The abuse of these public housing units happened for many reasons. Some of these reasons included tenants being distraught about their financial status, the influx of crime in the area, and/or being forced to live in locations not of their choice (Grossman & Morehouse, 1995).

Not only did the public housing programs cater to African Americans but also these programs perpetuated the segregation of races in distinct locations (Allen & Christy, 1992; Allen-Smith, 1994; Leigh, 1991a; 1991b). In fact, as a matter of official policy from 1935 to 1948, the Federal Housing Administration (FHA), in conjunction with the real estate industry, imposed red lining to insure racially segregated communities through the overt use of restrictive covenants, which required borrowers to agree that they would not sell to African Americans (Handy, 1993). Some lending institutions had

maps marked with red lines that designated prohibited areas (U. S. Department of

Housing and Urban Development, 1999). The federal government viewed loans to

African American homeowners as "economically unsound" (Handy, 1993). It was clear

that the majority of homeowners were European Americans and the majority of poor

people receiving subsidies from the federal government were African Americans (Allen

& Christy, 1992).

Federal housing policies assisted in creating unequal homeownership for African

Americans through early underwriting policies of the FHA. Recent federal housing

policies have actively sought to redress imbalances in African Americans'

homeownership attainment. These biases of FHA contributed to entrenched differences in

homeownership across racial and ethnic groups (Ratner, 1996). Paradoxically, the

housing status of African Americans can be characterized by: residence of a significant

proportion of households in substandard units; price discrimination and low rates of

ownership; and exclusion from selected areas with the associated limited supply of units

to rent or buy, and residence in racially segregated areas (Leigh, 1991a). Research

indicates that African American households in rural areas are more likely than African

American dwellers in urban areas to live in inadequate housing; they are more likely to

have lower incomes, making obtaining housing more difficult; and they are more likely to

find housing unsuitable to their needs (Housing Assistance Council, 1994).

Homeownership has grown because of a variety of government programs and

subsidies designed to extend homeownership opportunities to more Americans (Ratner,

1996), especially African Americans. African American borrowers rely more heavily on

federal government loans than do European American borrowers (U.S. Department of

20

Housing and Urban Development, 1999). They are less likely to receive information about homeownership loan products, they receive less time and information when applying for mortgages, and they are quoted higher interest rates to purchase homes (Housing Assistance Council, 2000; McCray & Shelton, 1992; Ratner, 1996; U. S. Department of Housing and Urban Development, 1999).

<u>Barriers to Homeownership</u>

Fannie Mae, the largest source of funds for mortgages, reports "perceived barriers" to homeownership have dropped (Gerrie, 1998). The 1998 Fannie Mae National Housing Survey (Gerrie, 1998) outlined barriers to homeownership as: not having enough money for a down payment or closing costs; inability to find an appealing and affordable home; lack of job security; unsure of how to start the buying process; fear of a poor credit report; and discrimination or social barriers (Housing Assistance Council, 2000; McCrary & Shelton, 1992; Ratner, 1996; U. S. Department of Housing and Urban Development, 1999). Homeownership discrimination, mortgage lending and racial discrimination, predatory lenders, institutional racism, and access to information to start the buying process are some of the known barriers to homeownership.

Housing discrimination persists as a major barrier to decent and affordable housing. The number of African Americans owning homes would be greater if housing discrimination was not so prevalent. Discrimination and bias were faced especially by African Americans in the form of real estate agents refusing to sell homes to African American families in European American communities, as well as restrictive covenants placed on the deeds, or redlining which refers to any discriminatory behavior based on

the characteristics of a neighborhood (Ratner, 1996; U. S. Department of Housing and Urban Development, 1999).

Disparities in mortgage lending and racial discrimination are intolerable because they contribute to the vast homeownership gap that divides African Americans from European Americans in America today (Anonymous, 1999). It has been acknowledged that deliberate discrimination by many mortgage lending institutions in American society in the past has left a legacy of economic inequality between African Americans and European Americans that still exists today (U.S. Department of Housing and Urban Development, 1999). This legacy includes racial and ethnic differences in characteristics that influence the credit worthiness of any mortgage applicant, accumulated wealth property values, and credit history (U.S. Department of Housing and Urban Development, 1999).

African Americans, in households with incomes of $25,000 or above, were more than twice as likely to be denied mortgage loans when compared to European Americans with similar assets and economic backgrounds (Pol & Guy, 1982; U.S. Department of Housing and Urban Development, 1999). African Americans are steered in the Federal Housing Administration (FHA) direction because of discrimination in the market for conventional mortgages (U.S. Department of Housing and Urban Development, 1999). If lenders or their employees are prejudiced against African Americans, they consider African Americans to be inherently inferior and prefer not to interact with them or have them as customers (U.S. Department of Housing and Urban Development, 1999). The Association of Community Organizations for Reform Now (ACORN) studied data filed with the U.S. Department of Housing and Urban Development and it was found that 33

22

percent of applications from African Americans were rejected in 1997, up from 25 percent in 1995. Surveys found that middle-income African American applicants from areas mostly populated by African Americans were more than twice as likely to be rejected for mortgage loans as middle income European Americans living in areas mostly populated by European Americans (Hudson, 1996).

Poor African Americans are very cautious of programs that are supposed to assist them in obtaining mortgage loans. Especially in rural areas, predatory lending has been on the rise preying on the elderly, low income, rural, and minority (Housing Assistance Council, 2000; Hudson, 1996; U. S. Department of Housing and Urban Development, 1999). Predatory lending means imposing unfair and abusive loan terms on borrowers, often through aggressive sales tactics, taking advantage of borrowers' lack of understanding of extremely complicated transactions, and outright deception (ACORN.org, n.d.). With the daily establishment of con artist traps, poor African Americans in rural areas and the elderly must be aware of troubles that lurk behind doors of opportunities. For example:

> Carson, 78, lives in a small white house in Ormewood Park. It was 1976 when she bought the two-bedroom on the corner of Delaware Avenue. In May 1994, she borrowed $24,000 on the equity she'd built up during the previous 18 years. She's now paid her new lender, a subsidiary of Associates First Capital, about $23,000. She's nowhere near done. In 15 years, Carson, at age 93, is scheduled to retire the loan after $65,000 in payments. (Shaulhoup, 2000, p. 1)

Those doors of opportunities may involve home mortgages or personal loans with high interest rates. For example, many families may need money for renovation of a

home when the roof leaks and/or the kitchen floor caves in, and they are very anxious in securing the funds for this project. This excitement is observed by predatory lenders and is used to get the family to agree to something that more often than not will cost more, maybe their home if they are owners (Housing Assistance Council, 2000; Hudson, 1996). For example:

> A California woman went to one of the country's biggest lenders, Household Finance (which also does business under the name Beneficial) to refinance a small loan. She says she originally had no desire to refinance her home loan, which was at 8.25 percent interest, but Household talked her into it. She ended up with two loans from Household, the first at 11 percent, the second a revolving line of credit at 20.9 percent. She has an excellent credit record, and she should be able to refinance into a loan at close to 7 percent, saving about $400 a month. But between the two loans, including origination fees of more than $10,500 and credit insurance she did not need or want for more than $9,000, she has been loaned more than the value of her home, and banks will not make her a loan for more than her home is worth. As a result, she is stuck in the high interest rates, and making payments of $1,403 on a monthly income of about $1,650 (Acorn.org, n.d.).

Legislators and regulators seek to close regulatory loopholes that help predatory lenders operate somewhat under enforcement officials' radar (Gramlich, 2000). But more often than not, policies and legislation enacted by institutional regulators through policies create institutional racism. Institutional racism is defined as differential access to goods, services, and opportunities of society by race (Jones, 2000). Lending institutions may be

discriminating without realizing it, through policies and procedures that have a disparate impact on African American borrowers. A policy of minimum mortgage loan amounts that set a dollar limit for mortgage loans is discriminating because minorities have lower incomes and can only afford houses of a certain amount (U. S. Department of Housing and Urban Development, 1999).

Through subtle differences in the level of encouragement and assistance provided to African Americans and European Americans, or through unexamined assumptions about types of products and terms for which African Americans can qualify (U. S. Department of Housing and Urban Development, 1999), institutional racism flourishes. Affordable mortgage access is more problematic in rural areas due to higher interest. Information specifying goods, services, and opportunities that would assist with lessening some of the barriers to homeownership is not being presented to African Americans in rural areas needing and wanting to learn about becoming homeowners (Housing Assistance Council, 2000; U.S. Department of Housing and Urban Development, 1999). The level of commitment in disseminating information that would ultimately help a needy portion of society to provide for homeownership is questionable. People who need to receive housing assistance from the federal government to purchase homes are apparently not included in the planning stage that assures that their interest would be served.

Data from the federal government reveal only one-fourth of eligible families receive any type of housing assistance (U.S. Census Bureau, 1999). These statistics dictate the need to address the problem of acquisition of information that would improve the lives of all. To some extent, lenders use traditional means to advertise loans, such as

newspaper and television ads, which are available on an unequal basis to all who care to look. Lenders may make special efforts to reach or avoid African American borrowers, suggesting discriminatory practices such as lenders using direct mail solicitations of potential customers in targeted zip codes or placing branch offices in areas not populated by minorities (U.S. Department of Housing and Urban Development, 1999).

African Americans, who experienced the most acute discrimination and oppression in the United States (Hacker, 1992), continue to battle when trying to obtain information to purchase homes. One of the main challenges in implementing Federal Rural Housing Programs is reaching households with the greatest need (Martinez, 2000). Although fewer resources are available to provide for food, shelter, and clothing in rural areas, oftentimes; residents are hard to locate and visit due to the makeup of communities in rural areas (Allen & Christy, 1992; Allen-Smith, 1994). Lack of transportation may serve as one mechanism that keeps rural citizens from reaching locations that are responsible for distributing information about helpful resources. Therefore, information about Federal Rural Housing Resources must be available and accessible in an attempt to improve support for homeownership.

<u>Informal Learning</u>

The process of acquiring knowledge by adults can be realized through formal, non-formal and a spectrum of informal and incidental learning (Coombs, Prosser, & Ahmed, 1973; Merriam & Brockett, 1997; Merriam & Cafarrella, 1999). The three forms of learning (Galbraith, 1992; Merriam & Brockett, 1997; Merriam & Cafarrella, 1999) have characteristics that serve as indicators to learners who want to choose how to further their knowledge base to satisfy desired needs. Formal learning is structured usually by a

single or a collaboration of entities and is held in an educational institution, often granting some type of credentials such as a diploma, certificate, or degree (Galbraith, 1992; Merriam & Cafarrella, 1999). The learner has little control over what is taught and how it will be taught (Galbraith, 1992). The major responsibility of curriculum development is held by educators structuring learning programs that will provide necessary content to accomplish educational pursuits (Galbraith, 1992) predetermined by institutions. Teachers, in formal settings, more often than not have some form of professional training that provides credentials for their instructing that particular subject.

Learning pursuits outside of formal settings (educational institutions) are recognized as being of the nonformal type. Nonformal learning refers to organized activities that are sometimes placed outside of institutions but are located in community based settings such as programs offered by the YMCA, local churches, cooperative extension, non-profit organizations (Galbraith, 1992; Merriam & Brockett, 1997; Merriam & Cafarrella, 1999) providing for expressed or determined needs. Usually organizations having education as part of their mission (Galbraith, 1992) tend to conduct a number of nonformal learning opportunities in communities to assist with decreasing some of the barriers such as transportation and work schedules. Learners have some control over what they want to learn and when, how, and where this learning will take place (Galbraith, 1992). The setting can be structured or unstructured (Galbraith, 1992) depending on the topic being taught.

The majority of learning that takes place with adults is classified as informal (Brookfield, 1993, 1995; Galbraith, 1992). Informal describes learning that is not restricted to any place in particular. Marsick and Watkins (2001) postulate informal

27

learning takes place wherever people have the need, motivation, and opportunity to learn. Informal learning is often the primary vehicle for acquiring knowledge of learning opportunities from everyday living. Usually there are no credentials such as certificates or diplomas granted to learners but the opportunity exists to attach some form of credit-earning activity (Merriam & Cafarrella, 1999).

The credit for conceptualizing the three forms of learning mentioned earlier is given to Coombs (Merriam & Cafarrella, 1999). Merriam and Cafarrella (1999) compare their conceptualization and framework of the three opportunities to learn (formal, nonformal, and informal learning) with Coombs, Prosser, and Ahmed's (1973) forms of learning. They denote additional terms to informal learning being self-directed (learning that is similar to informal learning but may have some ties to formal learning) and indigenous learning (learning linked with culture and more closely related to nonformal learning) were considered to be missing from the conceptualization.

<u>Definitions of Informal Learning</u>

Studies have shown the importance of informal learning in educating adults to be responsible for their own learning (McGivney, 1990, 1993). Informal learning takes place during everyday activities or experiences (Coombs, Prosser, & Ahmed, 1973; Merriam & Brockett, 1997; Merriam & Cafarrella, 1999) whereby the learning is so unstructured that many do not recognize learning is taking place. It can be planned or it can happen just by chance. Unlike formal and non-formal learning, learners initiate informal learning and they are responsible for implementation (Marsick & Watkins, 1990; Merriam & Brockett, 1997; Merriam & Cafarrella, 1999). Galbraith (1992) emphasizes the community as being an instrument of learning and their own desires and learning processes guide

28

learners. Life is a never-ending experience requiring reflection that can lead to learning. Brookfield (1986) explains that most adult learning is not obtained in formal settings but is gained through experiences or through participation in an aspect of social life such as work, community action, and family. Oftentimes, adults are initiators of learning experiences in hopes of providing for a personal quest or need.

The community is where adults spend the majority of their time interacting, learning, acquiring and improving to meet their needs. To provide more clarity to the definition of informal learning, Galbraith (1992) states:

> Informal learning is characterized by interaction between human and material resources for example: informal debates and conversations in the work, family, or community setting; television and other mass media viewing; travel, recreational, and leisure-time activities; and listening to audio cassettes, reading publications, or viewing video tapes. (p. 15)

Supporting this understanding, Merriam and Brockett (1997) state:

> Informal learning is generally unplanned, experience-based, incidental learning that occurs in the process of daily lives - learning something, for example, by perusing a magazine in a doctor's office, from casual conversation with friends, from watching television, and so forth. (p. 14)

Informal learning, then, is characterized by learners pondering and deciding on the how, what, when, and where the learning will take place. Learning is a continuous process; therefore, Galbraith (1992) refers to lifelong learning and communities as being the foundation of a free and democratic society. Through informal learning, a lifelong learning community develops consisting of individuals, groups, and communities of

interest and function. A lifelong learning society is a paradigm resulting from the entrance of technology, increased access to information, and the need to revise traditional education (Livingstone, 1998). Adults acquire knowledge and skills as they proceed through life learning from experiences.

Learning to learn encapsulates how it is that learners come to know what they know. Brookfield (1995) feels informal learning is effective because the knowledge of learners is not hinged on what they expect to learn but the needs being met by creating a process to learn. The learning obtained is applied immediately, meaning the knowledge and skills are retained longer. Knowles (1975) says the primary learning that takes place for youths will be skills of inquiry but learning after schooling when adults are involved will be focused on acquiring knowledge, skills, understanding, attitudes, and values regained for living adequately in a rapidly changing world. Knowles (1975) is concerned that one major problem in society is that most of us know how to be taught but have not learned how to learn which is the main focus of informal learning.

Unfortunately, formal educational institutions and workplaces fail to recognize the depth and breadth of informally acquired skills (Livingstone, 1998; Watkins & Marsick, 1992a, 1992b). Marsick and Watkins (2001) suggest three conditions to enhance informal learning: critical reflection to surface tacit knowledge and beliefs, stimulation of proactivity on the part of the learner to actively identify options and to learn new skills to implement those option solutions, and creativity to encourage a wider range of options. Marsick and Watkins (1990, 2001) have done extensive research on informal and incidental learning in the workplace and offer contrasting definitions for informal, which they feel is intentional yet highly unstructured, and formal learning. Formal learning is

30

typically institutionally sponsored, classroom-based, and highly structured. Informal learning, a category that includes incidental learning, may occur in institutions, but it is not typically classroom-based or highly structured, and control of learning rests primarily with the learner. Incidental learning is defined as a byproduct of some other activity, such as task accomplishment, interpersonal interaction, sensing the organizational culture, trial-and-error experimentation, or even formal learning. Informal learning can be deliberately encouraged by an organization or it can take place despite an environment not being highly conducive to learning. Incidental learning, on the other hand, almost always takes place although people are not always conscious of it (Marsick & Watkins, 1990). Marsick and Watkins (2001) express that their definitions of informal and incidental learning have been linked by many authors with various concepts such as action learning, experiential learning, transformative learning, reflection in action, and communities of practice. Their concepts of informal and incidental learning should not be taken as similar connotations.

Livingstone (1998), Director of the National Research Network on New Approaches to Lifelong Learning (NALL), believes the difference in formal and informal learning, when the content knowledge and the learning outcomes are similar, lies with how the content is structured and obtained. Poetically versed, Livingstone views schooling and continuing education as a big ship floating in a sea of informal learning prompting ships to pay increasing attention to the massive amounts of outside informal learning. He defines informal learning, a conscious pursuit of new knowledge, as any activity involving the pursuit of understanding, knowledge, or skill, which occurs outside the curricula of institutions providing education programs, courses, or workshops.

31

Going through life-changing events such as a divorce, marriage, death may reveal unknowns that are not apparent but may arise after the fact and cause the learner to pursue knowledge by developing an informal learning process. During informal learning, adults will utilize various mediums such as self-help books, counselors, and videos to assist with transitions. Informal learning can involve accessing help from a formal or nonformal setting but the key issue involves the learner having the control to decide on the steps that will be taken to rectify the situation. Many skills are learned informally. These skills include communication skills, leadership skills, counseling skills, gardening skills, child-care skills, cooking skills, hobby skills, computer skills, home renovation skills, wellness skills, teamwork skills, social skills, financial skills, understanding political policies, understanding environmental issues, organizational skills, managerial skills, and teaching skills. Although, many of the aforementioned skills are taught through formal programs, most are learned informally (Livingstone, 1998, 1999; Watkins & Marsick, 1992a).

Types of Informal Learning

Learning to learn along with self-directed learning, critical reflection, and experiential learning are the four major research areas Brookfield (1995) claims represent adult learning processes. Livingstone (1998) further categorizes informal learning in three forms: self-directed, incidental, and socialization. Self-directed refers to learning projects undertaken by an individual without the assistance of an educator but it can include the presence of a resource person who does not regard herself or himself as an educator. It is both intentional and conscious. Incidental learning refers to learning experiences that occur when the learner did not have any previous intention of learning

32

something out of that experience. Socialization refers to the internalization of values, attitudes, behaviors, and skills occurring during everyday life. Not only are the types of informal learning unintentional but also learners are unaware that they learned something.

Informal learning allows learners to take advantage of daily activities and experiences to further what they know. Learning from life experiences is no surprise to the adult learning arena because experiences have taught for many centuries. Adult educators are aware of the connection between learning and experiences but need further knowledge of using experiences in formal and nonformal settings (Merriam & Caffarella, 1999). One of Lindeman's (1961) four major assumptions about adult learning is that resources of highest value in adult education are the learner's experience. Knowles (1973, 1975) echoes this by saying learning processes are enriched when experiences are applied.

Kolb (1984) lists four abilities that provide the catalyst for learning in practice or from experiences. They are: (1) concrete experiences; (2) reflective observation; (3) abstract conceptualization; and (4) active experimentation. Dewey (1938), making contributions during the twentieth century applicable to experience and reflection, democracy and community, and learning environments, believed education must engage with and enhance experiences which are major facets of informal learning.

Experiential learning supports a more participative learner centered approach, which places emphasis on direct engagement, rich learning events and the construction of meaning by learners. It is of interest to educators because experiential based learning encompasses formal, informal, nonformal, lifelong, incidental, and workplace learning (Andresen, Boud, & Cohen, 2000). Examples of experiential learning in vocational and

professional education are internships, work placements, on-the-job training, excursions, adventure and wilderness trips, laboratories, workshops, role-play and simulations. The learner is given the responsibility of performing during those learning experiences. Knowles (1975) says evidence suggests the role of learners varies such as those who are proactive learners (initiate learning) learn more than those learners that are waiting to be taught (reactive learners). We must learn from every thing we do; we must exploit every experience as a "learning experience."

However, if self-directed learners recognize there are occasions on which they will need to be taught, they will enter into those taught-learning situations in a searching, probing frame of mind and will exploit experiences for learning without losing their self-directness (Knowles, 1975). Brookfield (1995) sees self-directed learning as a process by which adults take control of their own learning by deciding what they want to learn, what resources are available, and what methods can help them reach their set goals and objectives.

Long (1990) indicates that much of the literature about self-directed learning has focused on four conceptualizations. The first follows Tough's (1967) construct of self-instruction that he refers to as sociological conceptualization. His second conceptualization follows Knowles' (1975) emphasis on the group instructional format that allows the learner to determine goals, procedures, resources, and evaluation. The third conceptualization follows Verner's (1964) concept of method and technique and is referred to as methodological concept. And lastly, the fourth conceptualization adheres to Long (1990), Garrison (1997), and Candy's (1991) method of the psychological aspects of learning and stresses psychological processes that are involved with informal learning.

34

Learning experiences that are not connected to some form of formal or nonformal setting require learners to obtain knowledge in a self-directed matter. Formal or nonformal learning can enhance the knowledge base for learners who attempt self directed learning through practice. For example: informal learning can expand over a large spectrum such as remodeling a home before the arrival of a new baby. By reading magazines or talking with friends who are carpenters, plumbers, and electricians, the homeowner is able to determine his or her needs and decide how those needs would be met after developing a plan of action (Livingstone, 1998, 1999). An alternative could be for the learner to go to the World Wide Web in search of pictures or directions on how to complete a task of this magnitude. However, it is important that the self-directed learner has some basic knowledge to ask the correct questions to determine the how, what, when, and where of the project's progress and make the necessary adjustments to make it happen.

Self-directed must be distinguished from other types of informal learning because it is different due to how the learner chooses to change, manage, and sustain the process of learning. Merriam and Caffarella (1999) use terms self-directed and informal learning synonymous due to the similarity of the two phenomena. The setting is what distinguishes the aforementioned learning from formal and nonformal learning (Candy, 1991; Coombs, 1985; Merriam & Brockett, 1997; Watkins & Marsick, 1992a, 1992b). Self directed learning, one of the important pieces of adult learning (Merriam, 2001), is expressed as an example of a type of informal learning (Marsick & Watkins, 1990, 2001) such as networking, coaching, and mentoring. Once learners become informally knowledgeable of a particular program, they implement any of the many types of

informal learning such as self-directed learning to explore the topic in detail (Marsick & Watkins, 2001).

Brookfield (1995) realizes more is needed to be known about processes adults take to engage learning as well as role support groups and social networks have in assisting with the process. Learners obtain information in many ways. In pursuit of informal learning, oftentimes adults use people or even groups, whether they are institutionally based or not (Merriam & Cafarrella, 1999). When structured programs are not available to inform citizens of resources, word of mouth is a technique learners used to obtain information. Therefore, information may be mentioned in casual conversation between families and friends. Support networks play a major role in transferring information (Lubben & Becerra, 1987) about housing programs that have been helpful in African Americans progressing to homeownership. "An interwoven network" (Lubben & Beccera, 1987) of family and friends serve as informal support in rural communities.

Research and Models on Informal Learning

Informal learning requires learners to be actively involved in the task by applying knowledge and skills to obtain the desired learning. Learners structure an informal learning process to meet their specified needs. Informal learning takes different names depending on the author. Some authors use terms such as self-directed (Brookfield, 1981; Houle, 1984; Knowles, 1975), learning projects (Tough, 1979), in which some terms are used synonymously. Houle (1984, p. 191) says "the paramount means of learning is and always has been self-directed study." Candy (1991) indicated adults have utilized self-directed learning to fill gaps that were not closed from the formal school settings. Knowles' (1975) definition of self-directed learning captures the individual taking the

36

initiative to develop a process with or without others. By knowing their learning needs, goals are set and resources are sought to implement their learning strategies. Informal learning draws upon Knowles' (1970) ideas of andragogy.

