

2020

Community Impact Report



**MINNESOTA
HOMEOWNERSHIP
CENTER**

The nonprofit Minnesota Homeownership Center promotes and advances successful homeownership in Minnesota with an emphasis on serving those facing the greatest barriers to homeownership: lower income households and communities of color.

Dear Friends:

It's obvious that 2020 was a year none of us will soon forget. The economy went from generally healthy to severely distressed in a matter of just a few weeks, and daily life changed drastically for all of us almost overnight. But we persevered, both personally and professionally. Along with our Network partners, we built up our default prevention capacity, learned to continue meeting consumer needs via virtual technologies, and successfully mobilized to lead the way in avoiding another foreclosure crisis.

- As businesses were forced to temporarily close and job loss spiked, we worked to secure emergency funding for the expansion of foreclosure prevention services, and we spread the word in the media and elsewhere that mortgage forbearance was available for those in need if they reached out to their lender to ask for it.
- As the crisis dragged on, we embarked on the largest public outreach campaign in the history of the Center promoting mortgage forbearance and foreclosure prevention advising. The campaign utilized paid social media video produced in multiple languages, audio stream advertising and other assets. Our videos alone were viewed in their entirety by more than ten percent of the state's population.
- As fall approached, we partnered with Habitat for Humanity of Minnesota to develop a system to administer and distribute millions of dollars in relief to homeowners from Minnesota Housing's COVID-19 Housing Assistance Program (CHAP).

I'm very proud of what we were able to accomplish and deliver for struggling homeowners during an unprecedented time in our country's history. But as things begin to return to a new normal, our work to help at-risk homeowners recover from the COVID crisis is actually just beginning. Streamlined mortgage forbearance programs are set to expire soon, as are eviction moratoriums and other emergency provisions enacted at the onset of the crisis. Yet we know that many homeowners are still experiencing financial difficulty. In response, we're planning another major round of paid public outreach to struggling homeowners this fall. We're gearing up to provide direct financial relief in partnership with Minnesota Housing. And we're continuing to expand one-on-one default prevention advising capacity through our Network.

In sum, we remain more committed than ever to preventing another foreclosure crisis and the loss of ground against the homeownership gap that would undoubtedly accompany it. Thank you for your support of our work.



