

Minnesota Homeownership Center

How a Statewide Network was Created to Support Sustainable Homeownership for All

Minnesota prides itself on being a state that fosters the American dream of homeownership. In fact, Minnesota consistently ranks among the top ten states with the highest homeownership rates in the country.¹ Despite this success, Minnesota has also long had one of the largest homeownership gaps between Caucasian households and households of color in the country. According to the 1990 Census, only 38.5% of households of color owned their home in Minnesota, compared to 73.4% of White households—a gap of 34.9 percentage points.

In the early 1980s, the Minneapolis Community Development Agency (MCDA), the St. Paul Planning and Economic Development Department (St. Paul PED), and the Family Housing Fund began to meet monthly to formulate mutual strategies and discuss policy initiatives to address this racial disparity and build stronger communities through homeownership. In 1981, MCDA and St. Paul PED jointly created a program to offer single family mortgage bonds at below-market interest rates for lower income households, parallel to the Minnesota Housing Finance Agency (Minnesota Housing) home mortgage programs. The Family Housing Fund supported these efforts by offering financial assistance to households to offset downpayment and closing costs. Nevertheless, the persistent racial gap in homeownership rates caused the partners to broaden their thinking about how to address this complex problem. The partners shifted their focus from the point of sale of a home to the entire continuum of homeownership—outreach and education, pre-purchase counseling, affordable financing, post-purchase counseling and support, and foreclosure prevention.



As support for a continuum of services to promote sustainable homeownership opportunities spread industry wide, the Cities, Family Housing Fund, and Minnesota Housing began to explore models of homebuyer education—the missing link between existing outreach and mortgage financing. These early programs and conversations helped build the trust and working relationships that would eventually create the Minnesota Homeownership Center, a unique and innovative nonprofit organization that coordinates a statewide network of homebuyer and homeowner services through partnerships with nonprofit and housing organizations, mortgage lenders, local governments, and real estate professionals.



¹ U.S. Census Bureau. *Housing Vacancies and Homeownership* (CPS/HVS): 2005—2nd Quarter of 2013. <http://www.census.gov/housing/hvs/data/rates.html>.

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Environment of Opportunity

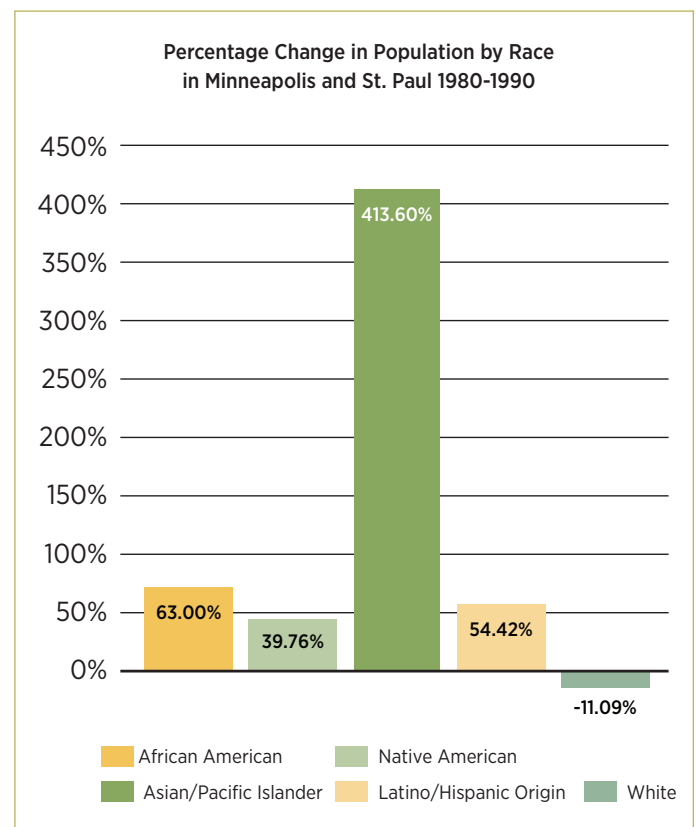
As the homeownership industry was exploring ways to offer a continuum of services, Minneapolis and St. Paul were both becoming more diverse. Between 1980 and 1990, fueled largely by immigration, the Asian and Pacific Islander population in the Cities increased more than 410% and the Hispanic population increased more than 54%. Over the same time period, the African American population grew 63%.² By the early 1990s, interest rates on home mortgages were also falling, making homeownership more affordable. As these trends converged, lower income and minority populations became increasingly important markets for lenders looking to expand their business. Thus, private lenders joined the Cities, Minnesota Housing, and the Family Housing Fund in efforts to promote homeownership among these populations.

