



**The Urban Institute's Opportunity and Ownership project, launched in 2004, conducts policy research on assets, ownership, and opportunity for low- and middle-income families.**

**Our research** is grounded in the premise that low-income families can acquire assets and become more financially secure if given the opportunity. Savings, homeownership, pensions, and microenterprise form a family's safety net should they get hit with a job loss or financial emergency. Assets can sustain seniors in retirement and give low-income Americans a foothold in the middle class.

**Our work** looks beyond traditional anti-poverty programs to explore ways to encourage self-sufficiency. Most federal spending to promote saving funds tax breaks that often miss low-income families. And asset tests for federal assistance programs can discourage poor families from saving.

**Our team** consists of Urban Institute experts in asset building, housing, taxes and budget, retirement, and supports for low-income families. We give decisionmakers expert analysis on asset and debt issues at every stage of Americans' lives and offer innovative ways to encourage saving and help families build wealth.

## RECENT FINDINGS

**Asset Building and Low-Income Families** – *Signe-Mary McKernan and Michael Sherraden, editors*

The first comprehensive book to assemble and evaluate what is known about asset building for the poor. The authors also chart directions for future research and set the stage for new asset policies that may include low-income households.

**Enabling Families to Weather Emergencies and Develop: The Role of Assets** – *Signe-Mary McKernan and Caroline Ratcliffe*

Assets can help low-income families weather a job loss or financial emergency. The authors recommend better regulation of small loans, subsidized savings accounts, automatic individual retirement accounts, and programs to support home and car ownership. In mid-2008, this essay caught the attention of Senate staff interested in how to make federal asset subsidies, such as the mortgage interest deduction, more equitable.

**Subprime Mortgages: America's Latest Boom and Bust** – *Edward M. Gramlich*

This timely primer examines the origin and consequences of the subprime mortgage market. The Los Angeles Times dubbed this bestseller the "bible for reporters and policymakers trying to figure out what had gone wrong." Several of Gramlich's recommendations for tightening mortgage-lending standards were adopted by the Federal Reserve Board.

**Children's Savings Accounts: Why Design Matters** – *Barbara Butrica, Adam Carasso, C. Eugene Steuerle, Desmond Toohey*

One path to an ownership society is to endow all children with savings accounts at birth, starting kids off on the right foot and teaching the value of saving. This report shows how specific features of a children's savings account program will affect the distribution of wealth. The paper refocused concern on whether tax benefits granted under such asset development proposals deserve more attention.

### **Why Not a "Super Simple" Saving Plan for the United States?** – Pamela Perun, C. Eugene Steuerle

Despite decades of significant tax subsidies for pensions and retirement accounts, most Americans retire with little or no savings. The "Super Simple" saving plan laid out here—a basic, low-cost, easily administrable plan—could significantly increase retirement assets for moderate- and middle-income adults. The plan features simpler rules, automatic contribution for employees who don't opt out, and a significant government match. Senator Jack Reed (D-R.I.) has considered incorporating many of these ideas in a bill he would introduce.

## **EVENTS**

### **Opportunity and Ownership Over the Life Cycle**, May 2008

Held at the Ford Foundation in New York, this roundtable afforded a rare opportunity to bring together diverse experts to examine asset and debt issues that arise over the course of the life cycle—from children's accounts, through homeownership, and into retirement.

### **The Future of Subprime Mortgages**, July 2007

A panel of experts analyzed what ails the subprime mortgage market and debated what should be done to preserve the benefits of subprime financing while safeguarding homebuyers.

## **IN THE NEWS**

**Closing Costs Big Variable in Getting Mortgage**—*The Los Angeles Daily News*, May 31, 2008

**The Bubble: How homeowners' missed mortgage payments set off widespread problems and woke up the Fed**—*The Washington Post*, June 16, 2008

**A Close Look at All Those Fees**—*The New York Times*, June 22, 2008

**Financial Coaches Offer a Hand to Toledoans: "Getting Ahead" Teaches Money Skills**—*The Toledo Blade*, July 21, 2008

"Having a checking or savings account is the first stepping stone to the middle class for low-income families."—*Signe-Mary McKernan*

## **OUR RESEARCH COMMUNITY**

The Opportunity and Ownership project is sponsored by The Annie E. Casey Foundation, the Ford Foundation, and the Department of Health and Human Services, among others. Researchers have worked in collaboration with the New America Foundation, the Center for Social Development, the Federal Reserve Board, the Corporation for Enterprise Development, the Aspen Institute Initiative on Financial Security, and the Seed Policy Council.

## **CONTRIBUTING RESEARCHERS**

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For more information about the Opportunity and Ownership project, visit [www.urban.org/projects/opportunity/](http://www.urban.org/projects/opportunity/).