

Homeownership Incubator

Iowa Finance Authority

Homeownership: Empowering New Buyers

HFA Staff Contact

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Advancing Financial Literacy and Homeownership Opportunities for Iowans.

Promoting widespread homeownership among Iowans stands as a cornerstone for ensuring economic stability and growth. Our mission revolved around broadening the avenues to homeownership, especially for those who have historically faced exclusion.

Research consistently underscores the pivotal role of financial literacy in overcoming barriers to homeownership, particularly among underserved populations. Over 60% of individuals in these communities cite inadequate knowledge about financial matters as the primary obstacle to homeownership, underlining the urgent need for targeted educational interventions to empower individuals in navigating the housing market confidently.

With this imperative in mind, the Iowa Finance Authority (IFA) and the Iowa Association of Realtors® (IAR) collaborated to launch the groundbreaking Iowa Homeownership Incubator, rallying the Iowa real estate industry to action.

This innovative initiative not only sparked imaginative approaches to homeownership education but also drove increased engagement with IFA programs, culminating in a landmark achievement. In 2023, a remarkable **19% of homebuyers utilizing IFA programs were from minority backgrounds**, marking the **highest representation in the program's history**.

The Incubator spurred collaborative endeavors between lending institutions, real estate companies, and community organizations, fostering initiatives to bolster financial literacy in homeownership and highlight available assistance programs, with a specific focus on IFA initiatives tailored to low to moderate income individuals. The winning proposal received \$20,000 to propel their efforts as a pilot project.

Strategic Objectives:

1. Expand access to homeownership opportunities for underserved populations.
2. Enhance financial literacy among all Iowans, particularly concerning homeownership and relevant assistance programs.

Audience:

This initiative primarily targets lending institutions, real estate companies, community organizations, nonprofits, and businesses dedicated to facilitating affordable and equitable housing opportunities for Iowans.

Timeline:

- Announcement: May 16, 2023
- Deadline for proposal submission: Aug. 1, 2023
- Finalists Notified: Aug. 5, 2023
- Finalists Presentations: Sept. 6, 2023: HousingIowa Conference

Three finalists were selected to pitch their innovative ideas as the 2023 HousingIowa Conference to a panel of state and national industry leaders. The pitches were so impressive that the judges decided on the spot to increase the amount of funds available and award all three finalists with grants – first place: \$20,000, second place \$10,000 and third place \$5,000.

Winners:

GreenState Credit Union – First Place (\$20,000): Has partnered with a multitude of organizations and nonprofits to advance financial literacy and make homeownership a reality for historically underserved populations. The partnership has hosted 4 homebuyer education sessions across the state while promoting the initiative on social media through 20 Iowa-based social media influencer partnerships.

Veridian Credit Union – Second Place - \$10,000: In partnership with Iowa Heartland Habitat, House of Hope, 24/7 BLAC, Try Pie and City of Waterloo Achieve Financial Empowerment Program, the Achieve – Financial Empowerment Program was developed. The partnership and collaborations of these organizations have allowed them meet members of the community at their point of need and make seamless referral that have resulted in the following:

Community Savings Bank – Third Place - \$10,000: Partnered with Corinthian Baptist Church Development Corporation, Polk County Housing Trust Fund and the Neighborhood Finance Corporation on their “Shining a Light on Homeownership Opportunity in Greater Des Moines” initiative. The focus of this partnership is on promoting homeownership programs and services within underserved communities, aiming to bridge the homeownership gap and create equal opportunities. This innovative approach to homeownership outreach includes introducing a novel outreach strategy using video to help financial institutions and local partners connect with the most underserved populations. Community State Bank and its partners launched a new website for the initiative and resource guide. The partnership will be releasing a video series discussing the different financial barriers of homeownership and how to overcome them.

Results:

- Over 1,200 Iowans have participated in financial literacy courses facilitated by our partners.
- The pilot programs have facilitated 45 first-time homebuyer transactions to date.
- Our initiatives have spurred more than \$2.1 million in additional investments.
- A historic 19% of minority individuals purchased homes through an IFA program in 2023.

Iowa Finance Authority
Iowa Homeownership Incubator Competition
Homeownership | Empowering New Homebuyers