Julie Gugin, President
Minnesota Homeownership Center

22,946
Minnesota
Households Served

89%
First-Time
Homebuyers

19%
First-Generation
Homebuyers

63%
Households of Color

533
Foreclosures Avoided

Profile of Homebuyer Services Participants

89% 1st time homebuyers

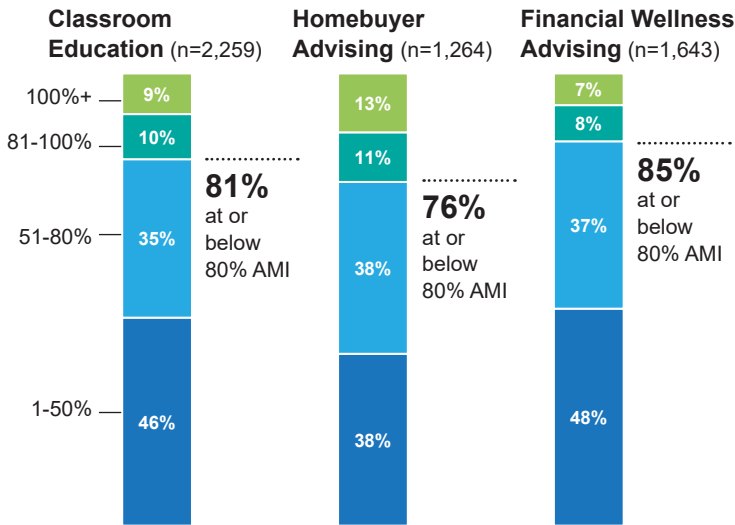
19% 1st generation homebuyers



\$43,260
Median Participant Household Income

Working with Low Income Families to Achieve Area Median Income

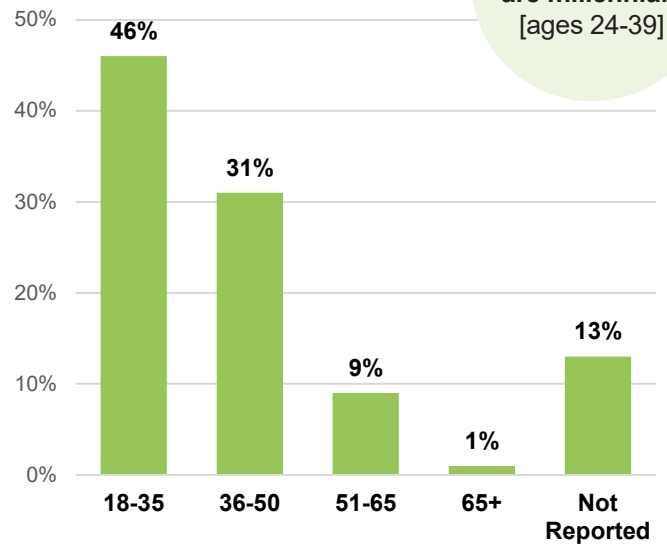
Area Median Income



Reaching More Millennials

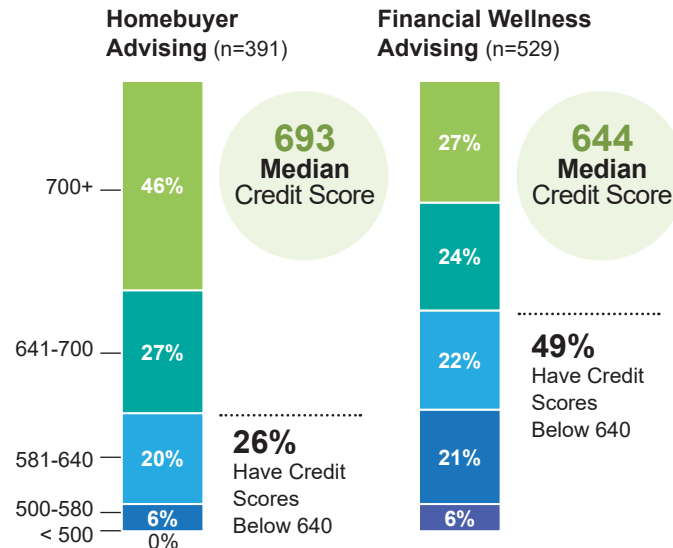
Participant Age

67% participants are millennials [ages 24-39]



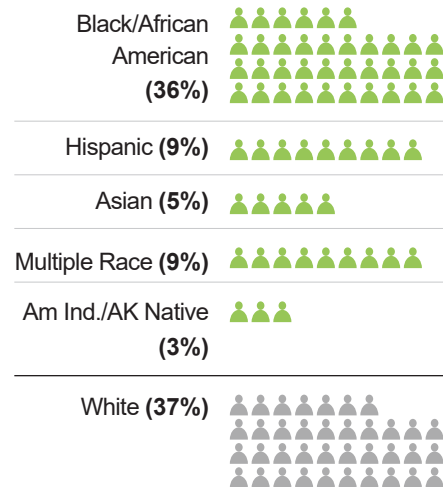
Homebuyers Need Help Improving Credit

Participant Credit



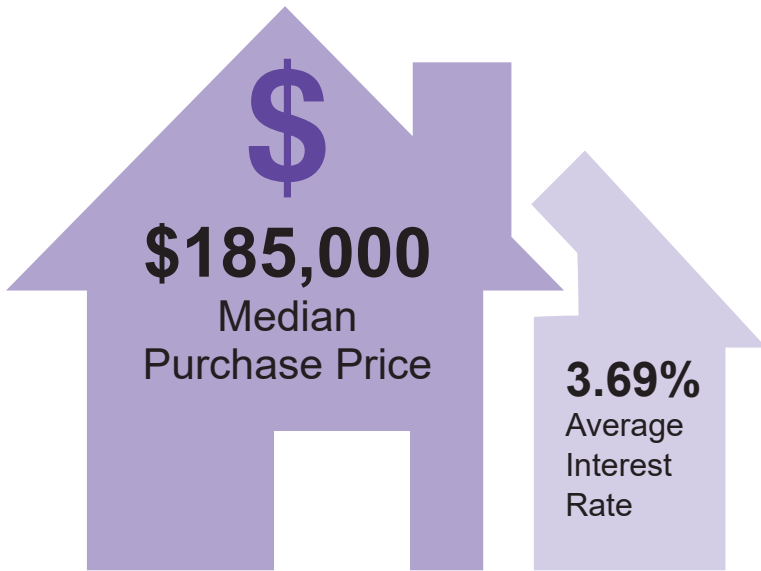
Reaching Diverse Communities to Advance Homeownership