Despite the community development and business benefits of promoting homeownership among low-income and minority communities, there were still challenges to supporting these households through the process. Unfortunately, the declining interest rates of the early 1990s were seldom enough to make traditional mortgages accessible to these communities. Additionally, many households, especially in immigrant communities, did not have a history of homeownership in their family—at least not in the way homeownership is handled in the United States. Potential first-generation homebuyers were not always aware that homeownership was an option, and often, they did not know what was involved in buying and maintaining a home.

Private lenders, with their business interest in developing new customers among low-income communities, recognized these barriers. In order to reach this new market, they set out to do what they knew best: create financial products that offered customers an option for affordable financing, in addition to the existing programs run by the Cities and Minnesota Housing.

Private lenders developed loan products that met Community Reinvestment Act requirements, specifically targeting low- and moderate-income communities in the core cities, by lowering down payment requirements to be more affordable or adjusting debt ratios to be more attainable. Mortgage products were the first step; however, these loans were considered riskier because of their modified underwriting criteria, so lenders had to find a way to offset the risk to their portfolio.

Creating better informed customers could offset this risk. Homebuyer education would prepare households to enter into homeownership, thus reducing the risk of default in the future. Government-sponsored enterprises (GSE), Fannie Mae and Freddie Mac, had begun piloting homebuyer education



² U.S. Census Bureau. Minnesota—Race and Hispanic Origin for Selected Large Cities and Other Places: Earliest Census to 1990. <http://www.census.gov/population/www/documentation/twps0076/twps0076.html>

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programs to balance their risk and lenders saw the value in investing in similar programs to protect their portfolios. Beginning in the early 1990s, mortgage lending institutions, such as Norwest,³ First Bank, Marquette,⁴ and TCF, partnered with community based organizations to offer homebuyer education.

Homebuyer education programs grew at community based organizations as these nonprofits pushed lenders to expand their loan offerings and as more and more mortgages required education as an underwriting requirement. Unfortunately, despite the best intention of the lenders and the nonprofits with which they contracted, a fragmented system of homebuyer education programs developed. While there were many high quality programs, not all attempts were meaningful—some programs simply handed out workbooks and others provided telephone counseling the day of closing. Individual homebuyer education programs also had a tendency to push customers into specific-lender mortgages, which meant that customers did not always enter into the most favorable mortgage for their situation. Furthermore, lenders were becoming concerned with the capacity of their nonprofit partners to provide education

and counseling services on this growing scale. The system was not as effective as it could be, and the Family Housing Fund took notice.

“With a primary focus on meeting the needs of prospective homebuyers and a commitment to genuine collaboration among stakeholders, the Family Housing Fund agreed to convene a meeting of local private lenders. This meeting marked the first time in over ten years that the private mortgage lenders had met together around the same table. It also marked the start of a series of meetings between both private and public lenders, including the State, the Cities, the Fund, and its consultant Missy Thompson that ultimately lead to the creation of the Homeownership Center.”

—Pam Zagaria, former Vice President, Family Housing Fund;
First Board Chair, Minnesota Homeownership Center

In 1992, the Family Housing Fund retained consultant Missy Thompson to suggest ways to improve the homebuyer experience, as they continued to offer financial assistance programs. Thompson assessed the current state of homebuyer education in Minneapolis and St. Paul by interviewing private, nonprofit, and public stakeholders, before making recommendations.

³ Norwest Bank merged with Wells Fargo in 1998.

⁴ First Bank acquired Marquette Bank in 1993. In 1997, U.S. Bank merged into First Bank, but kept the U.S. Bank name.

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“It was clear that we did not need to reinvent the wheel. It just needed realignment. Under the Homeownership Center model, private lenders could still develop their own financial products to attract low- and moderate-income homebuyers, we could continue to draw on the depth and wealth of knowledge that the counseling and education organizations in the Twin Cities possessed, and all this could happen in a consistent and transparent way.”

—Missy Thompson, Principal, Xanthus Partners, LLC;
Former Board Member, Minnesota Homeownership Center

One theme that emerged from her research was that homeownership education was a business strategy with diverse objectives. For government agencies, promoting homeownership was seen as a community development tool. Public and private lenders sought to create educated customers in order to better guarantee their returns. Additionally, community based organizations were reliant on the income generated by their contracts with lenders to offer homebuyer services. Clearly, homebuyer education was valued within the Twin Cities community as a way to promote sustainable homeownership. However, Thompson also identified two key challenges: 1) quality control and 2) fragmentation.

