

## CSEM director unveils groundbreaking research on homeownership program

By John Railey

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When CSEM Director Craig Richardson, intrigued by thousands of pages of documents, approached Forsyth Economic Developer Dan Kornelis about doing a study of the county's homeownership program, Kornelis welcomed the chance, just telling Richardson to "tell the truth." More than a year later, the results are in: The program is working well, having helped almost 1,000 residents become homebuyers, many for the first time, and putting millions back into the county tax base.

"Objectively speaking, this is a tremendous success story," Richardson said at the 15<sup>th</sup> Annual Fair & Affordable Housing Summit on April 22, sponsored by the City of Winston-Salem's Human Relations Department and several partners. "We did rigorous economic analysis and let the data tell the story. What it tells is a great one. The program is paying for itself."

The special guest speaker for the virtual meeting was Jeanine Worden, HUD's assistant secretary for Fair Housing and Equal Opportunity. Worden and local speakers emphasized the importance of safe and affordable housing. Toward that end, participants welcomed the news Richardson brought of the research on the county program done by him and CSEM Research Manager Zach Blizard.

Among their findings:

- Every \$1 spent by the county results in \$5.70 in home equity for owners in their houses for nine years. "That's much larger than I would have ever guessed," Richardson said.
- The program has contributed \$5.9 million to the county tax base. "The county now has people paying property taxes who were renters before," Richardson said.
- Since 2008, losses to the county from foreclosures by clients make up only a very small percentage of the program. "The vast majority of people going through this program are holding onto their homes," Richardson said.
- The current aggregate net equity for program clients is \$3.7 million.
- The current average net equity is \$53,208. The clients are building wealth.
- Clients purchase homes in neighborhoods with significantly lower crime rates than those of their previous ones.

At the summit, Richardson served on a panel with Kornelis and the program's loan officer, Bianca Green. Richardson complimented them on their innovative work. He is the executive director of a documentary film CSEM is producing on the program, *Homestretch*, to raise public awareness of the program and encourage other municipalities nationwide to establish similar programs. He'd also like to see the local program expanded, including through more staff, to help more people become homeowners. "Why not scale this program up?" Richardson asked.

To read three CSEM working papers on the program, please go to [Working Papers - Winston-Salem State University \(wssu.edu\)](https://www.wssu.edu/workingpapers)

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