Building Neighborhood Equity in Small Multifamily Ownership

Year 3 Pilot Program White Paper

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Executive summary

The Building Neighborhood Equity in Small Multifamily Ownership ("Building Equity") initiative, funded by the *Advancing*Cities grant from JPMorgan Chase and a matching grant by the Bush Foundation, is a collaborative effort led by Family Housing Fund. Originating in Minneapolis in 2020, the initiative expanded to include Saint Paul and the broader Twin Cities metro region with the goal of addressing racial wealth disparities by facilitating homeownership for low- to moderate-income households, particularly those in Black, Indigenous, and people of color (BIPOC) communities, through owner-occupancy of small multifamily properties. Small multifamily properties (i.e., duplexes, triplexes, and fourplexes) were strategically identified as an advantageous starting point for historically underserved first-time homebuyers, offering the prospect of homeownership and an additional income stream through rental units, potentially enhancing mortgage affordability and overall financial stability.

Over three years, the initiative pursued its objectives through two primary avenues: 1) implementing a capital strategy to support property acquisition, development, and rehabilitation, and 2) providing training alongside financial assistance for prospective buyers. In its third year, the initiative also collaborated with a group of referral partners to enhance community outreach and engagement efforts. Wilder Research conducted a comprehensive program evaluation, incorporating participant data tracking, surveys of participants and partners, and interviews with stakeholders including buyers, partners, developers, and program staff.

This report presents the initiative's three-year journey, outlining its progress, achievements, challenges, and insights obtained from its implementation.

Key findings

The initiative generated positive outcomes in BIPOC homeownership and supported local small multifamily property development over the past three years. However, the initiative faced challenges arising from the COVID-19 pandemic's impact on supply shortages and economic instability, influencing its trajectory and strategies. Rising costs of labor and materials slowed property development, while soaring home prices and mortgage rates reduced buying power among potential BIPOC homeowners, hindered home-buying opportunities. Despite these challenges, the initiative advanced its goals,

- **The initiative prepared homebuyers throughout their home-buying journey.** During its three-year pilot period, the initiative provided pre-home purchase, home purchase, and post-purchase support to 478 individuals, with 126 participants s served by multiple program offerings. Training options allowed prospective homebuyers to participate in programs that aligned with their needs. Key partners, including

Minnesota Homeownership Center, Hope Community, Model Cities, and CLUES, delivered specialized educational programs, primarily serving community members with income levels below 60% of the Area Median Income (AMI). Furthermore, the Down Payment Assistance (DPA) Loan Program, in partnership with Build Wealth Minnesota, served 99 homebuyers with $2,207,900 in loans. Additionally, partnerships with Prepare + Prosper and the Center for Energy and the Environment offered matched savings opportunities and post-purchase repair and replacement loans, benefiting homeowners and enhancing property maintenance and financial stability.

- **Stakeholders reported that the initiative increased community awareness of owner-occupant homeownership benefits and facilitated BIPOC households' access to homes.** Training and educational programs led to improved knowledge, skills, and readiness among participants, effectively overcoming barriers to homeownership for BIPOC communities, particularly through the impactful DPA program. Homebuyers reported high satisfaction with the initiative, with 82% indicating they would definitely recommend purchasing a small multifamily property.
- **The initiative made efforts to support local small multifamily property supply.** The initiative took steps to bolster the local supply of small multifamily properties. It established a construction loan pool to facilitate the rehabilitation and development of such properties, and provided free access to construction plans for energy-efficient duplexes. Despite market and systemic challenges, these efforts led to the rehabilitation of duplexes in Minneapolis and development projects in Saint Paul. Moreover, the initiative's emphasis on partnership and collaboration extended beyond financial support, as stakeholders collaborated to create pipelines for both existing and future small multifamily property portfolios. Partners noted that, by strengthening internal relationships and advocating for external resources, the initiative provided valuable opportunities and resources for BIPOC developers, promoted collaboration within the community, and facilitated connections for emerging BIPOC developers to engage in multifamily property development across the Twin Cities metro area.
- **Referral and collaboration activities were perceived as a success of the initiative's collaborative model.** Both implementation and referral partners recognized the development of new partnerships and the strengthening of existing ones. The exchange of information and resources among diverse partners cultivated a collaborative atmosphere, bringing in long-term collaboration opportunities. Partners emphasized the model's comprehensive, supportive, and inclusive nature, engaging organizations with diverse expertise and backgrounds to provide support throughout the homeownership journey, thereby increasing accessibility and sustainability for community members. Furthermore, the collaborative effort created a network involving diverse stakeholders such as policymakers, lenders, and other entities, enriching the broader housing ecosystem with innovative practices and connections.

Evolving strategies, future efforts, and recommendations

To adapt to the evolving social and economic landscape and challenges, the Collaborative refined the initiative's strategies through continuous learning from partners and stakeholders. This involved amplifying existing community efforts, adjusting offerings to meet participants' needs, aligning with and leveraging community development plans, and exploring additional innovations to increase access to resources for BIPOC, especially Black, households. Moving forward, Family Housing Fund is committed to continuing to address systemic issues within BIPOC communities. Efforts include prioritizing Family Housing Fund's Valuing Homes in Black Communities (VHBC) initiative, supporting partners in advancing community-based efforts, and improving the capacity of the system to support multifamily rental property ownership.

The insights gained from the Building Equity initiative offer several recommendations for similar initiatives aiming to advance equitable homeownership opportunities for BIPOC families. These insights include clarifying their vision and focus, prioritizing community-based culturally responsive solutions, providing resources to support housing development to address affordability gaps, improving and taking advantage of the effectiveness of Down Payment Assistance (DPA) programs, and fostering continuous learning from ecosystem partners and key stakeholders.

Introduction

The Twin Cities experience some of the worst racial disparities in wealth and homeownership in the country, as people of color—and Black households in particular—have long been locked out of homeownership opportunities. In recent years, Minneapolis, Saint Paul, and surrounding cities have identified the potential benefits of small multifamily housing development and attempted to change policies and practices, such as zoning regulations, to reduce barriers to this pathway to homeownership and economic growth. However, high competition, limited homebuyer support, and historic wealth gaps—exacerbated by the disparate impact of the COVID-19 pandemic and its economic fallout—make it difficult for communities of color to reap the benefits of these policy changes.