Various authors have conducted studies on informal learning and have discovered concepts relevant to how adults learn to provide for needs. Tough's (1971) study proposes most of the population do not depend on traditional approaches to learn. The entire learning process is formulated by the learner by reflecting on the present situation, detailing the strategy and content, and determining if the choices were effective (Tough, 1971, p. 94). Acquaintances, resources, friends and families, magazines, media, books, and printed materials are some of the resources learners utilize to informally learn. Tough concludes that 90% of adults conducted their own learning projects. In a later study, Tough (1982) projects adult learners (1) choose, plan, and implement changes, (2) receive significant help from acquaintances, (3) evaluate their efforts, competence, and success in making changes, and (4) assess efforts. Studies have found more variations of informal learning within groupings such as age, sex, level of schooling, income, ethnic groups than between them (Tough, 1979). The entire process is formulated by the learner.

From informal learning studies, authors were able to discover characteristics formulated by learners. Houle (1961) studied twenty-two subjects through in-depth interviews to discover why adults engage in continuing education and found out how they learn. He found his subjects fit into three categories (1) goal-oriented learners – use education to accomplish set goals, (2) activity-oriented learners – take part because of a meaning or announced purpose, or (3) learning-oriented – seek knowledge for its own sake. Spear and Mocker (1984) analyzed three studies in 1980 and discovered two trends

in adult learning. The two decisions learners must make are (1) identify what should be learned and (2) identify how to learn and resources to learn. Spear and Mocker (1984) found that self-directed learners select from available resources in their environment to structure their projects. Cross (1981) identified three characteristics of adult learners as persons who (1) want to set their own learning pace and use their own learning style, (2) have a pragmatic approach to learning, wishing to solve immediate and practical problems, and (3) have a reservoir of life experience. Guglielmino (1977) identifies learners that exhibit independence, initiative, and persistence in learning as highly self-directed. They are responsible for their learning, being goal-oriented and confident that they can accomplish set goals. Informal learning may be the most effective way for African Americans in rural areas to learn about homeownership. More attention needs to be given to the learning activities African Americans in rural areas pursue in order to meet their individual needs.

There are several models of informal learning that account for what adult learners do when formulating processes to learn. Marsick and Watkins (2001) present an informal and incidental model as adapted with Cseh (Cseh, Watkins, & Marsick, 1999). The model is formulated so as to provide a guide for others to assess interactions of everyday situations and how those situations can bring about growth if reflection is realized. The context of the situation occupies the center of the model and the actions encircle the context providing processes that can be implemented. Interpretation of the context may warrant alternative choices but the learner must possess the specific capabilities to accomplish the task (Marsick & Watkins, 2001).

Knowles' (1975, 1984) model depicting learner-centered and learner-directed learning is known as the andragogical model of instruction. This model is somewhat different than other instructional models in that the learner is either a partner or the learner is the designer of the learning experience (Merriam & Caffarella, 1999).

Does learning take place if the learner does not reflect on the experience? Boud's (Boud, Keogh, & Walker, 1996) model delineates the process of turning experience into learning through reflection. His model contains three clusters of activities that are relevant: experiences in which behaviors, ideas, and feelings are listed; reflective processes which utilize positive feelings and remove obstructing feelings when viewing experiences; and experiences and outcomes being evaluated where there are new perspectives on experiences, changing behavior, readiness for application, and commitment to action (Foley, 2000).

Jarvis's (1987) model depicts learning during the formal, informal, incidental, and nonformal processes. For learning to take place there must be an action and reaction, which can be an ongoing process. Unless people reflect on the process, they are unaware of how the action precursor the learning. Reflection is not necessarily the intention during incidental learning although informal learning can be viewed as requiring some intentional actions (Marsick & Watkins, 1990).

Taylor (1987) conducted a self-directed/informal learning study with eight learners (six women and two men) ranging from the age 24 to 50 years enrolled in a class to learn new ways to learn and teach, a new way of understanding learning, and characterizing themselves as learners and teachers. Taylor's (1987) model summarizes

four phases and four transition points that were evident at the end of the study. The four phases and four transitions were:

- disconfirmation (phase transition) – a major discrepancy between expectations and experiences.

- disorientation – a period of intensive disorientation and confusion accompanied by a crisis of confidence and withdrawal from other people who are associated with the source of confusion.

- naming the problem (phase transition) – naming the problem without blaming self and others.

- exploration – beginning with relaxation with an unresolved issue, an intuitively guided, collaborative, and open-ended exploration with gathering insights, confidence and satisfaction.

- reflection (phase transition) – a private reflective review.

- reorientation – a major insight or synthesis experience simultaneous with a new approach to the learning (or teaching) task.

- sharing the discovery (phase transition) – testing out the new understanding with others.

- equilibrium – a period of equilibrium in which the new perspective and approach is elaborated, refined and applied.

The learning themes dictate phases occurring in consistent order with the beginning process starting with a disorienting phase created from an experience of equilibrium (Taylor, 1987). No one model of informal/self-directed learning claims the place of the ideal concept that can be consistently applied to all instances of informal learning.

Barriers in Adult Education and Learning

African Americans have suffered more negative conditions in the United States than any other race (Hacker, 1992). Historical, social, and political factors continue to keep society blinded by dispersing inaccurate beliefs about racial groups (Omi & Winant, 1992). These factors have surfaced barriers for African Americans. Because of these barriers, African Americans have not been afforded opportunities to live in a world that allow them to make a wage that is equal if the same responsibilities and qualifications are required. Barriers such as discrimination in forms of institutional and societal racism; lack of information; situation; institutional; and dispositional continue to place African Americans at a disadvantage in education as well as learning about helpful resources.

Education continues to be an area that places race on the forefront. Because all learning institutions have not accepted the "equal for all" motto, many continue to promote racist agendas by not depicting how African Americans' roles have contributed to history (Hansman, Spencer, L, Grant, & Jackson, 1999; Johnson-Bailey, Tisdell, & Cervero, 1994; Shujaa, 1994, 1996). Discrimination continues to be a part of all facets of learning, no matter in what setting it takes place, formal or informal (Johnson-Bailey, Tisdell, & Cervero, 1994). It is suggested that adult educators can contend with barriers impressed through racism by addressing learners' participation and achievement, choosing curriculum materials that show the contribution of African Americans, and monitoring the teaching strategies of the educators, as well as their attitudes.

Hayes and Colin (1994) explain that racism is a societal problem affecting all social institutions and the interaction of humans. Racism, as defined by Colin and Preciphs (1991), is "conscious and unconscious and expressed in actions or attitudes

41

initiated by individuals, groups, or institutions that treat human beings unjustly because of their pigmentation" (p. 62). The color of a person's skin should not force them to settle for certain types of jobs or live in certain areas of the city or country that only offer a means to survive. For many years, overt racism was not only socially acceptable but it was required by the governmental legislation (Hayes & Colin, 1994). The Plessy vs. Ferguson Supreme Court decision of 1896 sanctioned the separate but equal language. The Brown vs. the Board of Education decision in 1954 was thought to have brought a halt to those practices but actions by the federal government mandated the power brokers to make the necessary provisions (Sigler, 1987).

Power is a common theme that continues to surface when discussing institutional and societal racism. Those who are in power usually make the rules everyone abides by in society, as well as learning institutions. The learning institutions serve as breeding devices for racism to continually be reproduced and sent out into the world to keep multiplying. They are also responsible for the information that will be spread throughout by adult educators matriculating in programs that adhere to the unfair rules that perpetuate racism. Issues related to power, privilege, and oppression are outgrowths of historically racist institutional policies and practices (Johnson-Bailey & Cervero, 2000). These policies and practices are crucial to understanding how racial prejudice, cultural racism, and institutional racism, which are surrounded by denial and ignorance prevail (Hansman, Spencer, Grant, & Jackson, 1999). Hansman, Spencer, Grant, and Jackson (1999) define the terms: racism, cultural racism, and institutional racism. Racism is power plus racial prejudice. Cultural racism is when the power of the majority group plus their racial prejudice results in the exclusion of cultural contributions of historically

oppressed groups from textbooks, art, language, and music. Institutional racism is when personal and cultural racism is formalized within the learning environments through policies, and practice to benefit a particular group at the expense of another group.

The conception of institutional racism implies the existence of a vicious cycle, a mechanical form of operation that ensures the consolidated reproduction of the system (Wieviorka, 1995). Authors have defined institutional racism in many ways. Institutional racism refers to the informal barriers that exist in organizations that prevent minority members from reaching higher-level positions in the system (Bielby, 1987). Jones (2000) defines institutional racism as differential access to the goods, services, and opportunities of society by race. Institutional racism is also a problem in the educational institutions in the United States (Hayes & Colin, 1994; Johnson-Bailey, Tisdell, & Cervero, 1994; Tisdell, 1995). The student's role within institutions must be examined in an attempt to address institutional racism. Mission statements and institutional goals indicate the promotion of diversity but lip service may be the only actions exerted. Educational institutions are not only a microcosm of society but they play an active role in perpetuating hegemonic societal attitudes (Hansman, Spencer, Grant, & Jackson, 1999). The socialization process perpetuates the hegemonic racial and social norms of educational institutions. Implementing policies and programs and realizing the part each individual contributes to the hegemonic racist system may assist in dismantling institutional racism (Hansman, Spencer, Grant, & Jackson, 1999).

Johnson-Bailey and Cervero (2000) look at the impact of race in adult learning. Race is focused on in an attempt to show a model of the oppressive forces that are present and how they continue to penetrate institutions, making them places of safe haven for

some but grounds of battle for others. They indicate race is a social construct that has no biological ties in that one can not determine if a person belongs to a certain race through visual or scientific examination and race has an impact even though the effect is invisible to the eye. They argue that race is the term applied to everyone other than European Americans. Because European Americans are not classified by a race, they do not have to accept the labels that are placed categorizing groups of people as "others." This structure of achievement has a negative effect on the cultures of people that have not been given the opportunity to participate equally due to their race.

Race, class, and gender continue to exert disparities in adult learning. In the antebellum South, racial inequality in education took the most extreme form possible; the states actively denied all forms of schooling, even informal means, to African Americans (Walters, 2001). African Americans in rural areas value education and learning experiences which have been sought for personal freedom (Gadsden, 1994). Racial inequality in educational funding and other forms of educational opportunity were explicit policies of the states throughout the country, not just in the South, although the specific policies that produced racial inequality varied between the South and the rest of the country (Walters, 2001).

From 1934 to 1989, no articles addressing racial issues were published in adult education professional handbooks prompting questions of the importance and commitment to addressing race (Johnson-Bailey & Cervero, 2000). The profession must take steps to be proactive in addressing issues before they become concerns for those that are not represented or respected for their contributions. Adult educators can also react to

the injustices by implementing programs and learning opportunities that do not facilitate or hinder those categorized by wanting to participate in the knowledge building.

Colin and Preciphs (1991) assert that adult educators must accommodate the diverse society by understanding how perceptions and interactions with adult learners can be shadowed by racism. Learning environments are hampered by the negative attitudes painted by historical contradictions overshadowing the curriculum used in the classroom. Adult educators should acknowledge racism is present and take the initiative to understand the impact on learners.

Power and control are major issues in inclusive learning environments. There are power relations that exist between the teacher and the learner. In traditional educational settings, the teacher has the major responsibility of being the source of knowledge and the learner receiving the knowledge (Johnson-Bailey & Cervero, 2000). In an inclusive learning environment, the teacher is not in total control. The learner brings his or her knowledge base along with experiences to the table to assist with understanding the concept being taught. The primary goal of inclusive learning environments is to equalize the power between learners and teachers and among learners in the learning setting. Issues related to power and control are most complex when discussing learning settings.

A different conception of a "new pedagogy" is emerging that is appropriate for learning settings in hopes of creating an inclusive environment. Taylor and Marienau (1995) suggest when being inclusive, teaching must incorporate: the validity of the student's experiences and the emerging self; contextual nature of the knowledge addressing the relationship between the learner and the knowledge base; and that learning is transforming. The adult educator's personal experience with privilege and the

45

participants' experiences with oppression will play a major role in the educational context in the learning environment being inclusive.

Tisdell (1995) suggests how to create inclusive learning environments. She feels three strategies should be used: reflect the diversity of those present in the learning activity itself in the curriculum and pedagogical/andragogical style; attend to the wider and immediate institutional contexts in which participants work and live; and reflect the changing needs of an increasingly diverse society. It is important to address institutional and societal levels but the most significant level is to select materials and methods that address the characteristic of the learning group members. hooks (1994) implies the knowledge base of all participants needs to be represented in the curriculum. As differences are recognized and more voices are heard, the notion that a learning setting should be a "safe harmonious place" will be tested (hooks, 1994, p. 30) when topics of institutional and societal racism can be discussed without recourse.

hooks (1994, p. 35) stresses, "Despite the contemporary focus on multiculturalism in our society, particularly in education, there is not nearly enough practical discussion on ways classroom settings can be transformed so that the learning experience is inclusive." Being able to learn could determine the economic independence of a person because learning opportunities are not as readily available to individuals that are already marginalized such as women, racial groups, lower classes, individuals with disabilities, and others without power.

Those who have the power decide on the knowledge that will be required and acquired, replicating information from their world that mostly consists of people of their culture. It is important that the information dispersed to participants reflects their

46

contributions to the field of study. The colorblind stance is embedded in practices of adult education (Johnson-Bailey & Cervero, 2000). The curriculum of traditional education fails to convey to students of color the interrelationship between school experience and their chances for success as adults in obtaining employment, marriage, housing, and personal fulfillment. The curriculum of traditional education has been and remains a curriculum of exclusion. The goal of learning environments in preparing students for life, liberty, and the pursuit of happiness has eluded many students of color.

Adult educators are aware that learning environments are very important. Knowles (1973) spoke of learning climates in the 1970's and the importance of creating an inclusive learning environment where all feel a part of the process. He also indicated that activities that are conducted before and during the learning sessions can greatly affect the outcome. To be more specific, the opening session, greeting, treatment by the instructor, physical arrangement, as well as activities to assess the learner knowledge can all impact the learning environment. Adult learners are still enduring not-so-friendly learning environments when trying to pursue their goals of learning intended to assist with their needs. Colin and Preciphs (1991) suggest ways to confront the distorted perceptions through the learning environment. The adult education practitioner should acknowledge that racism exists, commit to addressing racism, exchange information about other cultures and life experiences, facilitate critical reflection, and assess learning experiences. By confronting racism, the learning environment will be more receptive to learners that are not of the dominant culture (Guy, 1999). Some of the same issues that impact racism are present when discussing culture such as power, differences, and

47

oppression. The learning environment should have representation of the learners so that the learner feels included in the learning process.

There are many barriers that impede the learning process for African Americans in rural areas from becoming homeowners (McGivney, 1990). One of the most important is that people don't know what they don't know, but how do they get to the point of inquiry about what it is that they want to know? What we know about the world and the perspective from which we view the world, functions together exerting an influence on our perceptions and also in a reciprocal fashion, are influenced by our own perceptions (Shujaa, 1994, 1996). Soltis (1981) believes,

> Being conscious that we know opens up a vast territory for human exploration, not otherwise available to us. It allows us to ask such questions as: By what processes do we come to know things?, How can we be sure what we claim to know is true?, Of what use is this or that particular knowledge?, and What knowledge is of most worth? (p. 95)

When we know what we know, then and only then can we answer the aforementioned questions and proceed on to structure learning processes.

Learning can be viewed as a variety of processes transforming experience into knowledge, skills, and attitudes (Kolb, 1984) usually to compensate for a need. However, a study done by McGivney (1990) indicates adults with lower income and statuses were less likely to search for educational programs to meet their needs. But these needs do not just disappear, therefore; African Americans in rural areas have to take the initiative to implement learning processes to accomplish set goals and objectives. More attempts must be made to lessen or erase some of the known barriers that deter or hinder the realization

of learning that are aspired to by African Americans in rural areas wanting to become homeowners.

Various researchers have conducted studies to determine obstacles that non-participants face in learning about educational programs and opportunities. Reasons listed for nonparticipation were lack of information and deterrents such as situational, institutional, and dispositional barriers (Cross, 1981; McGivney, 1990). Lack of information is when participants have little or no knowledge of learning opportunities that are available (Darkenwald & Merriam, 1982; McGivney, 1990). Research has shown that information about learning opportunities do not reach the group of people that could necessarily benefit from them. A British review of research consisting of seven disadvantaged adult groups discovered two-thirds of the participants did not know what learning opportunities existed in the area (McGivney, 1990).

Situational barriers concern lack of time, cost, constraints such as work schedules, family responsibilities, and work shifts (Cross, 1981; Darkenwald & Merriam, 1982; McGivney, 1990; Merriam & Cafarrella, 1999). Merriam and Brockett (1997) agree that lack of time, money, and home and job responsibilities can create circumstances whereby adults are not able to take advantage of learning opportunities. These barriers are present when low income persons have work schedules or shift work that do not afford them the opportunities to participate in learning opportunities held at sociable hours or work hours of 8:00 a.m. to 5:00 p.m. (Cross, 1981; McGivney, 1990). Usually situational barriers are not remedied without assistance from outside sources to improve participants' situation of being manipulated by societal issues such as low incomes, lack of transit systems, and high unemployment.

Institutional barriers are constructed by educational systems through procedures, and policies that limit opportunities for potential learners (Cross, 1981; Darkenwald & Merriam, 1982; McGivney, 1990; Merriam & Brockett, 1997; Merriam & Cafarrella, 1999). They are practices that "exclude or discourage" (Cross, 1981, p. 98) some learners from taking part in learning opportunities because they feel they are not welcomed.

Finally, dispositional barriers prevent participation due to attitudes, perceptions, and expectations of learners (Cross, 1981; Darkenwald & Merriam, 1982; McGivney, 1990; Merriam & Brockett, 1997; Merriam & Cafarrella, 1999). Dispositional barriers are evident when attitudes and perceptions play an important role in learners not feeling they are worthy of partaking in learning opportunities (Cross, 1981; McGivney, 1990). Lack of relevance, not being aware of learning needs, and lack of confidence in ability to learn are major reasons learning opportunities, especially for older adults, people with low educational attainment, and low income persons (McGivney, 1990; Merriam & Brockett, 1997; Merriam & Cafarrella, 1999) are not well attended by a great number. Traditionally, income levels are lower in rural areas with statistics stating approximately 9.7 million households have an income at or below 80 percent of the area median income (U. S. Department of Housing and Urban Development, 1999). Income is one of those factors that intensify barriers to learning as well as having a major role in conditions that limit learning.

Rural areas, especially, contend with conditions that limit learning opportunities. These conditions are geographic, demographic, socioeconomic, and cultural (Merriam & Brockett, 1997). Geographic barriers impact learners due to where they live (such as rural areas where fewer resources and opportunities are available); demographic barriers in

which the age and sex of participants limits participation; and socioeconomic conditions reflect the education and income of participants limiting learning. Finally, cultural factors dictate the content of the curriculum most likely being a replica of the values, views, and beliefs of the dominant culture that holds the power. Situational, institutional, dispositional, cultural factors and/or conditions may be present to facilitate or hinder the learning process. The aforementioned factors can create a greater hindrance to learning if adults experience them simultaneously. Some of the same factors facilitating or hindering the learning process are also factors impacting rural African American wanting to become homeowners.

Summary

African Americans in rural areas seeking homes must expend more time, efforts, and resources than European Americans for the same end (Krivo, 1982). Discrimination remains a significant problem and barrier to African Americans in rural areas becoming homeowners and it exists at all stages of the homeownership process. Obstacles such as higher cost mortgages, redlining, and predatory lenders must be removed to assure the upward mobility of homeownership for African Americans in rural areas. Equal access would allow African Americans in rural areas to have the freedom to select a decent home in a suitable living environment.

Little is known about the effectiveness of the learning process that takes place with African Americans in rural areas. No study has been identified that shows how African Americans in rural areas use informal learning to assist with homeownership. All studies reviewed thus far discuss informal learning obtained to assist with work related issues. Factors that may facilitate or hinder the informal learning taking place in

communities of African Americans in rural areas wanting to learn of housing resources that can possibly improve current living situations were researched to determine their role in learning. Sociological, psychological, racial, and personal factors may be present and impede the learning process. It was pertinent to know which factors are present in hopes of reducing the impact and allowing the learning to materialize. A better understanding of how African American adults in rural areas learn of resources that can assist with providing for one of the major living needs of housing will assist agencies in planning programs and developing marketing tools to attract those persons in need of assistance.

Barriers to adult education and learning were researched in an attempt to provide opportunities for all wanting to become homeowners through various programs and resources. Society determines the attention given to educating the populace. The learning needs and wants will differ by experiences learners have encountered as well as those specific issues society use to initiate learning activities in response to changing demographics (Merriam & Cafarrella, 1999). Due to inclusion of diverse participants in adult education, it is clear that there is no such thing as one kind of learner, one learning goal, one way to learn, nor one setting in which learning takes place (Kilgore, 2001). Kilgore (2001) states oppression is evident when a generic type of learning is applied to all people without attributes such as race, class, gender, and their unique life experiences. A significant segment of African Americans in rural areas experience barriers to learning caused by factors such as race, age, social class, educational background and attainment, economic circumstances, sexuality, and gender (McGivney, 1990; Merriam & Cafarrella, 1999). Because African Americans in rural areas are disproportionately represented

among the unemployed, low income, and less educated, their presence in adult education

programs is low (Merriam & Cafarrella, 1999).

CHAPTER 3

RESEARCH DESIGN AND METHODOLOGY

I undertook a qualitative study to identify the process by which African Americans in rural areas become homeowners. The following questions guided the research:

- What were the components of the process of becoming homeowners?

- What did people learn in the process of becoming homeowners?

- How did people learn in the process of becoming homeowners?

- How did race and other factors shape the process of becoming homeowners in the rural context?

Qualitative research methods offered the best means of obtaining data from persons when one's intent is to understand their learning from their own frames of reference (Bogdan & Biklen, 1992; Borg & Gall, 1989). Qualitative research methods have become accepted as legitimate tools that social and educational researchers can utilize in their investigations (Borg & Gall, 1989). Overall purposes of qualitative research are to achieve an understanding of how people make sense out of their lives, to delineate the process (rather than the outcome or product) of meaning making, and to describe how people interpret what they experience (Merriam, 1998; Merriam & Simpson, 2000).

I conducted in-depth interviews to explore the process by which African Americans in rural areas learned to become homeowners. Research aimed at deep

understanding from the view of participants is the best opportunity to contribute to the practice of education and to the knowledge base (Merriam, 1998). Blumer (1969) feels human experience is mediated by interpretations. This chapter discusses the design of the study, sample selection, data collection, data analysis, validity and reliability, and researcher's biases and assumptions.

<u>Design of the Study</u>

A qualitative design enabled me to understand, as well as examine, how information about homeownership was learned, and once learned, how African Americans in rural areas completed the process by purchasing their home (Bogdan & Biklen, 1998; Merriam, 1998, 2002; Merriam & Simpson, 2000; Patton, 1990). Miles and Huberman (1984) explain that qualitative research data:

> Are a source of well-grounded, rich descriptions, and explanations of processes in identifiable local contexts. With qualitative data one can preserve chronological flow, see precisely which events led to which consequences, and derive fruitful explanations…[g]ood qualitative data are more likely to lead to serendipitous findings and to new integration; they help researchers to get beyond initial conceptions and to generate or revise conceptual frameworks… Words, especially organized into incidents or stories, have a concrete, vivid, meaningful flavor that often proves far more convincing to a reader,--another researcher, a policy maker, and a practitioner--than pages of summarized numbers. (p. 1)

Researchers would utilize generic qualitative studies to discover and understand phenomena, processes, or perspectives and worldviews of the people involved (Merriam,

54

1998; Spradley, 1979). Most of all, it permitted me to discover the process by which African Americans in rural areas become homeowners.

