

Introduction

The following are excerpts from Neighborhood Reinvestment's publications entitled "Winning Strategies: Best Practices in Homeownership Promotion" produced by the NeighborWorks® Campaign for Home Ownership. These publications document successful strategies used by NeighborWorks® organizations and other nonprofits across the nation to promote homeownership for underserved markets. The publications are available in hard copy or electronic format from Neighborhood Reinvestment's website at <http://www.nw.org>.

Outreach Strategies

One-Stop Shop HomeOwnership Center

NHS of New York City, NY

Neighborhood Housing Services (NHS) of New York City developed its HomeOwnership Center as a "one-stop shop" that consolidates, in a central location, counseling services at each stage of home ownership: homebuyer education before and after purchase; insurance services; access to downpayment and closing-cost assistance; and bank referrals for housing rehabilitation and special mortgage products. The NHS of New York City's HomeOwnership Center was the prototype for the NeighborWorks HomeOwnership Centers® that have opened in ensuing years. The creation of a centrally located HomeOwnership Center arose from the need to meet a tremendous, untapped demand for home ownership in New York City. A growing number of low- and moderate-income residents of the city's five boroughs are seeking home ownership and have the capacity to attain it. Lack of access to credit, however, stands in their way, as do limited opportunities for homebuyer education. The Center is a convenient place for families to get homeownership counseling and to overcome barriers.

Outreach to Hispanic Customers

Reading Neighborhood Housing Services, Reading, PA

Reading Neighborhood Housing Services (NHS) created a multifaceted outreach strategy to reach the Spanish-speaking population. The Winning Strategy report covers the obstacles that Hispanic families face when trying to achieve homeownership including differing cultural traditions, savings habits and language barriers. The report covers the outreach tactics including word of mouth strategies, hiring bilingual staff, attending housing fairs, submitting articles to Hispanic news sources, educating lenders and providing materials and information sessions at businesses with a high number of immigrant workers. Lessons include the importance of working with community leaders, recruiting the right staff, educating lenders and simplifying the NHS loan process.

Pathways to Homeownership Fair

American Indian Housing Task Force and Montana HomeOwnership Network, MT

Working together, the American Indian Housing Task Force and the Montana HomeOwnership Network, have organized a series of housing fairs across the state of Montana to promote homeownership for American Indians. These fairs, called "Pathways to Homeownership," provide on-site counseling, workshops and free materials to assist American Indians to gain a better understanding about the benefits and responsibilities of homeownership. The American Indian Housing Task Force is a partnership of statewide lenders, nonprofits, government agencies, and American Indian leaders.

Outreach to Immigrants

Project Renew, Fort Wayne, IN

Project Renew, in Fort Wayne, Indiana, is home to a number of immigrant populations including Spanish, Burmese and Muslim populations as well as immigrants from Russia, Paraguay, Ukraine, Afghanistan, Iraq, various African countries, the Balkans and Asian Pacific Islanders. Project Renew developed and implemented the "International Outreach

Committee” (IOC), a committee comprised of representatives from each immigrant population who act as liaisons and educators to their communities. Representatives attend meetings and trainings then return and pass the information on to their community members. Training topics include affordable housing opportunities, employment and credit issues, tenant rights, financing options, savings tactics, area programs and services, customs and courtesies and civil liberties. The Winning Strategy report covers partnership opportunities, program costs and funding. Lessons include how to investigate community needs, recognize differences within immigrant populations, select a good committee facilitator and meeting place, cultural awareness needs and marketing strategies.

Partnering with Local Refugee Center

Utica NHS NeighborWorks HomeOwnership Center®, Utica, NY

Utica NHS NeighborWorks HomeOwnership Center® created a partnership with a local refugee center to improve their services to the immigrant populations in Utica, New York. The refugee center provides emergency housing services as well as job training and public assistance, and helped NHS with outreach plus verbal and written translation. NHS also holds homebuyer orientations at the refugee center. The NHS has translated its educational materials into Bosnian and Russian. The Winning Strategy covers outreach tactics and program costs. Lessons include methods of presenting information, building trust, creating smart partnerships, the importance of translation and utilizing materials already in existence.