Project overview, strategies, and expected outcomes

With the three-year *Advancing*Cities grant, five nonprofit organizations formed a Collaborative to develop the Building Equity in Small Multifamily Ownership initiative in Minneapolis (which later expanded to surrounding areas). The initiative provided opportunities for households with low to moderate incomes to purchase 2-4 unit buildings and build wealth as owner-occupant landlords. By partnering with additional organizations based in communities of color, the Collaborative aimed to serve BIPOC homebuyers. The Collaborative saw this as a promising strategy to reduce racial wealth disparities, prevent displacement, and support local ownership and control of land.

There were two main components of the Collaborative's approach to support community residents to become owner-occupants of 2-4 unit buildings in their neighborhoods:

- A **capital strategy to address the constrained supply** and high competition for these properties. With the *Advancing*Cities grant and the matching grant, the Collaborative established a revolving construction loan pool to support new small multifamily development, as well as the acquisition and rehabilitation of existing properties. The construction loan pool prioritized loans to emerging BIPOC developers to help them build their businesses and further advance racial equity.
- **Training and financial support** for potential buyers so they could become successful homeowners and responsible landlords. This includes:
  - Providing homeownership training options specifically designed for prospective owner-occupant landlords of 2-4 unit properties, building a pipeline of prepared homebuyers
  - Exploring innovative approaches to mortgage financing, including a new mortgage product

- Providing forgivable down payment assistance loans for 2-4 unit home purchase
- Offering post-purchase support, increasing access to capital for future repair or replacement needs

Through the Building Equity initiative, the Collaborative sought to make the small multifamily market, with its potential for greater wealth building, more accessible to BIPOC homebuyers. With training, post-purchase support for repair and replacement needs, and support for increased savings, new owner-occupants are prepared to address challenges that can arise for small landlords and have the capital reserves required to properly maintain their properties. In their dual role as homeowners and landlords, participants will build lasting, intergenerational wealth and contribute to overall community vitality.

The JPMorgan Chase *Advancing*Cities grant allowed the Building Equity initiative to launch late in 2020, serving the city of Minneapolis. In response, the Bush Foundation generously matched this grant with another $4 million investment to expand the Building Equity initiative's resources to serve Saint Paul and the broader Twin Cities region in 2021. This regional expansion has allowed Building Equity participants greater housing choice when buying homes.

The first year of the initiative focused on program development and implementation, the second year saw new/pilot programs and partnerships yield early successes, and the third year was dedicated to maximizing and evaluating impact to inform future efforts and systems change.

Collaborative partners and roles

The Building Equity initiative relied on partnerships with several organizations (the Collaborative) to provide the full continuum of supports they offer. A brief description of each partner is listed in Figure 1. Further detail about these partners' efforts, including the successes and challenges they have experienced, can be found throughout this report.

1. Summary of core partners in the Collaborative

Partner names denoted in bold are the five original collaborative members.

Partner	Capital strategy to increase supply	Training and financial support to homebuyers
Land Bank Twin Cities	Acquire properties; administer construction/rehabilitation loans	
Greater Minnesota Housing Fund	Advise and leverage additional development capital as needed	
Hope Community		Provide owner-occupant training cohorts
Minnesota Home Ownership Center		Provide owner-occupant training module
Build Wealth Minnesota	Acquire and rehabilitate properties, pursue opportunities for development	Administer down payment assistance (DPA) Offer new mortgage product (9000 Equities)
Prepare + Prosper		Administer post-purchase Matched Savings Program
Center for Energy and Environment		Administer post-purchase repair and replacement loans
Family Housing Fund	Coordinate Collaborative; co-develop strategy for property acquisition	Coordinate Collaborative; co-lead financial support strategy
Comunidades Latinas Unidas En Servicio (CLUES)		Provide culturally adapted owner-occupant training module
Rondo Community Land Trust (CLT)	Acquire and rehabilitate properties, pursue opportunities for development	Implement a shared ownership model to increase financial support to homebuyers
Model Cities		Provide owner-occupant training module

In addition to the core partners listed above, the Collaborative also formalized relationships with a group of nine referral partners to expand their reach. These partners did not provide specific services under the grant, but they were engaged in relationship-building and communication efforts to improve outreach to prospective homebuyers. The referral partners included:

- African Career Education and Resources Inc. (ACER)
- Urban League Twin Cities
- NeighborWorks Home Partners
- New American Development Center (NADC)
- Neighborhood Development Alliance (NeDA)
- PRG Inc.
- Mni Sota Fund
- City of Lakes Community Land Trust (CLCLT)
- Lutheran Social Services (LSS)

Evaluation methods

Research questions

Wilder Research and the Collaborative developed a series of research questions to guide the initiative's activities and evaluation with a focus on the large-scale changes the initiative was trying to achieve. This paper discusses the collective learning across all three years of the initiative to demonstrate the impact of this work through responses to these research questions:

- How and to what extent does the Collaborative deploy capital to underserved populations, low-and-moderate income (LMI) neighborhoods, women, people of color and LMI individuals, and small businesses?
- How does the landlord training and down payment assistance help to increase access to mortgage loans?
- How many longtime community residents, particularly BIPOC households, purchase 2-4 unit homes in their neighborhoods and become successful owner-occupant landlords?
- To what extent does the project build the system capacity of homeowner training and post-purchase support for owner-occupied landlords? To what extent does the project build the system capacity for mortgage access and products for owner-occupied landlords?
- How has the project changed or strengthened collaboration among community partners?
- How has the project impacted homeownership rates and wealth accumulation for BIPOC households?

These research questions were addressed through the following mixed-method evaluation activities.

Participant tracker

Using data provided by the Collaborative partners, a summary document was created to track information about the 478 individuals/households who participated in one or more of the following programs and services:

- Community Ownership training through Hope Community
- Online owner-occupant landlord training through the Minnesota Homeownership Center
- Culturally responsive owner-occupant landlord training through CLUES or Model Cities
- Building Equity Down Payment Assistance Loan Program administered by Build Wealth Minnesota
- Building Equity Matched Savings Program administered by Prepare + Prosper
- Family Housing Fund Post-Purchase 2-4 Unit Loan Program operated by the Center for Energy and Environment

This information was used to track participation across programs and to conduct outreach for participant feedback through a survey or interview (see below). Note that different partners were able to provide different information about the individuals they serve based on their own tracking systems, so some information (such as race/ethnicity or income) may be missing for some partners. 2-4 unit homebuyers served by 9000 Equities were tracked separately and cross-referenced with the summary document; each of those participants were also served by the down payment assistance program.