Participant Households of Color



63% of participating households were households of color

Classroom Education Stats & Comments



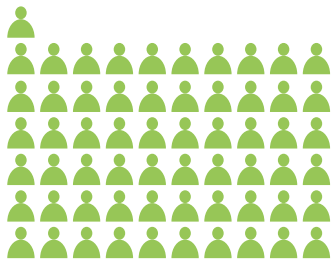
“The class was great for someone like myself who knew nothing of the processes involved with home purchasing.”

“I don’t have anyone to help me through this process. I’d be totally lost without this class!”

“I’m very glad I took this course at the onset of the process, and not just as a check-box activity before signing loan docs!”

“We thought we had an understanding of the home buying process, but we only knew like 10 percent. So glad this class is available!”

— Homebuyer Education Participants



61%
Voluntarily participated



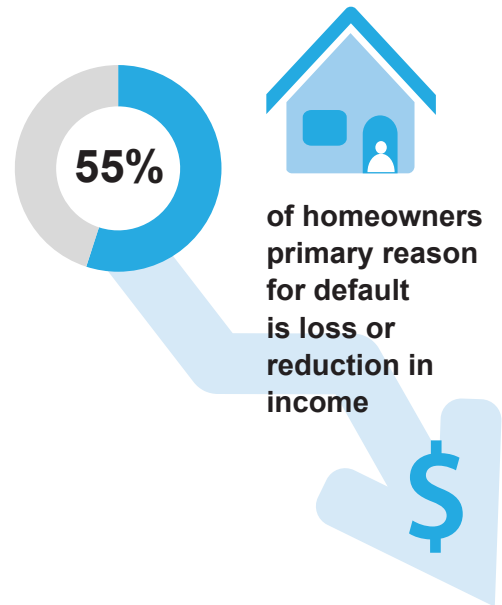
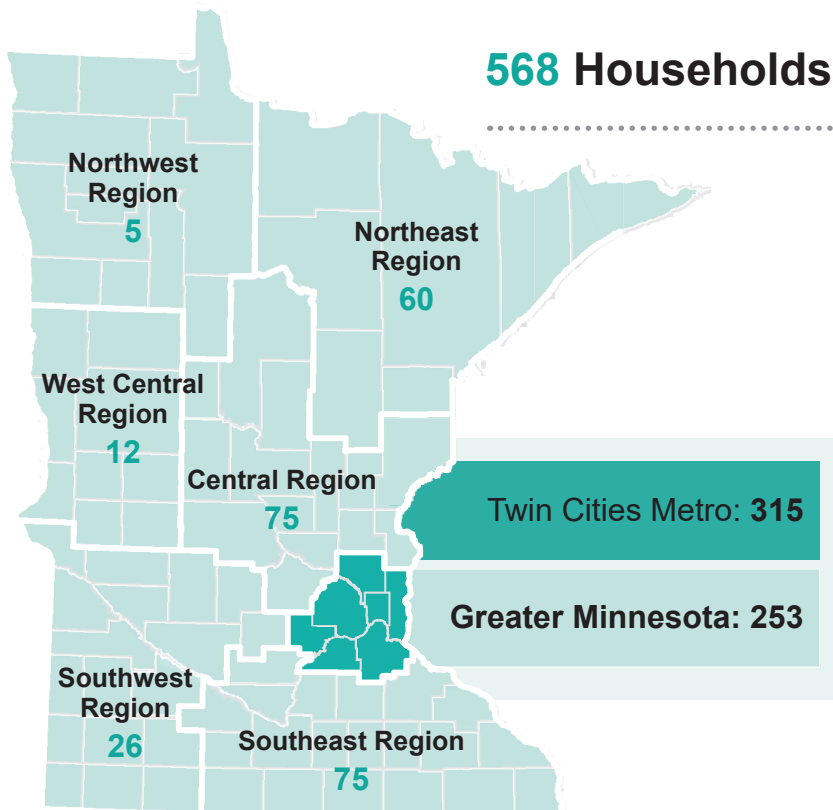
35%
Required by lender to participate

