

**"In light of the foreclosure crisis, it's more important than ever for first-time homebuyers to be educated about the homebuying process. This TV show is a great first step towards helping people prepare for the responsibilities of sustainable homeownership."**

**- Kelly Gill-Gordon, VHDA Homeownership Education Program Manager**

## **1. Brief Description of Program**

One of the Virginia Housing Development Authority's priorities is providing free homeownership education classes to first-time homebuyers. This has been a requirement for VHDA's borrowers since January 1, 2008.

To support this goal, VHDA's marketing department decided to produce a public television show called *How to Buy a Home – The Right Way*. The half-hour show was filmed this spring in a talk show format, using professional hosts to interview two VHDA associates about the key elements of homeownership education: personal finance and credit, working with a lender, the role of the real estate agent, the home inspection, and the loan closing.

Due to the high cost of commercial TV air time, the show was produced for Virginia's public TV stations, which offer air time at no cost. Most of these stations have agreed to air the show on a continuous basis. Additional viewers will also be reached because most cable and satellite TV providers include public access programming in their subscriber packages.

In addition, both shows have been posted on YouTube, and plans are underway to link the show to VHDA's website.

Both English and Spanish versions of the show were produced (see DVDs). The show was taped at Fairfax Public Access, the flagship public TV station in Northern Virginia.

Also, six short, educational TV and radio "vignettes" were created by re-purposing footage from the Spanish show to be used in our outreach efforts to the Hispanic community in Northern Virginia. Each 60-second spot focused on one topic, such as the importance of credit or avoiding scams. The TV vignettes are currently running on Telemundo and Univision in the Northern Virginia market, and the radio vignettes are running on local Spanish radio stations.

Currently, The TV shows are being provided on DVD to Realtors, lenders, chambers of commerce, local government access stations, and used at various housing events.

To increase the number of times that public TV stations air the program, VHDA will make personal presentations to station managers, including minority focused stations, and offer them the format of their choosing: Beta SP, Digibeta, DVD or electronic delivery via FastChannel.

## **2. Why It Was Undertaken**

The recent housing crisis took its toll on homeowners across all social and economic lines. In fact, RealtyTrac reported that 1 in every 411 U.S. homes received a foreclosure filing in June 2010. And according to a recent study by the Center for Responsible Lending, the foreclosure crisis has been much harder on minorities. Nearly 8 percent of minority borrowers have lost their homes to foreclosure, compared to 4.5 percent of white borrowers. The study also cites previous CRL research that shows minority borrowers to be 30 percent more likely to get higher-rate subprime loans than white borrowers, thereby further increasing their risk of foreclosure.

Now more than ever, VHDA knows that people need to be better educated so that they can keep their homes. One of VHDA's goals is to educate first-time homebuyers so they understand the homebuying process and the responsibilities of homeownership — as well as the importance of being financially prepared for the long-term commitment of monthly mortgage payments.

In support of this goal, VHDA decided to produce this educational TV show to provide valuable information to homebuyers throughout Virginia, and to raise awareness and registrations for our free homebuyer class — and to do so in a cost-effective manner.

### **3. What It Has Accomplished**

Both the English and Spanish shows are currently available on YouTube. They can be viewed at <http://www.youtube.com/vhdavideos>. This summer, copies of the show are being distributed to 18 public TV stations across Virginia, resulting in statewide coverage by fall 2010.

Also, the Virginia Association of Realtors has agreed to use a DVD of the show during their annual conference.

In addition, segments of the Spanish show have been customized into six smaller (60-second) educational TV and radio vignettes and are playing on Spanish-language stations in the Northern Virginia market.

### **4. Why It Is Meritorious and Meets NCSHA Judging Criteria**

#### Innovative

The *How to Buy a Home* TV show is innovative for a number of reasons. First, it is a direct response to the housing crisis by promoting classes that help prevent foreclosures in Virginia. Second, it may be the first homeownership educational TV show produced by a state housing finance agency – VHDA is not aware of any similar productions. Third, it steps outside traditional media outlets by using social media (YouTube) as an additional opportunity to promote our homeownership classes.