Constructionism is the view that all knowledge, and therefore all meaningful reality as such, is contingent upon human practices, being constructed in and out of interaction between human beings and their world, and developed and transmitted within an essentially social context (Crotty, 1998). Homeowners were asked to share their perspectives through their responses to open-ended, semi-structured questions (Bogdan & Biklen, 1998; Merriam, 1998, 2002; Merriam & Simpson, 2000; Patton, 1990). I was concerned with the participants' perspective on the process of wanting to become a homeowner and how they recall the experience of reaching homeownership status.

The researcher is the key instrument when reviewing recorded interviews in their entirety to analyze what was gained through the experience of a phenomenon (Bogdan & Biklen, 1992). It is the researcher's responsibility to enter the world of the participants in hopes of getting to know them and being trusted with details about a specific time in their lives. The data collected is rich in description of people, place, and conversation, which are not easily handled by statistical procedures (Bogdan & Biklen, 1992). Qualitative researchers stress the socially constructed nature of reality, the intimate relationship between the researcher and what is studied, and the situational constraints that shape inquiry. Such researchers emphasize the value-laden nature of inquiry. They seek answers to questions that stress how social experience is created and given meaning (Denzin & Lincoln, 1994).

Words and pictures, instead of numbers, were used to relay the meaning of the experience or phenomenon. A qualitative study allowed me the opportunity to recognize

55

emerging themes and changing conditions by being flexible and responsive (Merriam, 1998). These types of studies are useful where little research has been conducted and more descriptive information and data are needed about areas of education (Merriam, 1998). Categories were inductively derived from the descriptive data received from interviews and documents. Interviews brought light to unknown factors that served to prohibit the process. Race and class were evident once interviewees recaptured activities experienced during times when they went about the process of homeownership after wanting to own a home of their own. I studied the lived experience of African American homeowners in rural areas who have had to deal with racism in some form or fashion in everyday living. An understanding of experiences (Merriam, 1998) and identifying the process of homeownership were ultimately the goal. By interviewing participants, reviewing documents, and analyzing data (Patton, 1990), qualitative research provided the means to take a glimpse into the lives of African American homeowners in rural areas who explained their experiences in considering the steps they encountered in becoming a homeowner.

<div align="center">Sample Selection</div>

A purposeful sampling was employed to identify 10 African Americans (See Table 1) in rural areas who provided the necessary data needed to address the research questions (Bogdan & Biklen, 1992). "Purposeful sampling" is based on the assumption that the investigator wants to understand and gain insight and therefore must select a sample from which the most can be learned (Merriam, 1998, p. 61). The study was

Table 1

Participants' Information

Name	Age	Marital Status	Educational Level	Number of Children	Years in Home and Home Description
Yvette Y	31	S	B.S.	1	4 NH
Neat N	40	M	B.S.	3	1 NH
Jerry S	46	M	H.S.	3	2 AB
Gina G	39	D	H.S.	2	3 NH
Beverly G	38	M	H.S.	2	4 NH
Gin T	42	S	H.S. (less than)	2	1 NH
Gary P	36	W	H.S.	4	5 NH
Lisa L	31	D	B.S.	2	1 AB
Jack J	43	M	T.S.	5	2 NH
Tina B	39	S	H.S.	5	2 NH

Note. S = Single; M = Married; D = Divorced; W = Widowed; H.S. = High School; B.S. = Bachelor of Science; T.S. = Technical School; NH = New Home; and AB = Already Built.

concerned with African American homeowners in rural areas who were first-time homebuyers and who had purchased a home with support from one of the Federal Rural Housing Programs. Being a first-time homebuyer was important because this would be the first and only experience of owning a home and the participants would not have had any prior knowledge gained from going through the process of purchasing a home. Participation in a Federal Rural Housing Program was important in that many of the African American homeowners in rural areas obtained government sponsored mortgages.

To identify the interviewees, a criterion-based selection process was used (LeCompte & Preissle, 1993). First, the interviewees were of the African American, which is defined as a person having origins in any of the Black racial groups of Africa. It includes people who indicate their race as "Black, African American, or Negro," or provide written entries such as African American, Afro American, Kenyan, Nigerian, or Haitian (U.S. Census Bureau, 1999/2000). Second, the interviewees resided in a rural area defined by the United States Department of Agriculture (USDA). Rural areas include any open country and places with population of 10,000 or less and, in certain conditions, towns and cities between 10,000 and 25,000 populations. This is the definition of rural that is required for participants' eligibility to participate in United States Department of Agriculture (USDA) programs. Third, the interviewees purchased their home no more than five years ago through Federal Rural Housing Resources. A five year purchasing limit was established so that the participants are most likely to recall the process of becoming a homeowner. Federal Rural Housing Resources are resources made available from the Federal Government to the United States Department of Agriculture (USDA) to be distributed in rural areas to assist with home purchase.

Studies (Collins & Dylla, 2001; Housing Assistance Council, 2000; Ratner, 1996;

U. S. Department of Housing and Urban Development, 1999) have found that minorities

received higher percentages of government-backed mortgages, suggesting they are

steered to loans that can be easier to obtain but are sometimes more expensive. These

African American homeowners in rural areas described the process of purchasing home,

revealed factors that impacted the process of becoming a homeowner, and discussed the

completion of the process of homeownership through accessing a Federal Rural Housing

Resource.

Because of my work in the housing arena, I am knowledgeable of several housing

subdivisions populated with homes financed through Federal Rural Housing Resources.

Due to segregated housing areas being so common, especially in small rural

communities, all homeowners in these housing complexes are African Americans.

Experience gained from working in the housing development field for over ten years has

made me aware of people who purchased their homes through accessing Federal Rural

Housing Resources. I used the snowball sampling technique in which I asked participants

to recommend other African American homeowners for the study who met the above

criteria (Bogdan & Biklen, 1992). Snowball sampling is when someone recommends

another who is identified as one with knowledge and rich information to inform the

study.

<u>Data Collection</u>

To better understand the process experienced by each participant, data were collected

utilizing one or more of three collection methods to produce meaningful information

(Bogdan & Biklen, 1998; Merriam, 1998, 2002). The three major types of data collection

educators utilized in qualitative studies are interviews, documents, and observations

(Merriam, 1998, 2002). Wolcott (1992) refers to the data collection techniques as asking,

watching, and reviewing to obtain information for a study. To retrieve the information

needed to inform my study, data was collected in two major ways: in-depth interviews

with 10 African American homeowners in rural areas and to a lesser extent, through

personal and government documents. By utilizing the interviews and documents, my

qualitative study employed the triangulation strategy of data collection.

<u>Interviews</u>

Interviews are one of the major data collection techniques used in qualitative

studies. My decision to use interviews as my primary data collection method was due to

the kind of information needed and the best way to retrieve the rich, descriptive

information desired (Merriam, 1998). To capture the interviewees' account of how they

learned to become homeowners, open-ended, semi-structured questions were designed to

gather pertinent information. Semi-structured interviews allowed for questions, and also

allowed the researcher to probe, clarify, and seek amplification as warranted during the

interview (Patton, 1990).

Merriam (1998) suggests there are different types of interviews ranging from

highly structured to unstructured. The type of information needed to answer the research

questions determined what type of questions was asked during the interview. Highly

structured interviews have questions that would not allow the interviewee any latitude in

the responses sought by the researcher, but on the other hand, an unstructured interview

might have questions that allow the interviewee too much latitude by not supplying the

type of information needed to inform the study. Semi-structured interviews are composed

60

of some structured questions and some questions that allow the interviewee flexibility to answer. I was very attentive to pick up on the leads that were probed when the interviewee answers questions.

An open-ended, semi-structured guide (see Appendix F) was used to provide rich and thick data (Bogdan & Biklen, 1992; Merriam, 1998; Merriam & Simpson, 2000; Patton, 1990). The wording or order of questions is not rigid in a semi-structured interview. The researcher encouraged interviewees to talk about their experiences as they remember or recall them (Bogdan & Biklen, 1992; Merriam, 1998). They do not feel urged to answer in any particular way, especially if that was not of their true recollection. A good rapport between the researcher and the participant was necessary to gain relevant information, and to support the validity and reliability of the study's findings.

Interviews were used to understand feelings, perceptions, thoughts, as well as factors that encouraged and discouraged learning. Interviews offered the interviewee latitude to pursue topics while offering some shape to the content of the interview (Bogdan & Biklen, 1998). The interviewee was able to tell the story in his or her words without the interviewer controlling the context. Open-ended questions allowed interviewees to answer from their own frame of reference rather than from one structured by prearranged questions (Bogdan & Biklen, 1998).

Merriam (1998) argues that interviewing is necessary when we cannot observe behaviors, feelings, or how people interpret the world around them, especially if past events cannot be replicated. Interviews allowed the opportunity to embrace the interviewees' explanation of how and why certain situations or circumstances happened. I was creative in crafting questions that surfaced the desired information. Good questions

61

come with practice and involve testing out questions in pilot interviews. I followed the lead and thought process of the interviewees by not limiting the structure of their answers to questions.

I conducted several pilot interviews to sharpen my skills and to test the relevance as well as the validity of the interview questions. Three people were interviewed: one African American male homeowner living in a rural area utilizing Federal Rural Housing Resources for financing, one African American female renter living in a rural area looking to become a homeowner in the future, and one African American female renter in a rural area who lives in federal subsidized housing. Conducting these interviews gave me a chance to test out questions to better refine them for interviews that informed my study. The phrasing of the questions and the vocabulary used were understandable, adequate, and meaningful to the participants. I discovered the need to reconstruct some of the questions because they were not open-ended, allowing the interviewees ample opportunities to express their opinions and perceptions (Denzin & Lincoln, 1994).

Not only is it important to have good questions but also there are questions that researchers should avoid asking during an interview. Merriam (1998) displays a table with three types of question researchers should avoid. One type is multiple questions that ask more than one question at a time and do not allow the interviewee to concentrate on just one reply. The second type is leading questions that tend to guide the interviewee toward the researcher's biases or assumptions. The last type of question to avoid is "yes" or "no" questions that do not provide an explanation to the response. These are closed-ended questions. The interview guide was structured to get the most information possible from the interviews.

Participants were allowed to answer, without interruption, to assure their complete response to semi-structured questions while inquiring of the process. Bogdan and Biklen (1998) suggest research questions are not framed by operational variables; rather, they are formulated to investigate topics in all their complexity in context. The interview session lasted between 1 to 1½ hours to allow adequate time to answer questions as well as probe topics that require additional information for understanding. If more time was needed, I did a follow-up interview. The interviews were conducted at a setting where interviewees normally spend their time (Bogdan & Biklen, 1998; LeCompte & Preissle, 1993; Merriam, 1998, 2001).

The purpose of the study was explained to each interviewee so that the person understands how his or her input was needed to further this study. I contacted potential participants to give a brief explanation of the study, a description of participants' expectations and time commitments, and researcher's contact information. Potential participants were informed of their right to withdraw from the study at any time. Confidentiality was assured. I used pseudonyms to protect the identity of the interviewees.

They were advised to call the researcher if any questions arise or if they were interested in participating in the study. An initial meeting time and place was set in order to discuss consent forms and to begin the research. A copy of the consent form was left with each interviewee detailing the purpose of the study as well as pertinent information needed, such as signatures and contact numbers.

The participants were asked a series of questions from the attached interview guide (see Appendix F). Four participants were interviewed with the original guide

before a revised guide with more specific questions was used to interview the following six participants. Questions were asked about the components of the process of becoming homeowners, what and how people learn in the process of becoming homeowners, and how race and other factors shaped the process and the learning. There were follow-up questions asked as a result of answers provided by the participants that are not presently included in the interview guide. To maintain accuracy and reliability, the interviews were tape-recorded and transcribed verbatim. Interviews were analyzed and summarized concurrently while data was collected. The primary data collection was interviews and the data analysis process was implemented concurrently during collecting data.

Documents

Documents from various agencies that administer Federal Rural Housing Resources was viewed to determine any relationship between the way(s) African American homeowners in rural areas stated they learned to become homeowners and learned of Federal Rural Housing Resources, and how these governmental documents indicated rural constituents learn of their programs and take advantage of the resources. Collecting and analyzing various documents such as policies allowed a thorough look at the initial stage just before the Federal Rural Housing Resources were channeled to the dispersing agencies. Housing policies that govern the administering of Federal Rural Housing Resources was reviewed to uncover if the literature addresses the processes of informing constituents in rural areas about any resources that were available to all who desire to take advantage of opportunities to become homeowners.

The housing policy documents are official papers that have been approved by governing bodies of Congress. Bogdan and Biklen (1998) state that official documents

are produced by organizational employees for record keeping as well as dissemination purposes such as memos, newsletters, files, yearbooks, and other documents. Merriam (1998) discusses three types of documents: public records, personal documents, and physical materials. Of those types of documents, housing policy documents are considered to be public records. Housing policy documents that are specifically for housing in rural areas were reviewed. These government documents provided information that can better explain intentions of satisfying the purpose spelled out in the policy at inception. I contrasted the information with the participants' own perceptions. These documents were not produced for the intended use of informing my study; therefore, there were different limitations that were evident with interviewing and observing (Merriam, 1998). Limitations such as documents not being in a useful or understandable form or the inability to determine authenticity or accuracy was considered.

The stability of documents gives them an advantage over other forms of materials (Merriam, 1998). Unlike interviews and observations, the presence of the investigator does not alter what was being studied. Therefore, documentary materials were sources of data compared to other forms. Disadvantages and advantages are embedded in using documents due to the fact that they are not developed for research purposes (Merriam, 1998). Bogdan and Biklen (1998) feel one of the major disadvantages of using documents is that many researchers view policy documents as subjective, and represent the biases of the promoter.

Data Analysis

Analysis was based on transcripts focusing on understanding each interviewee's view of how knowledge of becoming a homeowner was acquired. The process of extracting meaning from qualitative data involved looking for recurring regularities in the data (Merriam, 1998; Miles & Huberman, 1984; Sherman & Webb, 1988). I utilized the constant comparative method of data analysis to determine similarities and differences by comparing one segment of data with another (Merriam, 1998; Strauss, 1987). Constant comparative method is a way to conduct inductive analysis on qualitative data (Merriam, 1998; Patton, 1990). Data was transcribed and factors emerged inductively. Factors emerged in the data due to the specific questions asked. Common themes or patterns from the data were grouped together creating categories. The texts were sorted, numbered, coded, and rearranged into meaningful categories or themes. Data was coded in a successive and continuous procedure (Bogdan & Biklen, 1992).

I coded all interviews by utilizing Coffey and Atkinson's (1996) method that allowed me to look at my data very closely. Coding can be thought about as a way of relating our data to our ideas about those data and condensing data sets into analyzable units by creating categories with and from the data (Coffey & Atkinson, 1996). Miles and Huberman (1994) describe coding as a process that enables the researcher to identify meaningful data and set the stage for interpreting and drawing conclusions. Strauss (1987) contends that coding is much more than simply assigning categories to data; it is also about conceptualizing the data, raising questions, and providing provisional answers about the relationships among and within the data.

Transcripts were read carefully, and notes placed in the margin to mark quotes or comments that reference ideas or insights responsive to the research questions. The notes written in the margin were compiled in a memo and compared with notes obtained from each transcript. Similar comments extracted from each interview were considered factors that impacted how African Americans who live in rural areas learn to become homeowners. In coding the interviews according to Coffey and Atkinson (1996), I was able to look at comments of each interviewee to compare their response to the questions. After completing the coding, patterns or reoccurrence were evident.

<div align="center">Validity and Reliability</div>

Qualitative research is considered to be trustworthy when the validity and reliability have been addressed (Merriam, 1998, 2002). Much discussion has been raised on the validity and reliability of information produced during research. It is very important to be sure that the knowledge obtained from research can be utilized without being fearful that the information gathered is inaccurate. Assessing validity and reliability of a qualitative study involve the examination of the data analyzed (Merriam, 1998). The following definitions of validity and reliability address concepts that are important when research is conducted in an ethical manner and is considered to be trustworthy (Merriam, 1998, 2002). The way the study is conceptualized and how the data will be collected, analyzed, and interpreted helps to strengthen the validity and reliability of the results (Merriam, 1998).

<u>Validity</u>

Validity is concerned with the outcome of the research being true. The way data are collected and how they are analyzed determined the validity. There are two types of validity: internal and external. Internal validity is the degree to which the data are representations of a specific reality (Goetz & LeCompte, 1984). The interpretations and concepts between participants and researcher have the same meaning within the community studied (Maxwell, 1992; McMillan & Schumacher, 1997; Merriam, 2002). Strategies were used to strengthen the internal validity of qualitative studies. Merriam (1998) expresses that member checks, peer examinations, and triangulation increases internal validity of qualitative research.

Two strategies were used to strengthen the internal validity: peer examination and triangulation. Peer examination was utilized to enhance internal validity by having colleagues in the housing field read transcripts for coding and later having a discussion on the coding. I used triangulation by interviewing participants about their experiences in becoming a homeowner. Documents pertaining to the housing policies were analyzed and data from interviews were compared to determine any similarities. Researchers are able to use as many strategies as needed to increase the validity of a study. Human beings are the major instruments of data collection and analysis in qualitative study and interpretation of reality were obtained through interviews. Therefore, the researcher interacted with reality and internal validity (Lincoln & Guba, 1985; Merriam, 2002).

External validity is the degree to which the findings can be generalized to other populations (Maxwell, 1992; McMillan & Schumacher, 1997; Merriam, 2002). With a qualitative study it is difficult to generalize findings to fit every situation. A small sample

was chosen because I was not interested in generalizing my study but wanted to understand particulars (Merriam, 1998, 2002).

Merriam (2002) lists four strategies that are used to strengthen external validity. They are thick description, reader or user generalizability, multi-site designs, and typical or modal category. I used thick descriptions and reader or user generalizability. I provided rich, thick descriptions to assist the reader with understanding the specific situation being studied. Through the application of reader or user generalizability, I decided the database used for this specific study was effective in informing my study.

Hopefully, in making sense of my study, two major data collection techniques added credence to the external and internal validity. By having rich, thick description, readers are able to determine similarities or differences in their contexts. I interviewed a purposeful sample that allowed for in-depth understanding of African Americans in rural areas process for gaining access to rural housing resources and information about homeownership. Maxwell (1992) conveys that usually a "purposeful" sampling is done in qualitative studies to assure the variation in the phenomena of interest in that situation is understood and to select phenomena that are pertinent to the validity of proposed ideas. Only through reports and dissemination of findings can research contribute to the knowledge base of a field and be available for use to enhance practice (Merriam & Simpson, 2000).

Reliability

Reliability is concerned with the replication of the research findings. There are two types of reliability. Internal reliability is the possibility that another researcher given the same constructs would match them with data, in the same manner the initial

69

researcher organized data collected (Goetz & LeCompte, 1984). External reliability deals with the possibility of other researchers discovering the same findings (Goetz & LeCompte, 1984). Qualitative researchers seek to describe and explain the world as those in the world experience it (Merriam, 1998). Two qualitative studies will not produce the same results because people are different and they perform differently under different circumstances. The dependability of the data findings in a qualitative study should be concentrated on, rather than trying to assure consistency (Lincoln & Guba, 1985).

Merriam (1998) suggests the three strategies to strengthen reliability of a qualitative study are investigator's position, triangulation, and audit trail. I used triangulation and investigator's position to strengthen reliability. Through the use of two methods of data collection, interviews and documents, I applied the triangulation model that helped to strengthen the reliability. As the researcher, I entertained discussion of my position on my assumptions and biases. I discussed the framework and how it fits into the study. During interviews, I created open-ended, semi-structured questions that allowed the respondent some flexibility to answer as well as produce additional information that surfaced. I recorded interviews to assure accuracy, and to reduce the internal reliability threats. The tapes were transcribed verbatim. Information retrieved from the interview sessions was compiled.

<div align="center">Researcher's Stance</div>

Four qualities in a qualitative researcher can aid in increasing validity and reliability: (1) familiarity with the phenomenon under study, (2) strong conceptual interests, (3) a multi-disciplinary approach, and (4) good investigative skills (Miles & Huberman, 1984). Since the researcher is the sole instrument of data collection,

<div align="center">70</div>

disclosure of personal subjectivity and assumptions is crucial. By providing a personal statement, one's biases in analyzing and interpreting the findings could be monitored since the researcher will formulate the final narrative. This section presents my assumptions and perspectives that might impact the study.

I am an African American homeowner living in a rural area and I purchased my home through one of the Federal Rural Housing Programs. I have worked in the Community Development arena in a rural area for over ten years via non-profit housing programs, in private and public agencies. African Americans have visited the non-profit housing organization in hopes of discovering ways that could be utilized to assist in obtaining safe and sanitary housing. Living in a rural area, I have experienced firsthand many of the hardships of low-income African Americans in rural areas living in substandard housing who do not foresee a bright future of owning their own home.

Because of extensive experience with African American families living in rural areas wanting to purchase affordable housing but needing some assistance to complete the process, I was aware of some of the experiences interviewees mentioned during their interviews and have personally experienced some of the same experiences. However, I can not assume that their experiences replicate those of which I am knowledgeable of. Therefore, their lived experiences were heard through a deeper understanding of what they went through during the process of becoming a homeowner. To obtain this understanding, I used thought-provoking questions that allowed the interviewee to be open and truthful in recanting their stories (Merriam, Johnson-Bailey, Lee, Kee, Ntseane, & Muhamad, 2001).

To assure the aforementioned scenarios occurred, I was cognizant of the insider/outsider perspective. The insider/ outsider perspective explores how positionality and power may exert unrealized impact during the relationship existing between the researcher and the interviewees during the interviewing process (Merriam, Johnson-Bailey, Lee, Kee, Ntseane, & Muhamad, 2001). The impact is not always obvious; although, attempts are made to lessen them. The insider/outsider perspective was important in realizing my status during the data collection process (Johnson-Bailey, 1999; Merriam, Johnson-Bailey, Lee, Kee, Ntseane, & Muhamad, 2001). It is thought that interviewing people of the same race guarantees understanding but I did not go into this study with that presumption (Johnson-Bailey, 1999). I share race with all of the interviewees but class, gender, or culture may have been different. I considered the factor of class only because of my position as a graduate student may be looked upon as elevating my class status to a level higher than that of my interviewees. Some of the interviewees had less than a high school diploma and some just a high school diploma, some with a G.E.D. or an undergraduate degree with some graduate courses. Because I interviewed about the process of becoming a homeowner, all African Americans with no distinction of class, gender, culture, or color faced barriers to becoming a homeowner without consideration of educational level. I am not saying these considerations were of no substance, but I strove to lessen their intensity by assuring the interviewees were represented by their words. Johnson-Bailey (1999) confirms similarities such as race, gender, class, and color do not assure premier status of insider where the researcher is privy to all information due to total acceptance by the interviewee. Therefore, if any invisible boundaries were formed due to these perceptions, I acknowledged the

72

limitations (Johnson-Bailey, 1999; Merriam, Johnson-Bailey, Lee, Kee, Ntseane, & Muhamad, 2001) by concentrating on the process of homeownership.

The families encountered barriers to homeownership such as: no down payment, lack of credit and credit problems due to slow payment, not being able to find an affordable home, rules and regulation of the Federal Rural Housing Program, lack of confidence, and not knowing how to start the process of homeownership. I came into this research wanting to know how African Americans in rural areas learn to become homeowners and how they find out about Federal Rural Housing Resources to assist with the purchase. I believed factors existed and served as barriers to African Americans in rural areas being able to access these resources. I make sense of the phenomenon without imposing preexisting expectations on the phenomenon (Bogdan & Biklen, 1992; Patton, 1990) by controlling and maintaining potential biases in my quest to understand how African Americans in rural areas become homeowners.

