

HUSTON-TILLOTSON REAL ESTATE SCHOLARS PROGRAM



FEBRUARY 2025



School of Business & Technology
**HUSTON-TILLOTSON
UNIVERSITY**
1875 AUSTIN, TEXAS

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INTRODUCTION

HUSTON-TILLOTSON REAL ESTATE PROGRAM

The Huston-Tillotson University real estate program in the School of Business and Technology aims to bring together opportunities in all areas of Real Estate including commercial and residential brokerage, appraisal, asset management, investments, analysts and many more. The real estate industry connects professionals who thrive in a competitive work environment.

EXPOSE

EDUCATE

EXPERIENCE

EARN



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THE COMMERCIAL REAL ESTATE DIVERSITY DIVIDE

PERPETUATING LACK OF DIVERSITY

Historically, the commercial real estate industry has lacked diversity, and still does today. 76.2 % of jobs within the industry are held by White men and women. The lack of diversity becomes even more pronounced at the senior executive level, where 91.7 % of positions are held by White men and women, 2.9 % by Hispanic men, 1.6 % by Asian men, 1.3 % by Black men, and less than 1 % by each minority female category.

The commercial real estate industry is often categorized by the phrase “go to who you know,” meaning those within the industry tap into their networks to seek out a mentor, advance their careers, find investment deals or raise capital. This paired with the predominance of White employees in the industry perpetuates limited diversity and opportunities for minority employees to advance.

GREATER DIVIDE EQUALS BETTER FINANCIAL PERFORMANCE

Creating a more diverse commercial real estate industry is not only critical to creating more and equitable opportunities for people of minority races, it can also improve financial performance and profitability.

4.6%

IN COMMERCIAL REAL ESTATE ARE BLACK

2.18% are in senior positions, shrinking from 3% just 5 years prior.

\$154K

AVERAGE NET WORTH DIFFERENCE PER HOUSEHOLD

Net worth of an average White American household is \$171,000 compared to only \$17,000 of a Black household. The difference is real estate.

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RACIAL INCOME & DISPARITIES PERSIST

INCOME & POVERTY

Despite efforts to close the gap, there are still significant disparities in income based on race. While lower-salary minority workers earning less than White workers is the crux of the issue, the income discrepancy is rooted in a lifetime of differing experiences, circumstances, and policies. Whereas a White family can potentially rely on a resource-rich community or education to increase income, Black and Hispanic families often have fewer community assets to rely upon and face greater obstacles in both navigating the educational system and converting education into stable employment and higher incomes. Such obstacles that reduce lifetime earning potential include poor school quality, differential treatment in the criminal-justice system, workplace discrimination, career selection, and a lack of professional role models.

Unfortunately, the disparity in poverty rates is equally as stark, with Black families experiencing the highest poverty rate in 2019 at 18.7 %, followed by Hispanic families at 15.7 %, and Asian and White families at 7.3 % each.