Partnering with Elementary Schools

Housing Resources of Columbia County, Hudson, NY

Housing Resources of Columbia County (HRCC) created an outreach strategy that involved a partnership with four elementary schools. The partnership allowed HRCC to distribute fliers to 1,500 students who took the fliers home with them. The report covers how to approach school districts, printing ideas and delivery and distribution. This outreach strategy increased the number of phone calls to the organization as well as recruited numerous families to the homebuyer education program. Lessons include the importance of getting the superintendents’ support, the time and services needed to implement the outreach strategy and the benefits of reaching out to families of school-aged children. The program also increased name recognition for HRCC.

Partnership with NBA Team and Fannie Mae Foundation

Fifth Ward Community Redevelopment Corporation, Houston, TX

Houston’s Fifth Ward Community Redevelopment Corporation (FWCRC) is one of 12 nonprofits selected nationally to be part of the Fannie Mae Foundation’s NBA Home Team Partnership. Fifth Ward CRC worked with the Houston Rockets to promote home ownership for low- and moderate-income families and conduct other neighborhood revitalization activities in Houston’s Fifth Ward. Through this partnership and other support, FWCRC was able to provide down payment and closing cost assistance to six families per year to purchase homes.

Partnering with Immigrant Assistance Agencies

West Side Neighborhood Housing Services, Buffalo, NY

West Side Neighborhood Housing Services (NHS) has developed a partnership with two local immigrant agencies to better assist the immigrant populations in Buffalo, New York. The Winning Strategy report covers the mission and roles of each partnering agency and how they are working in conjunction with West Side NHS. Outreach techniques are highlighted which include inter-agency referrals and building relationships with community leaders through neighborhood centers, churches and block clubs. Cultural challenges are defined. Lessons include the time requirements needed for working with this population, trust issues, translation needs and options, staffing needs and managing cultural and language differences.

Spanish Radio Program

Neighborhood Housing Services of Chicago, Chicago, IL

Neighborhood Housing Services of Chicago arranged with a local radio station to conduct a Spanish-language radio talk show twice a month. The show was structured as an interview with an announcer asking questions to the NHS instructor, followed by calls from listeners. Topics included opening a checking account, homebuying basics, credit reports, inspections, selecting a reputable lender and others. Lessons included keeping the program simple, finding a knowledgeable host and carefully selecting guest speakers. Benefits of the program included a broad listener base and an increase in the number of calls to NHS.

Outreach to Residents of Public Housing Authorities

Neighborhood Housing Services of New Orleans, LA

Neighborhood Housing Services of New Orleans with support of the local Public Housing Authority (PHA), began outreach among local public housing tenants as part of its homeownership program. Working closely with PHA officials, this approach provides intensive training and counseling to the PHA tenants to prepare them for the responsibilities of homeownership. To date, while the program has had limited volume but it has succeeded in helping public housing residents move into private home ownership.

“Homes for the Holidays”

St. Petersburg Neighborhood Housing Services, FL

St. Petersburg Neighborhood Housing Services (NHS) of has developed a working partnership with a professional athlete from the Tampa Bay Buccaneers football team who donates funds for NHS homebuyers to use toward down payment and closing costs. This program developed through the generosity and insight of Warrick Dunn, a running back formerly playing with the Tampa Bay Buccaneers football team. Dunn’s mother was a police officer in Baton Rouge, Louisiana, who was killed in the line of duty. Dunn helped single mothers buy homes by donating funds for down payment and closing costs for the families. Local retailers were also solicited to donate furnishings, supplies and other households goods for each home. The closings for these homes were typically scheduled to occur during the holiday season between Thanksgiving and Christmas.

Homebuying Fairs and Financial Mini-Expo Asian Americans for Equality, New York, NY

Asian Americans for Equality (AAFE) of New York City is a civil rights and housing organization providing homeownership counseling, tenant counseling, citizenship courses and other services to Asian Americans in the New York metropolitan area. Each year, AAFE hosts a series Homebuying Fairs and a Financial Mini-Expo to help promote homeownership and services to potential homebuyers in Chinatown. These events bring together attorneys, lenders, real estate agents and housing counselors to help prospective homebuyers.