90%
of respondents reported the course helped to **build confidence in home buying**

99.9%
of respondents would **recommend the homebuyer education course** to others

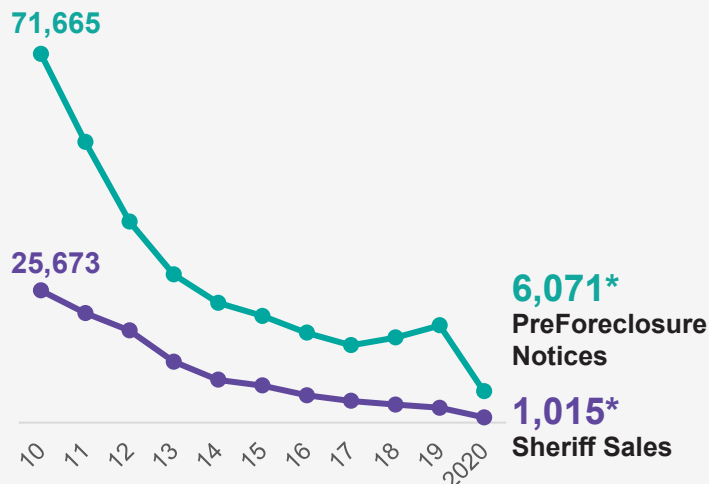
Foreclosure Advising

568 Households Initiated Services in 2020

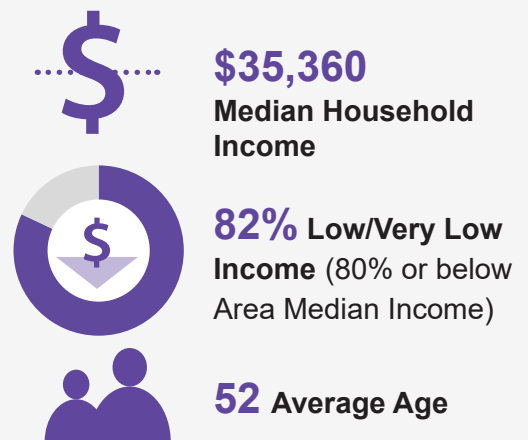


38,548 households avoided foreclosure since 2008

Foreclosure Trends



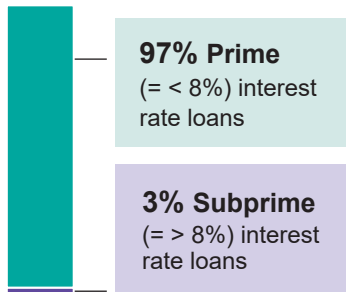
Demographics



*2020 data reflects the impact of COVID-19 mortgage forbearance

Loans and Affordability

Loan Type



Income Spent on Housing

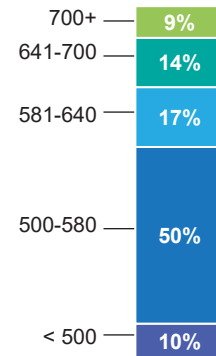


54%
households

spend > 30% of their income
on their monthly mortgage payment

Median Credit Score

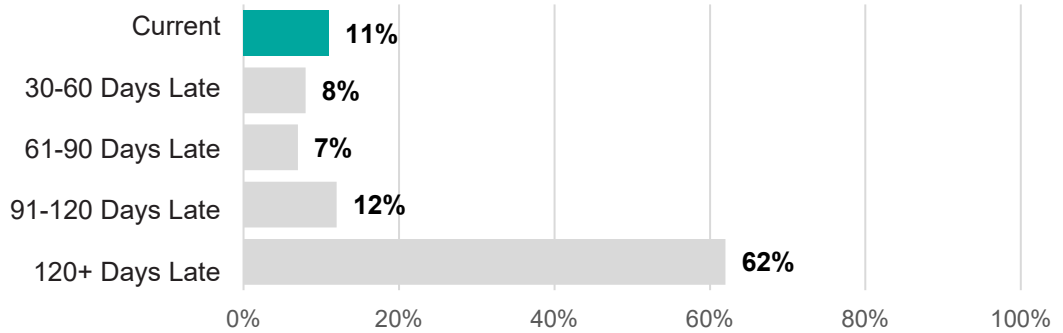
n = 256



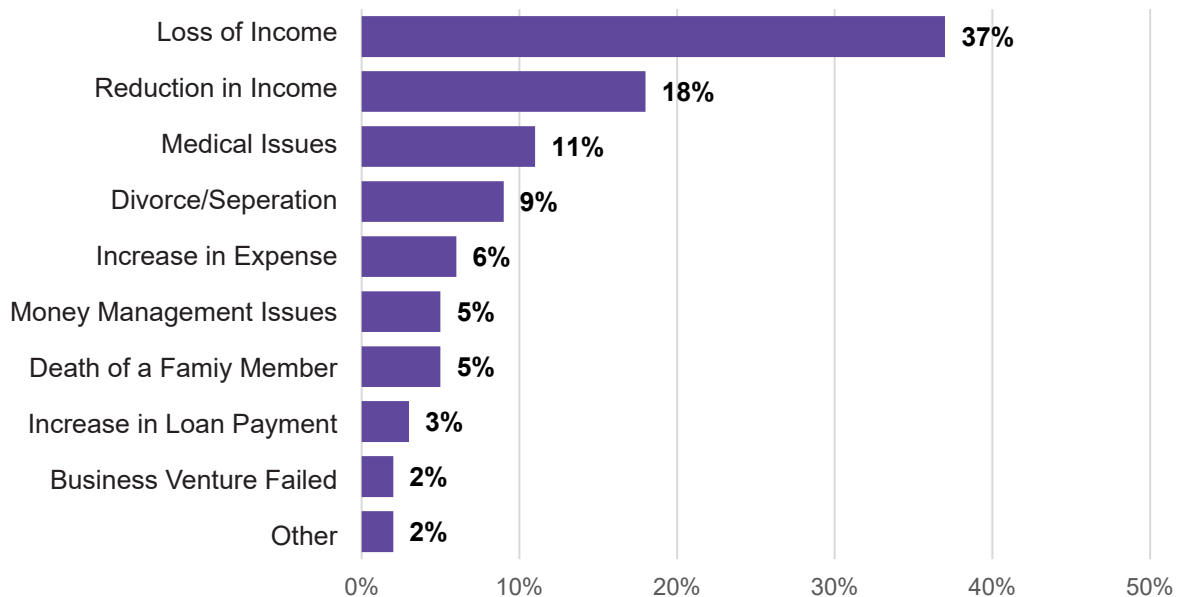
77%
Have Credit
Scores Below 640

563
Median
Credit Score

Loan Status at Intake