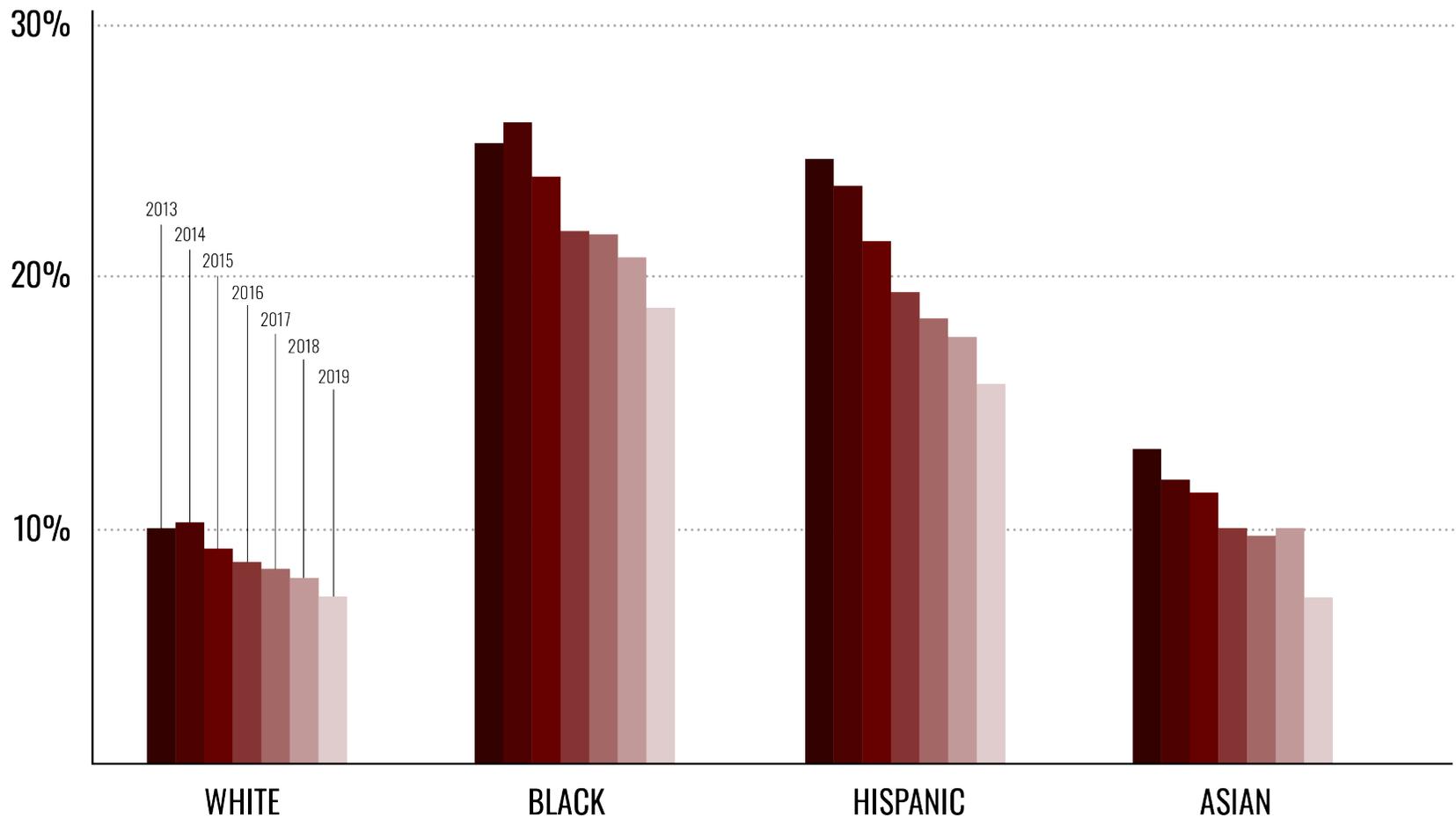


EARNING EXPECTATIONS

Amount of Black Americans can expect to earn vs. White Americans over their lifetimes.

POVERTY RATES BY RACE & ETHNICITY

2019



Source: "An Economy That Works: Job Creation and America's Future," McKinsey Global Institute, June 2011. Job growth for the first six sectors listed to come from MGI job growth scenarios. For all other sectors, job growth is taken from Moody's Analytics. Other includes mining, utilities, wholesale trade, transportation and warehousing, information, self-employed and agriculture.

WEALTH GENERATION

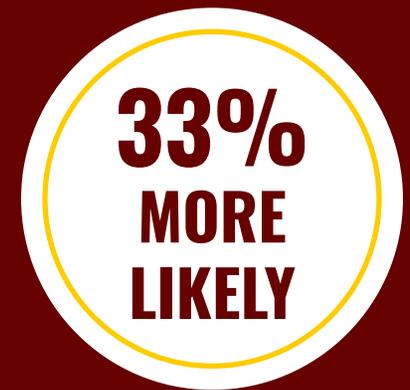
NET WEALTH DISPARITIES

While closing the racial income gap is critical and well past due, it alone will not elevate the financial stability of minority households. Wealth generation is also important. White households in the middle-income quintile own nearly eight times as much wealth as middle-income Black earners and ten times as much wealth as middle-income Latino earners. Should these disparities remain where they are today, it would take the average Black family 228 years and the average Latino family 84 years to reach the level of wealth White families own.

**More than 1 in 4
Black households
have zero or
negative net worth**

vs.