Educational Programs

Fastrak Homebuyer Education Program Chattanooga Neighborhood Enterprise

Chattanooga Neighborhood Enterprise (CNE) designed and runs an extensive homebuyer education program, called Fastrak, for customers who are ready to move quickly to purchase a home. An important aspect of the CNE home-ownership process is that the organization takes a buyer through all of the steps of purchasing a home, start to finish and beyond. When potential homebuyers call CNE, they are signed up for a weekly orientation session and sent a follow-up notification of time, place and other details. CNE tries to make sure that callers are moved as soon as possible to orientation and then to appropriate homebuyer education, so that they can get a complete picture of home ownership's responsibilities before signing a sales contract. CNE staff evaluate early on whether a potential CNE buyer is knowledgeable enough to go into the eight-hour Fastrak class (most effectively done in two four-hour sessions). Depending on a customer's readiness, CNE might first do one-on-one counseling or recommend its Life Skills course, which is six sessions on household financing, smart shopping, strengthening relationships, home and car maintenance, personal growth and repurchase homebuyer training. Life Skills leads into the Fastrak course.

Homebuyers Clubs Neighborhood Partners of Kankakee

Neighborhood Partners (NP) of Kankakee runs Homebuyers Clubs for prospective homebuyers who, in an initial evaluation, are found to have credit and other financial issues to resolve before beginning the homeownership process. In 1991, Neighborhood Partners of Kankakee began using the Homebuyers Club model initially developed by MANNA, a nonprofit in Washington, DC. Prior to this time, NP of Kankakee had recognized that, even by offering considerable financial assistance, it couldn't help certain prospective homeowners. Homebuyers Clubs were a tool, potentially, for capturing these customers. Homebuyer education is particularly important to NP of Kankakee because the organization uses funds from the state of Illinois and a Fannie Mae lease-purchase product to acquire properties with qualified homebuyers. Therefore, it is in the NP's self-interest to make sure that buyers are well-prepared for home ownership.

Counseling Program for Spanish-Speaking Customers Rural Opportunities Housing Corporation, IN

Rural Opportunities Housing Corporation (ROHC) of Indiana is offering an extensive homeownership program, "Comprendo Casa," specifically for the Spanish-speaking community which involves one-on-one counseling and homebuyer education in Spanish. The report covers outreach tactics (word of mouth is most effective) as well as other program needs such as translation, supporting customers through the lending process and program costs. Lessons include skillful outreach and marketing, trust building, selecting staff, funding needs, language skills and cultural sensitivities. ROHC also organized a Spanish-language Homebuyers Fair which was very successful.

Homebuyer Education Collaborative Navajo Partnership for Housing, AZ

The Navajo Partnership for Housing (NPH) developed a homebuyer education curriculum tailored to the Navajo Nation entitled "Sheltering Our People." NPH staff were trained and certified by Neighborhood Reinvestment to deliver this training. The Navajo Housing Authority is the Tribally Designated Housing Entity on the Navajo Nation to receive the NAHASDA (Indian Housing Block Grant Funding). To create local efficiencies, the Navajo Housing Authority entered into an agreement with NPH to provide homebuyer education to all Navajo Housing Authority prospective homebuyers. The eight-hour classes are conducted throughout the 25,000 square mile reservation. Through the collaborative over 5,000 homebuyer orientations have been conducted and approximately 2,000 people have graduated from the program.

Financial Life Skills Program Neighborhood Housing Services of New York City, NY

Neighborhood Housing Services of New York City (NHS of NYC) teaches a Financial Life Skills course, a three-module, 15-week program developed with the help of an NHS Financial Life Skills Advisory Board, whose members are executives of financial institutions, corporations and a local university. The Federal Reserve Bank of New York's Department of Regional Strategies did a feasibility study for NHS of NYC of how a program teaching basic financial and consumer skills might work in New York City. Although the study showed that financial literacy courses did exist, few of them led to home ownership. The organization began working toward creating a program that would precede prepurchase education. The NHS convened an advisory board that would help shape the Financial Life Skills curriculum. It consists of representatives from the Dime Savings Bank of New York, MetLife, the Federal Reserve Bank of New York, the Federal Home Loan Bank and Fannie Mae.

Financial Education for Non-English Speaking Customers Sacramento Mutual Housing Association, Sacramento, CA

Sacramento Mutual Housing Association is offering their financial education program to non-English speaking households. Staff saw that this population was facing even more complicated problems than English-speaking low-income families because of language barriers and cultural uncertainties. The program was designed to assist non-English speakers from various backgrounds. The Winning Strategy covers recruitment strategies, class descriptions, support options such as IDAs, translation needs (materials), partnerships, program costs and funding. Lessons include the benefits of the program, outreach challenges, training approaches, cultural issues, building trust and measuring success.