Benefits that Outweigh Costs

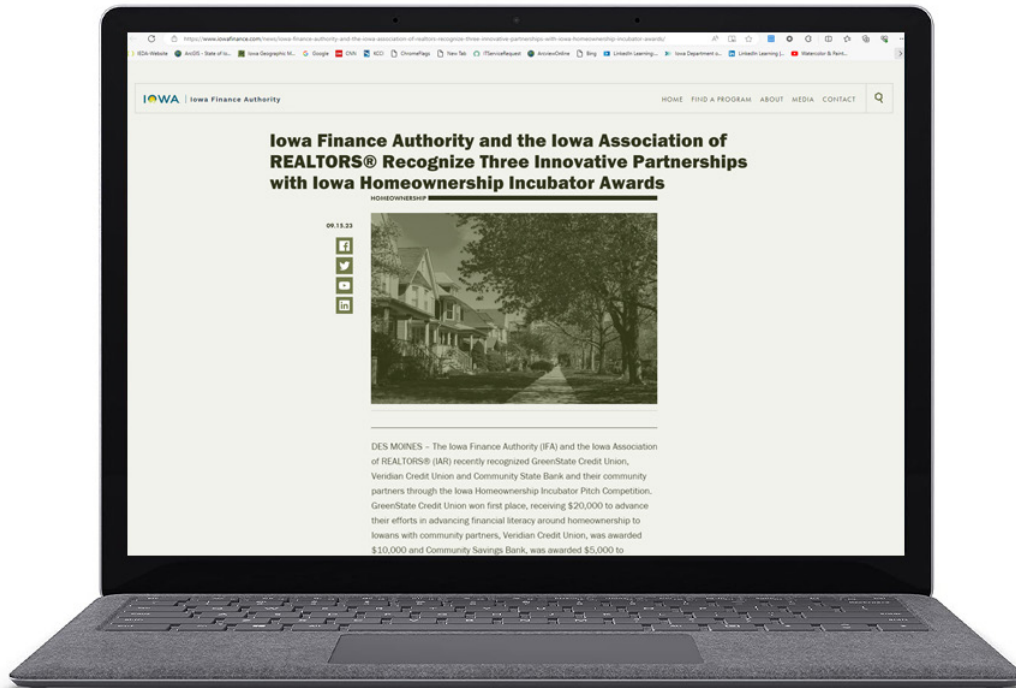
The \$35,000 total investment for the Iowa Homeownership Incubator has paid dividends in terms of as displayed by the incredible results above. Iowans about homeownership and getting more and more families into homes, even if they previously thought that it was not a possibility for them. Valuable partnerships have been forged between companies and organizations that ultimately benefits homebuyers, which achieves both strategic objectives.

Are Replicable

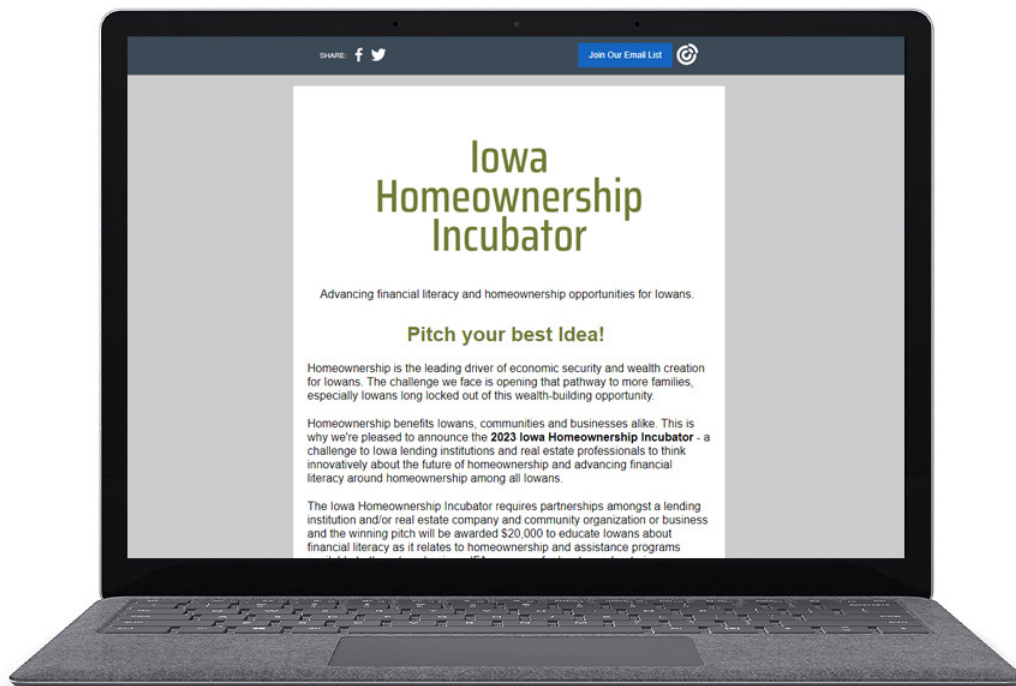
Utilizing community partnerships proves to be a potent strategy in empowering underserved populations with essential financial literacy pertaining to housing, paving the way for them to realize their aspirations of homeownership. Housing Finance Agencies can play a pivotal role in fostering such collaborations, acting as catalysts by spearheading initiatives of this nature.



PRESS RELEASE



EMAIL





PRESENTATIONS



Driving Wealth Home Incubator

Lead Partner: "Driving Wealth Home"
Lekeisha Veasley
Community Inclusion Strategist
Sept 6, 2023

LIGHTING THE WAY FOR
AFFORDABLE HOMEOWNERSHIP
IN GREATER DES MOINES

Sponsoring Financial Institution Lead Community Partner Supporting Partners



GreenState Credit Union

H.O.M.E. Loan and Grant Program
An Innovative, Data-Driven Approach to Growing Homeownership for Underserved Iowans

IFA Homeownership Incubator Competition — September 6, 2023