**Less than 1 in 10
White households
with zero or
negative net worth**



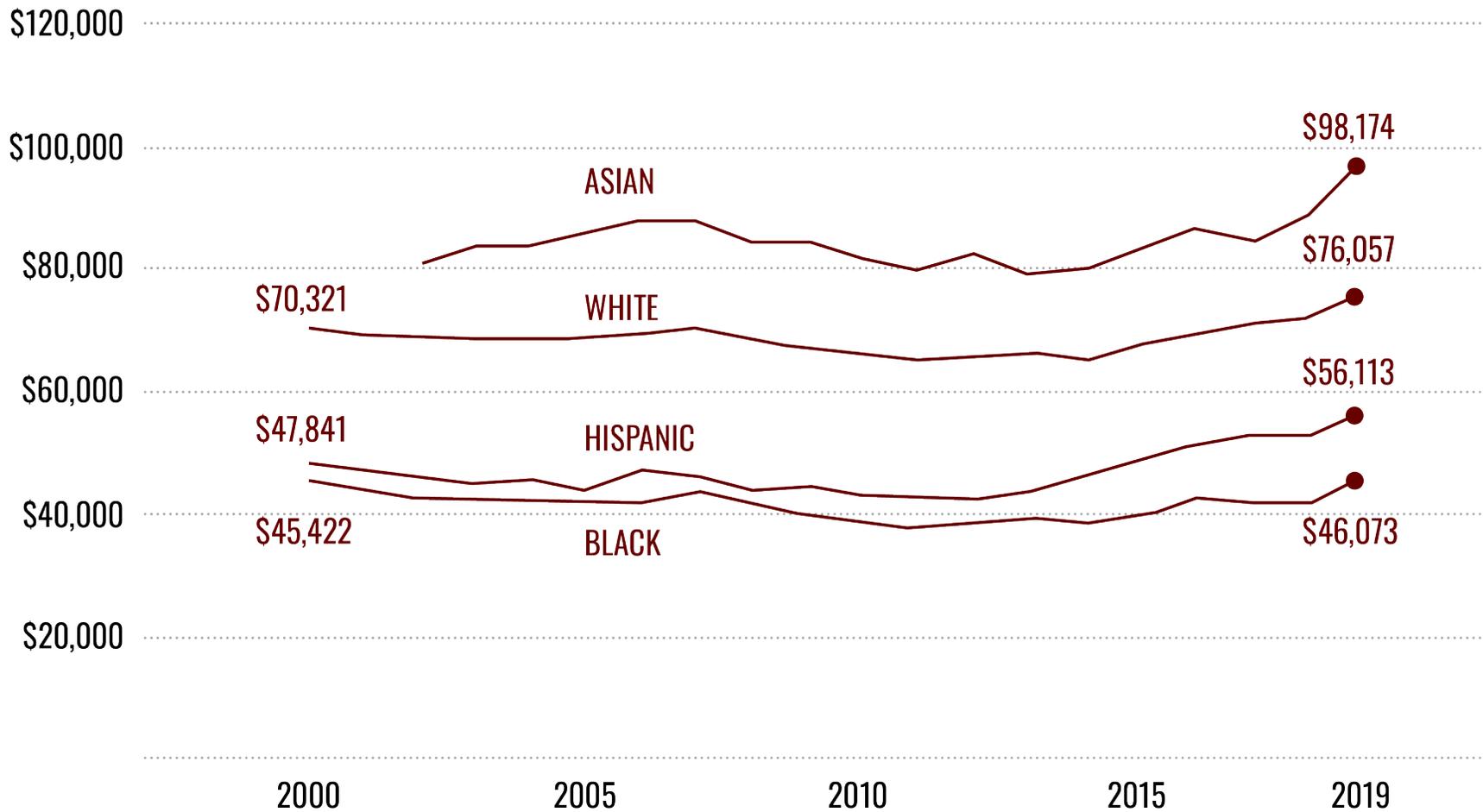
FINANCIAL PERFORMANCE

According to a 2018 McKinsey report, an analysis of 1,000 public companies found that those in the top quartile for racial and ethnic diversity were 33% more likely to have superior financial performance.

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REAL MEDIAN HOUSEHOLD INCOME BY RACE & ETHNICITY

2000-2019



Source: "Racial Disparities in Income and Poverty Remain Largely Unchanged Amid Strong Income Growth in 2019" Economic Policy Institute, September 16, 2020

WEALTH GAP CONTRIBUTORS

CREDIT ACCESS & COST

Many minority consumers lack a credit score and face discrimination in gaining credit based on where they live. Known as “credit redlining”, consumers living in predominantly White neighborhoods are more likely to be approved for credit cards than those living in predominantly Black neighborhoods. Additionally, the cost of credit is typically greater for minority consumers who pay higher interest rates – on both personal and business credit obligations.