Buyer interviews

Wilder Research worked with Family Housing Fund to develop questions to gather feedback from homebuyers who received down payment assistance through the Building Equity initiative. Wilder interviewed 56 buyers (including 27 living in Minneapolis, 24 in Saint Paul, and 5 in the rest of the metro area) who purchased properties between September 2021 and August 2023. Interviews were conducted approximately three to six months after homeowners closed on their homes. Interviews were approximately 30 minutes long. Each of the buyers were asked questions about their experience purchasing a multi-unit home with the Down Payment Assistance Loan Program, as well as the preparation steps they took to ready them for purchase.

Participant survey

Wilder conducted three rounds of surveys with participants who accessed training through a Collaborative partner: in fall 2022, spring 2023, and fall 2023. For each round of the survey, Wilder sent an invitation to complete a web survey to all participants for whom they had contact information, which meant that individuals may have received the survey multiple times. In total, 15 people completed the survey in fall 2022, for a 15% response rate; 35 completed it in spring 2023, for a 16% response rate; and 78 completed it in fall 2023 for a 25% response rate. Each participant was asked questions about their satisfaction with the training, how much they learned about various aspects of purchasing a home and being a landlord, whether they are now more likely to buy a multifamily home, barriers to purchase, and whether they've heard about or used other Collaborative services. Individuals who received down payment assistance were asked to participate in a buyer interview rather than a survey.

Partner data collection

Wilder has engaged partners in different ways across the grant. In fall 2021, Wilder interviewed nine initiative stakeholders to understand their experiences with the Collaborative in the beginning of the work. In fall 2022, Wilder conducted a web survey with initiative partners, inviting at least two respondents per partner organization to participate. Nine individuals completed the survey focused on their experience with the Collaborative, as well as the successes and challenges they had experienced or observed to-date. In fall 2023, Wilder conducted phone, video, or in-person interviews with 15 program partners, including nine core initiative partners and six referral partners, each contributing valuable insights to the program evaluation. The interview protocols were designed to explore partners' experiences and efforts working with the Collaborative, key lessons learned, systemic challenges encountered, the perceived impact of the Collaborative, and their forward-looking visions.

Developer interviews

In fall 2023, Wilder Research facilitated conversations with five developers working with the Collaborative to learn about their experiences with the initiative, including perceived successes, challenges, and future opportunities. These developers included two core partners (Rondo Community Land Trust and Build Wealth Minnesota), as well as three private market developers with emerging relationships with the Collaborative. The findings were summarized into three separate case studies, one each for the core partners and one that summarized the experiences of the three emerging partners.

Homebuyer preparation and post-purchase supports

As mentioned, one of the focus areas of the Collaborative was to offer training and financial support for potential buyers so they could become successful homeowners and responsible landlords. Over three years, the core initiative partners provided services to 478 individuals, with 165 residing in Minneapolis, 151 in Saint Paul, and 162 in the rest of the metro area. They were served with pre-home purchase training (i.e., landlord training and financial education), home purchase support (i.e., DPA loan and mortgage assistance), and post-purchase support (i.e., Matched Savings Program, post-purchase repair and replacement loan). Among these individuals, 126 participants—55 residing in Minneapolis, 50 in Saint Paul, and 21 in the rest of the metro area—engaged in multiple services provided by Collaborative partners (Figure 2).

2. Total participants served in three years

Program/Service	ALL clients served	Minneapolis clients served	Saint Paul clients served	Clients served in the rest of the metro area
Pre-Home Purchase Training				
Minnesota Homeownership Center	345	124	109	112
Hope Community	65	26	9	30
Model Cities	44	6	21	17
CLUES	32	8	13	11
Home Purchase Support				
New homeowners who received down payment assistance (DPA) loans	111	53	47	11
New small multifamily homeowners who accessed first mortgage financing through 9000 Equities product	4	2	2	0
Post-Purchase Support				
Participants in Matched Savings Program (Prepare + Prosper)	30	17	10	3
Homeowners receiving Repair/replacement loan (Center for Energy and Environment)	5	3	1	1
Accessed two or more initiative programs	**126**	**55**	**50**	**21**
Unduplicated total[a]	**478**	**165**	**151**	**162**

Source. Family Housing Fund participant tracking spreadsheet October 2020-December 2023. Participants who used more than one service are accounted for under each service they used. The Minnesota Homeownership Center did not record the geographical locations of participants' residences—the location information pertaining to their participants was derived from the 5-digit zip codes on file. Among 111 DPA program participants, 12 cases (5 in Minneapolis, 4 in Saint Paul, and 3 in the rest of the metro area) were pending by the end of December 2023, which were not included in the following analysis. By April 2024, 108 received DPA.

[a] The unduplicated total is the number of people served across all programs, with each person being counted only once.

Participants served through core initiative services

The following information provides a breakdown of each program, including details on the demographics of community members who have participated in and were served by the owner-occupant landlord training and financial education, down payment assistance, and post-purchase support, such as the Matched Savings Program and the repair and rehabilitation loan.

Owner-occupant landlord training and financial education

To ensure that prospective homebuyers are prepared for the unique experiences and challenges of being both a homeowner and a landlord of a small multifamily property, the Building Equity Collaborative continued delivering multiple options for owner-occupant training, allowing them to choose the training option that best fit their needs, interests, and point in the home-buying journey. Multiple training and education options made the program appealing to a larger audience and expanded the potential pipeline for other programs.

The **Minnesota Homeownership Center (HOC)** developed the online owner-occupant landlord curriculum for community members seeking to purchase small multifamily properties. This curriculum was designed to support aspiring homebuyers who may have already taken another homeownership education option, complementing pre-existing education programs with additional information specific to the unique opportunities of owning and occupying a 2-4 unit home. HOC is working with its network of homeownership advisors to refer clients to the training. Acting as an intermediary, HOC filled a crucial niche in facilitating the program creation and implementation, and 345 community members participated in this program. Figure 3 shows that most HOC training participants obtained program information through lenders and online searches (N=198, 58%).