Thompson issued her report later that year with the recommendation that “cities, public and private lenders, nonprofit organizations, and other interested parties join with the

Family Housing Fund in creating a homeownership center... [that would] seek to help organize and coordinate homeowner-ship counseling services.” The report describes a three-phase plan that promises to maintain the strong business benefits of homebuyer education, while addressing the concerns of quality and fragmentation. The lenders that Thompson had interviewed during her research—Wells Fargo,⁵ U.S. Bank,⁶ TCF, and American Bank—backed this vision, as did the Cities of Minneapolis and St. Paul, Minnesota Housing, the Minnesota Department of Commerce, and the Family Housing Fund.

Together, in early 1993, these partners agreed to contribute the leadership and financial resources to create the Homeownership Center,⁷ which would coordinate action and act as a liaison among private lenders, government agencies, REALTORS®, and community based organizations invested in supporting sustainable homeownership. The Center would improve quality control by providing ongoing training and certification on a standard curriculum of homebuyer education to counselors at partner organizations. Furthermore, the Homeownership Center would reduce fragmentation by providing outreach and centralized referral services to homebuyers, assembling comprehensive information about available services, maintaining statistical data on programs and participants, and providing funding to community based counseling organizations.

⁵ Norwest Bank was the original contributor.

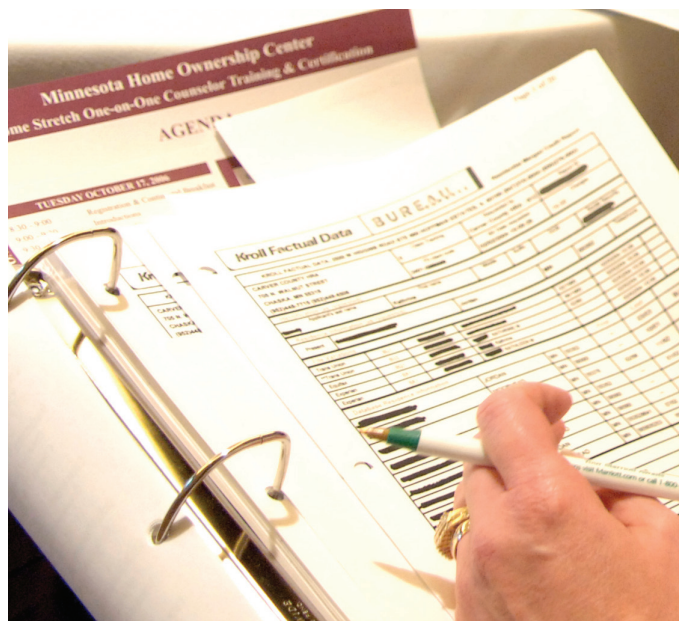
⁶ First Bank and Marquette Bank were the original contributors.

⁷ The organization started as the Homeownership Center, and grew to become the Minnesota Homeownership Center. See “Expanding Statewide” section.

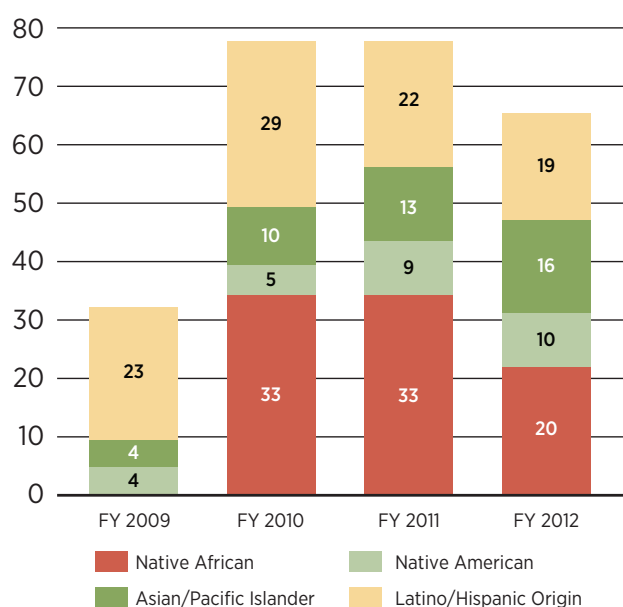
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Standardization and Training to Improve Quality Control

In order to ensure that all potential homebuyers receive consistent high quality services, the first tasks of the Homeownership Center were to establish a standard curriculum for homebuyer education and to train counselors to present the course. Today, the standard curriculum, known as the *Home Stretch* Homebuyer Education program, is offered in an 8-hour workshop format. These workshops cover the steps in the home buying process, budgeting and how to determine what a household can afford, shopping for a home, purchase agreement preparation and negotiation, how to work with real estate and lending professionals, home inspections, the loan application and closing process, and maintaining a home. Households needing additional personalized assistance can also receive one-on-one counseling through the Center's diverse partner network, during which they create an action plan for moving towards homeownership.