Summary

This chapter describes the methodological process I employed to conduct the study. To identify the process by which African Americans in rural areas become homeowners, I conducted a qualitative study utilizing in-depth interviews to obtain data from the participants. By engaging in conversation with the participants, I was able to understand the meaning constructed and make sense of their world during the process of homeownership. I interviewed a purposeful sampling of ten African American first-time homebuyers living in rural middle Georgia and that adhered to specific criteria such as purchasing their homes through one of the Federal Rural Housing Program within the past five years or less. Data collection included interviews as mentioned earlier and

73

governmental documents obtained from various agencies administering Federal Rural

Housing Resources. Data analysis consisted of implementing the constant comparative

method to determine similarities and differences in the data by categorizing recurrent

patterns. I triangulated, obtained rich descriptions from the participants' experiences, and

disclosed my biases in order to ensure validity and reliability of the study.

CHAPTER 4

RESEARCH FINDINGS

The purpose of this study was to identify the process by which African Americans in rural areas become homeowners. The research questions that guided the study were:

1. What were the components of the process of becoming homeowners?

2. What did people learn in the process of becoming homeowners?

3. How did people learn in the process of becoming homeowners?

4. How did race and other factors shape the process of becoming homeowners in the rural context?

To identify the process by which African Americans in rural areas become homeowners, a qualitative study utilizing in-depth interviews to obtain data from the participants was conducted. A purposeful sampling of ten African American first-time homebuyers living in rural middle Georgia and who purchased their homes through one of the Federal Rural Housing Programs within the past five years or less was conducted. Governmental documents obtained from various federal rural housing agencies were also reviewed. The constant comparative method was used to identify recurrent patterns in participants' responses.

The findings will be discussed in four sections displayed in Table 2: 1) components of the process of becoming homeowners, 2) lessons learned in the process of becoming homeowners – the "what," 3) learning to become homeowners – the "how,"

Table 2

How African Americans in Rural Areas Learn to Become Homeowners.

Components of the Process of Becoming Homeowners

Desire to be a Homeowner
Systematic Inquiry
Application Process
Approval

What Was Learned in the Process of Becoming Homeowners

Steps and Concepts of Homeownership
Money Management
Home Maintenance
Communication Skills

How Participants Learned to Become Homeowners

Informal Methods
Formal Methods

Race and Other Factors that Shaped the Process of Becoming Homeowners

Race
Participants' Background
Federal Rural Housing Program

and 4) race and other factors that shape the process of becoming homeowners in the rural context.

Components of the Process of Becoming Homeowners

The ten African Americans living in a rural area went through a common process in becoming homeowners. Four components assisted the respondents in becoming

76

homeowners: 1) desire to be a homeowner, 2) systematic inquiry, 3) application process, and 4) approval.

<u>Desire to be a Homeowner</u>

The process of homeownership began with a desire to become a homeowner. Included in this section are the many triggers that urged the homeowners to go forward in making homeownership a reality. In this study, the desire for homeownership was prompted by a variety of events that occurred such as: 1) aspirations to own a part of the American dream, 2) a need to leave a legacy, and 3) life situation as stimulus.

The majority of the homeowners voiced how their aspiration started the journey to homeownership. Being in a home of their own had various meanings for each and every one of them but the final outcome was that the home would be theirs, which was a part of the American Dream. Gina G, divorced mother of two, expressed her aspiration and what homeownership meant to her.

> I just thought it would be great to, you know, just to have my own home, a new home. You know starting fresh. It was something I have always wanted. Well, part of the American Dream is to own your own home, to be able to say I have my own home. I am not renting but I am buying.

Neat N, wife and mother of two, realized her monthly payment for rent could be better spent on an investment that would produce a home for her and the family. She was tired of giving money to pay for someone else's investment. Neat N said:

> It's nothing like owning your own place and just to say it is yours instead of just paying. At least, you know, when you are making the payment, you are paying on something that you own instead of paying on something that probably been bought

for years and going into someone else's pockets. You know something that I'll never own.

Jack J is married with five children; the youngest one is still at home. Jack J wanted to become a homeowner, but thought he may not have everything in order to succeed. He contacted a real estate agent to obtain the information needed to progress to homeownership. According to Jack J,

> Well, I guess one day it just dawned on me, you know. I had thought owning a home one day and then things seemed like it well might not work out, but then one day, I just, hey, I tried, just thought about it and I went to speak to a real estate agent about it and we just went from there.

With aspiration comes the insight of what one would like to do to accomplish set goals and objectives. Lisa L, a divorced mother with two girls, had dreams of how she would fix up her home to suit the personal taste of her family, but she also knew that she first had to get her finances in order. Her first thoughts of homeownership began when she was married; however, through preparation, she was still able to continue and not abandon that dream after getting a divorce. She stated:

> I think after, oh I got married in 1989, we moved into an apartment. I knew that I didn't want to go from an apartment, to another apartment, to another apartment, and always renting. I always had hopes of staying there to that one apartment and moving to a home that I could own. We did get a chance to move into a house right after the apartment but again I was renting. It wasn't worth it. And I kept continually talking, speaking with the landlord about buying; purchasing her home because I could really fix it up and I thought I could get a good deal for this

78

house. But she never gave me anything to go on or decided to sell it. So, I said I have to do something on my own. I have to get my credit together. I have to do something.

We need not overlook the high aspiration that is expressed by parents during upbringing. Parents share the responsibility of encouraging events in life such as homeownership. Jerry S, married with three stepchildren and a grandson, talked about how his parents had always instilled the importance of homeownership to families. He explained:

> Yeah, you know it is something, you know, way back there, long time ago, you know my mother and father, you know, they always told the sons, if you ever get on your feet or get up somewhere where you could find you a real nice girl or so, get you a home one day. I went for it and got lucky.

A need to leave a legacy for the children served as the platform for some of the homeowners to make the move toward homeownership. Beverly G, now married with two children but was a single parent during the homeownership process, evoked the thoughts of what type of situation she would leave her children in if something unforeseen should happen to her. She expressed this in the following statement:

> Like I said, I was a single parent, my children, having somewhere for them to grow up in a nice neighborhood and something to leave them if something should ever happen to me. They would always have a place to call home.

Lisa L agreed that it is very important to leave something for her kids but also felt that owning a home will translate into her kids being inspired to not let society dictate

what they can accomplish in life. Homeownership can serve as the catalyst to building

confidence and responsibility. Lisa L proclaimed:

> Being a homeowner means to me responsibility, you have a certain feel of
>
> confidence you are progressing, you are doing something not only to help
>
> yourself but your children, letting them see that you don't have to just settle for
>
> what society gives you. If you want something, that you can reach out and do it.
>
> And I just feel being a homeowner is going to really help me to be more
>
> confident, more responsible and taking care of the home, finally owning
>
> something and leaving something for my girls.

Life situation served as a stimulus for homeownership. Most of the homeowners

experienced situations that caused hardships that would only be remedied by owning their

own home. Gary P's wife died and he stated "the kids needed somewhere to stay so I got

the home for them." Gina G, a thirty-nine year-old divorcee with two children and a

grandchild, always wanted to own her own home but felt that her situation would not

allow her to realize that goal. She knew that she needed to stop renting and throwing her

money down the drain but work at a place that would be her own. Tina B, single parent of

five, was confronted with the rent being increased as well as exposure to unsanitary

surroundings. Determined to make the situation better, Tina B explained:

> Well, I thought about the money I'm paying out for rent, you know. On a house, it
>
> probably would be cheaper for me just to try and purchase a home. So, I just
>
> decided one day that I would just go on try and go to this program where I heard
>
> some other people talking about it. So, I decided I would go and give it a try and it
>
> worked out….And then when I begin to start paying more rent, then it made a lot

more sense to me that the rent you are paying, you could be buying it. So, I went

on and tried for it…Because like I said I was living in an apartment complex and

it's a lot of kids there and like the apartment wasn't, you know, big enough. Then

you have a problem with the next door neighbor, with the bugs and have you. You

know, you doing for your bugs and they are not doing for their bugs and you've

got a problem. And I think living separate, you know, from a complex, it is more

easier and you know.

Neat N was too familiar with the challenges higher rent can create, because her

family had been shuffled around when they couldn't afford to remain in an apartment.

She was adamant about the many rules and regulations of rental properties that many

times worked to the disadvantage of her family. Neat N concluded:

Because other than that living in an apartment can be very difficult, there's

always, you know, all kind of ...what can I say…all types of rules and regulations

and guidelines. They can be very difficult especially when you have kids and then

things may come up, the rent may go up higher and you can't afford it and then

you have to move and just relocating, packing up things and your kids and going

this place and that can be very difficult and be hard on them, not being stable. So

I guess stability of owning the home…. It would make a difference because like

my problem was, you know, always moving around and it affects the kids, it

really do. You know when parents realize that or not, it affect kids when you are

steadily moving them around, it affects them in school and just affect them

mentally and emotionally, you know, and physically. It affects them in all kind of

ways, you know. But, I guess some parents don't realize it because I am sure it

was an affect on mine. Because I didn't really like moving them around, but when the rate goes up on the apartment, I can't afford it or they come up with some, you know, rules and guidelines that are, you know difficult to adhere to, then you just go, you know. So it makes a big difference.

Although Gin T, a single mother with a daughter in college and a young son, felt the rent was too much for her to afford out of the disability checks both she and son received, she had a more demanding need to provide a better environment for her sick son who suffered from asthma. Gin T recalled:

Where I was staying, I was paying too much, you know, for an apartment. So I could buy my own house…Usually, I would be glad to get one and I was tired of staying in an apartment. My son, he gets sick, the carpet and all that. So, I decided, you know, to go ahead to get one…Well, the apartment was kind of raggedy and the carpet was nasty and filthy and I was paying about $350 for an apartment and I decided to go ahead and get me a house. Then after we moved in, he hasn't been [sick], you know, that much.

Several homeowners thought it would be virtually impossible to own a home because they not only had to contend with high rental rates, but was dependent on public assistance such as welfare or subsidized housing. They needed to get some of their personal affairs in order. Beverly G just wanted a chance to work for a living so that she would have the opportunity to own a home. She expressed:

Well, I thought about it a long time ago after I became an adult. But during the time I was thinking about it. I didn't have a job. I was a single parent, receiving welfare. And when somebody gave me the chance to become a hardworking

Black woman, I thought heavily about owning my own home…The first time I

actually thought about it, I was thinking that it would be hard because I was a

single parent and did not have a job and credit was not that good. So, I thought it

would be hard to own my own home…Yes, well I thought about , first finding a

decent job and I was working hard on getting my credit where it needed to be and

going forward.

Although Yvette Y, a single mother of one, didn't have the worries of getting her

credit in order as Beverly G, she did understand the precarious situation she was in

because she was a recipient of public assistance. Yvette Y was living in subsidized

housing and attended college full-time. Once she completed her academic program and

got a job, she was no longer eligible to obtain public assistance and had to make some

important decisions in reference to housing. Yvette Y said:

Okay, when I first thought about owning a home, the thought came across my

mind which was when I was living in subsidized housing. And when I got my job,

it was like going from zero to $459 dollars. So, my thought was it would be better

off for me to buy a home. So I started investigating into different types of

programs for reasonable housing and the program came across…Like I stated,

being a single mother, I was on, to finish school, I was on welfare and then the

subsidized housing and then once I received my, after graduating I received my

job and then I thought about buying a home because my rent went from zero to

$459 dollars.

Four of the homeowners discussed the many experiences of living in apartments

that did not afford their children the safe environment that is so important in their

development. The environment that children are raised in tends to also educate them. Neat N strove for owning her own home, and was keen about her needs to raise her children in an environment that afforded more control. She felt homeownership would be the answer and her attempts were warranted by the following comment:

Well, especially the ones that I will say when I was in an apartment. They were in pretty decent areas but the ones that are not in good areas, they are raising kids in poverty and in danger and other additions, drug addicts and alcoholics. They, parents always have to be cautious when they go outside and because they can be endangered, you know. An argument breaks out among the addicts, uh shooting and violence and using profanity around the kids. It's not good for them, they're only children, you know. It is affecting them because they'll think that when I grow up I would like to be like this person and it is not a good image for them. Because, you know, they won't have no idea because they grew up around that whether or not it is good or bad. So I think it really can affect them, the ones that live in poverty or bad areas, you know, in apartments. It can affect them.

Lisa L recognized the importance of having control over educating her two girls. From her comments, Lisa L referred to the setting of a home as being the domain for a family to grow together.

I think just the overall setting of a home. It's just the children and it's the mother and one day the father, that they get the sense of well being. When you are in a neighborhood with millions of kids and millions of parents, you are just influenced by a lot of negative things. But, whereas in a home setting, you have like almost complete control of teaching your children values. Whereas, living

84

again in an apartment complex, they can be taught by anyone, things that they see and things that go on. But in a home, you have that control and they have their own yard to play in and it is just different, it's different.

Tina B also felt that children growing up in environments that do not offer them space to grow create problems. Tina B talked about how she didn't want to minimize the past experiences of living in public funded areas, but she realized the stability that would exist from the purchase of a home:

You are in an environment like an apartment complex and stuff like that. I mean it's just too much trouble when everybody got kids living there. But it's always going to cause a problem somewhere. I think being in a home is the best environment for a child, living in a home. Because the projects and, I mean I have nothing against it but, you know, I think a home is equipped for a family to do….They are more secure in a home and you know they can, I guess its more, to me, my kids, its like, it's just a stable place for them because they really don't have to leave out or they got this space that they can be without a lot of, bunch of kids having to be with them and stuff like that. Seems like that's what they enjoy because I used to live in an apartment complex and the problems days after days.

Jerry S felt it is the parents' responsibility to provide an environment that is safe for the children and supply space to grow. The growth comes in so many forms such as educational, social, emotional, mental, and physical. Jerry S stated:

You know what, I think it's, I think its, that's one of the greatest things, you know, that a parent should, you know, be good to a child so he has his own room and space, you know what I mean. He got a, his bus picks him up out there. If he

85

wants to walk down to the store, you know, it's a nice community for him, you

know. It's a real nice thing.

It is evident by the homeowners' statements that the desire for homeownership was prompted by aspirations to own a part of the American dream, a need to leave a legacy, and life situation as stimulus. The American dream of homeownership resulted from homeowners setting goals and achieving them. The goal may have lead to leaving an inheritance for loved ones or an awareness of present life situation as it pertained to living arrangements that ultimately required a remedy to be formulated. The remedy for all was to own a home. Through realization, the homeowners started the process of homeownership and then they needed to find out "How to own a home," and ultimately "How to get the process started."

Systematic Inquiry

While the ten homeowners knew their ultimate goal was to own a home, they did not know the next step in the process. In continuation of the process, the homeowners needed to obtain information about how to get started. Embarking into the unknown and out of the comfort zone of the homeowners served to dictate how each homeowner went about obtaining pertinent information. When faced with the unknown, it is not uncommon to have reservations and to need a boost of confidence. Therefore, the homeowners developed a strategy to obtain the necessary information that directed their future steps. The systematic inquiry component consisted of the homeowners developing a strategy to obtain the necessary information from family, friends, real estate agents, or the Federal Rural Housing Program.

86

The specific strategies were based upon their personal preference, level of knowledge, and availability of resources. Family, friends, real estate agents, or the Federal Rural Housing Program were some of the means used to retrieve information. Beverly G's strategy was a conversation with a familiar person, her sister. She stated,

Well after I landed a job, my sister, she bought a home out here. And, I talked to her and asked her how did she go about doing it and she told me she had spoken with a developer. And he told her who to contact and what to do…And he had mentioned something also about low income housing, HUD homes and you know, going through the USDA to purchase a home. He first mentioned it to me but like I said, my sister had just bought a home through that program. So once he, I guess, opened the doors to that, I went forward with asking my sister about that…And she told me it was pretty easy. So, I got in touch with the Rural Housing Development and started the process…I mean my sister was the one because that was my sister and it was really easy to go ask her questions… Once I got in there, they told me, I mean, what I needed to do.

It seemed as though some of the homeowners made special provisions to talk with someone who had been through the process and could share information gained from that experience. Maybe it was important to receive a first hand account of what would be expected and how to perform those duties. Gin T had specific questions and her friend told her exactly what she needed to do. She stated:

I don't well, only person I was talking to E—because she has been owning her house for a long time….She just told me about it and she told me to just go down

87

there and put in an application and fill it out, and I went down there. And I talked

to them, I said I need a place.

Neat N also relied on a friend who had been through the same program to

purchase her home. The friend gave the name of the program and Neat N called to

receive information on the next step in her quest for homeownership. Neat N said:

Well after my friend, she went through the program and purchased her house, I

just called them and asked questions and they told me what they could on the

phone and then mailed me an application and a brochure. So that's how I found

out what information I did about the program.

Yvette Y, unlike the three homeowners just spoken of, went to a real estate agent

and inquired about the steps to take in order to become a homeowner. She said the

Realtor, who was also the builder of her home, suggested the USDA Rural Housing and

she went forward to request an application. Tina B also went to a real estate agent to find

out about the Federal Rural Housing Program. The agent prepared Tina B for what she

should expect and some of the requirements of that specific program. Tina B expressed:

I went to Housing Help first, you know, to let them explain to me what all I had

to…Well, when I went to go, I first went to Housing Help and talked to Mr.

Riding Hood. And he set it up, explained everything, you know, because I didn't

really know how, but the only thing he told me just to fill out the application and

how it was going to be processed and then you would have to go through another

application, which you would have to pay a fee. I think a nonrefundable fee and

that was it… So, once I talked with them I had to go meet with the USDA in

Byron and they did the background check and everything.

88

Lisa L's friend was moving back home and wanted her to own their home. She said, "…and the owner wanted so badly for me to get the home." The friends told her whom to contact and she made the call to find out what she needed to do. Jack J also talked to friends that directed his path to a real estate agent, who in turn had to refer him to another source.

Systematic inquiry was the second component in the homeownership process. The homeowners knew they needed information and had to determine how they would obtain that information. They had developed strategies to learn from those who possessed information usually from personal experience. The opportunity to learn from those who had information and was willing to share made this step critical. The next step is just as critical because the homeowners had to initiate the application process.

Application Process

The application process is the third component in the process of homeownership. During this component the homeowners made the initial contact with the Federal Rural Housing Program to find out how to proceed. They all were informed of the necessary requirements to start the application process that required an interview and an application fee to pay for a credit report. These steps were necessary to determine if the Federal Rural Housing Program would be of assistance.

Once the homeowner's credit report was received, a thorough review of the credit report took place. If the credit report was acceptable, the homeowners proceeded to complete the required application forms and an application review followed. If the credit report contained discrepancies, homeowners were directed how to make corrections and then to follow up on the application process later. Beverly G voiced that completing the

applications was tedious and some of the requirements were questionable. Beverly explained:

> Well, I went to them, face to face, and I told them I was interested in sending in an application. I had seen a house that I liked and my sister had told me how to go about it and. They asked for a lot of stuff. How long I had worked and twenty-five dollars for an application fee. All this stuff was asked for before I even got the application. Then they mailed me the application. It wasn't really difficult but I do feel like, the fees that, nonrefundable fees, they charge you for application, ridiculous. Especially, if you are not going to get approved. So it wasn't so difficult but it was, it was kind of, kind of stressful.

The application process consisted of the same procedures but may require some applicants to complete additional steps. Lisa L described the additional steps she had taken to rectify a problem encountered during the initial step that involved assessment of the credit report. She had to give detailed explanations for discrepancies and had to make the necessary adjustments to assure that those problems were not repeated. According to Lisa L,

> First of all having to deal with all that information…they had to run a credit report. I had to give them explanations for why certain things were on my credit and they reflected a very negative look, a bad credit almost. I had they say it was like slow credit but it was some things dealing with my marriage that my husband was suppose to pay but never paid. But I had to write an explanation for it. I had to prove for some time that I was paying these bills. I had to turn in student loans that they were on, not default, but they were…Deferment.

90

Jack J also experienced some problems during the application process that required extra steps before he was able to participate in the Federal Rural Housing Program. His problem was created due to the type of job he had. Jack J had to give specific details to explain the overtime in salary that placed him at a level higher than the Federal Rural Housing Program required.

Okay, what I did I went to him and asked him about the program. Right. So then they had to do credit checks and all this kind of stuff, you know. I filled out a few applications and what have you. And then they would get back to you and let you know - - whether not they can help you. So then you know, then well they go, they check everything then and if you make it through as far as the credit and what have you…And, I kind of had a little problem at first because sometimes, you know, these programs right here normally go by your salary. So mine was, you know, maybe been a bit higher than what they wanted to go with. So, then that's the reason I had to go just to New City. Because I couldn't go through the same program….I had to do several things as far as on my job, you know and everything, you know certain things that they want you to show about your overtime and stuff. If it is something that you continue to have or if it's something that, something comes up or what have you, like that. Because they wanted to make sure that it wasn't just a part of my salary. And I told them, I said well in maintenance it depends. Because you know, well, if it breaks you've got to work, you've got to fix it. So other than that, you know, I told them, I said but, it still is overtime anyway. Because at certain times, you know, at budget time, you know,

hey, you've got to go back to whatever, forty hours that's it. So, basically that's how it works anyway.

Applications were submitted and the wait-period began. The number of steps homeowners had to complete dictated the length of the waiting period. If homeowners were building a new home, the waiting period would be longer than purchasing an already built home. After the waiting period, homeowners were informed of their destiny, approval of a loan to purchase their home.

Approval

Approval is the final component of the process of becoming a homeowner. After the necessary documents are completed and submitted, the Federal Rural Housing Program notified the homeowners that their loan had been approved. The homeowners were informed that a final meeting, the closing, to finalize the transaction would be scheduled and it was their responsibility to secure a lawyer to assist with the paperwork. The closing happened after homeowners were notified that their loan had been approved and that they would own a home. Each homeowner spoke about the excitement of the realization of owning a home.

Tina B got the good news that her loan was approved and she would be getting a home built. She recalled some of the additional steps that were needed to assure completion of the homeownership process.

Everything was approved. My credit was good, in good standing and everything, just little minor, little hospital bills and stuff like that, you know, just pay those off so it wouldn't be so many bills that you had and which it really wasn't a problem. But I went and did that and paid them off and probably about one or two

months after I applied, maybe about a good month and a half that I was, had the good news that I was getting a house built.

Yvette Y was very excited because she found out she would be able to build a larger house than she initially thought. She talked about going to the agency and being qualified for an amount prior to the paperwork being submitted. After the application review, Yvette Y was informed of being approved for a larger mortgage and she decided to accept the entire amount.

Although excitement was the first expression for Gina G, she also was scared and feared the major decisions that had to be made. Gina G's approval letter showed the amount she was eligible, and for which she could apply. However, Gina G knew that to obtain that amount, it would put her in a bind. She stated:

> Oh, I was excited. I was very excited. I was excited and I was scared at the same time, because they were telling me that I was eligible for an $89,000 home and I knew that if I purchased an $89,000 home, that my mortgage would be more than I wanted it to be. So I thought okay well I, even though they say I can afford this type home, I know what kind of home I need to buy. But, I was just thrilled, you know, just happy, excited.

Lisa L expressed being scared but her distress came due to the struggle with not knowing how much she would have to pay out at the closing. Her stress was minimized due to her friend being the owner. Lisa L proclaimed:

> And after turning all this paperwork in and signing papers, I was approved for a loan. I got the information through the mail. Somehow, I thought that was it and we just had to sign some papers. But, on the, the closing took a long time because

we had to go to the lawyer's office, singing paper, after paper, after paper. I think

I was more unsure of what had to come out of my pocket and it was kind of scary

because I didn't want too much to come out of my pocket. It ended up that I did

have to pay a couple of fees but no more than five or six hundred dollars came out

of my pocket because the owner took care of all the closing cost and everything.

So, that's what really helped me, having such a close friend willing to help me

purchase his home and that helped out.