3. Minnesota Homeownership Center participants' source of information

Participants found the course from…	Number of participants (N=345)	Percentage of participants
Lender	137	40%
Internet search	61	18%
Referred by a homeownership advisor	33	10%
Referred by Family Housing Fund	26	8%
Real estate agent	25	7%
Home Stretch	24	7%
Referred by Hope Community, HousingLink, or another nonprofit	16	5%
Friends/family	14	4%
Other	15	4%

Source. Family Housing Fund participant tracking spreadsheet October 2020-December 2023. Some participants obtained the information from multiple sources. The Minnesota Homeownership Center did not track participants' race/ethnicity information.

Hope Community's owner-occupant program provided training and counseling through a six-week cohort model. Initially focused on serving residents in the Phillips community along Franklin Avenue in Minneapolis, Hope Community connected with and served 156 community members from across the Twin Cities metro over three years. Among them, 65 residents graduated from its owner-occupant training program, which aimed to empower participants in navigating the complexities of property ownership and management. Hope Community's training module covered a number of topics, ranging from credit building to affordability options, such as the Community Land Trust model, and business planning from the perspective of a rental owner, including maintenance upkeep and regulations for managing rental units. The majority of training participants identified as people of color, with 78% (51 out of 65) Black/African American (Figure 4).

4. Hope Community owner-occupant training program graduates by race

Race	Number of training graduates (N=65)	Percentage of graduates
Asian	3	5%
Black/African American	51	78%
Hispanic/Latino/a	3	5%
Multiracial	1	2%
Other, not specified	3	5%
No response	4	6%

Source. Family Housing Fund participant tracking spreadsheet October 2020-December 2023.

In 2022, **Model Cities** and **Comunidades Latinas Unidas En Servicio (CLUES)** joined the Collaborative to offer culturally adapted owner-occupant training modules and pre-purchase counseling services to assist families—especially Black/African American and Hispanic/Latino/Latina community members—interested in becoming owner-occupants of multi-unit homes. They supported participants in achieving mortgage readiness and facilitated connections to resources such as down payment assistance programs and other housing-related initiatives.

In total, 76 participants were engaged through these two organizations, with 14 located in Minneapolis and 34 in Saint Paul. Forty-nine percent of participants identified as Black or African American and 43% identified as Hispanic or Latino/a. Over 60% of the participants were female. The majority of participants were employed either full time or part time, but a large portion of them had income levels below 60% of the Area Median Income (AMI), comprising 64% overall (49 participants). Figure 5 provides a more detailed breakdown of the information.

5. Model Cities and CLUES program participants' services received and characteristics

	ALL participants (N=76)	Percentage of participants
Service received by participants		
HomeStretch	25	33%
Pre-purchase counseling	47	62%
Other services (e.g., direct tenant assistance, long-term housing support, workshops, the lending circles program)	28	37%
Gender		
Female	51	67%
Male	22	29%
Unknown	3	4%
Race		
Asian American/Pacific Islander	4	5%
American Indian/Alaska Native	2	3%
Black/African American	37	49%
Hispanic/Latino/a	33	43%
White/Caucasian	8	11%
Multiracial (non-Hispanic/not specified)	4	5%
Prefer not to say	2	3%
Income level		
Below 30% of AMI	17	22%
30%-59% of AMI	32	42%
60%-79% of AMI	8	11%
80% of AMI or higher	10	13%
Unknown	9	12%
Employment status		
Employed full time or part time	59	78%
Unemployed/No current source of income	3	4%
Self-employed (cash income)	4	5%
Unknown	10	13%

Source. Family Housing Fund participant tracking spreadsheet October 2020-December 2023.

Note. Some participants received multiple services. Among all participants, 49 participated in either or both HomeStretch and pre-purchase counseling. The counts of racial groups include individuals who identified themselves as one of these groups, including those who are multiracial.

5. Model Cities and CLUES program participants' services received and characteristics (continued)

	ALL participants (N=76)	Percentage of participants
Education level		
Less than high school	4	5%
High school/GED	12	16%
Certification from a vocational or technical training program	5	7%
Some post-secondary education	14	18%
Associate degree	7	9%
Bachelor's degree	17	22%
Master's or other graduate degree	6	8%
Unknown	11	14%
Household size		
1 person	20	26%
2-4 members	37	49%
> 4 members	17	22%
Unknown	2	3%

Source. Family Housing Fund participant tracking spreadsheet October 2020-December 2023.

Note. Some participants received multiple services. Among all participants, 49 participated in either or both HomeStretch and pre-purchase counseling. The counts of racial groups include individuals who identified themselves as one of these groups, including those who are multiracial.

Down payment assistance loan and mortgage assistance

In 2021, Family Housing Fund led the development of a new Down Payment Assistance (DPA) Loan Program with capital from the JPMorgan Chase and Bush Foundation grants. Family Housing Fund worked with partners and stakeholders to develop program requirements and guidelines, and partnered with Build Wealth Minnesota to engage interested homebuyers and deploy the DPA loans. The Greater Minnesota Housing Fund provided technical assistance for the design of the program and the creation of loan documents.

In the pilot phase, borrowers must have had low or moderate incomes (at or below 115% of the Area Median Income (AMI)) to be eligible for DPA loans. Priority was given to borrowers earning 60-80% of the AMI and first-generation and/or first-time homebuyers. Borrowers must have completed Hope Community's owner-occupant training cohort or a combination of HUD-approved homebuyer education and HOC's online owner-occupant training. Borrowers must have purchased properties with 2-4 units, and the property must become the borrower's primary residence. DPA loans have a 0% interest rate, can be forgiven by 20% per year over five years, and could be layered with other types of assistance. The amount of $20,000 was the most frequently received by borrowers, with a maximum award of $40,000 based on need and priority factors. The flexibility of the DPA funds aimed to allow clients to secure higher value assets—multifamily homes—where they could supplement their income with rent and work to build generational wealth. The inclusion of non-first-time homebuyers also contributed to this flexibility.

By the end of December 2023, the DPA Loan Program served 99 community members, with 48 closings (48%) in Minneapolis and 43 (43%) in Saint Paul (Figure 6). About 90% of buyers identified as BIPOC (89% overall; 90% in Minneapolis; 88% in Saint Paul). Figure 7 illustrates the neighborhoods in which DPA recipients purchased homes and the demographic characteristics of those neighborhoods. Participants purchased homes throughout the cities, including both neighborhoods with low and high BIPOC populations. The majority of DPA recipients were first-time homebuyers (93% overall; 96% in Minneapolis; 91% in Saint Paul); most closings were on duplexes (93% overall); and 88% of all recipients had income levels between 30% and 80% of AMI.