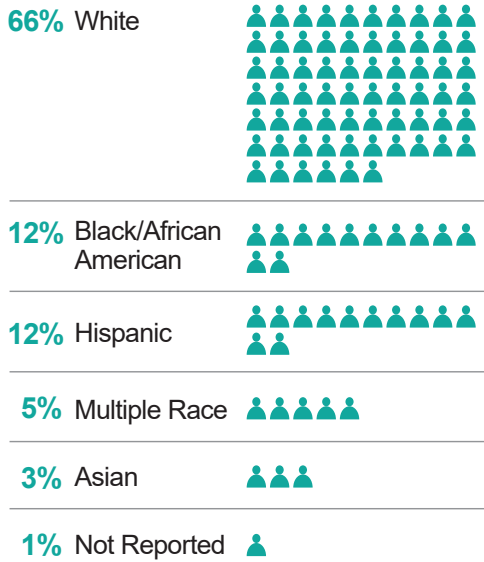


Default Reason

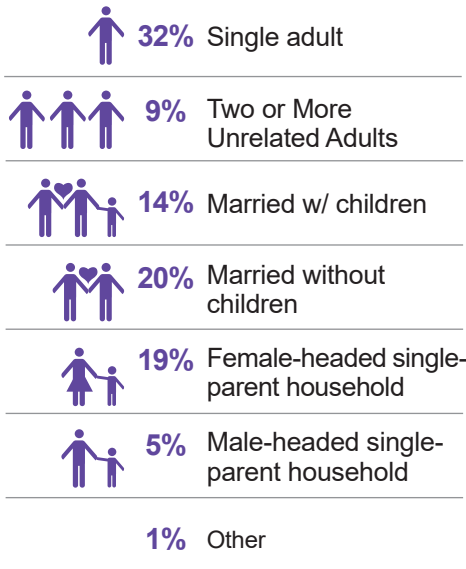


Demographics and Outcomes

Race

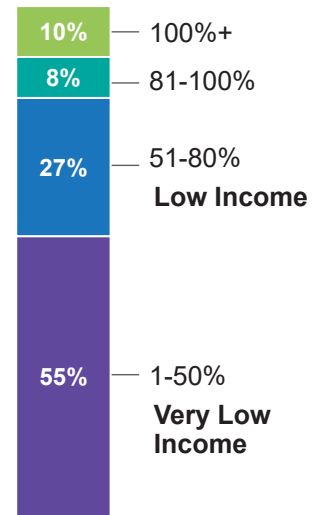


Household Type



Percent Area Median Income

n = 508



Outcomes

84%

Avoided Foreclosure



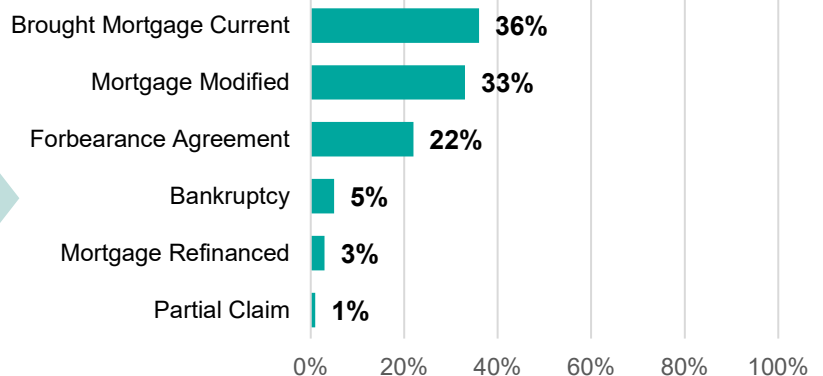
= 533 households

(based on 637 total households completing the process during 2020)

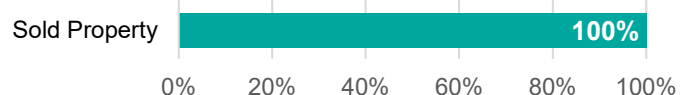
Resolution



Remained in Home = 455 households



Unable to Remain in Home = 78 households



Supporting Organizations

Archie D. & Bertha H. Walker Foundation
Associated Bank
Bank of the West
Bell Mortgage
Bremer Bank
Edina Realty
Family Housing Fund
Greater Minnesota Housing Fund
Hennepin County
Housing Partnership Network
HRK Foundation
McKnight Foundation

Minneapolis Community Planning and Economic Development
Minneapolis Foundation
Minnesota Housing Finance Agency
Old National Bank Foundation
SFM Mutual Insurance Company
St. Paul Housing and Redevelopment Authority
Saint Paul and Minnesota Foundation
Target Foundation
TCF Foundation
U.S. Bank Foundation
U.S. Department of Housing & Urban Development
Wells Fargo Foundation

Board

Chair: Robyn Bipes-Timm, Twin Cities Habitat for Humanity

Vice Chair: David Wiese, Wells Fargo

Treasurer: David Lindstrom, Midwest One

Secretary: Rosey Dickey, TCF Bank

- Jill Aleshire, Caribou Coffee
- Brian Crosby, Associated Bank
- Jim Erchul, Dayton's Bluff Neighborhood Housing Services
- Deborah Flannery, Greater Minnesota Housing Fund
- Karen Gajeski, Thrivent Federal Credit Union
- Mike Happe, SFM Mutual
- Nancy Healy, Bremer Bank
- Portia Jackson, Wahington County CDA
- Kasey Kier, Minnesota Housing Finance Agency
- Roxanne Kimball, City of Minneapolis