Home Stretch Workshops Reaching Emerging Markets (since 2008)



At the same time that the Homeownership Center was developing a standard curriculum for homebuyer education, it was also working to institutionalize a new system of training and ongoing education for counselors. In its role as the quality control agent, the Homeownership Center issued a Request for Proposals (RFP) for membership in what would eventually be named the Homeownership Advisors Network. The Network would consist of a group of certified organizations that would receive training and support for their counselors and funding for their education services from the Homeownership Center. The initial RFP selected the Northside Neighborhood Housing Services, Powderhorn Resident Group (PRG), East Side Neighborhood Development Company, and Family Service of St. Paul because of their community and cultural knowledge and commitment to homebuyer education as part of their core mission.

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The Homeownership Center's model of coordinating service delivery through community based organizations is uniquely Minnesotan. In its 20-year history, the Homeownership Center has grown the Homeownership Advisors Network from four members to 42 (see full list of *Homeownership Advisors Network* below) and estimates that the network has provided education services to over 100,000 families. Since 2001, when the Homeownership Center started tracking the statewide *Home Stretch* education and counseling services specifically, the Homeownership Advisors Network has held more than 4,500 workshops in ten languages,⁸ which have graduated 60,243 households. The Center's Network has also provided one-on-one counseling to 24,352 households. The Center uses the number of households receiving homebuyer education as one measure of success because it is the number of individuals that can make an informed decision about becoming a homeowner. The *Home Stretch* graduate who realizes that they are not ready to purchase a home, and understands the steps they



need to take to prepare to move into homeownership, is just as much a part of the success story as the graduate who purchases a home. In 2012, 58% of the *Home Stretch* graduates went on to purchase a home, and there are likely more who will purchase months or years after graduating, once they have taken steps to improve their credit or employment or save for a down payment. Homeownership is an ongoing process, and the success of the Homeownership Center is that it empowers people to make informed decisions at any point on the continuum.

HOMEOWNERSHIP ADVISORS NETWORK

1st Homes Network	Community Action Duluth	Northwest Community Action Agency
African Development Center	Community Action Partnership	One Roof Community Housing
African Economic Development Solutions	of Suburban Hennepin	PRG, Inc.
African Families Development Network	Community Neighborhood Housing Services	Reverse Mortgage Counselors, Inc.
Anoka County Community Action Program	Dakota County Community Development	Rochester-Olmsted Community Housing
Arrowhead Economic Opportunity Agency	Agency	Partnership
Bi-County Community Action Program	Headwaters Regional Development	Scott County Community Development
Bii Gii Winn	Commission	Agency
Carver County Community Development	Hmong American Partnership	Southwest Minnesota Housing Partnership
Agency	Inter-County Community Council	Strickland Associates
CCCS of the Village Family Service Center	KOOTASCA Community Action	Three Rivers Community Action
Central Minnesota Housing Partnership	Lao Assistance Center	Twin Cities Habitat for Humanity
Comunidades Latinas Unidas en Servicio	LSS Financial Counseling	Washington County Housing and
(CLUES)	MCASA c/o Model Cities Community	Redevelopment Authority
City of Mankato Economic Development	Development Corporation	West Central Minnesota Communities Action
Agency	Mahube Otwa Community Action Partnership	White Earth Investment Initiative
City of St. Paul Planning & Economic	Neighborhood Development Alliance	Wright County Community Action
Development	Neighborhood Housing Services of Minneapolis	

⁸ *Home Stretch* workshops are regularly offered in English, Spanish, and Hmong and have also been offered in Vietnamese, Karen, American Sign Language, Russian, Ethiopian, Somali, and Laotian.

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Centralized Outreach and Shared Resources to Decrease Fragmentation

Since its creation in 1993, the Homeownership Center has coordinated outreach efforts in low-income and minority communities, sharing the message that homeownership is achievable and support is available. As outreach generates more and more interest, the Center is able to act as a clearinghouse for inquiries. Individuals interested in exploring the path to homeownership can call the Homeownership Center and they will be referred to the Homeownership Advisors Network member closest to them. After potential homebuyers are connected to knowledgeable counselors within their community, if they decide that they are ready to buy a home, they must be referred to the lender that offers the best financial product for them. As a liaison, the Homeownership Center has been able to overcome the lack of information sharing that previously existed

and compile a Loan Matrix that counselors within the Homeownership Advisors Network can use to assist customers in choosing the best mortgage and assistance programs for them.