Regarding the amount of DPA loans, 52% of homebuyers received $20,000, but the totals ranged from $5,000 to $40,000. The average loan amount was $22,302 overall. Homebuyers acquired multifamily properties at an average price of $321,423 overall (Figure 6).

6. Characteristics of homebuyers receiving Down Payment Assistance loans

	ALL recipients (N=99)	Minneapolis recipients (N=48)	Saint Paul recipients (N=43)	Recipients from the rest of the metro area (N=8)
Race				
Asian American/Pacific Islander	10 (10%)	1 (2%)	8 (19%)	1
Black/African American	69 (69%)	35 (73%)	28 (65%)	6
Hispanic/Latino/a	8 (8%)	6 (13%)	2 (5%)	0
White/Caucasian	11 (11%)	5 (10%)	5 (12%)	1
Multiracial	1 (1%)	1 (2%)	0 (0%)	0
First-time buyer				
Yes	92 (93%)	46 (96%)	39 (91%)	7
No	7 (7%)	2 (4%)	4 (9%)	1

Source. Family Housing Fund participant tracking spreadsheet October 2020-December 2023. Twelve pending cases with closing dates on and after 12/28/2023 were not included in the analysis.

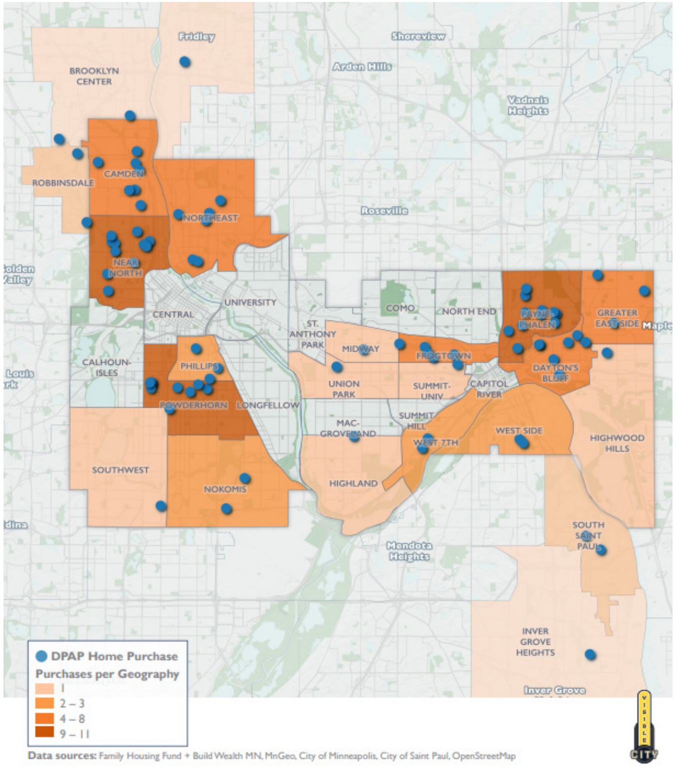
6. Characteristics of homebuyers receiving Down Payment Assistance loans (continued)

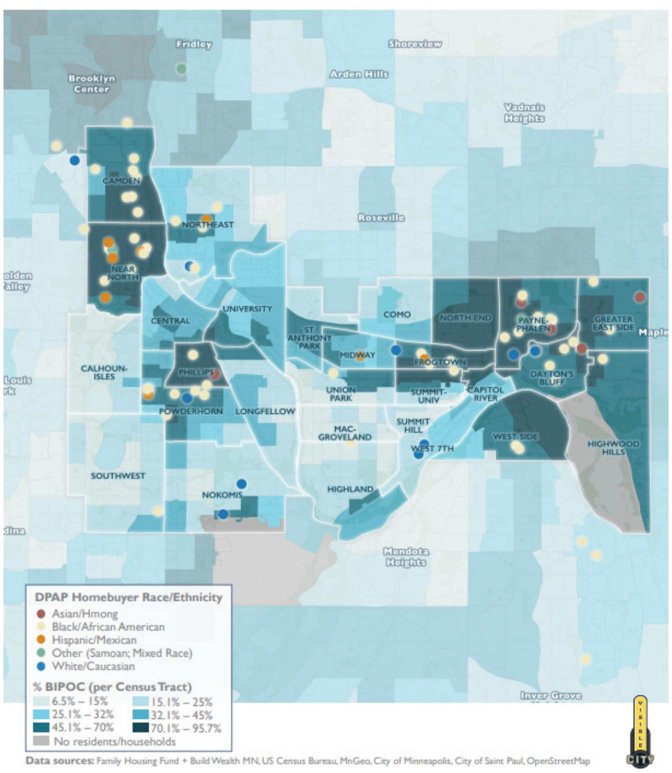
	ALL recipients (N=99)	Minneapolis recipients (N=48)	Saint Paul recipients (N=43)	Recipients from the rest of the metro area (N=8)
Property type				
Duplex	92 (93%)	45 (94%)	42 (98%)	5
Triplex	2 (2%)	1 (2%)	0 (0%)	1
Fourplex	4 (4%)	2 (4%)	1 (2%)	1
Single/ADU	1 (1%)	0 (0%)	0 (0%)	1
Location of property (city)				
Minneapolis	48 (48%)	-	-	-
Saint Paul	43 (43%)	-	-	-
South Saint Paul	2 (2%)	-	-	-
Robbinsdale	2 (2%)	-	-	-
Brooklyn Center	2 (2%)	-	-	-
Fridley	1 (1%)	-	-	-
Inver Grove Heights	1 (1%)	-	-	-
Income level[a]				
Below 30% of AMI	4 (4%)	1 (2%)	3 (7%)	0
30%-59% of AMI	61 (62%)	30 (63%)	26 (60%)	5
60%-79% of AMI	26 (26%)	12 (25%)	11 (26%)	2
80% of AMI or higher	8 (8%)	4 (8%)	3 (7%)	1
DPA amount				
< 20,000 dollars	20 (20%)	13 (27%)	6 (14%)	1
20,000 dollars	52 (52%)	24 (50%)	24 (56%)	4
> 20,000 dollars	27 (27%)	11 (23%)	13 (30%)	3
Average DPA amount	$22,302	$21,290	$23,116	$24,000
Total DPA amount	$2,207,900	$1,021,900	$994,000	$192,000
Home purchase price range	$190,000–$570,000	$224,000–$570,000	$190,000–$460,000	$264,500–$570,000
Average home purchase price	$321,423	$334,541	$290,474	$409,063

Source. Family Housing Fund participant tracking spreadsheet October 2020-December 2023. Twelve pending cases with closing dates on and after 12/28/2023 were not included in the analysis.