The approval to purchase may be delayed if the funds are not available. Several

homeowners talked about the waiting period that they endured because the Federal Rural

Housing Program ran out of funds. Gina G explained:

And I continued to call, you know, to check on the status of it. And at first, they

didn't have any funds because you know it is federally funded. And they didn't

have any funds, so I had to wait until the budget was signed, you know, so they

can get some additional funds. And everything had to be placed on hold until the

funds became available.

Neat N had to endure the same situation but she was comforted by knowing that she

would be building a home as soon as the funds were available:

I say it took about six months because when I first applied they didn't have any

money, and so the money didn't come in until, I think I started applying back in

July and the money came in maybe in January or February, and I was able to

move into the house in May of the following year, May of 2001, I was able to

move in.

Approval is the reward for all the hard work each homeowner exerted. Approval had a different meaning for several of the homeowners. The steps that followed were dictated by what type of home the homeowners wanted. For some of the homeowners it meant getting ready to move into a chosen home or searching for a home that met their needs. However, for others the approval notification meant getting prepared to start the construction process of building a new home. No matter what was considered the homeowners' next step, there were lessons learned.

What Was Learned in the Process of Becoming Homeowners

Going through the homeownership process, the homeowners learned what they needed to know to proceed on to homeownership. Although some didn't recognize to what extent the learning took place, every homeowner mentioned learning from going through the process. The learning that was obtained through developing a plan of action to become a homeowner will further assist the homeowners in preserving their homes.

The lessons learned during the homeownership process are discussed in four categories: 1) steps and concepts of homeownership, 2) money management, 3) home maintenance, and 4) communication skills. Steps and concepts discuss the terminology as well as the order of action that lead to homeownership. Money management spoke to the homeowners knowing that they had to budget in order to remain a homeowner. Home maintenance has had additional responsibilities unlike living in a rental unit. Communication skills were developed from interactions with persons during the homeownership process.

Steps and Concepts of Homeownership

The steps and concepts gained from going through the process of homeownership varied for each of the homeowners. The homeowners entered into the process with their own tailored strategies that assisted them in becoming a homeowner. The homeowners' learning was gauged, depending on his/her strategy. When Lisa L was asked what she learned from going through the homeownership process, it was obvious that she was not aware of what was required of her during and even at the closing, which was the final meeting. Lisa L summarized:

> No, I didn't know anything. I was, I didn't know anything about this, closing cost.
> I had to purchase my insurance right then for the home for the entire year. That's
> why I just, I kept telling the mortgage lenders please be up front with me. If it's
> going to have to be X amount of dollars, let me know now before I get in the
> room and I am unsure that I can handle it. So, they just reassured me that
> everything was going to be okay. I did have a couple of surprises, especially with
> some fee and I forgot what it's called. It was a little over a hundred dollars I had
> to pay. But, a lot was just like the interest of the home, all of the things were just
> new to me, the closing cost, having to get a, the tax code and the mapping of my
> home, going to the tax office. I didn't know what to do. But, I did sign up for a
> program and I forgot what it was called. But it is where you get so much off of
> your taxes because of Homestead Act or something like that.
>
> Lisa L gained a host of knowledge about the steps and concepts from going

through the process. She purchased an already built home that required a visit to the tax assessor's office to obtain information that would assist with determining the fair market

value of the home. Lisa L also was able to sign up for a program that assisted with paying taxes. She would not have known this information had she not been involved in this process. Lisa L stated,

> I gained knowledge basically on the process of it. What closing cost is, the necessity of an attorney being present and his role and aspect, the buyer's role and the seller's role, and all that information on the process of the paperwork, I've learned that also.

Due to lack of knowledge of the process of homeownership, most of the homeowners were unaware of what was required as well as the terms such as closing cost. Gina G said the term closing cost was unknown until she started to purchase her home. Yvette Y's response was very similar to Gina G's in that they both became aware of information from going through the process. Yvette Y noted:

> The skills that I have learned from going through the homeowner process are I have become more aware of the things that it takes to buy the house, the things that you need in order to get the house, your credit rating, more about your realtor, what to expect when buying a house, just the whole process… things about building the house, the finance structure you need in order to be approved to get the house.

Money Management

Money management is very important because the funding organization must feel confident that the homeowners are ready and able to make payment on the mortgages. Lisa L concurred that she learned to just take care of the more important things first such as finances. Because she has started managing her money and paying her bills on time,

Lisa L smiled and declared that her credit rating has increased over the last six to seven months. She expressed her excitement by saying, "I learned also financial skills, balancing out budgets, and just taking a look at my income versus my output of my income."

All of the homeowners were aware of the need to make sure they were able to fulfill obligations to repay the mortgage to purchase their home and six of the homeowners spoke specifically about the financial responsibilities that accompanies the role of homeownership. Beverly G knew taking on the responsibility of paying a mortgage required some adjustments that she accepted because she wanted a home. Beverly G said,

> With paying a mortgage every month and knowing one day it's going to be mine and as long as I pay my mortgage, nothing nobody can say or do. I won't ever have to move if I don't want to, as long as I pay my mortgage.

Yvette Y agreed with Beverly G that finances must be in order to keep their home:

> All these things were laid and it was very interesting. Like our finances, a lot of people don't think finances play, we just throw money away but we need to keep our finances in order to be about everyday life to manage a home and that does play a big part and that was a learning process for me….Well, you can learn how to manage money and stretch money from going through a homeownership process…you will be on a strict budget than before…you are learning to manage your money and once you own the house you will see how easy it will become. I have always been a type of person that budget and I made a decision to buy a house.

Several homeowners indicated that they were doing some budgeting but not to the extent they had to do now being a homeowner. Just as Gina G indicated that she was introduced to budgeting when she got divorced and had to take care of two children. She acknowledged her ex-husband had the major responsibility to pay bills which did not require her to deal with budgeting. Gina G proclaimed:

> I actually learned, I actually did the budget thing before I started going through that homeowner's process. Because I had my own apartment and that was really when I started to budget with the apartment. Well actually, believe it or not, you know, I was married for sixteen years and I didn't really start budgeting until I separated. Because then you realize, okay, there's only one income and it all falls on you. So you realize that okay, you know how much you make and you know what you've got to do, and that's when I really started to budget after I separated….once I started budgeting, I was having more money, you know, and things were happening so I just continued to do that. It was better.

However, Gina G felt she learned a lot more about budgeting during the homeownership process because the budgeting skills learned from going through the required class was more geared toward the homeowners' responsibility:

> You just need to know how to budget your money, and yeah, you really need to know how to budget your money. And when you are purchasing a home, you have to stick with you budget. I think budgeting is the most important thing. The class really stressed budgeting and not getting over your head.

Budgeting impacted home maintenance in that monies had to be available for the upkeep of the home. This is one of the major differences in renting as opposed to homeownership.

<u>Home Maintenance</u>

Unlike renting an apartment or a home, homeowners were and are responsible for the upkeep of their homes. Gina G stated the required class stressed to each and every participant the need to budget and to not get in over their heads in order to manage and take care of their homes. Maintenance involved initiating and completing yard work, making homes energy efficient, purchasing home insurance or a security system, and other home oriented responsibilities. Beverly summarized:

> Once I got in my home, I, … and once you buy a home, you have to maintain some stuff so everything that goes wrong with it you have to take care of it as opposed to renting, you know, your landlord do all of that.

> Homeowners specifically stated they became more responsible as a result of being tasked with taking care of the many maintenance activities. Gina G said,

> They told us about, you know, trying to save electricity, told us about maintaining the home, maintaining the yard and talked to us about having the inspector to come out and take a look at it and make sure everything was, everything was correctly done.

Lisa L also proclaimed, "I am just being a little more responsible knowing that I have an entire home to take care of and making sure I care for its needs and just being more responsible. I've noticed that."

Jack J spoke about the differences in renting as opposed to owning a home. He reminisced of the times when he was a renter and did not have the leeway that homeownership afforded:

> It means a lot, you know, well, you got a little property, you got a home. So, and you got a little real estate. It may not be much but then it is a lot to have, you know. Because, don't get me wrong, rent, I rented for a long time but then when you are renting, you are not able to do the things, you know. You can't do like you want to as far as if you are buying your home, there are a lot of things you can do. Now, it cost a lot more now. Because, then that means you got all the responsibility. That goes along with it too, you know, your insurance, your security systems, and trying to keep up the lawn, trying to keep up the house, you know. So, when you are renting, you don't have to worry about that.

Communication Skills

During the homeownership process, homeowners communicated their specific needs to obtain information as well as to complete the four steps of the process. Because there wasn't the familiarity with the homeownership process, homeowners were not knowledgeable of the various stages and expectations of each stage. Therefore, the homeowners learned how to specifically communicate their needs to obtain what was desired.

Every homeowner discussed how important it was to communicate with key players during each stage by being able to articulate answers to the many questions and to be able to ask the correct questions to satisfy their needs. In addition, homeowners may have had to enquire from another source to retrieve answers to questions that were

instrumental in their acquiring a mortgage. After receipt of information, homeowners

expressed the learning that took place. Beverly G pointed out that she learned if one talks

to the right people and finds out the right things, one can pretty much get what she needs.

She had to talk to the agency to find out what she needed to do to own a home she had

chosen. Beverly said "Well, I went to them, face to face, and I told them I was interested

in sending in an application. I had seen a house that I liked and my sister had told me how

to go about it." Beverly also wanted to express how going through the homeownership

process provided skills that prepared her for present and future endeavors. According to

Beverly,

> Well, I guess if you would call it a skill. I learned how to be able to present
>
> myself in a manner that I needed to…. to talk to people, especially people of a
>
> different race, how to communicate with lawyers and that's pretty much it.

Lisa L noted that during the homeownership process she asked so many questions

because she was not familiar with the process. "I tried my best to take the time and read it

but it was too much and I continued asking questions about each page just to make sure

that I was understanding it, before I signed it." It was important to Lisa L that she felt

comfortable with the decisions that were binding for many years to come. Also, she said

she learned how to ask the correct questions to obtain information that pertained to her

correcting and keeping a tab on her credit report. Lisa L succinctly pointed out:

> I learned to definitely ask questions to make sure that things were working in my
>
> behalf. I also learned that your credit is very important and that you are basically
>
> the only person, really the main person that can help your credit and improve your

credit. And I have seen my numbers go up these six, seven months and I have

learned to just take care of the more important things first as far as finances.

The desire for homeownership prompted the need to learn information that would

ultimately result in owning a home. Learning can take place in various forms and fashion.

The homeowners determined how they would learn the necessary information to own

their own home. The participants learned the "What" in becoming a homeowner.

<div align="center">How Participants Learned to Become Homeowners</div>

Learning to become a homeowner required the discovery of information that

allowed the homeownership process to be initiated and completed. Each homeowner

chose the method, whether informal or formal, in which this information would be

obtained. Due to personal preferences of homeowners, a combination of informal and

formal methods was utilized to retrieve information about homeownership.

Informal

When homeowners wanted to learn about homeownership, most sought people

they knew who owned their home and would have specific information that would direct

them to where they needed to go next. Once the homeowners went to the next step, they

needed to informally receive information that would guide them through the process. The

homeowners verbally asked questions that answered the what, when, where, and how.

The informal methods, word of mouth, through media, and through experiences, were

inclusive of the homeowners learning informally through conversations.

Informal conversations during homeowners' everyday living provided the

necessary information needed to move forward toward homeownership. The majority of

homeowners, through word of mouth, obtained information needed to initiate and

complete the homeownership process. The homeowners, having a need for homeownership, interacted with others who had access to information. Family members are oftentimes the first group of people to ask. Gary P had experienced the loss of his wife and knew that he needed to provide a home for his children. He didn't know exactly the next step but felt he needed to consult with his parents. Gary P noted that he went to his parents and they suggested he talk with Betty Lou about the purchase of a home. He didn't know what to expect, although he had consulted with others who told him just to "try it." Gary P stated he tried it and he was successful. He explains:

> Well, I went Betty Lou and I talked to her and she told me to give her a down payment of $1500. So, I went from there and then went through another company. Then we tried maybe two companies to get the loan. So, one company gave me a loan. So, we went from there.

On the other hand, Beverly G was firm when she mentioned talking to other homeowners to keep her on the right track to get started as a homeowner, but her conversation with her sister gave her the information she needed to proceed. She noted that talking to her sister was the one inquiry that provided the most pertinent information, because that was her sister and Beverly G felt it was really easy to ask her questions. Prior to talking to her sister, Beverly G recalled applying for an apartment but was not successful; however, the realtor mentioned the same program she eventually applied to. She described:

> And he had mentioned something also about low-income housing, HUD homes and you know, going about, going through the USDA to purchase a home. He first mentioned it to me but, like I said, my sister had just bought a home through

that program. So once he, I guess, opened the doors to that, I went forward with

asking my sister about that.

Beverly felt more comfortable with initiating the homeownership process after having a

lengthy conversation with her sister, who had experienced the same program and could

give her direct answers to her questions.

The comfort zone with asking questions played a major part in how Yvette Y

proceeded to inquire about homeownership information. She had specific questions and

knew that asking these questions to some coworkers or friends may have presented

problems. Yvette Y worked at Townhouse and knew several people who purchased their

homes while working there. She explained:

> When I used to work at Townhouse, I heard several people saying how they
>
> bought their house and they had mentioned the program….It was just like a
>
> leisure contact, somebody asked where, well it might be personal questions like
>
> you know, where did you? Who did you buy your house from? How did you get
>
> it financed? You know little simple questions like that.

Once Yvette Y received that information from her friends and coworkers, she was able to

move forward and obtain more informal information about the specifics of the next step.

She said once she contacted the program discussed at work, the agency talked about what

she needed to do in order to prepare for qualification to use their program.

Neat N, just as Yvette Y, talked to friends to direct her in the direction she needed

to go to become a homeowner. She said due to her current situation she thought it would

be impossible for her to own her own home but felt it was worth finding out what she

needed to do to prepare. Neat N recalled how she started the process:

Well I always wanted to own a home but it was kind of difficult at first but a

friend of mine told me about a program that she went under ….Well after she told

me how some program worked for her, I decided I'd just apply myself and

everything was successful….I realized from talking to them I know a person that

worked there also. They went to school, so that is how I found about it….Well

when I, how I heard about it, it was from word of mouth.

It was common for homeowners to learn how to own their own homes from

casual conversation while they executed everyday duties. Ten years ago, Tina B talked

with a co-worker about a home for her children and her. Therefore, she knew about the

program prior to the purchase of her home.

This lady, her name was Ms. Johnson and I think she had purchased a house. It's

like I said it has been about ten years ago and she was telling me about it because

I was on Section 8 for like, probably about twelve years, you know. And that

amount of it, I figured I could just have a house.

Earlier, she had applied to get a house, but felt she was not ready for such a responsibility

so she didn't follow through with it. Tina B explained:

Ten years ago I did...The only thing I, when I did it ten years ago, I just had to

take some paperwork back but I just never went through with it….No, it's just, I

just, there was no reason why I didn't do it, I mean. I just lost interest in that and

which I believe back then, in which in a way I am kind of glad I did wait because

the houses are more better now. I am glad I did wait those years. I don't know, it

was just something that just said you don't need it right now and I just waited and

when I reapplied again, that's when. The houses are much better now.

106

Ten years later, Tina B knew she was ready to become a homeowner. At work, she heard people discuss a program to assist with the purchase of a home. After listening and asking questions, she knew what to do. Tina B pointed out:

> So, I just decided one day that I would just go on try and go to this program where I heard some other people talking about it. So, I decided I would go and give it a try and it worked out.

Word of mouth was referenced by the homeowners as an informal method of obtaining information about the process of homeownership. This method was so popular because homeowners felt at ease when they talked to people that were able to provide them specifics of how to proceed. The homeowners also communicated how they now, through word of mouth, relay information about the homeownership process. Gina G stated how it was done:

> It's really through, word of mouth….Because, you will tell your, you know, if you find out about it, you will tell your friend or your relatives and then they will go do it. I think it is word of mouth.

Jack J stated after he went through the homeownership process he started telling other people about it.

Through mass media, homeowners took the initiative to find out information about the process of becoming a homeowner. The type of medium used for communication was determined by the homeowners' familiarity with that medium. Newspapers, books, brochures, and the Internet were the mass media homeowners accessed to provide needed information about homeownership. Gina G shared how she used newspapers and books to assist with becoming a homeowner.

Well, what made me really decide to give it a try is in the local newspaper I saw where USDA had just built a home for this young guy and I knew this young guy. And I thought well if he could get a house and I should be able to get a house.… I called the number that was in the local newspaper and I asked her if she would send me an application and I completed the application….Well I knew that you could apply but until I saw it in the newspaper, I really didn't know what you needed to do. So when I saw it in the paper, that's when I knew what steps you needed to take.

Gina G also talked about how she would pick up little books in stores that displayed different houses for sale. She stated:

But I always, you know, how when you go in different stores and they have those little books, you know, different houses for sale. I just like looking at homes, for some reason. So, I still pick them up today, you know, and look at the different styles of homes they have, you know, even though I have my home.

Both Gary P and Jack J discussed how reading a brochure about homeownership helped them tremendously in their quest to become a homeowner. In Gary P's words,

Well, they sent me a brochure about everything about being a homeowner and I read it and everything. You know, long as you pay your bills and everything, you would be okay.

Jack J concurred with Gary P that the booklet that he received explained the nuts and bolts of homeownership and provided pertinent information that assisted in the preparation to become a homeowner. Jack J expressed what he gained from the booklet.

But now what really helped me out, when I got ready to buy my home they gave

me a booklet that you could read over, telling you about the different types of

mortgages and stuff like that there. So anything you want to know, it was in that

book.

Lisa L utilized the Internet in her daily job as a Graphic Arts Designer. She felt

very comfortable with surfing the web to find information about homeownership. Lisa L

was amazed at the vast amount of information that was available to assist her, such as a

calculator that allowed her to make some estimation of mortgage payments. She

discussed the help obtained from the World Wide Web:

I researched information on the Internet… That's another way, you know, I know

that the information is out there but you have to be the one to go out

there…through research, off the Internet and that was about it, reading about

homeownership…Oh okay, well, just going to some of the websites, MSN. They

have a lot of information about homeownership and I said well why not, let me

see what are my possibilities because they have where you can input your income

and something else you can input and then like if you want a fixed rate mortgage,

put the rate that you like then it would tell you how much your monthly payments

would be or the amount of the home you want to purchase.

Finally, the homeowners gained knowledge about becoming a homeowner

through hand on experiences. Every homeowner discussed the many lessons and skills

they learned first hand from going through the process. They were allowed to learn by

doing, which was expressed by several of the homeowners as a very effective method.

The learning, sometimes not recognized, took place throughout the four components of

the process of becoming a homeowner. Jack J summarized the learning he gained from the homeownership process:

> Really, I learned it going through it… because I think each experience, you know, every time, if you buy a home it's going to be different anyway. I don't care if somebody tell you a whole lot of things you should do this, you should that, but I think you are going to learn more when you go through it….I think by going through buying the home and trying to get it myself. I don't think anything else could have prepared me for going through that myself. I really don't. No matter, you know, you go to classes because, you know, most of the time, well; they are going to tell you what they want you to know. Right, but when you start trying to buy a home you start to run into a lot of problems. They won't be able to prepare you for that. And you are going to have problems. So, I think basically, you know, I guess it's just a learning experience, you know, just buying.

Yvette Y stressed that becoming a homeowner was a good experience that would assist not only in reference to her new home but future endeavors.

<u>Formal Methods</u>

Homeowners also used formal methods to obtain specific information about homeownership. The formal method involved learning through a required class. Again, the homeowners chose which method would be used to gain information, except for the required class that each homeowner had to attend to receive a mortgage through the Federal Rural Housing Program.

Through the required class, homeowners were introduced to information that the Federal Rural Housing Program believed was pertinent and would assist each homeowner

during and after the homeownership process. Gina G shared the following comment about the class she had to attend:

> And before you finish the purchase of a home with USDA, you have to attend a class up in Malcolm. I can't remember the name of the class but each person, if you purchase a USDA home, you have to attend this class…and they really taught us about managing, you know, sticking with a budget. They talked to us about having someone to come and inspect your home before you move in. Even though USDA has an inspector, they told us we should go out and get our own inspector. They really stressed budget and not getting in over your head, you know. To be able, so you can be able to manage your home and take care of your home. But those are some of the things I remember from the course.

Yvette Y learned about the Federal Rural Housing Program and skills that assisted her during and after the homeownership process. She reminisced on some of the revelations that served to enlighten her about finances. Yvette Y pointed out:

> The learning that I learned …to participate in rural Federal Rural Housing Program is things about building the house, the finance structure you need in order to be approved to get the house, your management skills in order of finances in order to keep your house. All these things were laid and it was very interesting. Like our finances, a lot of people don't think finances play, we just throw money away but we need to keep our finances in order to be about everyday life to manage a home and that does play a big part and that was a learning process for me.

Some of the homeowners did not mention the required class specifically, but they did talk about the learning that took place during the homeownership process. One of the homeowners, Gina G, commented that the required class would have been more helpful before rather than toward the end of the homeownership process. She explained:

> An actually, you should have the class; it's a class you should have before you even start looking at buying a home. Because it was really too late then, you know. Because I had already, I was at the end of the process instead of at the beginning. And that class really tells you what you need to do at the beginning of it.

Homeowners utilized informal and some formal methods of learning to obtain information to become a homeowner. Learning during everyday activities, informally, allowed homeowners to obtain information that assisted in accomplishing their task of homeownership. The formal learning resulted from homeowners attending a required class. But learning of information was not absent of factors that served to hinder or facilitate the process.

<center>Race and Other Factors that Shaped the Process</center>

<center>of Becoming Homeowners</center>

There are factors that played a major part in shaping the process of becoming a homeowner. Homeowners shared their personal experiences of how race and other factors had an impact on discovering, initiating, implementing, and completing the entire homeownership process. The factors that were evident are: race, participants' background, and the Federal Rural Housing Program (See Table 3). The race factor included the effect of racism on homeownership knowledge, the effect of racism on the

<center>112</center>

experiences of becoming a homeowner, and the lack of representation of African Americans in the homeownership process. Participants' background consisted of credit problems, lack of confidence, and aspiration/ motivation. And finally, the Federal Rural Housing Program was comprised of the positives and negatives in reference to rules and regulations and staff assistance.

Table 3

Race and Other Factors that Shaped the Process of Becoming Homeowners

Race
Effect of Racism on Homeownership Knowledge
Effect of Racism on the Experience of Becoming a Homeowner
Lack of Representation of African Americans in the Homeownership Process

Participants' Background
Credit Problems
Lack of Confidence
Motivation

Federal Rural Housing Program
Rules and Regulations
Program and Staff Assistance

<u>Race</u>

Although many factors had an impact during the homeownership process, social barriers were perceived by several homeowners in this study as having persisted. When race was combined with other barriers, homeowners encountered circumstances that hindered them from moving forward. Some of the barriers prolonged the process of homeownership whereas some barriers were unavoidable and required homeowners to become more resourceful.

<u>Effect of Racism on Homeownership Knowledge</u>. Many homeowners in this study felt the chief reason they were not knowledgeable of information about the homeownership process had a lot to do with their race, that they were African Americans. Some homeowners said the information as well as programs that were available to provide resources to purchase a home was intentionally kept from them. Information served to educate African Americans about opportunities. Education is an area in which racism has continued to flourish and the homeowners were conscious of how they were affected by the lack of homeownership knowledge.

Homeowners discussed not knowing how to start or complete the homeownership process. The effect of racism was perceived by the homeowners as having a negative impact on homeownership rate of African Americans. This impact was recognized when homeowners did not know how to start the homeownership process. Since the homeowners started the homeownership process without the knowledge of what was required, many thought that purchasing a home was very difficult.

Yvette Y believed more African Americans would be able to become homeowners if they were aware of homeownership programs and could exert their

options to participate, if they are eligible. She adamantly stated that a better way of informing African Americans about homeownership programs must be looked into because she would have never discovered this program without the assistance of co-workers. Yvette Y said "I probably would have never known about this agency financing my home and I think there needs to be more awareness made."