HOME OWNERSHIP

The home ownership landscape has been particularly challenging for minority consumers throughout America’s history. Federally endorsed redlining policies dating back to the 1930s, FHA-funded White-only suburban housing developments, uneven distribution of GI Bill home-buying subsidies to minority veterans, and redlining policies that limited home ownership by minority consumers in White neighborhoods have all stripped away access to a fundamental key to wealth generation. As a result, fewer minority consumers own homes than White consumers. 47% of Black consumers and 51% of Hispanic consumers own a home, compared to 76% of White consumers. The rate of approval to buy a home is also lower for minority consumers, with Black mortgage applicants twice as likely to be rejected as white borrowers. Those minority consumers who do get approved to buy a home pay hundreds of dollars more per year in mortgage interest and mortgage insurance premiums, making it impossible to build housing wealth at the same rate as White households.

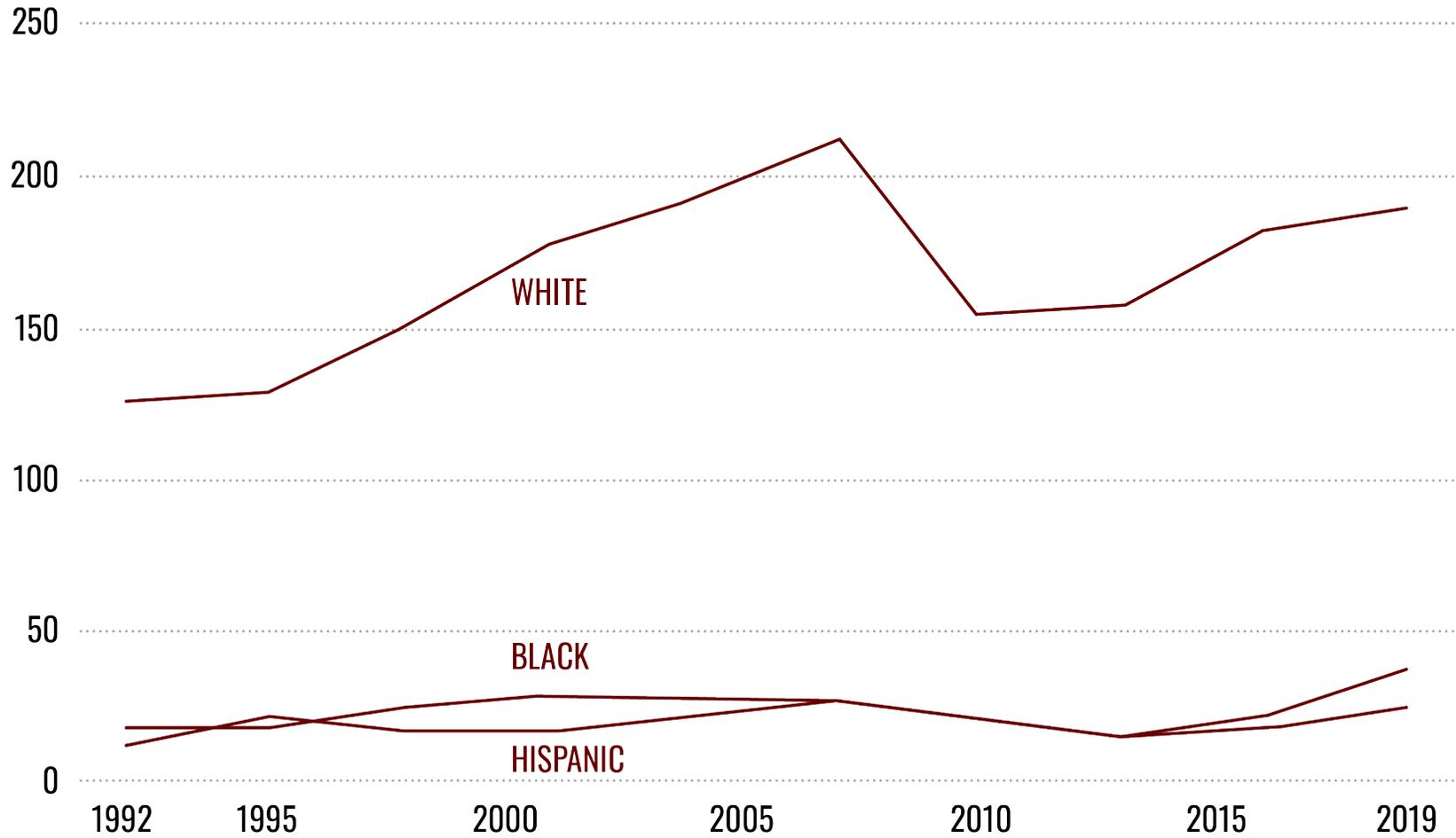


PROFITABILITY

A 2018 Boston Consulting Group report found that companies with above-average management team diversity reported higher innovation revenue than companies with below-average leadership diversity. The benefits of diversity don’t stop at financial performance. Studies show that diverse firms are also twice as profitable as those that are not diverse.

WIDE & PERSISTENT RACIAL GAP IN WEALTH

Median family wealth 1992-2016 by ethnicity/race



Source: "2016 Survey of Consumer Finances," Federal Reserve Board, September 2017, in 2016 dollars.

WEALTH GAP CONTRIBUTORS

LACK OF, OR LOWER AMOUNTS, OF INHERITANCE

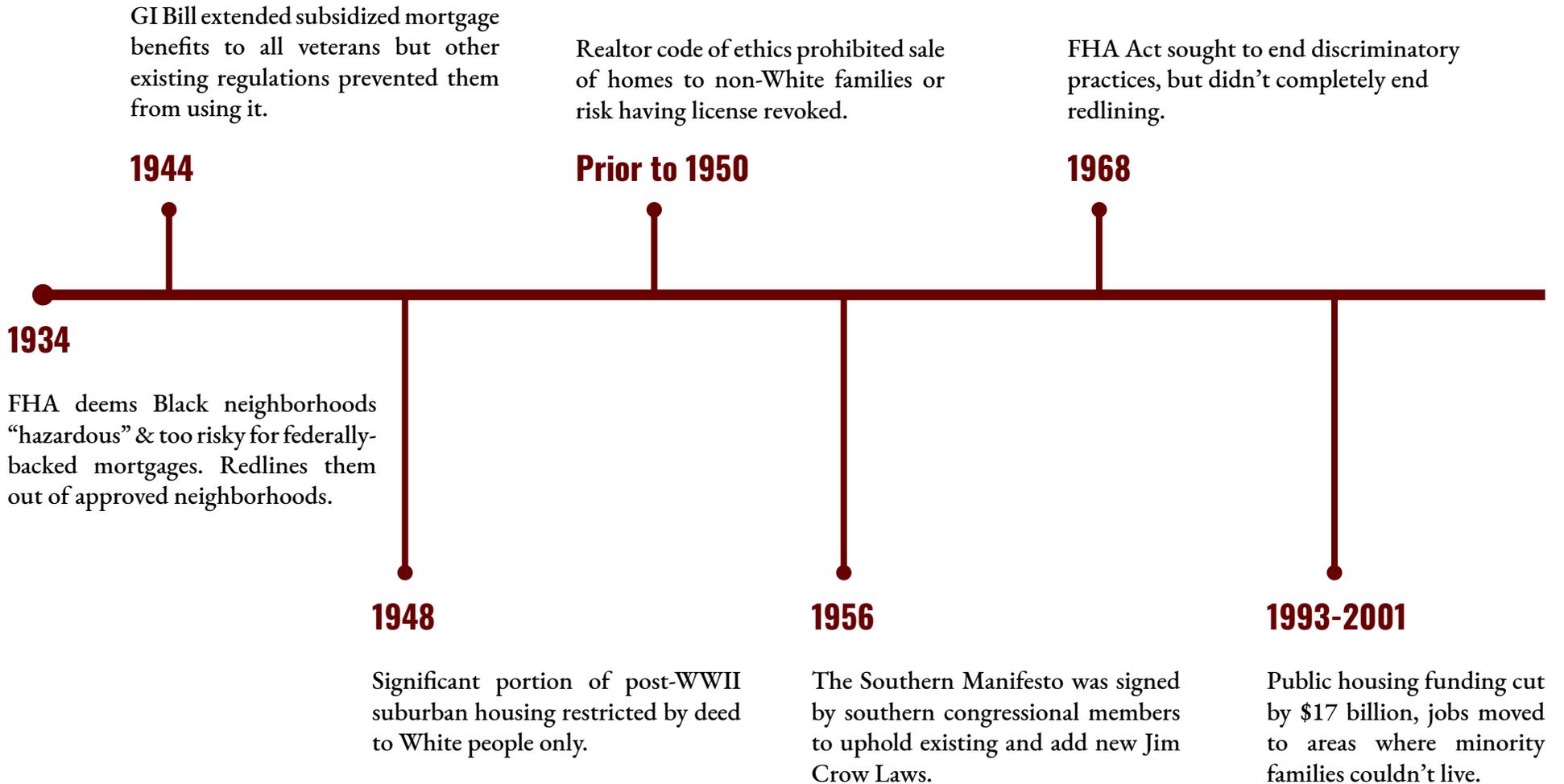
The rate of and amount of inheritance among minority families is lower than White families. For example, only 8% of Black families receive inheritance, compared to 26% of white families. And typical inheritance amounts of Black families are just 35% of those of White families.