As the coordinator of the Homeownership Advisors Network, the Homeownership Center has also been able to monitor and track Network-wide statistics. The Network uses a secure, centralized data collection system administered by the Homeownership Center to manage their caseload. With this information, the Center is able to present a unified report of the accomplishments of the Network, which helps the Center raise funds for the entire group. By reducing fragmentation through centralized outreach, data, and fundraising, the Homeownership Center has greatly reduced the administrative burden on the Homeownership Advisors Network.

THE CENTRAL ROLE OF EVALUATION

Increasingly, evaluation has become a buzzword in nonprofit management. Government and philanthropic funding sources and individual donors have emphasized evidence-based decision making and shown preference for programs that have a demonstrable impact on the community. Additionally, evaluation has played a central role in the growth of collaborative programs because it creates a shared set of definitions and goals among partners.

The Minnesota Homeownership Center has exemplified these features as it has had an explicit plan to monitor and evaluate the work of its network since its founding in 1993. The original board members* emphasized evaluation because they wanted to be confident that the revolutionary model of the Homeownership Center worked like they thought it would. Everyone expected that increasing access to quality, culturally-relevant education would lead to more sustainable homeownership, but the partners wanted and needed to prove it.

The founding partners took an educated leap of faith when they funded the startup of the Homeownership Center. The Family Housing Fund contributed \$160,000 to the planning and startup of the Center and the other founding partners funded the first-year's operating budget at \$350,000. In order to maintain funding and sharing of expertise from private, nonprofit, and government partners, the Center had to prove that what it was doing built stronger communities and created better customers for lenders by tracking program statistics and market trends.

* American Bank, the City of Minneapolis, the City of St. Paul, Dayton's Bluff Neighborhood Housing Services, Family Housing Fund, First Bank, Hmong American Partnership, Marquette Bancshares, Minnesota Department of Commerce, Minnesota Housing Finance Agency, Model Cities of St. Paul, Northside Residents Redevelopment Council, Norwest Bank, Minnesota Association of REALTORS®, TCF Bank, and Twin Cities Habitat for Humanity were represented on the founding Board of Directors.

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Expanding Statewide

At the same time the Homeownership Center was being launched in Minneapolis and St. Paul, there was a growing need for quality control and coordination in homebuyer education across the suburban metropolitan area and in Greater Minnesota. In 1990, the homeownership gap between White households and households of color in Greater Minnesota was 28.9 percentage points, and it was only increasing as the minority population more than doubled by the year 2000.⁹ Recognizing these changes and challenges, Minnesota Housing convened a summit in 1994 to explore several different models of homeownership education that could be implemented outside of Minneapolis and St. Paul. Participants at the Rochester summit agreed that a network approach, like the one coordinated by the Homeownership Center, would best serve homebuyers, lending institutions, REALTORS®, and nonprofit organizations in Greater Minnesota.

As the convener of the summit, Minnesota Housing agreed to act as the central point of coordination for counseling and education in the Twin Cities suburban metropolitan area and Greater Minnesota. Minnesota Housing worked with stakeholders to lay the groundwork for a coordinated network, very similar to what occurred in the Twin Cities, with the intent that the program would be transferred to a nonprofit organization within three to five years. In its role as coordinator, Minnesota Housing was able to act as a quality control agent by creating a standard curriculum, branded as *Home Stretch*, and offering training to counseling organizations within its network. Additionally, it reduced fragmentation by acting as a central source of information and data collection and by administering funds to the community based counseling organizations.

In early in 1998, at the urging of Minnesota Housing, the Homeownership Center met with more than 200 commu-

“Minnesota Housing was pleased to support and administer the development of comprehensive homebuyer education and counseling in the Twin Cities suburbs and Greater Minnesota. However, for a variety of reasons, we felt that overall efforts to coordinate such services were best provided by a not-for-profit organization. We worked very closely with the Homeownership Center from the inception of our efforts and, as a result, the Center became the obvious partner to ultimately assume statewide responsibilities for maintaining a strong education and counseling network. The assumption of this work by the Center has been critical to the strong statewide infrastructure for such services that we have today.”

—Mike Haley, Assistant Commissioner of the Single Family Division,
Minnesota Housing Finance Agency; Current Board Chair,
Minnesota Homeownership Center

nity based organizations, lenders, government agencies, and other stakeholders across Minnesota to explore the status of homeownership education statewide and to plan for the future. The discussion called for a statewide coordinated approach to homeownership education with regionally driven services. The message was clear: the network model worked and it would benefit from growing. Later that year, the Homeownership Center agreed to lead the expansion and assume the coordinating role for the entire state. The Homeownership Center combined its standard curriculum with *Home Stretch* and kept the *Home Stretch* brand because conversations with service providers highlighted the value and credibility that the brand carried in Greater Minnesota. The Center revised its training for counselors based on the new combined curriculum and began working in partnership with community based organizations across the state. By the end of 1998, the Homeownership Center had strengthened its commitment to coordination and quality control by merging with the statewide network and officially became the Minnesota Homeownership Center.