[a] According to HUD's Area Median Income for a family of four for the Minneapolis-Saint Paul-Bloomington metropolitan statistical, in 2023, 30% of AMI was $37,250, 50% of AMI was $62,100, 80% of AMI was $74,520, and the area median income was $124,900.

7. Down Payment Assistance loan recipients' property locations





Source. Family Housing Fund participant tracking spreadsheet October 2020-December 2023.

Note. Analysis and visualizations were presented by Visible City in partnership with Family Housing Fund, 2023-2024.

In order to advance mortgage innovations that better meet the specific needs of BIPOC buyers of 2-4 unit homes, the Building Equity Collaborative provided capital as early-stage equity to launch a new mortgage fund (called 9000 Equities), developed by Build Wealth Minnesota. This unique mortgage product in the Twin Cities market provided additional flexibility to potential homebuyers who were struggling to meet traditional mortgage qualification requirements. By using a customized underwriting process, this product addressed barriers to credit that disproportionately prevented BIPOC homebuyers from entering the mortgage market.

This mortgage product targeted borrowers: 1) with income from self-employment or multiple jobs; 2) with credit scores on a consistent upward trend after financial counseling, but which had not yet risen to the standard industry threshold; 3) who were buyers of small multifamily properties without documented rental history (e.g., no formal lease, no receipts).

The 9000 Equities mortgage program was launched on a limited basis in spring 2022. Among the many clients served, the program provided mortgage financing to four multifamily home buyers, all of whom also received Building Equity DPA loans. The total amount of 9000 Equities loans distributed reached $978,000, with individual loan amounts ranging between $197,000 and $301,000. All participants who benefited from the program identified as Black/African American, with income levels ranging between 40% and 64% of the Area Median Income (AMI). However, the program has experienced challenges in selling the loans to the secondary market and replenishing capital, limiting its ability to continue making new loans. Marketing efforts for this mortgage product were scaled back after January 2023.

Post-purchase support: Matched Savings Program and post-purchase loan

To help homeowners replenish their savings after making a home purchase, ensuring they have access to resources for financial emergencies or home repair needs, the Building Equity initiative developed a post-purchase Matched Savings Program in partnership with Prepare + Prosper, using credit enhancement funds from the *Advancing*Cities grant. In this program, recipients of DPA loans were eligible to enroll in the Matched Savings Program and open a savings account through Prepare + Prosper's FAIR banking initiative. When homeowners made monthly payments, Prepare + Prosper authorized transfers of one-to-one match payments to their savings account.

In 2022 and 2023, this program initiated two cohorts with 30 participants in total (13 in the first cohort and 17 in the second cohort), each spanning three years. Beyond the primary goal of ensuring homeowners' ability to maintain homeownership during the initial years, the Matched Savings Program sought to showcase the impact of consistent savings habits on home mortgage performance. Additionally, it aimed to contribute to the expanding body of evidence supporting the integration of savings payments into mortgage products.

Out of 30 participants, 17 were residents of Minneapolis and 10 were in Saint Paul. The majority of participants identified as Black/African American, accounting for 78% overall. Throughout the program, participants' savings deposits varied between $0 and $1,900 across 0-19 total months of savings. By December 2023, participants collectively deposited $17,837, which was matched equally, resulting in a total savings of $35,674 (Figure 8).

8. Matched Savings Program participants

	ALL participants (N=30)	Minneapolis participants (N=17)	Saint Paul Participants (N=10)	Recipients from the rest of the metro area (N=3)
Race				
Asian American/Pacific Islander	2 (7%)	1 (6%)	0	1
Black/African American	23 (77%)	12 (71%)	9	2
White/Caucasian	3 (10%)	2 (12%)	1	0
Hispanic/Latino/a	1 (3%)	1 (6%)	0	0
Multiracial	1 (3%)	1 (6%)	0	0
Matched savings deposit range	$0–$1,900	$0–$1,900	$0–$1,800	$0–$1,400
Average matched savings deposit	$595	$661	$764	$833
Total matched savings deposit	$17,837	$11,237	$4,100	$2,500
Total matched savings amount	$35,674	$22,474	$8,200	$5,000

Source. Family Housing Fund participant tracking spreadsheet October 2020-December 2023.

Note. Fifteen participants were initially enrolled in the first cohort (2022-2025), with 2 dropping out due to personal challenges, while 17 were enrolled in the second cohort (2023-2026).

The Collaborative observed that varying property conditions coupled with economic realities related to income level and home purchase expenses impacted participants' ability to save as anticipated. In the first cohort, eight participants (62%) saved for 12-15 months with deposits ranging from $100 to $1,400, and five participants (38%) saved for more than 15 months with deposits ranging from $1,150 to $1,900. In the second cohort, seven participants (41%) did not save any deposit after enrollment; only two participants (12%) maintained consistent savings for six months. Across both cohorts, participants with higher income levels typically had higher savings deposits on average, although there was one participant who saved $1,150 despite having an income below 30% of AMI (Figure 9).

In conversations with Family Housing Fund staff, several participants described being unable to contribute to their savings accounts because of immediate home maintenance or repair needs. In response, the program introduced strategies, including catch-up payments, enabling participants to make additional contributions in subsequent months if they missed a scheduled payment. These strategies incentivized participants to save more and maximized matching contributions, thereby encouraging greater engagement and enhancing savings accumulation.

9. Matched Savings Program participants' income levels and savings

Income level	First cohort (N=13)	Average number of months with contributions	Average number of months with missed payments	Average savings deposit	Second cohort (N=17)	Average number of months with contributions	Average savings deposit
Below 30% of AMI	1	17	2	$1,150	0	N/A	N/A
30%-59% of AMI	9	14	3	$967	11	1	$184
60%-79% of AMI	2	17	2	$1,200	3	3	$300
80% of AMI or higher	1	18	1	$1,662	3	3	$333

Source. Family Housing Fund participant tracking spreadsheet October 2020-December 2023.