Jack J agreed with the education component being instrumental to increase African American homeownership. But, he felt he needed to express his experience with educational institutions:

> I guess because, being an African American you always got to strive a little bit harder. So, that's really it just about for anything, you know. You got to put just a little bit more into it. The same thing, the same way when I was in Tech school. The same thing I had to go through a whole lot more just to get that far ahead, well you really not ahead; but, just to get to a point. You always had to strive a little bit harder, you know, whereas it was so easy for somebody else but I always had to put out a little bit more and I think I am not the only one could to say that. You know, you just have to; you've got to try harder. So, that's about how I feel about it.

Lisa L agreed that lack of access to information played a major role in the homeowner-ship process by cultivating doubt. She discussed when one isn't knowledgeable of the homeownership process it is very easy to allow the wrong information to shadow decisions that would improve one's life. Lisa L shared the following comments:

> …Just not being sure that you can do it because of the situation what [that] society puts on you and again not having access to information, not knowing

where to even start from the beginning, and just a lot of miscommunication also. You think homeowners are someone making almost probably $80, 100,000, thinks that's the only way or they, some African Americans may just settle for, you know, these homes they pop up on you and they say, "look we can do this for you" but it's not really what they need, it's not really what they need and they couldn't be taken advantage of. So, I think its not being well informed and not really knowing how they can improve their situation.

Neat N questioned the lack of information of programs that promoted homeownership for African Americans as well as first time homebuyers. With such an array of homeownership programs, she felt that this information should be available other than by word-of-mouth. Neat N believed if more African Americans were aware of programs that provide assistance with homeownership, they would know the rules and regulations and prepare to be qualified. She explained:

Well one thing I learned that there are many, I would think, programs out there to help African Americans and first time homeowners. But it's not being promoted or advertised and if it is, it's not visual where we can see it. We don't know anything about it. We find out about it from word of mouth and for whatever reasons, I don't know. But, there are more programs than that out there. They just aren't being advertised.…I would say that the funds are out there and the money is out there but once you find out about, African Americans find out about the qualifying and the credit is okay, it doesn't have to be the best credit, but it is okay… it is easy to be a homeowner, but you know, it's just finding out about the

programs and going and checking into it to see whether or not you, African Americans qualify.

Gina G stressed the importance of educating African Americans about the homeownership process in an attempt to improve the ownership ratio. She explained why the education component is pertinent:

I think the most important thing is that a lot of Black people just don't know, you know, its just information. We need to be able to get information to the people and you know. There are a lot of people who probably couldn't fill that application out like I sat down and filled my application out, who are probably eligible for a home…. So if we could just get to those people and educate those people and let them know, you know, it's not as hard as you think. That we would have a probably whole lot more of Black owners.

Knowledge about the homeownership process can be transferred through different means. Gina G added comments about not having the luxury of parents to share information about homeownership. She felt many European Americans had the advantage of learning the steps of homeownership from their parents, placing them at an advantage. Gina G explained why she felt the disparities in homeownership existed:

…because you know the percentage of White people that own homes is a whole lot higher than the percentage of Black people. So, it's like they already have a plus, you know, because with me my mom didn't. Well when I was small she didn't own a home. She does now but she didn't then. So, I think it was like, you know, your parents have a lot to do with it, I think, your outcome.

117

Gina G said if her parents had been homeowners, she would have known how to start the

homeownership process. She responded:

> Actually I thought that I would never be able to afford my own home because first
>
> of all, my parents didn't own a home so when you are in a situation like I was in,
>
> you are not familiar with the steps that you are suppose to take in order to
>
> purchase a home.

Many of the homeowners were not knowledgeable of programs that would assist

in homeownership. Neat N pondered if it was intentional that the Federal Rural Housing

Programs were not advertised, especially since many African Americans did not know

about it. She indicated that advertisement of the programs could increase the

homeownership rate for African Americans. Neat N indicated:

> Well you know it just makes me wonder do they really want us to have these
>
> grants and to have these homes, you know, or is it for others, you know, race. I
>
> don't know, but I just know that we don't, African Americans, you know, very
>
> few of us know about the program. If you don't hear about them by word of
>
> mouth, you know, you don't hear about it. You don't know about it, you know.
>
> We just stay in poverty, you know.

Neat N posed the following questions:

> I just want to know why, wonder why these programs are not being advertised in
>
> that especially in the African American race? Is it just for a certain race? Or what
>
> is it? You know, why is it not being, these programs not being promoted?
>
> Because, I feel like there are more Blacks that could, African Americans that

could own homes … and it'll make a difference, you know, for the children and the family, you know.

Effect of Racism on the Experience of Becoming a Homeowner. Institutionalized factors such as racism and discrimination are some of the social barriers that were found to be significant and the homeowners recognized the impact they created. Gina G was asked how her race played a part in the homeownership process. Without hesitation, she stated, "I feel personally that if I had been White I probably would have owned a home a whole lot younger than 36." Beverly G expressed how she viewed being a homeowner as a way of showing others that being an African American did not stop her from accomplishing her goals and objectives. This view is illustrated by the following comments of Beverly G:

> My race and then African Americans, don't too many of us own a home. And, I
> think being African American, I guess I wanted to show them that, you know, not
> just the White people or the other races can own homes and either drive nice cars
> or have nice, good jobs. And with me, just being Black and a Black single mother
> at the time, I felt like if they can do it, I can do it too.

Race accompanied with class issues provided concerns for Lisa L. She had some reservations with how society has always portrayed an image of who should and shouldn't partake in the American Dream. Lisa L's frustrations were exemplified in the following statement:

> Again, just looking at my situation and the saying this is not happening but as
> things progressed more and more I was saying, okay, this is going to be my house,
> this is going to be my house. But, you know, sometimes just looking at your

situation and you think that it is virtually impossible because of how society put, you know, puts you in that framework, either you low class, middle class, high class. You know, I don't know which class I am but according to, according to our society, I am in the low class. So, you know, you start expecting to not have much.

Lisa L is not the only homeowner to mention the negative impact discrimination can place on African Americans who are trying to purchase a home. The discrimination from banks received some strong comments from some of the homeowners. Gina G talked about some reasons she felt more African Americans were not homeowners. She felt two reasons curtailed the homeownership rate for African Americans: credit and prejudice. Gina G explained the reasons:

I think because of the, well one of the reasons is credit. Another reason, I still think there is a lot of prejudice when it comes to Black people owning a home. Ah yeah, those are two of the main reasons, credit and the prejudice….Prejudice, because, you know, I feel like, of course I don't know if this is true or not, but I feel like this is one of the reasons why I didn't want to go to a bank is because, is because, if I go in and fill an application, my interest rate is going to be 9.9 percent, and if another person of the other, if a White person, [has] the same credit ratings I have, the same age I am, the same number of children making the same amount of money. Her interest rate might be six percent and I just feel like there is discrimination.

Jack J had much to say about the discrimination that he and other African Americans have experienced due to the differential treatment based on race. He wanted to

get his point across with the following statements. Here is the experience recounted by Jack J:

Well, as far as trying to get a loan, right, and a lot of times it's who you know to get a loan. You see what I am getting at? Sometimes, you can have credit, you know, pretty good credit, but then you can go right down there and ask somebody for a loan, you won't get it. But then, maybe if you talk with, you know, who ever and they may call them up and tell them. Then you might be able to get it. You know, I have seen this done. I don't get into it, "right?" But I've actually seen this kind of stuff done.…If you go up there, I don't care what color you are. If you got the credit and everything, you should be able to get a loan. All depends on what you are looking for now. Now if you going to get a large loan, if you got a decent job, and you got good credit and a certain amount of a loan, yeah, you know, you might like maybe buying a home or car or what have you, like that. Some of these places, you can't go to get the money to buy a car. But, if somebody sends in a word for you, then you go down there and I know, and you can get it. I've known, like I said I don't want to call any names, but, I have known a guy to go down there to try to get a loan to buy an automobile. He couldn't get it. So, he talked with his boss, which is White. He called down there, you know. He said look, go back down there and talk to you know, who ever you know. He went back down there, he got a loan. Now, why should that be?

Jack J felt that the factor that determines if a person get a loan or not should be if they have the credit or not. He expounded on the differential treatment and how these treatments have existed for a long time. I asked Jack J if there were other factors that

played a part in the homeownership process. He stressed that there are others but he wanted to get his point across about the impact race played:

> Yeah, I think that's been playing a part in it for a long time. I still think it has to do with race or what have you. Yeah, I really do. Because, you know, it just, you know, like I say if you look around and watch things and really check things out, you can see it. … But they can still get a loan. But, hey, if you Black and you have been bankrupt or anything like that, Girl it's a mark by your name. It might be years to come before you get anything or, you know, you get turned down. And, you know, I've known, I've known these types of situations too. I've known, you know, like I said I won't call any names. I've known, you know, White people that have been bankrupt before. But they were still able to go out and get maybe a new car or what have you like that there. Basically, anything they wanted.

Jack J spoke of African Americans having good credit but still not being able to get loans. He stated that I should find out why the differential treatment has continued to exist. With no hope of change in his lifetime, Jack J's frustration was expressed by the following comments:

> And you might not get a loan. But if somebody calls in and maybe speak to them about you, or what have you like that, then you'll notice the next time, you know, if you have to go back down there probably you'll get the loan. And what's the difference?...He's still the same guy. And what ever he had then is still the same. But it has changed. Why is that? Why is today a bad day but next week is a good day?...I really think you should find that out. Because what is the difference

between today, and look, if I've got the same thing today and I can't get it and then I come back next week but I can, only because somebody spoken to somebody about it, you know. Hey, give him a chance or what have you. But he still can get it now. So you know its got to be something. And it should be just an open book. Lets look at your credit, lets see how your credit history is, lets see this, are you working steady, how long you been working there, all this kind of stuff, okay. You good to go for a loan. You should be able to let the man have it. …That's basically what its all set up on, Right. Well, it's been like that for a long time….I really don't know if its ever going to change…not in my lifetime…It could but well, you know, you look around and some people are going through the same things.

Beverly G also had some comments that reflected her perceptions of banks and how the few African Americans who she knew who went to banks were treated. She stated that she didn't have personal experiences with banks, as of yet, but she was aware of interactions with family members and friends. Beverly G shared the following comments after being asked if she felt different races were treated differently when they went to a bank. In answering this question, she thought back to a situation that involved her husband and others who she felt were not treated fairly by banks. She explained:

Yeah, and being honest I have to say yeah. I do feel like the White people or even, the Blacks are the ones that are mostly… I see all the Indians coming over and Mexicans and things… And I know I had family and friends that wanted to start small businesses and never got them launched because they didn't get help. But, I see the White people or Indians or whatever they wanted to start and look

123

like the loans are just coming. So for them, I can speak on that too. Of course my

husband was a farmer, well his father was, and that was his dream too. Even now

with all of the money coming back from the Black Farmers things, I mean that

wouldn't be necessarily happening if they had been fair to them when they went

to them for it. So, I know it is a difference and I know that it's a Black, White

thing.

A few of the homeowners felt race did not play a negative impact in their

homeownership process. From the comments from Yvette Y and Gary P, it is obvious

that they are only referencing their transactions with the Federal Rural Housing Program.

It is not clear if they did experience situations in general that were related to their race.

Yvette Y stated:

I didn't feel like my race played a very big part in the learning process because

the USDA is open to every ethnic background and I have seen Whites, Blacks,

Mexicans, all get approved for housing. So, I think the USDA is well rounded,

and, but I don't think my race played a part in my learning process.

Gary P agreed with Yvette Y by saying, "They showed me no discrimination, you know

what I mean. And they said if you qualify, you qualify, so to me, it was okay."

Lack of Representation of African Americans in the Homeownership Process.

Lack of representation of African Americans in the homeownership process was also a

concern for many of the homeowners. The presence of a person of their race allowed

homeowners to feel more at ease when they encountered the unknown, which was the

homeownership process. Lisa L talked about when she first heard of a program to assist

with the homeownership process but aborted the process because the person did not

provide her the guidance she needed. She explained that initially she went to an European

American to assist her with becoming a homeowner:

> Yes, I have heard about that, but didn't know too much about it. And when I did
>
> enquire through a young man [European American] in Blossom, Georgia,
>
> sometimes, I don't think they understand that new homeowners, people that want
>
> to own a home, they need help, they need to be guided. Someone to actually take
>
> their hands like a baby and show them how to do certain things. And I did not get
>
> that from him so I was kind of turned off because of, you know, he just ran over
>
> it, well you know to send this, this, this, and that and I will send you a package in
>
> the mail. And I just didn't. It wasn't inviting, it wasn't inviting to me, and so I just
>
> said, "I'm just going to forget about this."

It was obvious from Lisa L's comments that she didn't know what to do but needed to

have someone that would not take advantage of her lack of knowledge, but would guide

her through the process with kid gloves. Lisa L responded:

> But the process I did go through to own this home, that's the type of treatment
>
> they gave me. They lead me. They said this is what's going to happen, this is, you
>
> know, how much this, what this mean and I did ask questions because I didn't
>
> want to feel like I was being taken advantage of.…I know that everyone in the
>
> process that I dealt with were African Americans and think it helped because we
>
> see a need to as African Americans to help each other. That everyone is trying to
>
> succeed in life and I think that it played a positive role because I was able to get
>
> more funding. They were able to really work for me and I think it helped a lot.
>
> Again, the person, the guy I dealt with was not African American and I don't, he

was just really wasn't sensitive to my needs whereas we as African Americans are more sensitive in our ways to help each other to succeed….I was comfortable with the situation and it did help. I was more trusting and I had a lot of confidence that they would help. … The African Americans I did come in contact with they said don't worry and they kept reassuring me. They did ask for a lot of paperwork just as the other guy did but it was all throughout the course. They were okay, it's going to be okay, don't worry we are going to handle it and they were able just to take me through everything, the funding, settle just whatever. And so that's what, it made it easier.

The reassurances were pertinent to Lisa L, because she wanted to make sure she was going about the process correctly and she knew that she was about to make a decision that she would have to live with for many years to come. Lisa expressed her feelings about the European American male not following through with a phone call to ask if he could be of any assistance. Lisa L voiced her opinion on how she felt the European American male who she communicated with for information at the beginning should have handled her situation:

Just the way the situation was, I called for information, he said, "yes we can help you." You have to send me this form, this form, and that form, okay, so he sent, he did send the information, but what I was looking for really, again, was someone to lead me through this. And by that meaning that he should have done a follow-up call and really that follow-up call would make me see that he was sincere in really helping me, and not just saying it, but actually doing it. And if he had called and said, you know, "is there anything I can help you with. Do you

need me to come, and we can meet and you can come up here?" That would have been great, that would have shown me right there, that okay, he's sincere, he would have helped, I can trust him but that didn't happen.

Beverly G wanted to have experience working with more people of African American descendant during the homeownership process. She witnessed some African Americans in the office but alluded to the rate of African American homeownership possibly increasing if more African Americans at the USDA's offices were in decision making positions. This is what Beverly G said:

> I think we need to get some of us in there. The few that I saw there, they were like at the bottom of the totem pole…. At the bottom of the totem pole and I think some of us need to be in there at the top, calling the shots and making the decisions.

Tina B also believed that the presence of more African Americans in the homeownership process would be a plus because she felt African Americans look out for one another. She expressed that if it was not for the two African Americans who assisted her during the homeownership process, she would not have been a homeowner today. Tina B exclaimed:

> Yes, ooh, boy she was, ooh. So, I still owe her a gift to this day because I think I appreciated everything that she did because I believe she really worked hard….It was great and it was also a young guy, he was doing some internship there I believe. I can't think of his name at the time or either they were getting ready to hire, I can't think right now. But, ooh I believe that girl, she did some work, she did wonders. I know just thinking back.

There were other factors that shaped the homeownership process that will be discussed in the following section. These factors were internal in that the homeowners played a major role in the structure and the outcome. The homeowners discussed how they handled these factors to realize homeownership.

<u>Participants' Background</u>

Credit problems, lack of confidence, and motivations are factors discussed in this section that were common to the homeowners learning about the homeownership process. These factors were regarded as influencing the process of becoming a homeowner. However, once these factors were addressed, the participants were able to progress to homeownership. The homeowners controlled how these common factors impacted the homeownership process.

<u>Credit Problems</u>. Credit problems were identified as a major factor that deterred homeowners from learning about the homeownership process. Homeowners were aware that their credit rating assisted in determining if they were capable to own their own home. Neat N indicated that she felt credit to be important when purchasing a home and it didn't matter what program one decide to go through, one had to possess a pretty decent credit.

Beverly G also felt credit was a major factor that placed barriers for many African Americans trying to purchase homes. She talked about not being responsible for obligations contributed to the bad credit status. Beverly G explained:

I think credit a lot of times hold a lot of African Americans back and income.
Because a lot of African Americans and me myself at one point, we struggle, we

get credit, we overspend, we, and we don't pay on time. And that's just a fact of life and credit gets bad.

Gina G knew she needed to have good credit. Therefore, she did not seek information about homeownership until she thought she had remedied the problem. Had Gina G felt comfortable with her situation, she would have obtained the necessary information that would have provided those requirements.

Gina G explained:

> I really didn't think I was eligible to purchase a home….Because of my credit and not really having the down payment, closing cost, you know. I know there is a closing cost fee and different things like that. So, I didn't think I was really eligible. I knew I couldn't go to a bank. At least I thought I could not go to a bank and get a loan for a house. I thought I needed perfect credit for one and a lot of money to put down on a home. And I thought I needed to, you know, save money and have good credit. And I thought that was the only way for me to own a home.

If Gina G had been knowledgeable about the homeownership process, she would have known of expectations as well as discovered various programs that assisted with homeownership. Beverly G knew she needed to repair her credit, but she also needed specific information to start the homeownership process. She talked about what she discovered:

> I was working on my credit and getting it where it should be. But it was not there, so I did feel that I had a few things that may stop me from getting my home. But

once I went there, I found out that it was no big deal because they gave me a chance to straighten that out and they worked with me really well.

Because Lisa L didn't know where to begin the homeownership process, she was confused about what steps she had to complete to get ready to buy a home. She realized an up-to-date credit history would put her in a better position to become a homeowner. Lisa L developed a plan:

> I didn't know exactly what to do or how to get myself prepared. I know that I wanted to pay my bills on time. I knew that would help my credit. I was also looking at going and getting some help to get my credit looking a little bit better and my points up. But I really didn't do anything. The only thing I did was, I started paying bills and started enquiring from HUD.

Neat N had some credit issues to address, but she thought it was very important to explain why African Americans find themselves in situations that affect their credit. One of the main reasons expressed was that African Americans have lower incomes and many times they rely on credit cards to provide for everyday needs. Neat N discussed other reasons African Americans' credit may not have been up to par. She stated:

> Well, it's something that's really easy to get into because of your credit. If people give you things easily, especially credit cards, you know, most of them are traps, which credit cards are a trap and I think that could be some, one of the main reasons why Black, African Americans have bad credit because they get trapped with credit cards and high interest rates and they can't get out of it. It's something that revolving because credit limit goes up higher and higher and not the credit limit goes up but the balance going up higher because they can't get to the point

that they can afford to make the payments and that's when your late fees get

thrown on them, over credit limit fees, and it's just a trap, just a revolving trap

with them and messes up their credit and they just get to the point where they just

can't own, buy anything...basically I would say it's just the main trap. I would

think they could mess up most African Americans, because it's so easy for them

to charge it when you don't have money. And then they end up falling into a trap

when you don't have nothing and have a credit card with so much money on it.

It's easier for you to charge what you always wanted and so I am thinking that,

well I think that is the main problem.

Beverly G agreed with Neat N's comments about African Americans having

lower incomes, which required them to overextend themselves to make ends meet.

Beverly G expressed how she felt that many times credit held back African Americans

because of their income. I asked her to explain what she meant by that comment. She

stated: "We are just not making the dollars. We are not making the money. We are in the

lower paying jobs and that's just a part of it, we, our income is just not as high."

When Beverly G was asked what are some reasons she felt African Americans' income

was lower. Her reply was:

> Well, I think for two reasons. Education and sometimes, I mean, we don't further
>
> our education. And again I have to say I was blessed because, I was truly blessed
>
> to get the job I have to be making a good salary. But, if I walked in there today
>
> with somebody with a degree, I mean, I won't get the job, I mean, and that's just
>
> the fact. And that's the way the agencies are handling it now. They have pretty
>
> much at my agencies weeded out experiences. They want degrees. And my

second thing, I would say being overlooked. A lot of times I think the White

person or the, not the Black person, gets the better jobs.

Jack J was grateful to the program for the guidance to correct his credit and move toward

homeownership. Jack J had this to say:

Whereas, these federal programs, they may try to work with you, you know, just

like if its something, if its something you might owe, right, they might just say

well why don't you just pay that off and then come back and talk to us. Well, out

in the open market, they might say well I am sorry we can't help you.

Jack J's difficulty was evident with the requirement that requested information to

justify the overtime he received at his job. He explained that the overtime was not a

permanent part of his salary and to put in overtime was not a consistent event.

The most difficult part I went through was, I guess about my salary. And that

kind of gave me a little running around I had to do then. Because I had to get

justification from my job, you know, and giving them this information and they

got to determine whether or not that is going to be good enough and what have

you, like that. That was the most difficult part I had. And other than that

everything else went pretty good because that was really the biggest thing.

Lack of Confidence. Credit played a role in deterring homeownership for African

Americans, but it wasn't the only factor that presented problems. Lack of confidence was

a personal aspect that served to dictate how the homeowners chose to move forward in

the process. Several of the homeowners spoke of how they felt lack of confidence kept

people from learning to become homeowners.

Tina B believed some African Americans do not take the initiative to look for programs to assist with homeownership. She felt she had to make a decision to go out and search for programs that would provide for her need, to purchase a home. Tina B suggested that some African Americans, who are not educated, may have felt uncomfortable for fear of not asking the right questions when searching for homeownership information. But she stressed it is important to go to the right person that would know the information. Tina B discussed examples of how the lack of confidence deterred people from becoming homeowners:

Some of them, some of us just won't go out to see, you know, about programs and stuff…because of lack of, you know, low self esteem and stuff like that. People don't, I had to go out, and you know, just go out and see stuff because it's not going to come to you. You just have to get out and go look and you know. Who knows what's going to happen? Some of them don't think they have the money, but it's not always the money that they need. Some things are based on income and all that now. But, I don't know, maybe they need to get out and look.

Jack J perceived that many times opportunities are not readily available to African Americans, thereby creating hindrance to the process. Oftentimes, those hindrances set up walls that require additional steps to maneuver beyond them. For many, it is possible that the additional steps are intentionally placed to hinder attempts to become homeowners. Jack J indicated:

Because you know, well, you know when you look back on it, you know, sometimes things are made a little harder for African Americans. You have to go through a whole lot more just to get. I think that is a big problem.

Jack J gave an example of the aforementioned scenario.

> Well, trying to get the loan, to be honest with you. You know like, they may find one glitch in your credit and they may turn you down flat….Because so many people, you know, they go and talk to them and what have you and they just get turned down flat….And I think it is because they are African Americans. Because it's just been, well it's a traditional thing that been going on really, its no secret.

Lisa L shared what she thought it would take for her to become a homeowner. Because she had some ideas that formulated her thoughts of what was needed to become a homeowner, she did not attempt to own a home until her friends indicated they wanted to help her become the owner of their home. So Lisa L recalled why she did not move forward to become a homeowner until she was approached by her friends.

> What made it possible…was a friend of mine's house was going up for sale and the owner wanted so badly for me to get the home. I couldn't, I didn't see how it would work but I just agreed to come to the house. And I met with the realtor and he took all my information and he said he can make it possible. So, I just gave him my information just to see what would happen. And then they went from the realtor to mortgage lending company and then they again took a lot of my information and so much information, check stubs, bills, just everything, I had to turn in. They just made it happen….Well, I thought that it would take thousands of dollars that I would have to come out of my pocket. It would have to take excellent, a plus credit and just an income of more than probably $60 to $80,000, I know. And that is what I thought it would take….I thought I would probably have to wait until I married a rich guy.