Several aspects of the production gave the show a unique look. Virtual sets were used to save the costs of building an actual set — the host and guests sat in an empty “green room” and the “background” and “furniture” were digitally generated. VHDA's own “Happy Community” illustration (depicting urban, rural, and suburban housing scenes) was incorporated into the virtual set as a backdrop. The artwork, which is also prominent on VHDA's website, brightened the show and gave it a warm, optimistic feel. The illustration also served as the basis for an opening animation we created to help capture viewers' attention and draw them into the show. A cheerful music track with a hint of Latin flavor was also composed for the show. VHDA's own “commercials” were also inserted in the show, featuring a strong call to action to register for our free homebuyer classes.

#### Replicable

This initiative is easily replicable by any HFA by contacting one of the public TV stations in their states, filming it on site, and being willing to spend a nominal amount to produce a 30-minute TV show. (These costs can be lowered by not using professional hosts, not using commercials, and not animating illustrations.)

**Virginia Housing Development Authority**  
***How to Buy a Home – The Right Way***

Reach target audiences

First-time homebuyers in Virginia are the show's target audience, and are effectively reached through multiple airings of the TV show on public stations, the YouTube presence, and through the vignettes played on Hispanic radio and TV stations in Northern Virginia.

Achieve measurable results

First-time homebuyers calling VHDA's Call Center or accessing the website to sign up for homeownership education classes are asked how they heard about the classes. That way, class participants are tracked to learn about the effectiveness of the TV show. In part as a result of these TV shows and VHDA's homeownership education efforts, VHDA's foreclosure rates have been significantly lower than those of both the state and the nation. For the last reporting period, VHDA's foreclosure rate was 0.97% while the state's was 2.12%, and the national foreclosure inventory rate was 4.63%.

Provide benefits that outweigh costs

The cost to produce the two 30-minute shows is relatively small compared to commercial TV production standards. Costs were contained by taping at a public TV station; using in-house staff as guests; airing the show for free on public TV; conducting initial editing at the station; and using in-house Spanish translators and creative staff to write, art direct and produce the show.

Demonstrate effective use of resources

VHDA staff members effectively used existing resources to keep production costs low. For example, an illustration that was previously commissioned was used as a background at no cost, and served as a basis for the opening animation. Also, we negotiated a custom music license that allows us the flexibility to re-use the music in various media over a two-year period, as opposed to paying a license fee for library music for every additional usage.

Achieve strategic objectives

The show is a key factor in achieving two of VHDA's most important organizational objectives: creating more informed homebuyers through the homeownership education program, and increasing home purchase lending to households with one or more Hispanic borrowers. Additionally, the show supports VHDA's goal of foreclosure prevention by ensuring that first-time homebuyers are not only prepared to buy a house, but to handle the responsibilities of owning one as well.

**Conclusion**

According to RealtyTrac, 1.65 million properties received foreclosure filings in the first half of 2010. And, minorities are twice as likely to fall into foreclosure as non-minority borrowers. The housing crisis created a critical need for potential homebuyers to become better educated. In response, VHDA produced the *How to Buy a Home* TV show, in English and Spanish, as a creative and innovative way to effectively promote sustainable homeownership education to its primary audience – first-time homebuyers. In part as a result of these TV shows and VHDA's homeownership education efforts, VHDA's foreclosure rates have been significantly lower than those of both the state and the nation. Additionally, the show has been customized into six smaller (60-second) TV and radio educational vignettes (Spanish). These focus on individual elements of homeownership education and encourage audiences to visit the web site, call the VHDA Customer Contact Center for information, or sign up for the free classes. Energetic and informative, the *How to Buy a Home* TV show provides VHDA's customers with the information they need from a source they can trust.

**Attachments: How to Buy a Home – The Right Way DVDs (English and Spanish versions)**