⁹ Minnesota Compass. *Race: Persons of Color as a Percent of the Total Population 1960–2012*.
<http://www.mncompass.org/demographics/key-measures.php?km=race#1-5107-d>

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"The Minnesota Homeownership Center and its coordinated network have been tremendous assets to communities throughout Greater Minnesota by providing homebuyer education and foreclosure prevention services. The Homeownership Center has also been a highly valued partner in expanding homebuyer training for new immigrants, households of color, and tribal nations by furthering Greater Minnesota Housing Fund's Emerging Markets Homeownership Initiative (EHMI) Pilot. Our hope is that the pilot will help provide innovative strategies for helping to close the racial gap in homeownership rates in Greater Minnesota."

—Warren Hanson, President and CEO, Greater Minnesota Housing Fund

In coordinating a statewide network, the Minnesota Homeownership Center has a unique and valuable infrastructure. The Center has regular contact with the state's homeownership education service providers and the Center's Board of Directors—which grew to include more private lenders, community development organizations, and the Greater Minnesota Housing Fund—has become a common table to discuss broader housing issues. As an intermediary, the Minnesota Homeownership Center played a central role in the convening of Governor Tim Pawlenty's Emerging Market Homeownership Initiative (EMHI) in 2004. In addition to offering administrative leadership, the Minnesota Homeownership Center was able to provide guidance on the EMHI business plan to promote homeownership parity and expand homeownership opportunities for Minnesota's emerging markets. The Minnesota Homeownership Center worked in partnership with EMHI until the housing market crashed in 2008, and EMHI transitioned from a stand-alone organization to a program of the Minnesota Homeownership Center. Since then, the Center's

EHMI activities, guided by an advisory council, have focused on education and increasing awareness among industry partners by holding an annual Summit and a series of Lunch-and-Learn events.



Foreclosure Crisis

Initially, the Minnesota Homeownership Center's Homeownership Advisors Network primarily focused on pre-purchase education and counseling and on connecting clients to appropriate affordable financing. In other words, they focused on the first half of the homeownership continuum. In 1999, at the urging of the Family Housing Fund, the Minnesota Homeownership Center also began offering foreclosure prevention counseling, a key step on the second half of the continuum. The program started small, but it laid important groundwork for the Minnesota Homeownership Center to be able to respond quickly to the crisis that would affect the entire nation less than a decade later.

As the foreclosure crisis began gripping the state in 2007, Julie Gugin, the current Executive Director of the Minnesota Homeownership Center, drew on her previous experience overseeing foreclosure prevention services at Twin Cities Habitat for Humanity, to lead the Center in a multifaceted approach to address the crisis. As a key partner in the statewide coordinated response to the crisis by the Minnesota Foreclosure Partners

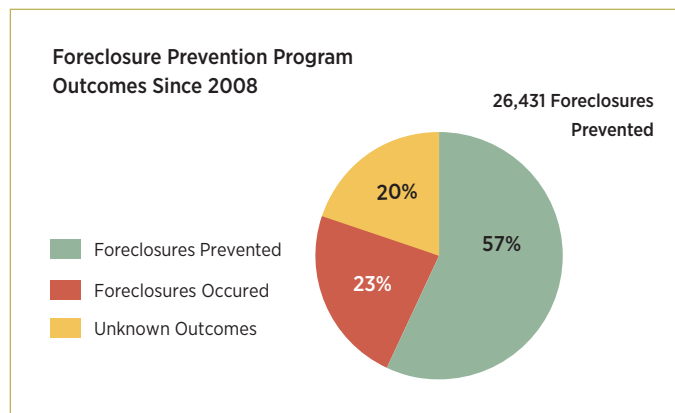
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Council, the Minnesota Homeownership Center worked on four fronts: 1) foreclosure prevention, 2) outreach, 3) research and data, and 4) participated in a collaborative that supported renters whose landlords were facing foreclosure.

As the crisis grew, however, the Minnesota Homeownership Center had to shift away from its original foreclosure prevention program model. Traditional services were very hands-on and time-intensive and the need for foreclosure prevention services quickly outgrew the capacity of the Homeownership Advisors Network. The Minnesota Homeownership Center trained new counselors, increasing the number of foreclosure prevention counselors from 20 to 100, and implemented what Gugin describes as a “triage” system. Under this new model, counselors assess the needs of each homeowner that requests assistance. Sometimes households need intensive counseling; however, other households can be helped by receiving a mix of information about foreclosure laws and time frames, detailed foreclosure prevention options, ways to avoid predatory loans, financial counseling, mortgage counseling, and/or steps to take after foreclosure. Even as the crisis slows, this system allows the Homeownership Advisors Network to efficiently help homeowners facing foreclosure.