Note. The first cohort was initiated in 2022 and the second cohort was initiated in 2023.

In 2022, the Collaborative partnered with the Center for Energy and the Environment (CEE) to launch the post-purchase repair and replacement loan program. This program was designed to meet immediate repair needs for owner-occupant landlords as an alternative to high-cost financing, such as credit cards. It supported new homeowners in preserving the livability and rentability of the property. The loans were used for repairs or improvements such as new appliances, a new roof, or remedies to potential code violations.

By December 2023, five homeowners (three in Minneapolis, one in Saint Paul, and one in other metro cities) had benefited from the post-purchase loan program. One homeowner received a $7,351 loan, while the remaining four homeowners received $10,000 loans each.

Successes in homebuyer preparation and post-purchase support

Through various financial support, training, and educational programs, partners and participants both perceived that this Collaborative increased community members' awareness of benefits of owner-occupant homeownership; increased the number of BIPOC households closing on homes; contributed to the sustainability in homeownership among BIPOC families; and increased equity and diversity in small multifamily homeownership.

Increased awareness of benefits of owner-occupant homeownership

Among the 15 initiative partners interviewed in 2023, most believed that community members were aware of the resources available through partnering organizations (N=12; 80%). Among these partners, 14 (93%) agreed that their organizations were able to reach BIPOC households with their work with the Collaborative (Figure 10).

10. Target population outreached and served—perceived by core and referral partners (N=15)

Statements	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree	Don't know/NA
People in the community are aware of the resources available through your organization	13%	67%	7%	13%	0%	0%
Your organization is able to reach BIPOC households with your work	53%	40%	0%	0%	7%	0%
Your organization is able to build the capacity and preparedness of potential BIPOC owner-occupants of 2-4 unit buildings	27%	53%	0%	0%	0%	20%
Your work is helping build the capacity of the housing system to support/encourage BIPOC owner-occupants of 2-4 unit buildings	20%	33%	7%	27%	7%	7%

Source. Partner interviews, 2023.

Note. The lower percentage of interviewees agreeing that their work helps build the capacity of the housing system to support BIPOC owner-occupants of 2-4 unit buildings likely reflects the fact that many partners, especially referral partners did not work directly with developers and providers.

Training and educational programs provided by program partners helped community members to understand and prepare for owner-occupant homeownership. In 2022 and 2023, 93 program participants responded to the participant survey. Among them, 86%-96% indicated that their knowledge and skills increased, either a little or a lot, in several key aspects addressed by training and educational programs in the Collaborative (Figure 11).

11. Knowledge and skills gained through training programs provided by the Collaborative

Knowledge and skills	A little more	A lot more	Total
Budgeting for property maintenance and expenses (N=66)	38%	58%	96%
Understanding the laws and regulations related to renting to tenants (N=66)	48%	45%	93%
Understanding what resources are available to buy a home (N=66)	48%	44%	92%
Managing the business of property ownership (N=66)	38%	52%	90%
Key terms or definitions that are important to an occupant-owner landlord (N=67)	22%	67%	88%
Maintaining relationships between owner and tenant (N=66)	44%	42%	86%

Source. Participant surveys, 2022 and 2023

Sixty-five survey participants reflected on their likelihood to purchase a multifamily rental property before the training and if they were more or less likely to purchase a multifamily rental property after the training. Overall, 71% of respondents indicated that they were already somewhat or very likely to purchase a multifamily rental property before the training, and 60% indicated that they were more likely to purchase a multifamily rental property after the training, with another 25% maintaining the same level of interest.

Increased the number of BIPOC households closing on homes

As indicated in Figure 2, 99 program participants closed on homes by the end of December 2023 with the support of the DPA loan and other program services. Of these homebuyers, 88 (89%) were BIPOC households. Both program partners and participants indicated that this achievement could not have been accomplished without support from this Collaborative.

Of 15 program partners interviewed in 2023, 80% agreed that their organizations were able to build the capacity and preparedness of potential BIPOC small multifamily rental property owner-occupants. Many partners (80%) believed that, as a result of effective partnerships, outreach, and referral efforts, along with various types of financial and educational support, the Collaborative successfully assisted BIPOC households in overcoming barriers that might have impeded their home-buying progress and achieving homeownership in 2-4 unit multifamily properties. The Collaborative made significant strides in supporting BIPOC households' access to mortgages, loans, and financial assistance, which enhanced the purchase power of families for 2-4 unit properties. Without this Collaborative, homeownership—especially for low-income individuals and/or first-time homebuyers interested in owner-occupancy—would be considerably more challenging due to high associated costs.

Partners observed an increased number of people progressing toward homeownership. One of the referral partners mentioned that although they directed a small number of clients to core services, among these limited referrals, one individual ultimately purchased a home. As one partner said:

> *This program was presented as a pilot, and it actually did extremely well from what our staff can tell. It did open up the door for families to build stability and additional income. It opened up doors for a lot of families that, without this program, they would not be homeowners of multifamily properties. It's critical to continue this program forward. There's a lot of interest and demand for the program. – Program partner*

About half (47%) of the partners interviewed reported that the DPA program stood out for its impactful assistance to BIPOC homebuyers, extending its reach to diverse communities and serving as a high-profile resource for various homeownership goals. This assistance successfully bridged the gap between the market price for small multifamily housing and what low-to-moderate income BIPOC buyers could afford.

Program participants echoed this perception. Among 93 survey respondents, 25 were qualified for DPA and already purchased or planning on purchasing properties.

- 68% of these 25 participants indicated that they would make a different decision on buying the home without DPA support, mostly because of not having enough savings for the down payment, the high interest rate in the market, and limited affordability
- 32% of these 25 participants indicated that they would NOT make any different choices (i.e., they would have still purchased a 2-4 unit building on the same timeline, in the same neighborhoods)

Homebuyers interviewed in the past two years (N=56) confirmed that they had a positive experience with the DPA loan. Most respondents perceived that the service process was clear (87%), their questions regarding DPA were answered (95%), the loan helped secure the mortgage (100%), and the assistance was on time (89%) in their home-purchase process. In terms of whether or not respondents would purchase a property without the DPA loan, similar to those who were surveyed, 63% reported that they would still have bought a multifamily property without the support. Among the remaining respondents (N=21; 37%) who might NOT have bought a multifamily property, only five might consider purchasing another type of home if affordable, four were not sure what decisions they would make, and eight would likely or very likely end up not purchasing any properties. This indicates that DPA contributed to participants' decision-making and capacity for homeownership.