Financial Education for Native Americans Montana HomeOwnership Network, MT

Partners of the Montana HomeOwnership Network, including the Fannie Mae's Montana Partnership Office and the Native American Development Corporation, are offering a financial

education program for Native American households as part of the stepping stones toward homeownership. The program uses the curriculum developed by the Fannie Mae Foundation and the First Nations Development Institute entitled "Building Native Communities." The Montana Partnership Office of Fannie Mae provides special "training for trainers" for the program. Trainers go on-site to reservations statewide to deliver this six-session curriculum.

Financial Education and Matched Saving Program for Spanish-Speaking Customers El Centro, Kansas City, KS

El Centro, Inc., of Kansas City, is helping its principal target market of new-immigrant, Latino residents overcome a huge gap in their understanding of banking, credit and asset building. This enables them to make good decisions about managing their money and supports them in their goal to develop a strong financial footing for their families. In addition, this knowledge helps families take advantage of El Centro's other asset-building programs, including Individual Development Accounts and homebuyer education. El Centro's holistic, multifaceted and multigenerational approach to financial literacy is already changing the way families view the financial system, their own spending habits, and their dreams for the future.

Homebuyers' Internet Resource Center Neighborhood Housing Services of Phoenix, AZ

Neighborhood Housing Services (NHS) of Phoenix, Arizona, placed a computer station in the lobby of its HomeOwnership Center, and labeled it "Homebuyers' Internet Resource Center." The station is available for any NHS customer interested in attaining homeownership information via the Internet. Each link takes the customer to a page relevant to home ownership. One link connects to a prequalification worksheet, another to mortgage information, and others link to information on homeowners' insurance. The visibility is an excellent selling point for major partners of the HomeOwnership Center. NHS of Phoenix has also highlighted local real estate Web sites, which list properties and describe available houses. Homebuyers can customize a search, with number of bedrooms, price range, and preferred neighborhood, and receive a list of potential properties.

Financing and Construction Programs

Chicago Family Housing Fund Neighborhood Housing Services of Chicago, Chicago, IL

Working in concert with Neighborhood Housing Services (NHS) of Chicago, local lenders collaborated to create the Chicago Family Housing Fund (CFHF), a mortgage lending pool. The CFHF combines a first and second mortgage with homebuyer education and technical services to meet the needs of a low-income and new American population. CFHF loans are made from the first mortgage pool for up to 80 percent of the total project cost or the estimated value of the rehabilitated property, whichever is less. First mortgages are market-rate, 30-year fixed-rate loans. There is also a second mortgage pool, which provides up to a maximum of 115 percent of the project cost, based on the improved appraised value. The CFHF allows the NHS to greatly simplify the lending process for the borrower and has put more families into homes. By providing a one-stop source for purchase and renovation loans, the NHS, rather than the borrower, deals with the financial mechanics. Finally, the CHFC provides a simple way for banks to participate without being involved in processing and approving every loan, and avoiding the most expensive stage for the bank — monitoring the construction and renovation phase.

Voucher Homeownership Program Community Development Corporation of Long Island

Community Development Corporation of Long Island (CDCLI) is participating in the Voucher Homeownership Program, which allows Section 8 recipients to use monthly income vouchers

towards the purchase of a home. CDCLI is a private non-profit organization and is the Section 8 administrator in Suffolk County, managing over 1,700 Section 8 vouchers. Public Housing Authorities that administer a Section 8 program have the choice whether or not to offer home-ownership assistance as an option. Under the home-ownership option, an applicant qualified for the tenant-based rental program may receive Section 8 vouchers to purchase, rather than rent, a home. The local PHA must design its home-ownership program within HUD guidelines, and the Section 8 administrator must change its administrative plan to include the vouchers for home ownership. In addition to providing pre- and post-purchase counseling and education for Section 8 families, organizations can also provide mortgages through their revolving loan funds. This is an essential component that makes this approach work, as rates and terms can be flexible to meet the needs of the buyer.