Since 2005, the Minnesota Homeownership Center has provided foreclosure prevention counseling to 69,790 households. Since 2008, the Network has helped prevent 26,431 foreclosures. Preventing foreclosures for 57% of the households that seek assistance has had a sizeable impact on local communities. The Congressional Joint Economic Committee estimates that a *single foreclosure* costs all parties—lenders, local government, neighbors, and homeowners—\$78,000. By this measure, the Minnesota Homeownership Center’s coordinated approach to foreclosure prevention has saved Minnesota \$2.06 billion and attracted millions more. Minnesota ranks third in receiving federal foreclosure assistance funds.

The foreclosure crisis also produced an opportunity for the Minnesota Homeownership Center to create new efficiencies and add value to the services offered by the Homeownership



“Minnesota was better prepared going into the foreclosure crisis because we had the Minnesota Homeownership Center’s statewide network and because they had educated thousands of people about sustainable homeownership. Partly because of this, the foreclosure crisis didn’t hit Minnesota as badly as other markets. This was good for our communities and for lenders.”

—Mary (Muffie) Gabler, Community Relations Manager, Wells Fargo Government and Community Relations Group; Former Board Member, Minnesota Homeownership Center

Advisors Network. The Minnesota Homeownership Center entered into a revolutionary new type of relationship with Fannie Mae and Wells Fargo (the largest lender in Minnesota), as they were both inundated with paperwork and foreclosure proceedings as a result of the crisis. The Center became a member of Fannie Mae’s Mortgage Help Network and also joined Wells Fargo’s Early Resolution Counseling Portal. Through these programs, the Center has been able to streamline the foreclosure resolution process by working with one staff contact at Fannie Mae and one at Wells Fargo. The Center also acts as a quality control agent for the preparation of foreclosure Loss Mitigation Packets, providing a valuable service to the mortgage servicer. As a result of these relationships, the Minnesota Homeownership Center has seen faster resolution for its customers and saved its partners money by maintaining an open line of communication and reducing administrative time.

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“Many regions of the country have recognized the value of providing an array of services to support homeownership for low-to-moderate income households. But the scope of services in Minnesota—led by the Minnesota Homeownership Center—is unparalleled. In fact, the Minnesota Homeownership Center serves as a national model for how to provide comprehensive services to support homeownership, leading to more successful households and more stable communities for all Minnesotans.”

—Stephen Seidel, Senior Director—Global Program Design and Implementation, Habitat for Humanity International; Former Board Member, Minnesota Homeownership Center



The Next Generation of Homebuyer Education

The Minnesota Homeownership Center, along with its many private and public partners, remains committed to offering a continuum of services through the Homeownership Advisors Network—from pre-purchase outreach and education, to connecting people with affordable financing, and to foreclosure prevention services. Closing the homeownership gap, which rose to 36.4 percentage points for the period from 2009–2011 during the foreclosure crisis,¹⁰ will require a coordinated effort that spreads well beyond the homeownership industry. Nevertheless, the Minnesota Homeownership Center is doing their part by working to institutionalize homeownership education as part of the home buying process for everyone. The Center is expanding its pre-purchase education program to offer an online course, with the hope that as many first-time homebuyers as possible will enter the market fully informed and trained to make the best decisions for their household.

Embracing the online learning trend, the Minnesota Homeownership Center developed *Framework*, a nine-module homebuyer education e-course, modeled after *Home Stretch*. The program is interactive and customizable, utilizing the best practices in adult online learning. *Framework* will make education more accessible for people who cannot attend *Home Stretch* workshops in person due to time or transportation con-

straints and will be ideal for people who have already started the home buying process, but who still want or need to complete an education requirement for their mortgage. The Minnesota Homeownership Center would never have the capacity to reach every first-time homebuyer through its traditional service model, but is confident that it can reach its lofty goal by adding *Framework* to its services. The Center is currently in the midst of a campaign to fund *Framework*, and eventually the e-course will feed into its income stream, as users are charged a nominal fee for the program. In collaboration with the Housing Partnership Network, the Minnesota Homeownership Center plans to share its expertise in offering coordinated, high quality homebuyer education by marketing *Framework* nationally.