- Darcy McDonald, Wings Financial Mortgage
- Fatima Moore, City of Minneapolis
- Noel Nix, City of St. Paul
- Ela Rausch, Otto Rausch Consulting
- Keenan Raverty, Bell Bank Mortgage
- Kayla Schuchman, City of St. Paul
- Virginia Solis Zuiker, University of Minnesota - Twin Cities
- Matt Spellman, Minnesota Association of REALTORS®
- Julie Steinhager, TCF Bank
- Rose Teng, Metropolitan Consortium of Community Developers
- Jen Thompson, US Bank
- Stephanie Vergin, USDA Rural Development - MN
- Michelle Vojacek, City of St. Paul
- Stephen Wreh-Wilson, Twin Cities Habitat for Humanity

Leadership

Bill Gray, Stakeholder Relations Director
Julie Gugin, President
Karen Pederson, Associate Director

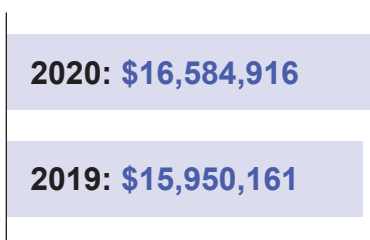
Dana Snell, Grants Management Director
Steph Stull, Member Support Director
Brooke Walker, Strategic Initiatives Director

Network

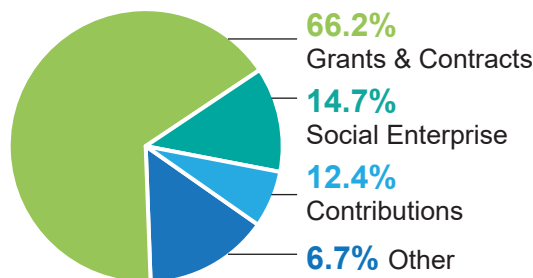
- African Development Center
- African Economic Development Solutions
- Anoka County Community Action Program
- Arrowhead Economic Opportunity Agency
- CAPI USA
- Carver County Community Development Agency
- Catholic Charities of St. Cloud
- Central Minnesota Housing Partnership
- City of Saint Paul Planning and Economic Development
- Community Action Duluth
- Community Action Partnership of Hennepin County
- Comunidades Latinas Unidas En Servicio (CLUES)
- Dakota County Community Development Agency
- Headwaters Regional Development Commission
- Hmong American Partnership
- KOOTASCA Community Action, Inc.
- Lakes and Prairies Community Action Partnership
- Lao Assistance Center of Minnesota
- LSS Financial Counseling
- MNI SOTA Fund (formerly Bii Gii Winn)
- Model Cities Community Development Corporation
- Neighborhood Development Alliance
- NeighborWorks Home Partners
- One Roof Community Housing
- PRG, Inc.
- Project for Pride in Living, Inc. (PPL)
- Scott County Community Development Agency
- Southeastern Minnesota Multi-County HRA
- Southwest Minnesota Housing Partnership
- Strickland Associates
- Three Rivers Community Action
- Twin Cities Habitat for Humanity
- Urban League Twin Cities
- Washington County CDA
- West Central Minnesota Communities Action
- White Earth Investment Initiative - MMCDC
- Wright County Community Action, Inc

2020 Financials

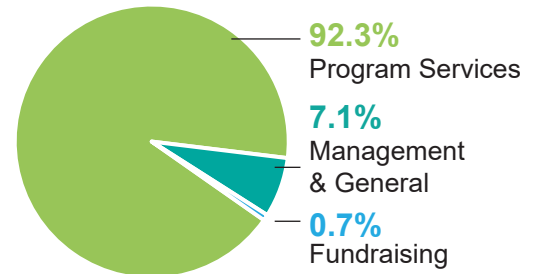
Net Assets



Income Total: \$6,904,884



Expense Total: \$6,270,129



**MINNESOTA
HOMEOWNERSHIP
CENTER**

Helping Minnesotans achieve sustainable homeownership for more than 25 years.

www.hocmn.org