Owner-Built Homes

Self-Help Enterprises, Visalia, CA

Self-Help Enterprises is administering an innovative home construction program to help low-income families achieve homeownership. The goal is to help farm laborers and other low-income families (primarily Spanish-speaking) to build their own safe and affordable homes. The report outlines the program purpose, home design, land acquisition and labor, plus describes the lending program, how to work with contractors, eligibility factors, pre- and post-purchase education requirements, insurance issues, program marketing and funding. Lessons include the long-term commitment needed, examining local housing needs and selecting appropriate and qualified professionals to partner with. The program has helped 5,060 families achieve homeownership, while building and strengthening communities.

Second Mortgage Program in Rural Communities

Housing Development Corporation of Clinch Valley, TN

Housing Development Corporation (HDC) of the Clinch Valley, working with rural lenders in the Oak Ridge, Tennessee, area, has developed a successful homeownership program based on a specially crafted second-mortgage loan product. HDC provides a second mortgage of up to 20 percent of the purchase price. Consumers can borrow between \$1,000 and \$16,000, based on their needs, to assist with the down payment and closing costs. They are required to come up with 3 percent of the purchase price. HDC has established a loan pool with 10 local banks that hold the first mortgages. The ten banks agreed to contribute to the loan pool between \$50,000 and \$100,000 apiece. The contracts are renewable each year, and thus far every lender has continued its commitment.

American Indian Homeownership Initiative Neighborhood Housing Services of Great Falls, MT

Working in partnership with Neighborhood Reinvestment Corporation and the Montana HomeOwnership Network, Neighborhood Housing Services (NHS) of Great Falls has developed a special down payment and closing cost fund to assist Native Americans in Montana to purchase homes. The program will provide up to \$5,000 for down payment and closing costs for families or individuals with American Indian ancestry with incomes between 80% and 150% of area median income. Repayment period and interest rate varies based on individual needs.

Creating a Viable Real Estate Market on the Navajo Nation Navajo Partnership for Housing, St. Michaels, AZ

Homeownership housing units have undetermined financial value unless they can be sold. Until recently on the Navajo Nation, the concept of buying and selling housing units was extremely difficult. Navajo Partnership for Housing (NPH) obtained investments from PMI and Wells Fargo Housing Foundation to acquire, rehabilitate or build, and resell homes. The intention was to define the administrative process within the Tribe and the Bureau of Indian Affairs for conducting residential real estate (leasehold) transactions as well as communicate to Navajo people that this opportunity is now possible. To date, 11 properties have been purchased and 7 have been sold.

Partnering with Credit Union to Provide Individual Development Accounts Ithaca Neighborhood Housing Services, Ithaca, NY

Ithaca Neighborhood Housing Services (INHS) is a partner in a program by Alternatives Federal

Credit Union, of Ithaca, N.Y., to offer Individual Development Accounts (IDAs) for low-income people to use in saving to buy a home, undertake higher education or start or expand a small business. A participant who has entered the IDA program must complete money management classes and agree to start saving regularly. Savings go into an Alternatives Federal Credit Union (AFCU) account over a flexible period of one to four years. The length of that period is driven by the amount of match money that a saver can earn under the program, which is a maximum of \$500 per year. An individual's savings is matched 3 to 1. For example, if a participant deposits \$500, it will be matched with an additional \$1,500, for a total of \$2,000 in savings. Participants must save a minimum of \$20 per month for at least one year, before qualifying for matching funds.

Conversion Loans

Asian Americans for Equality, New York, NY

Asian Americans for Equality (AAFE) of New York City is a civil rights and housing organization providing homeownership counseling, tenant counseling, citizenship courses and other services to Asian Americans in the New York metropolitan area. AAFE created a special loan product to help homeowners bring illegally converted single-family homes into compliance with building and fire safety codes for two- and three-family dwellings. The product has increased the supply of affordable rental properties as well as improving the safety of these units.

Employer-Assisted Housing

Employer-Assisted Housing Program

Neighborhood Housing Services of New York City, NY

Neighborhood Housing Services (NHS) of New York City has partnered with Local 1199, a union with a high number of minority members that represents health and human service workers. Local 1199 formed a committee, which oversees the partnership, distributes NHS of NYC's homebuyer information, provides office space for NHS staff to work with potential customers and provides equipment for homebuyer workshops facilitated by NHS staff. The report defines the roles of each partner in maintaining the partnership, plus outlines the program features (homebuyer education and financing). Lessons include creating a market driven approach, how to address the information gap that exists for minority populations and the importance of selecting a site and schedule that will work for the union workers.