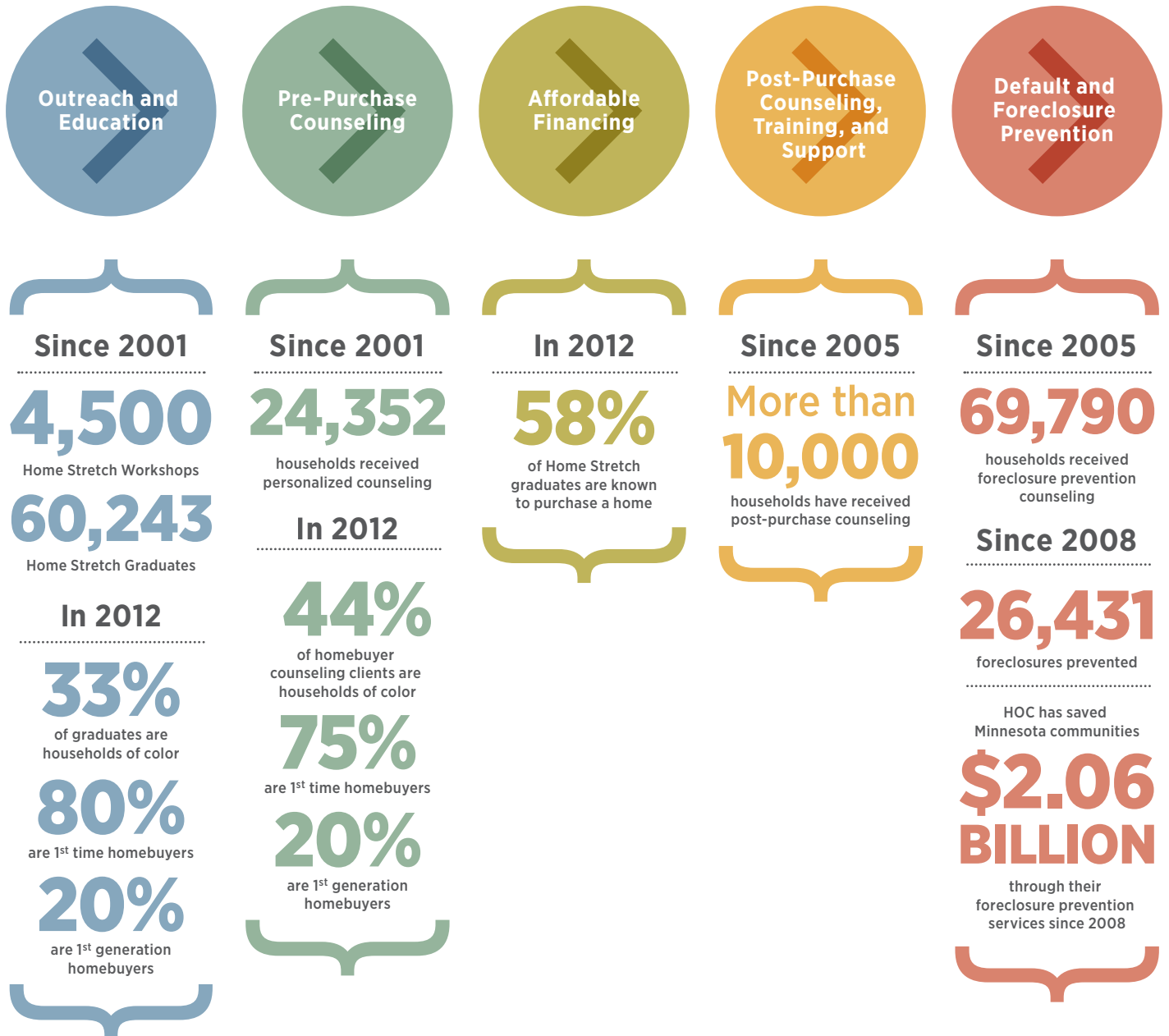
“It is very rare that these giant partnership initiatives reach all of their idealist goals. It is really satisfying to realize that everything we wrote in the early 1990s—about the possibilities of creating a pathway for sustainable homeownership for low- and moderate-income families—has been more than fulfilled by the Minnesota Homeownership Center. That success is attributable to the essential underlying correctness of the partnership’s vision.”

—Tom Fulton, President, Family Housing Fund; Current Board Member, Minnesota Homeownership Center

¹⁰ Minnesota Compass. *Homeownership Gap by Twin Cities and Greater MN 1990–2011*. <http://www.mncompass.org/housing/key-measures.php?km=homeownershipgap#1-5596-d>

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Continuum of Homeownership



The Affordable Housing Collaboration in Minnesota Series provides in-depth, comprehensive stories about successful partnerships throughout the state, with an emphasis on outcomes and lessons learned. The project is sponsored jointly by the Family Housing Fund and the Greater Minnesota Housing Fund.

OCTOBER 2013

AFFORDABLE HOUSING
COLLABORATION

