



**Homeownership  
Capacity  
Program  
Informational  
and Application  
Review Webinar**

April 3, 2017

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**Our Mission:**

*Housing is the foundation for success,  
so we collaborate  
with individuals, communities and partners  
to create, preserve and finance  
affordable housing.*

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**Agenda**

- Program design
- Program process, reporting and staff certification requirements
- Leverage
- Homeownership Education, Counseling and Training (HECAT)
- The application

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## Program Design

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## Eligible Clients

Households that have:

- A primary goal of homeownership
- Barriers to achieving homeownership that can be addressed in sufficient time to allow home purchase within three years
- Adequate income (or will achieve adequate income through Homeownership Capacity service)
- A willingness to commit to the time intensive nature
- Agreement to complete homebuyer education services once they are ready to purchase

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## Program Delivery Requirements

- **Requirement:** Offer financial education and one-on-one coaching to all clients
- **Options:**
  - One-on-one coaching session (in person or by phone)
  - Educational setting (classroom, one-on-one, or online)
  - **If financial education is offered in a classroom or online, clients must also receive one-on-one coaching**

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## Program Process, Reporting and Staff Certification Requirements

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## Program Phases

### Prior to Purchase

- Client is working on behavioral changes to remove barriers to homeownership
- Timeframe: Six months to three years

### Post-Purchase

- Follow up with clients that completed Prior to Purchase services
- Timeframe: Up to one year after client has completed work under Prior to Purchase phase

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## Prior to Purchase - Intake

**Definition:** Coach determines that client has barriers to homeownership and needs intensive financial education and coaching services.

### Items Collected:

- **Intake** - Client name, address, county, if client is a first generation homebuyer, banking status, other services received, barriers to homeownership
- **Demographic** - Race and ethnicity, number of adults and children in household, client birth year
- **Financial** - Rent, savings, household income, AMI
- **Credit\*** - Credit score, balances of collections/judgments, unsecured debts incl. credit cards, student loans, secured/auto loans

\*A credit report (soft pull) must be pulled annually

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## Prior to Purchase - Annual

**Definition:** Coach conducts follow up with clients on a more frequent basis, but collects client progress data annually from the date of Intake.

**Items collected:**

- **Financial** - Rent, savings, household income, AMI
- **Credit\*** - Credit score, balances of collections/judgments, unsecured debts including credit cards, student loans, secured/auto loans

\*A credit report (soft pull) must be pulled annually

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## Prior to Purchase - Complete

**Definition:** Client and coach determine that all identified barriers to homeownership have been addressed and the client is ready for referral to homebuyer education and counseling services.

**Items collected:**

- **Financial** - Rent, savings, household income, AMI
- **Credit\*** - Credit score, balances of collections/judgments, unsecured debts (credit cards, student loans, secured/auto loans)
- **Survey** - Surveys knowledge and behaviors specific to financial topics including budgeting, savings, etc.

\*A credit report (soft pull) must be pulled again at Prior to Purchase – Complete

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## Post-Purchase - Follow Up

**Outcome collected:**

- Coach completes follow up survey with clients within one year of Prior to Purchase – Complete date to **check in** and **collect client outcome**

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## Reporting Requirements

- Enter client data on ongoing basis in Minnesota Housing online client management system
- We pull data monthly to assess progress against provider goals
  - Disbursements are attached to progress against goals

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## Program Staff

- Trained and qualified staff to deliver programming including competency in post-purchase service delivery
  - Show proof that at least one staff person received NeighborWorks America ([www.nw.org/nti](http://www.nw.org/nti)) Financial Capability Certification by June 2018
- Participate in trainings, conference calls and one-on-one check ins

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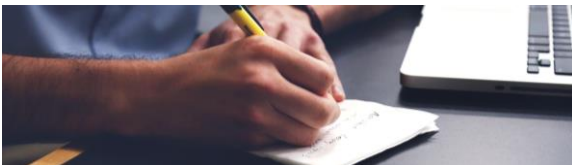
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## Leverage

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## Leverage

- Homeownership Capacity funds cannot be the sole funding source
- Homebuyer Education, Counseling and Training (HECAT) or other funding sources that contribute to traditional homebuyer education and counseling services can be used as leverage

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## Homebuyer Education, Counseling and Training (HECAT)

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## Changes to HECAT

- HECAT Application
  - Minnesota Homeownership Center updated their Standards Guide to include long-term financial wellness services
  - HECAT applicants may now apply for any/all of the following program areas:
    - Homebuyer Education – Workshops or Clubs
    - **1:1 Homebuyer Services – Financial Wellness**
    - 1:1 Homebuyer Services – Homebuyer Counseling
    - Home Equity Conversion Mortgage (HECM) Counseling
    - Foreclosure Counseling

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## Impact on Homeownership Capacity and HECAT

- Benefits
  - Allows the same client to be reflected in numbers under both Homeownership Capacity and HECAT.
  - Agencies can now apply for funding from two different sources for financial capability/wellness services.
- Applications
  - Two separate applications, as usual.
- Funding decisions
  - If selected to receive funding under both Homeownership Capacity and HECAT, awards will take into consideration funding for financial capability/wellness from the both sources.

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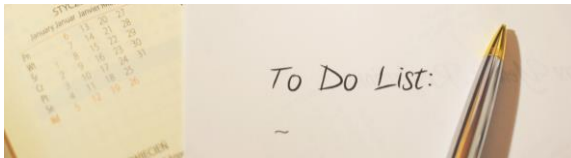
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## Application

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## Other Application Resources

- Program Concept
  - Eligible and ineligible use of funds
- Application Guide
  - Application objectives
  - Application due date and timeline
  - Submission instructions
- Program Outcomes
  - Standards and measures

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## Seven Sections

- **Section 1** – Administrator Information
- **Section 2** – Partner Organization Information (if applicable)
- **Section 3** – Funding Request, Past Production, and Outreach
- **Section 4** – Experience Working with Diverse Populations
- **Section 5** – Homeownership Capacity Program Design
- **Section 6** – Nonprofit Organizations (if applicable)
- **Section 7** – Signature

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## For More Information

### Contact:

[Homeownershipcapacity.mhfa@state.mn.us](mailto:Homeownershipcapacity.mhfa@state.mn.us)

800.710.8871

[www.mnhousing.gov](http://www.mnhousing.gov)

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