

Good afternoon,

Thank you, Congresswoman Moore, for inviting me to be a part of today's Select Committee on Economic Disparities and Fair Growth hearing.

My name is Trena Bond, Executive Director of Housing Resources, Inc. or HRI.

HRI is a nonprofit, HUD Approved NeighborWorks affiliated agency founded in 1991. Our mission is to prepare people for sustainable home ownership and foster financial empowerment by providing comprehensive education and credit repair for first-time homebuyers and assisting homeowners in maintaining and retaining their homes through a successful foreclosure mitigation strategy and other supportive services.

Since our founding we have been committed to helping homebuyers purchase their homes in Milwaukee. Purchasing a home can be a daunting and confusing process. When you consider that the majority of buyers we help are minority and low-to moderate-income (LMI), this can add additional barriers that can make homeownership seem unreachable. Our services provide buyers with the knowledge and resources to empower them to make educated decisions as well as advocate on their behalf.

HRI conducts (64) homebuyer education workshops annually. These workshops provide a comprehensive, step-by-step guide of the purchase process using HRI staff and a variety of real estate professionals as the instructors. They provide buyers with the information and motivation needed to start their homebuying journey. This overview allows perspective buyers to determine if homeownership is right for them.

For those who determine they want to pursue homeownership, we offer one-on-one counseling, which includes credit help, budgeting assistance, a financial analysis, and most importantly an action plan that provides buyers with specific actions that can be taken to address and eliminate the identified barriers. We then work with buyers over what can sometimes be six months, one year or more until they are ready to begin the purchase process. We help them identify reputable real estate professionals, review their offer to purchase, home inspection and loan documents, provide down payment and closing cost assistance, and continue to advise them until they have successfully purchased their homes.

Our work does not end there:

HRI provides homeowners supportive services such as: post purchase education and counseling; foreclosure prevention counseling; home repair rebates; tool lending; reverse mortgage counseling; and mortgage assistance grants. Our goal is to make sure

that homeowners protect their investment and remain successful homeowners who can retain the homes that they have worked so hard to acquire.

Historically, low-to moderate-income minority households have increased barriers to homeownership due to lack of education; limited resources; bad credit; or they may face lending disparities disproportionately. These barriers can deprive families of the opportunity to build wealth and improve their financial standing which can cause generational poverty. Homeownership can help break the cycle of poverty by allowing families to accumulate wealth through home equity.

The consistent decline in minority homeownership has served to increase racial inequities and disparities. The COVID-19 pandemic wreaked havoc on Milwaukee neighborhoods and exacerbated these issues. Minorities and low-and moderate-income residents have been disproportionately negatively impacted by higher rates of contracting COVID, loss of employment, threats of losing housing (rental or homeownership) and increases in expenses, etc.

During those uncertain times, people were looking to survive as well as seeking a sense of stability, safety and calm. It reminded people about the benefits of owning their own homes vs. renting. This led to an increase in the number of residents seeking our services. Some had the luxury of working from home and others were caring for loved ones, both were seeking more space and the stability of homeownership.

Our clientele is 86% LMI, 84% are people of color, and 84% are female. Last year alone, we educated more than 1900 buyers, worked one-on-one with over 800 buyers, and helped 375 buyers purchase their homes. Our work resulted in more than \$48Million dollars in mortgage loans. We also assisted more than 200 homeowners.

Well sustained sources of funding are needed so that HRI and other organizations can increase our capacity; offer more affordable housing opportunities; supply down payment & closing cost assistance; and provide home repair resources to help even more residents purchase and keep their homes.