Employer-Assisted Housing Program

Chattanooga Neighborhood Enterprise, Chattanooga, TN

Chattanooga Neighborhood Enterprise developed a partnership with the local hospital to help hospital workers achieve home ownership. The report describes the need for employer assisted housing and highlights the benefits to the hospital and its employees such as down-payment assistance and low-interest loans. The report also describes the loan details and outreach tactics. Lessons include the obligations of the employer, reception by hospital staff and marketing needs and strategies.

Partnership with Local Hospital

Neighborhood Housing Services of New Haven, CT

Neighborhood Housing Services (NHS) of New Haven developed a partnership with a local hospital to promote homeownership to its employees. The report describes the hospital and its mission to serve the community and how NHS created the homeownership link to the hospital staff. The report covers the operational support from the hospital, the down-payment assistance program for employees and the homebuyer education contract. Lessons include defining the market, partnership building strategies, the appropriateness of the partnership and the goals that both businesses share.

Teacher Home Fund

Neighborhood Housing Services of Santa Fe, NM

Neighborhood Housing Services (NHS) of Santa Fe has developed the Teacher Home Fund to assist teachers and their families in achieving homeownership while strengthening Santa Fe neighborhoods. The report describes the housing market in Santa Fe as well as the need for assisting teachers who are receiving wages incompatible with local housing costs. The program's mission is defined, as well as the funding source, an outline of the Teacher Home Fund, qualifying factors and staffing needs. The report highlights outreach tactics and program results. Lessons include the importance of assessing the individual needs of each household, marketing needs, the importance of stable funding and staffing needs.

Partnerships

Partnership with the "Community Alliance of Black Ministers"

Neighborhood Housing Services of Rochester, New York

Neighborhood Housing Services (NHS) of Rochester created a partnership with the "Community Alliance of Black Ministers," a group of African-American ministers who were concerned about the unequal credit opportunities for residents of city neighborhoods. The alliance decided to offer a basic homebuyer orientation program to their congregations and

selected NHS of Rochester to manage the program. The report outlines the education program and the responsibilities of NHS. Lessons include defining roles with a religious institution, the importance of having a church representative involved in the program and the benefit of partnering with established institutions to reach underserved markets.

Relationship with Local Churches

Neighborhood Housing Services (NHS) of Santa Fe, NM

Neighborhood Housing Services (NHS) of Santa Fe developed a strong relationship with local churches to promote homeownership among their congregations. The report describes the housing market in Santa Fe and the need for improved outreach methods to inform the community of affordable housing solutions. The report includes interviewing pastors, methods of introducing homebuyer workshops to congregations and outlines the homebuyer workshops. Lessons include being aware of the church's interests, recognizing personal obstacles to homeownership, effective introduction of the program, defining the need and looking beyond marketing to long-term partnerships.

Partnership with Local Credit Union

Housing Partnership for Morris County, Dover, NJ

Housing Partnership for Morris County (HPMC) has developed a strong partnership with a local credit union, which has greatly enhanced their connection to the Spanish-speaking community. The report describes the credit union, partnership building strategies, partners' responsibilities, homebuyer seminars, translation, additional partnership opportunities and program costs. The partnership has been of great value to both agencies and has supplied HPMC with a strong referral system. Lessons include the value of partnerships with credit unions, networking opportunities and marketing.

Development of Local Translation Services

The HomeOwnership Center, St. Paul, Minnesota

The HomeOwnership Center® in St. Paul, Minnesota trained local interpreters in homeownership essentials and terminology, then created the *Directory of Community Interpreters for the Mortgage and Real Estate Industry*, a booklet containing contact information on interpreters of various languages and tips for working with them. The booklet was made available to housing providers that serve customers with limited English skills. The report outlines methods of locating interpreters, the training needed for interpreters and interpreter's fees. Lessons include building a referral bank, the benefits of having a number of interpreters connected to the organization and how this program can benefit the interpreters as well. As a result of this program, the HomeOwnership® Center was able to provide education and counseling in more than 14 languages.