ACCESS TO HIGHER EDUCATION

Limited access to educational opportunities for minority individuals can be traced back through American history, notably in relation to the GI Bill in the 1950s. As written, the GI Bill was to extend benefits to veterans regardless of gender or race. Yet many Black veterans either did not receive the bill's higher education benefit or were steered toward menial jobs instead of college. When a Black veteran did receive higher education tuition assistance, college choices were slim since many colleges were segregated. The result was far fewer Black veterans receiving a college degree than their White counterparts as White borrowers.



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WEALTH GAP CONTRIBUTORS

STUDENT LOAN DEBT & FINANCIAL SUPPORT OF PARENTS

Even after receiving a college degree to try to increase financial stability and wealth, many minority individuals find their wealth after college declines due to providing financial support to parents, which is less common among white individuals. Additionally, minority students assume student loan debt at a greater rate than white students, and borrow more. Black families are 1.3 times more likely than white families to have student debt, and they have balances that are 1.7 times higher than those of white families.

ACCESS TO SECURITIES

With less wealth to invest and often a distrust of the stock market, minority individuals are less likely to invest in securities. As of 2016, 67% of Black Americans making at least \$50,000 were invested in the stock market or mutual funds, compared to 86% of white Americans.



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EDUCATION

THE GREAT EQUALIZER

Pioneer of American public schools in the 19th century, Horace Mann, called education the “great equalizer of the conditions of men,” yet there are still gaps in education – particularly in relation to the commercial real estate industry – that need to be filled to create a path for success for minority individuals. Simply hiring minority people for the sake of diversity, with no background or education in commercial real estate is problematic if they are not paired with mentors who can guide them.

Educational programs focused on the specific job knowledge needs of commercial real estate positions will provide access points and a strong foundation for minority individuals to enter the industry. Educational opportunities can also help them move away from labor-based jobs to more secure knowledge-based jobs where positions are insulated from the negative effects of automation and AI advancements.

With improved job prospects and career guidance, minority individuals will find themselves on firmer footing in terms of employment stability and economic growth opportunities, which in turn contributes to closing racial income and wealth gaps, as well as reducing poverty.

“
**EDUCATION...BEYOND
ALL OTHER DEVICES OF
HUMAN ORIGIN, IS THE
GREAT EQUALIZER OF THE
CONDITIONS OF MEN...**
”

HORACE MANN

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SKYLINE SPONSOR: \$25,000

As a Skyline Sponsor you will receive the below listed benefits plus:

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- Special event passes
- Exhibition table at networking events

VISTA SPONSOR: \$15,000

As a Vista Sponsor you will receive the below listed benefits plus:

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- Recognition in social media

APEX SPONSOR: \$10,000

As a Apex Sponsor you will receive the below listed benefits plus:

- Opportunities to be an adjunct professor
- Recognition on website

FOUNDATION SPONSOR: \$5,000

As a Foundation Sponsor you will receive the below listed benefits plus:

- Preferred access to students for internships & jobs

BLUEPRINT SPONSOR: LESS THAN \$5,000

As a Blueprint Sponsor you will receive:

- Preferred access to students for research
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