Motivation. Motivation to own a home came in many forms. Several homeowners

referred to their belief in God as their inspiration to start and complete the

homeownership process. They referenced being blessed with a home and being very

grateful for that blessing. Beverly G stated that she was blessed to have purchased her

house at that time, but if she had not been successful, she would have tried other options.

Beverly G explained what she meant by her being "blessed."

> When I say blessed, I mean, because it was my first time looking at buying a
>
> home and it happened for me. It happened just as I had planned for it to happen
>
> once I got the ball rolling. How I say blessed is because I know without God in
>
> my life none of this would be happening. And I prayed for it and I got it.
>
> Jerry S also felt he had been blessed with his home and was very appreciative. He

alluded to being lucky at the age of 44 to become a homeowner. Jerry S said " being a

homeowner really means it was a God given thing and the only thing we've got to do is

go a little further."   He stated:

> Well, you know what, when [I] first thought about owning a home …that was one
>
> of the most valuable things I wanted to do in life, you know what I mean. But the
>
> good Lord went ahead on and blessed me. And I think it was a real nice thing and
>
> I accept it and I appreciate it very much. It's one of, you know, one of the most
>
> delicate things that a person ought to have, at this time and age in society.

With the following comments, Jerry S referred to how lack of motivation can deter

ownership:

> Well, I think because of, some of the brothers don't want it. I mean you know, I
>
> mean you know God give you. He will give you a gift that's a blessing. They

won't tell you how, but it will come to you. And that is something I am aware of, a good lesson there.

Motivation was represented by determination of the homeowners to partake in the American Dream of homeownership. Homeownership portrayed different meanings for the homeowners. Gina G's aspiration was shared by her children knowing that they were going be the proud owners of a new home. She expressed how the act of becoming a homeowner encouraged as well as constituted achievement:

It means that I have one of the American Dreams. You know, it has come true for me, that American Dream. Especially a new home because at first I was looking at purchasing a used home and I thought well if I got to pay for, I want it to be new. I want to be the first one to live in it. I want it to be fresh. And my kids and I, we were so excited, you know. We came here, you know, we moved into the new home. It's just a feeling that, its kind of hard to explain, you know, you just be so happy. And it has really meant a lot to me as if I have accomplished something in life, you know, rather than just renting.

Tina B's motivation to become a homeowner was solidified by her saying, "Yes, I wasn't going to give up. There was no way. I was going to. You know, whatever it took, and I was going to do it." Jack J was not exactly sure how his efforts to become a homeowner would be rewarded, but he felt he had to take a shot at it to see if he could get a house. His curiosity inspired him to go on through the homeownership process. And he was so happy that he did start and complete the process because he saw the impact it had on his son. Jack J discussed the motivation he was able to pass on to his son.

136

Well, like when we were renting and everything, well it was alright, you know. We were a little content there, but then when we moved into our own home, well he sort of felt like it was his as well as our's, "right.?" Well, he sort of, I don't know, it's a mental thing I guess but it makes him feel better and I can tell. Because, it's just a different feeling, for all of us really, you know. But I can tell by him, you know. So, he feels like well if, if I am buying the home, it's our home…. Well, I guess in a sense. If they see this, then, maybe one day they would want to do the same thing. Maybe they will want, you know, one day own their home. So, I guess that makes a big difference to them. Now, my son, he loves it, my youngest son. The rest of them are adults.

Federal Rural Housing Program

The Federal Rural Housing Program shaped the homeownership process in several ways such as implementation of the rules and regulations and the assistance provided by the program and staff. The homeowners felt the Federal Rural Housing Programs presented challenges as well as perks to owning their homes. The rules and regulations of the Federal Rural Housing Programs provided the flexibility for the participants to realize homeownership.

Rules and Regulations. There were negative as well as positive aspects related to the impact of the rules and regulations of the Federal Rural Housing Program being enforced. The homeowners talked about how some requirements of the Federal Rural Housing Program put them in a serious bind, but that other requirements were relaxed and worked in their favor.

The requirements of the Federal Rural Housing Program that caused concerns involved: too much paperwork, lack of advertisement, nonrefundable fees, finance issues, and lack of staff assistance. One of the biggest complaints was directed at the amount of paperwork homeowners had to complete. The homeowners felt the paperwork was tedious and time consuming. Yvette Y commented on how much paperwork was required. She felt it was simple and straightforward, but some of the paperwork required assistance from the realtor. Gina G also referenced the application required a lot of time to complete. She said that she didn't experience any problems but others may have problems completing the applications.

Lisa L complained of the headaches and stress she experienced due to all the paperwork required to participate in the Federal Rural Housing Program. She gave her justification for why she thought all of the paperwork was needed. Lisa L revealed:

The difficult part of this was all the paperwork and the headaches and the stress of just, kind of like being on edge, not knowing what your status is at that point. I think that was the most stressful part of it….Yes it was because I guess it's necessary, you know, for whatever reasons, for making sure that you will pay the loan back and you will have ownership of the house after the mortgage. And it is necessary, but it is just a headache. It's a lot of paperwork.

Another complaint about the Federal Rural Housing Program was many homeowners had never heard of the programs until they found out by word of mouth. In the rules and regulations of the Federal Rural Housing Program, there are no guidelines that address publicizing the program. It is up to each local office to get the information out to the citizens about their program. The local offices sometime use Public Service

Announcements (PSAs), newspaper articles, brochures, and pamphlets to inform of funds to assist with purchasing a home.

Only one of the homeowners recalled seeing any written information about the Federal Rural Housing Program. Gina G saw an article that discussed a home being built for a local citizen. That was the only written information seen that referenced the housing program that could assist in purchasing a home. Jack J stated he was not aware of the Federal Rural Housing Program until he found out about it through his friends but he never saw any visual representation of the program. He suggested the following:

Some way or another, I think it ought to be advertised, you know. I don't know, I guess they got different ways of doing stuff like that, but it should be advertised…. But, still, you know, I think they should go out and advertise it, you know, even better. You know, if you get a group of people there and only a few of them make it, well, you still advertised. You know, let somebody know about it. You know, and then you could probably sell more homes. Because I am quite sure it's a lot more people that want to do the same thing. But, you know, they end up, out in the open market. It is a whole lot harder and it is a whole lot more money you have to come up with. And see, that makes it harder for African Americans.

Yvette Y wanted the Federal Rural Housing Program to make attempts at advertising their programs so African Americans can be informed of opportunities to purchase a home. She stated:

I am not very aware of any programs, like when I learned about this particular program that I am on, it was by word of mouth, from someone else… talk to someone and they went through the process but many people are not aware. It is

139

really not advertised and African Americans are not really aware of what type of

programs. It needs to be some type of source to inform them more…We need a

better way of telling African Americans about programs, cause see like I say, I

would have never come across this program. I probably would have never known

about this agency financing my home. I think it needs to be more awareness

made. Beverly G had some suggestions of ways the Federal Rural Housing

Program could get the word out about their program. She would like to see them

using the mass media to inform of the rules and regulations. I guess that's the best

way I can see, just advertising and giving them the toll free numbers on the radio

or TV commercials or whatever. And letting them know that it's not as hard as

they think it is. Just let them know that USDA is there and how to get in touch

and how to use it.

Yvette Y and Tina B thought seminars would assist in getting the word out. Lisa L

proposed that information should be sent out to people living in low-income housing

owned by the government and they should be qualified to become homeowners. Gina G

would like for the schools to be involved by giving the information to students and they

can assist their parents, especially if the parents are not educated. She also believed

taking the information to companies where people are working to provide a better life

would be successful.

Paying a twenty-five dollar application fee is a requirement of the Federal Rural

Housing Program. This application fee had to be paid by each applicant before they could

participate in the program. However, there were no assurances that the Federal Rural

Housing Program would have been able to assist the applicant. Several homeowners

expressed their disgust with this requirement. Beverly G paid the twenty-five dollars application fee but felt it was a discouraging requirement. She recalled referring a friend to the program and informing her of the application fee. Beverly explained:

> They asked for a lot of stuff; how long I had worked and twenty-five dollars for an application fee. All this stuff was asked for before I even got the application…but I do feel like, the fees that, nonrefundable fees, they charge you for application, is ridiculous, especially, if you are not going to get approved…within the last past few months, I introduced a friend of mine to it. She was reluctant to apply because she was like, if I don't get approved that's just money I have thrown away. And I don't know how much it is now, but it is a feel...I guess, and honestly I didn't want to, because of being rejected and just losing the twenty five dollars. But, I just said to myself, I mean, I put it all in the Lord's hand and I am going to pay this twenty-five dollars. I am working now and I am just going to go ahead and pay it and hope for the best.

Another homeowner, Tina B, commented on the nonrefundable fee:

> And there was a, I think there was a twenty-five dollar credit fee that you had to send along with the application so that they could check your credit report… cause most of them when they first hear about that it's nonrefundable, they don't want to do it. But what is it, you win some and you lose some.

Beverly G complained about a requirement of the Federal Rural Housing Program concerning her finances that she had to adhere to before she was eligible to participate in the program. For instance, Beverly G discussed how the Federal Rural Housing Program gave her an opportunity to repair her credit by paying off accounts to prepare for the

purchase of a home. She was already working to correct her credit, but felt it was not where she needed it to be to purchase a home. Once she visited the Federal Rural Housing Program, she was able to determine what was expected of her. She followed the prescription that assured her the purchase of a home. Beverly G said:

> But once I went there, I found out that it was no big deal, because they gave me a chance to straighten that out and they worked with me really well…. They gave me a chance to straighten it out, but that was the most difficult, hardest to get it straight, because I was at a point where every pay period I had to just take my whole check and pay something off. So, even though they gave me a chance, I mean, they kind of put me in the poor house with doing it. Because, like I said, I had to spend all my [pay], for almost six months, with just taking care of bills and getting them off my credit, old bills, you know, and things that were even over five or six years old, still showing up. I was spending all my money paying those off.

Other homeowners spoke of having to clean up their credit before they were able to complete the homeownership process. Neat N talked about how making sure her credit was in order was the most difficult part of the homeownership process. The requirement of repairing the credit rating before accessing the Federal Rural Housing Program resources was not always voiced as a hindrance by every homeowner.

Program and Staff Assistance. The requirements of the Federal Rural Housing Program that presented some concerns for the homeowners were just discussed. Some of the homeowners thought the Federal Rural Housing Program was attentive to the needs

of African Americans. Beverly G felt very strongly about the Federal Rural Housing Program's role in helping her to become a homeowner. She explained:

I really don't think it would have been a time when I did get this home… USDA, gave me a chance…looking at the Rural Housing Development, it is mostly, I mean, they are mostly there for Black people and now I see a lot of other minorities buying into these low income housing. But that's what they are there for, I think is to help low income Black people… I am sure that's why they helped me and it was so easy.

Jack J complimented Beverly G's comments about the Federal Rural Housing Program going above and beyond to assist African Americans to become homeowners. In his comments, he compared the assistance received by the Federal Rural Housing Program to that of a local bank. Jack J described the role he felt the Federal Rural Housing Program played in increasing African Americans homeownership:

These federal programs here, to me, more or less, work with the African Americans. Once you get in a home, well, it's up to you how you pay for it. You've got to pay for it, right. But, they will try to do the best they can to help you to get in the home. So, I really think it's, I thinks its better. Because, well, since this program came through, like I said before, look how many African Americans around here own homes. Before it came through, people would go down and apply for homes. They would give them these reasons why they couldn't let them have the loan. Same things like at banks and stuff, you know. You have to go through the Candle Bank, they want to know your life history, who your grandfather owe and all this kind of stuff. Well, you know, not

generally that but, it's just a whole lot of things they need to know. "Well, I am

sorry, but ah, we won't be able to help you," you know. So, and it is sort of like

giving somebody an opportunity, a chance. And even people that had bad credit,

because I had it myself but you can straighten it out. They will hold that against

them. Whereas, certain programs would try to work around that….And, these

banks, you know, they don't want to do that. That's like this credit union coming

in here, right, these banks don't like that, because the credit unions work with a

lot of people. Otherwise, you know, well I put it to you this way. Now when they

came through with these programs, it was a whole lot more African Americans

buying homes, as you can see….So, but, it's made it a whole lot easier and think

that is why you have more African Americans around here that have homes. And

it is a lot of them around here that has been put up. You know, even the Mexicans,

you know, a lot of them are getting houses, which in a lot of cases they seem to

get more of a break than we have. It ain't alright to say it, but it is true.

Jack J felt the staff played an important role in completing the paperwork and also

kept him abreast of his status. He stated:

Well, you know, like the paperwork and all that stuff like that, whatever I had to

fill out; they would always get back in touch with me. If it was something else,

they were making contact with me, as soon as possible. Anything else I needed to

do, they would tell me. Then I would get right to work with it and get it back to

them as quick as I could….Now they worked with me pretty good on that. And

they kept me posted, on you know, how everything was going, you know, as far

as if the loan was going to go through, if were any kinds of problems, you know,

what have you, like that. They just kept good contact.

Neat N expressed how the Federal Rural Housing Program provided assistance to her.

She indicated the staff would call her to request additional information. They made it

convenient by calling on the telephone to receive answers to questions. Gin T needed to

trust that the Federal Rural Housing Program staff would ease her discomfort about the

major decisions she needed to make during the homeownership process. She relied on the

staff to thoroughly explain each process as they went through them.

Beverly G thought the staff was not as helpful as they could have been. She noted

several examples of why she felt she was not given much help from the Federal Rural

Housing Program staff:

It was one lady and one man that really… they just put me out there. They told me

what I needed to do and left me to do it….So, but really, they just kind of put me

out there. I really can't answer that because I have not, I have yet to see them

doing that. Other than when you go in to apply, they run down the dos and don'ts,

but you got to first get in there and if you don't know about it then, so, I can't say

that they are out there helping us to or to educate us how to get into the program

and get started to buy.

Gina G felt the same as Beverly G about the lack of assistance from the staff. She stated:

I really don't see how they helped me other than, you know, the fact of processing

my application and to receiving the funds…. I completed application all on my

own. And, the only thing, my application was complete so, and then they sent

145

income verification to my place of employment and you know, other than the additional forms that had to along with the application, that was it.

Race, participants' background, and the Federal Rural Housing Program were factors involved in the homeownership process. The homeowners were responsible for performing tasks during the homeownership process that oftentimes resulted in their encountering challenges. These factors were challenging for the homeowners but through perseverance the homeowners were able to satisfy their goal of homeownership.

Summary

Four research questions guided this study: (1) What are the components of the process of becoming homeowners? (2) What do people learn in the process of becoming homeowners? (3) How do people learn in the process of becoming homeowners? And (4) How do race and other factors shape the process of becoming homeowners in the rural context?

Section One of this chapter addressed the first question by listing the components of the process of becoming homeowners. The process is composed of four components: desire to be a homeowner, systematic inquiry, application process, and approval. The desires component included events that occurred such as: 1) aspirations to own a part of the American dream, 2) a need to leave a legacy, and 3) experiences of challenging situations centered on economics and the living environment. During systematic inquiry, homeowners developed a strategy to obtain information from family, friends, real estate agents, or the Federal Rural Housing Program. The application process included the homeowners making contact with the Federal Rural Housing Program to start the application process. A credit report was obtained and homeowners completed the

required application forms and an application review followed. The final component of the process was approval. The necessary documents were completed and submitted to the Federal Rural Housing Program for review and the homeowners were notified of loan approvals.

Section Two discussed what was learned in the process of becoming homeowners. The lessons learned consisted of: steps and concepts of homeownership, money management, home maintenance, and communication skills. Steps and concepts lessons assisted homeowners with homeownership terminology as well as the order of action in the homeownership process. Homeowners learned how to budget their money and perform home maintenance. Communication skills were acquired from interactions with key players during the homeownership process.

Section Three discussed how participants learned to become homeowners. Homeowners learned through informal and/or formal methods. The verbal method was learning informally through conversations, through mass media, and through experience. The homeowners gained information through a formal required class. Word of mouth was the informal method used by the homeowners.

Section Four discussed how race and other factors shaped the process of becoming homeowners in the rural context. Race, participants' background, and the Federal Rural Housing Program were the factors that shaped the homeownership process. The effect of racism on homeownership knowledge, the effect of racism on the experience of becoming a homeowner, and the lack of representation of African Americans in the homeownership process were included in the race factor. Participants' background consisted of credit problems, lack of confidence, and motivation. Finally, the

Federal Rural Housing Program was comprised of the positives and negatives in reference to rules and regulations and program and staff assistance.

CHAPTER 5

CONCLUSIONS, DISCUSSION, AND IMPLICATIONS

The purpose of this study was to identify the process by which African Americans in rural areas become homeowners. The research questions that guided the study were:

1. What were the components of the process of becoming homeowners?

2. What did people learn in the process of becoming homeowners?

3. How did people learn in the process of becoming homeowners?

4. How did race and other factors shape the process of becoming homeowners in the rural context?

Previous chapters offer an introduction to the study, a review of the literature, the methodology utilized, and the findings of this study. This chapter includes conclusion, discussion, and implications for practice and future research.

Summary

A qualitative study utilizing in-depth interviews to obtain data from the participants was conducted to identify the process by which African Americans in rural areas become homeowners. A purposeful sampling of ten African American first-time homebuyers living in rural middle Georgia and who purchased their homes through one of the Federal Rural Housing Programs within the past five years or less was conducted. Governmental documents obtained from various federal rural housing agencies were also reviewed. Participants' interviews were the primary source of data with some official documents reviewed included in the analysis.

149

Analysis of data revealed four components of the process of becoming a homeowner in response to the question, "What were the components of the process of becoming homeowners?" The four components of the process are: (1) desire to become a homeowner, (2) systematic inquiry, (3) application process, and (4) approval. The desire to become a homeowner involved: aspirations to own a part of the American dream, a need to leave a legacy, and life situation as stimulus. Systematic inquiry, the second component, is composed of developing specific strategies to retrieve information about getting started. The application process component entailed the homeowners starting the process by completing and submitting the necessary paperwork. Finally, the fourth component was approval. Documents are completed and submitted with an approval being the final step. Additional actions may have been warranted during the final step to clarify or rectify questions from the Federal Rural Housing Program. All the participants experienced the four components at various degrees. The desire and the reason for wanting to become a homeowner served as the beginning steps to the process of homeownership. The desire resulted in the homeowners' pursuit of information and the utilization of that information to receive approval to own their own home.

The second question, "What did people learn in the process of becoming homeowners?," revealed four areas where knowledge was gained. The homeowners learned steps and concepts of homeownership, money management, home maintenance, and communication skills. To effectively proceed through the process, the homeowners were informed of concepts and responded to specified steps. They learned that regulating and controlling their finances led to the purchase of a home. Purchasing a home required the homeowners to gain an awareness of how or what home maintenance would be

150

expected. This awareness was realized through the many opportunities homeowners had available to develop or improve their communication skills. It was obvious that the homeowners learned information needed to carry on the transactions during the process as well as information that could be used in future endeavors.

The third question, "How do people learn in the process of becoming homeowners?" imparted the ways information was retrieved. Word of mouth was the chief method used to obtain knowledge before and during the homeownership process. Informal learning, through everyday activities such as conversation, provided the majority of knowledge although some of the homeowners retrieved information through the experience of working through the application process. Information derived through informal means pertained to questions asked to answer the "what," "when," "how," and "why." Formal programs included attendance of a required class mandated by the Federal Rural Housing Program. The required class provided information that the funding agency thought was pertinent to the homeowners becoming and remaining a homeowner.

The fourth question, "How did race and other factors shape the process of becoming homeowners in the rural context?," uncovered factors that served to facilitate or hinder the process of homeownership. Race, participants' background, and the Federal Rural Housing Program were factors that commanded how the homeowners went about the process of becoming a homeowner. Race was a barrier that challenged homeowners by sometimes discouraging their inquiry through a variety of tactics. Those tactics consisted of situations such as indicated in the data by Jack J are the effect of racism on homeownership knowledge, the effect of racism on the experience of becoming a homeowner, and the lack of representation of African Americans in the homeownership

process. The participants allowed their insecurities and current situation to deter their realization of the American dream of homeownership. Credit problems and lack of confidence contributed to the doubts that homeowners may not realize their goal of homeownership. Participants addressed credit concerns with the assurance of continuing the homeownership process and ultimately becoming a homeowner. Homeownership seemed impossible because the homeowners had doubts that impeded the process. However, motivation made what seemed impossible possible.

The Federal Rural Housing Program and staff assistance were factors that shaped the process; also, there were times when the rules and regulations were helpful. The rules and regulations received mixed feelings from the homeowners. The amount of paperwork required, no visible advertisements of the Federal Rural Housing Program, nonrefundable fees, finance issues, and lack of program and staff assistance received complaints from the participants. Some of the rules and regulations provided the necessary support to proceed through the process yet some of the rules and regulations enacted stringent requirements. The Federal Rural Housing Program and staff assistance were pivotal in providing the needed support to the participants. Participants were very cognizant of the impact the assistance received from the program and staff had on the homeownership process. However, through adhering to the requirements of the Federal Rural Housing Program, the participants were successful in becoming homeowners.

Conclusions and Discussion

The study provided a response to the question: How did African Americans in rural areas learn to become homeowners? Three major conclusions were revealed in this study: (1) African Americans in rural areas lacked the knowledge and expertise of

152

information gathering, therefore retarding the homeownership process; (2) Before and during the participants' investigations, informal learning was the principal way for African Americans in rural areas to learn about the homeownership process; and (3) Racism was a barrier in the homeownership process for African Americans in rural areas.

<u>Lack of Information</u>

Researchers have listed barriers that deter homeownership for African Americans such as inability to provide sufficient stable income streams for debt service, redlining, predatory lending, housing affordability, and lack of information on how to buy a home (Collins & Dylla, 2001; Gerrie, 1998; Housing Assistance Council, 2000; U. S. Department of Housing and Urban Development, 1999). In this study, the African American homeowners who lived in rural areas indicated that not knowing how to start the homeownership process kept them from realizing the American dream. When information was not available to indicate the components or steps that were to be taken, they were left with having to go through many trials and error activities to reach the goal of homeownership, or they had to abort the proposed project in its entirety at that time.

As previously stated in this study, it was discovered that the homeownership process consisted of four components: the desire to become a homeowner, systematic inquiry, application process, and approval. The first component was the desire to become a homeowner. Although it was pertinent to retrieve information throughout the homeownership process, homeowners relied on information received at the beginning of the process to develop a plan of action. The desire to be a homeowner started the plan that required contemplation of ways to make homeownership a reality. To make homeownership a reality, homeowners had to first obtain information to start the process.

153

Information discussing the homeownership process was not easily or readily accessible to the participants. All of the homeowners referenced the lack of information as to where to start the homeownership process. Neat N expressed the aforementioned comment by stating that the programs were not promoted or advertised where they could find out about them. The participants were uncertain as to the intent of programs offering assistance, whether there were attempts made to get information out to increase homeownership (Housing Assistance Council, 2000; U. S. Department of Housing and Urban Development, 1999) for African Americans.

Ratner (1996) conducted an ethnographic study that highlighted how cultural, social, and economic influences impacted the housing markets. Those findings suggested that if the following barriers were addressed, minority homeownership might increase. Those barriers are the lack of affordable housing, the limitation of financial tools, credit judgment and knowledge, issues that separate minorities from the mainstream financial institutions, and the lack information about purchasing a home.

The African American homeowners' comments specifically agreed with Ratner's (1996) discussion on details of the home buying process and how many times the process is not understood by homebuyers. But what was not addressed by Ratner was accessing information. The homeowners in this study were not afforded the opportunity because they encountered a greater problem, lack of information. These homeowners wanted to be afforded the opportunity to just be informed of the homeownership process and programs that offer services to assist with becoming a homeowner, then to proceed accordingly. Lack of information is a barrier when services are publicized and those who could benefit

from the services are not informed (Housing Assistance Council, 2000; U.S. Department of Housing and Urban Development, 1999).

Not having information to start the process (Gerrie, 1998) directed the participants to consult with friends and family, whom oftentimes had been through a homeownership process, perhaps even the same type of Federal Rural Housing Program. Information discussing the Federal Rural Housing Programs was not available to all who wanted to learn about opportunities, especially rural housing resources from private and public organizations. It is pertinent that vehicles to support, disseminate, and administer programs which acknowledge the importance of learning be explored and created. In providing resources, brochures and pamphlets are some of the tools that could be used to help distribute information about the homeownership process as well as services that are provided by agencies to African Americans in rural areas.

There was one participant who said being in a rural area was the reason information was inaccessible. That one person, a college graduate with some graduate courses toward her master's degree, used the World Wide Web indicating that education could have been a major factor in how the homeowners obtained their information. It is possible that lack of knowledge and education may have played a role in the other homeowners not knowing how to gather information.

Once information of how to become a homeowner was obtained, the participants were able to access the information and start working toward homeownership. To become a homeowner, the four components of the homeownership process were completed. After completion of the homeownership process, most of the homeowners felt it was not as hard as they thought it would be. If the homeowners had had access to

155

information prior to purchasing a home, they would have been better prepared and may have worked through some of the barriers that confronted them throughout the process. Therefore, they are very adamant about other African Americans acquiring information that would assist them to become homeowners.

Informal Learning

The lack of housing literature that specifically address how African Americans in rural areas learn to become homeowners created a void filled by the contributions of this study. An adult education concept, informal learning, was vital to African Americans in rural areas becoming homeowners. The quest for specific information started with a desire to own a home. The homeowners were responsible for obtaining the knowledge to satisfy their need of homeownership. Informal learning allowed the homeowners to obtain information that started their inquiry to homeownership and assisted them to proceed through the entire process. The majority of learning with adults takes place informally (Brookfield, 1993, 1995; Galbraith, 1992), especially when there is a need to learn (Marsick & Watkins, 2001).

African Americans have not been afforded opportunities to participate in studies that specifically address how they learn about homeownership programs. A vast amount of learning occurred informally. When the homeowners needed to know what the homeownership process entailed, they conversed with someone who had experienced the process or someone who knew the specific steps to take. Just as Merriam and Brockett (1997) stated learning is sometimes gained through carrying on casual conversations with friends and family members. Yvette Y, Jack J, Beverly G, Gary P, and Tina B did not know who to talk to or where to go before they had a conversation at their job or sitting at

156

the kitchen table with family or relatives. Informal learning is not restricted to any specific place or at a designated time, such as formal learning. From that informal conversation, they were about to develop a plan of action and execute it. The homeowners obtained information informally through all four components of the process.

The African Americans in rural areas became self-directed learners (Brookfield, 1995; Merriam, 2001) to obtain the information needed to matriculate through the process. In becoming self-directed, the homeowners were in control of the steps that would be taken and how to approach those steps. All decisions were the homeowners without the input from others unless the homeowners enquired for assistance. This information was mainly received informally through "word of mouth." Word of mouth is a type of informal learning that provides information through conversation. These conversations took place during everyday activities, not requiring the homeowners to make any additional provisions to retrieve information (Coombs, Prosser, & Ahmed, 1973; Merriam & Brockett, 1997; Merriam & Cafarrella, 1999). All of the homeowners in one way or another received information through "word of mouth."

Those people that assisted by providing pertinent information to the homeowners served as support networks. Support networks were family and friends from whom homeowners felt comfortable asking or accepting information. Lubben and Becerra (1997) indicated social networks are important forms of resources. Information was informally gathered through experience and mass media. Through experience, reflections lead to learning through participation with families, friends, or co-workers (Brookfield, 1986). Jack J and Lisa L expressed the power of learning through experience. Jack J wanted it to be known that no matter how many times you purchase a home experience

will be the teacher. If the homeowners tried one option and it did not work, they would try other options to learn how to accomplish the goal of homeownership. Learning through mass media was accomplished when a few of the homeowners surfed the World Wide Web or read the local newspaper to discover what homeownership opportunities were available. Lisa L utilized the World Wide Web, a skill learned informally (Livingstone, 1998, 1999, Watkins & Marsick, 1992a), to pursue knowledge of homeownership. She had no formal computer classes but stated she went thorough many trial and error sessions that taught her what to do and avoid to accomplish the task at hand. Because of accessibility as well as familiarity with operations, these informal methods were not the most utilized learning tools for the homeowners.

Provisions are not made to utilize informal learning to inform African Americans in rural areas about becoming homeowners. The African American homeowners in rural areas generally did not have access to the information on a formal level; therefore, they had to obtain the information anyway they knew how. They had to rely on others to lead them in the correct direction through informal means.

The homeowners felt that they must now inform others of the Federal Rural Housing Program that assisted them with obtaining a home. "Word of mouth" will be a major method the homeowners will use to disseminate information about the Federal Rural Housing Program. Since completing the homeownership process, they believed the homeownership rate for African Americans in rural areas may increase if programs to assist are made known to all who would like to participate in them. The homeowners found out about the Federal Rural Housing Programs informally but expressed their

158

desire for these Federal Rural Housing Programs to be advertised and marketed in a multitude of ways to assure that African Americans learn about their benefits.

Racism as a Barrier in Homeownership Programs

The literature is limited on describing how race and other factors shape the homeownership process for African Americans in rural areas. The homeowners contended with historical, social, and political factors perpetuated by society (Omi & Winant, 1992). Racism played a major role in hindering the homeowners from engaging in experiences that led to homeownership. Not enough qualitative research gives African Americans a voice to express how they perceived racism and other factors that impacted the homeownership process. In this research, I did not find any qualitative studies that addressed African Americans and the racism issues as they relate to the homeownership process; however, there were a few quantitative studies (Ratner, 1996) that addressed African Americans and the impact racism has on the homeownership process.

African Americans have endured barriers caused by discrimination because of their race (Omi & Winant, 1992). Racism, institutional and societal, served as the platform during many of the transactions homeowners encountered. First, education has been an area where racism has flourished no matter what setting, formal or informal (Johnson-Bailey & Cervero, 2000) and it was no different with this situation of learning about homeownership. The homeowners felt their education level did not have any impact on them being knowledgeable of the homeownership process or how the Federal Rural Housing Programs assisted with them becoming homeowners. Because they were African Americans, they felt they were purposefully overlooked when helpful information such as brochures, pamphlets were not distributed for their consumption. It is

159

important to note that the education level may have dictated what resources were used by the homeowners to obtain information, but if a variety of sources are available, some barriers of accessibility to information would be avoided. And, because they did not see or hear of advertisement for homeownership programs, many of the homeowners had thoughts of a conspiracy existing to block them from becoming homeowners.

Secondly, the pigmentation of a person's skin should not dictate the treatment one receives (Preciphs, 1991) when trying to access or obtain information before and during the homeownership process. The homeowners shared experiences of unfairness related to being African Americans. The feelings of entering a room and the expression displayed on most of the workers' faces in different institutions caste the first doubt in many of the prospective homeowners' minds. The homeowners did not know exactly what was expected of them. However; they felt they were going at it alone. After starting the homeownership process, the homeowners started feeling more comfortable with the person (s) assisting in the process but this trust had to develop over time. A level of trust had to be present in being involved in a process that was unknown to the homeowners.

Finally, homeowners thought racism was subjectively applied when their credit was reviewed. After going through the Federal Rural Housing Program that they were aware their credit didn't need to be the best credit rating but they had to have a regular paying pattern. Several of the African American homeowners had gone to banking institutions for financial needs and were denied credit, yet they were aware of European Americans who had the same financial situation but were able to have their needs fulfilled. Studies have documented that financial institutions are more likely to deny services to African American applicants than European American applicants (Hudson,

160

1996). In reminiscing about their prior experiences at financial institutions, the

homeowners noted that they would not have considered purchasing a home through a

bank. Racial discrimination is evident when all financial tools that are available to

purchase homes are perceived to be off limits for some and not for all (Anonymous,

1999). Unfortunately, perceptions perpetuated by society as a whole have been shadowed

by racism and continue to dictate how services are provided.

<p align="center">Implications for Practice</p>

Through its investigation into how African Americans in rural areas learn to

become homeowners, the findings of this study have implications for practice in the field

of adult education and for housing professions with a special interest in increasing the

homeownership for African Americans. Becoming a homeowner is a sign of wealth

building for some, but a part of the American Dream for others. African Americans in

rural areas, just as most citizens, would like to have the opportunity to own their home.

The study showed that African Americans in rural areas were not aware of

programs that could assist with homeownership. Their goal was to become a homeowner

by acquiring information about programs that would assist in reaching that goal. They

became self-directed learners to meet their learning needs of homeownership. The

learning was realized informally through everyday (Brookfield, 1993; Galbraith, 1992;

Marsick & Watkins, 2001; Merriam & Cafarrella, 1999) interactions with families and

friends serving as support networks (Lubben & Becerra, 1997). Some of the homeowners

utilized resources such as brochures, pamphlets, and the Internet to obtain information

about homeownership, while other homeowners referenced the lack of resources to

inform of programs or services.

This study provides valuable information for use by practitioners in preparing plans for the implementation of programs that will increase the homeownership rate for African Americans. Agencies administering Federal Rural Housing Programs are very important to the process of transmitting information. Their services are not being advertised to those who are in need or those who would best benefit from their programs. To better market Federal Rural Housing Programs, it is possible that having an educational component included in the regulations could remedy some of the marketing problems voiced by potential clients. The homeowners stated the lack of information or knowledge about programs that would lead to purchasing a home was unknown. They were open and willing to participate in their own learning if only they were given the opportunity. Agencies as well as the regulating Federal Government department must provide opportunities to participate in their homeownership assistance programs by advertising their services on a larger scale.

Presently, it is the responsibility of each individual agency to market their programs; however, most African Americans in rural areas are not finding out about the programs, which indicates maybe more options may be needed to inform of their services. There are other options that may be explored by the administering agencies and the Federal Government to inform of their services and programs. Areas of informal learning must be reviewed and discussed as a method of educating about Federal Rural Housing Programs. Word of mouth was the major method of learning informally about programs that would assist with purchasing a home. Many of the homeowners talked with friend and family members to obtain answers to the what, how, when, and where to provide for their desire to become a homeowner. Family and friends serving in the

capacity of support networks were able to transfer the needed information to assist

homeowners in starting the homeownership process. Employing the assistance of support

networks to publicize Federal Rural Housing Programs may provide information about

resources to those who are not privy to accessing this information. For example, the

Federal Rural Housing Program's staff member could correspond with African American

homeowners to inform of the agency's goal of increasing African American

homeownership. Discussion of how new homeowners could assist in reaching those goals

may provide the agency with options such as homeowners making presentations at civic

organizations, at church functions, or at family reunions, new venues to disseminate

information. Acquisition of information which the homeowners did not have would be

readily available and utilized. Most of the homeowners will utilize what they learned to

teach other potential homeowners. Pamphlets, brochures, and videos may be used in

addition to support networks.

Support networks may also be helpful in lessening some of the factors that impact

the homeownership process, such as racism. This would be accomplished by potential

homeowners retrieving information from a familiar person that they feel comfortable

asking questions and receiving guidance to proceed through the homeownership process.

Racism, a socially constructed reality, was noted by the homeowners as being visible

throughout the homeownership process, mainly through institutional and social driven

forces. The homeowners were very attentive to how they were not included in the

mainstream when information was disseminated or they were not afforded visual

representation of helpful resources. To disarm the rumors of conspiracy to keep

information from a certain segment of the population, agencies and the federal

government must make sure there are no possible ways to construe the lack of obtaining information as being racist. Other forms of racism are not as easy to address such as those acts that are perceived by the individual. For example, homeowners felt they did not receive the same level of service when they visited agencies. If more people of their race had been employed at these agencies, they felt their needs would have been better attended to and they would not have had to complete additional steps to accomplish the same objective, homeownership. Professional development classes focusing on race and racism for the agencies and federal government staff may prove beneficial in encouraging change in practice.

Homeownership seemed only possible through a Federal Rural Housing Program for most of the participants. The participants felt going to a financial institution to obtain a mortgage to purchase a home was not even an option. The reasons for this opinion derived from past experiences of the participants with financial institutions or the participants talking with their support networks about some of their options to become homeowners. The financial institutions were regarded as applying stringent requirements for African Americans that may have had the same credit status as European Americans but who were not graded by the same standards. The homeowners wanted to be given the same opportunity to realize their American Dream as all others. Financial institutions must address policies and procedures that exert disparities in the services to all people, especially African Americans.

African Americans have been and continue to be subjected to racism in the education arena (Hayes & Colin, 1994; Johnson-Bailey, Tisdell, & Cervero, 1994; & Shujaa, 1994, 1996). Education has not always been freely available to African

Americans although they have strived to be given an equal chance to participate. Educating African Americans about services and programs has often been a responsibility taken on by religious groups, social organizations and neighborhood organizations. These entities can develop and provide programs that hopefully will not include some of the ill effects that deter those who can most benefit. Such programs would provide information for potential clients during their normal interactions in the community. Practitioners can not afford to turn their heads away from these issues that have constantly regulated African Americans who want to own their own home and continue to act as gatekeepers for future African American homeowners.

<u>Implications for Research</u>

Minimal research has been conducted on African Americans' experience during the homeownership process. Since the present study was done on African American homeowners in rural areas that were first-time homeowners, it would expand on the knowledge base if future researchers could replicate this study on African American homeowners in urban areas who are about to purchase their first home. It would be worthwhile to compare and contrast the experiences to determine if barriers or factors such as situational, dispositional, and institutional play a different role for African American homeowners in rural areas and African Americans in urban areas. It would also be necessary to test the four components of the homeownership process developed in this study to evaluate if these components vary in rural and urban areas.

There is a need for future researchers to explore both formal and informal learning methods to understand which method is more effective to enhance learning during and about the homeownership process. More studies need to be conducted with

different populations or a larger sample from different locations in the U.S. to add to the body of knowledge about how informal learning activities are utilized before, during, and after the homeownership process. Since there are limited published studies that investigate the utilization of informal learning during the homeownership process, additional research needs to be done that examine the learning process and how the skills that have been developed are utilized in future situations that deal with other activities such as political activities. The informal learning processes and skills should be investigated to understand how information gained differs within the different populations. It would be very important to research in which ways informal learning takes place within groups and how interventions assist in facilitating the work of the members. However, to know the relations between these members, it would also be important to know the social and historical context.

Studies examining how factors impede African Americans obtaining information about the homeownership process should be conducted. Racism emerged as a significant factor in the homeownership process in the current study. Therefore, more qualitative studies are needed to document the effects of racism before and during the homeownership process. Usually, studies concerning racism during the process of obtaining a home are conducted with African Americans, Asian Americans, Hispanics, and other minorities in comparison with European Americans. There is a need for studies to look at only African Americans and how learning about services as well as going through the homeownership process may be impeded by racism and identify what form of racism is at play. There are questions how the learning process takes place with the presence of racism? What can be done to discourage racism during the learning process?

166

What are the barriers and economic, social, and historic factors of racism within the learning process?

Concluding Notes

"A home of my own" were words resounded by many of the homeowners. The homeowners interviewed were very excited to share their experiences in becoming a homeowner in hopes of helping others to succeed to the same status. They wanted their stories told and did not have any reservations about their names being included. I felt obligated to make sure their voices were heard and that their experiences would serve as an educational tool to assist future African Americans in obtaining the status of homeownership with lesser or no intentional barriers. Because there are challenges to creating and improving homeownership opportunities available to African American wanting to improve their quality of life, barriers must be documented and examined. My experience in researching homeownership has enriched my knowledge base on the subject of African Americans and the pursuit of homeownership and I have expanded my understanding of the issues that prohibit African American homeowners from seeking the American dream. I feel it is my responsibility and I am committed to making sure this study is not placed on a shelf but applied to the many ills that continue to keep African Americans from realizing homeownership.

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APPENDIX A

1980 – 2000 HOMEOWNERSHIP RATES BY RACE OF HOUSEHOLDER

	1980	1990	1996	1997	1998	1999	2000
U.S. (Population In Thousands)	227,726	249,973	265,502	268,048	270,509	272,945	281,422
U.S. Homeownership	64.4	64.2	65.4	65.7	66.3	66.8	67.4
A. A. Homeownership	44.4	43.4	44.1	44.8	45.6	46.3	47.2
E. A. Homeownership	68.5	69.1	71.1	72.0	72.6	73.2	73.8

Note. From the U. S. Census Bureau (2000), U. S. Census Bureau (2001), and Simmons

(2001). A.A. represents African Americans and E.A. represents European Americans.

APPENDIX B

1960 – 1997 POPULATION IN URBAN AND RURAL AREAS

Percentage of Total Population

	1960	1970	1980	1990	1997
United States Population	180,671	205,052	227,726	249,973	268,048
(Population In Thousands)					
Rural	30.1	26.4	26.3	24.8	20.3
Urban	69.9	73.6	73.7	75.2	79.7

Note. Rural Policy Research Institute (n.d.) and U. S. Census Bureau (2000).

APPENDIX C

1970 – 1998 MEDIAN INCOME OF AFRICAN AMERICANS AND EUROPEAN

AMERICANS HOUSEHOLDS

_____

Year	USA Population (Population in thousands)	African American	European American
1970	205,052	5,537	9,097
1980	227,726	10,764	18,684
1985	238,466	14,819	24,908
1990	249,973	18,676	31,231
1995	263,082	22,393	35,766
1998	270,509	25,351	40,912

_____

Notes. From U. S. Census Bureau (1982- 83), U. S. Census Bureau (1999), and U. S.

Census Bureau (2000). Constant dollars.

APPENDIX D

1960 – 1999 EDUCATIONAL ATTAINMENT BY RACE OF AFRICAN

AMERICANS AND EUROPEAN AMERICANS

Date	USA Population	Not Completing High School		High School or More		Graduate or More	
		A.A.	E.A.	A.A.	E.A.	A.A.	E.A.
1960	180,671	60.9	37.6	20.1	43.2	3.1	8.1
1970	205,052	43.0	26.1	31.4	54.5	4.4	11.3
1980	227,726	27.5	16.3	51.2	68.8	8.4	17.1
1990	249,973	36.9	22.1	66.2	79.1	11.3	22.0
1999	272,945	23.0	15.7	77.0	84.3	15.4	25.9

Note. From U. S. Census Bureau. (1960), U. S. Census Bureau (2000). A.A. represents

African Americans and E.A. represents European Americans. Percentage of total

population.

APPENDIX E

AFRICAN AMERICAN HOMEOWNERS INTERVIEW GUIDE (ORIGINAL)

Interview Questions

1. Tell me about when you first thought about owning a home.

2. Tell me the story of how you bought your home.

3. Who told you about the Federal Rural Housing Program?

4. Why did you decide to apply for a loan from Federal Rural Housing Programs?

5. Tell me what was most difficult about buying your home.

6. Tell me what happened when you were notified of approval to buy your home.

7. What does being a homeowner mean to you?

8. Tell me what do you feel are reasons more African Americans are not homeowners.

9. In what ways did the Federal Rural Housing Program staff help you access Federal Rural Housing Resources?

10. In what ways are administrators/staff of programs administering Federal Rural Housing Resources involved in efforts to educate African Americans about programs?

11. How did you go about learning the skills/process needed to access Federal Rural Housing Resources?

12. What learning occurred as a result of participating in Federal Rural Housing Programs?

13. How did your race play a part in the learning process?

14. How did being in a rural area play a part in the learning process?

Ask demographics: age, marital status, educational level, employment, income level,

number of children, length of time in home, and type of home.

APPENDIX F

AFRICAN AMERICAN HOMEOWNERS INTERVIEW GUIDE (REVISED)

Section I.   Interview Questions:

1. Tell me the story of how you bought your first home.

2. How did you know what to do to become a homeowner?

3. How is it you came to apply for the Federal Rural Housing Program?

4. How did you feel when you found out you were going to get the home?

5. Discuss any obstacles or problems you may have encountered.

6. Describe your experience with the Federal Rural Housing Program staff.

7. What are the lessons you have learned in the whole homeownership process?

8. How did your race affect the process of you becoming a homeowner?

9. How do you feel now that you own your own home?

10. How could this process have been better?

Section II.   Background Information

Name: _____   Date: _____

Time: _____   Place: _____

This information will help to understand how different types of African Americans

experience learning during the process of homeownership. Remember, all of your answers

are strictly confidential.

1. What is your present age?   _____

2. What is your present marital status (check one)?

          _____Never Married

          _____Married

          _____Divorced

          _____Separated

          _____Widowed

          _____Living in a marriage-like situation.

3. What is your educational background (check one)?

          _____Less than a high school diploma

          _____High School diploma

          _____Associate degree

          _____Bachelor's degree

          _____Master's degree

          _____Doctoral degree

          _____Technical or other: Please specify _____

4. What is your present employment status (check one)?

_____Employed full-time outside of the home

_____Employed part-time outside of the home

_____Full-time homemaker

_____Not employed

_____ Other: Please specify _____

5. What is your approximate household income (check one)?

_____Less than $10,000

_____$10,000 $19,999

_____$20,000 $29,999

_____$30,000 $39,999

_____$40,000 $59,999

_____$60,000 $79,999

_____$80,000   or more

6. How many children do you have?   _____

7. How long have you lived in your home?   _____

8.   What type of home do you live in (check one)?

_____Single detached brick home

_____Single detached home (example: siding, wood, veneer)

_____Duplex

_____Condominium

_____Modular home

_____Manufactured home

APPENDIX G

HOW AFRICAN AMERICANS IN RURAL AREAS LEARN TO

BECOME HOMEOWNERS

CONSENT FORM

I, _____ agree to participate in a research project

entitled "How African Americans in rural areas learn to become homeowners" conducted

by Ulrica Jones, (478) 822-9942 from the Department of Adult Education at the

University of Georgia in Athens, Georgia under the direction of Dr. Ronald M. Cervero,

Department of Adult Education at the University of Georgia in Athens, Georgia (706)

542-2214. I understand that I do not have to take part if I do not want to. I can stop

taking part without giving any reason and without penalty. I can ask to have all of the

information about me returned to me, removed from the research records, or destroyed.

The purpose of this research project is to identify the process by which African

Americans living in rural areas become homeowners. Those African Americans that were

successful in accessing the Federal Rural Housing Resources and securing funds to

purchase a home somehow learned about these programs.

If I volunteer to take part in this study, I will be asked to answer several open-

ended questions about the process of my becoming a homeowner that will take

approximately less than 1 ½ hours. The question and answer session will be tape recorded

by the researcher.

No discomforts or stresses are expected when the researcher ask me questions about the process of becoming a homeowner.

All information collected during this study will be treated confidentially (unless required by law) or if otherwise permitted by me. The researcher will transcribe the audio tapes and the audio tapes will be destroyed by August 1, 2005. I understand that only pseudonyms will be used in the final write up of this project.

The investigator will answer any further questions about the research, now or during the course of the project (478-822-9942).

I understand that I am agreeing by my signature on this form to take part in this research project and understand that I will receive a signed copy of this consent form for my records.

_____   _____

Signature of Investigator   Date   Signature of Participant   Date

There is the possibility that audio-tapes with my voice would be used in either teaching or conference presentations. This would, of course, be subject to my permission. I have read the above description and understand that by initialing any of the statements below I am giving the researcher permission to use my records as described.

1. My transcripts may be used for academic publications.

Audio _____

[Please use initials]

2. My recordings may be presented at academic conferences.

Audio _____

[Please use initial]

3. My recordings may be used in classrooms for teaching purposes.

Audio _____

[Please use initials]

Questions or problems regarding your rights as a participant should be addressed to Chris A. Joseph Ph.D. Human Subjects Office; Institutional Review Board; Office of V.P. for Research; The University of Georgia; 606A Graduate Studies Research Center; Athens, GA 30602-7411; Telephone 706-542-6514.