All homebuyers interviewed (N=55, 100%) reported that they would "definitely" (82%) or "mostly" (18%) recommend purchasing a multifamily property to a friend or family member in similar circumstances. Respondents expressed their appreciation for the Building Equity resources:

> *I used [another lending program] on top of Build Wealth MN, which helped me to get a lower interest rate. However, the process of working with that program caused the delay in my closing date. The bank had to ask me some very intrusive questions about all of my payment history, and they even asked me about my recurring debt to Starbucks, because I buy coffee a lot. And the bank almost didn't approve [my application]. It was an invasive and stressful experience. On the other hand, Build Wealth MN made things smooth and easy for me. The Build Wealth MN person checked in with me regularly throughout the process to make sure I did not have any questions, and to offer support and assistance as needed. – Buyer*
>
> *We really appreciate Family Housing Fund and the program. They made it much easier for us to purchase a home. We were fortunate to be living with our parents for a number of years after college and were able to save money, but the DPA program put us in a really fortunate situation. Without it, we might still be living at home or not have had as much saved, and would not have been able to purchase the home and help out our tenants now. So there is a kind of snowball effect that came from this program. – Buyer*

Increased equity and diversity in small multifamily homeownership

Nine out of 15 partners (60%) described the influence of historical disparities in financial well-being and equity on the Collaborative's current work. The obstacles for BIPOC families include difficulties in obtaining and securing loans, a lack of reserves and savings, barriers in accessing essential resources such as the internet and technology, discriminatory financial practices, and challenges within the mortgage system.

> *Most people that we serve [are] people of color, BIPOC communities, and low-income people. Usually, the system is against them when buying homes. Getting pre-approved for a loan as a person of color might have some challenges when buying a home.– Program partner*

Program partners perceived that, by providing trusted resources, improving opportunities for underserved homebuyers, and fostering broader discussions in the community regarding housing equity, partnering organizations served low-income households beyond BIPOC families and improved training and support initiatives for community members to navigate the system. Cultural sensitivity was also addressed in the translation of training curricula into other languages, such as Spanish, to meet diverse community needs.

Program participants also echoed this perception. As one of the homebuyers said in their interview:

> *I really appreciate having a program such as this. There are not many services, resources, or supports aimed at closing some of the disparity gaps for the African American community. So I am just really appreciative of this opportunity. – Buyer*

Contributed to the sustainability in homeownership among BIPOC families

In interviews, 9 of 15 partners (60%) described how the community homeownership training program has the potential for longer-term impact through ongoing engagement with participants even after they purchase their homes. Partners' expertise in family financial management, counseling, and different types of financial assistance were smoothly integrated into the program, enhancing its overall effectiveness.

Five out of 15 partners (33%) interviewed in 2023 specifically addressed the program's influence on the sustainability of homeownership, with the availability of post-purchase loans, landlord training, and financial education programs for individuals interested in becoming owner-occupants of small multifamily properties. Such efforts aided in maintaining and enhancing properties and positively influenced rental income and overall property condition. They also described the benefits of the Matched Savings Program, which played a critical role in preparing families for potential challenges in the initial years of homeownership, providing them with resources to offset unforeseen expenses and/or build long-term wealth.

> *It's such an awesome idea of not just getting people into homes, but getting people into homes that are also businesses for them to have, to be able to be landlords as well, and to get more passive income, savings, training, and support that they get when they're working with the Collaborative. – Program partner*

In the participant survey, participants were asked to reflect retrospectively on how concerning specific issues—including post-purchase challenges—were before and after participating in Collaborative programs (Figure 12). The result shows that after participating in the program, the percentage of respondents noting each item as "a big concern" was reduced by 6-31%, and the proportion of respondents noting each item as "not a concern" was increased by 6-21% (Figure 13). Reducing concerns related to maintenance, repairs, mortgage payment, and financial management guidance could help homebuyers maintain their properties and general financial wellbeing after home purchase.

12. Concerns before and after program participation

Concern	BEFORE participating (N=69-84) Not a concern	Somewhat of a concern	A big concern	AFTER participating (N=68-84) Not a concern	Somewhat of a concern	A big concern
Having the necessary down payment	10%	28%	63%	30%	38%	32%
Having the knowledge to do the paperwork to get financing	32%	31%	37%	52%	37%	11%
Knowing who to talk to about financing	26%	36%	38%	44%	44%	12%
Finding a suitable property to purchase	8%	38%	54%	28%	41%	30%
Conducting maintenance and repairs required on available properties	17%	42%	41%	32%	48%	20%
Being approved for a home loan[a]	25%	39%	36%	44%	32%	24%
Having a stable stream of money to pay the mortgage[a]	35%	41%	25%	41%	40%	19%

Source. Participant surveys, 2022 and 2023

[a] These two items had fewer respondents because they were added into the 2nd and 3rd rounds of surveys in 2023.

13. Changes in each level of concerns before and after program participation

Percentage change: After versus before	Not a concern	Somewhat of a concern	A big concern
Having the necessary down payment	21%	10%	-31%
Having the knowledge to do the paperwork to get financing	20%	6%	-26%
Knowing who to talk to about financing	18%	8%	-26%
Finding a suitable property to purchase	20%	3%	-23%
Conducting maintenance and repairs required on available properties	15%	6%	-21%
Being approved for a home loan	19%	-7%	-12%
Having a stable stream of money to pay the mortgage	6%	-1%	-6%

Source. Participant surveys, 2022 and 2023

Homebuyers perceived benefits and advantages of owner-occupant homeownership. According to the 56 homebuyers interviewed between 2022 and 2023, all respondents (100%) had a unit available for rent within their acquired property, with rental prices varying between $950 and $2,100 monthly, and averaging approximately $1,320 in 2022 and $1,414 in 2023.

Challenges with homebuyer preparation and post-purchase supports

Program partners and participants discussed barriers and challenges that homebuyers experienced and/or perceived related to before-purchase preparation, post-purchase costs and efforts, and access to program services.

Financial barriers still challenged program participants

Based on the participant survey, out of the 79 respondents who answered the question regarding challenges encountered in purchasing a multifamily rental property, approximately 60 individuals (76%) cited financial barriers. These included insufficient income and savings for down payments, closing costs, and maintenance expenses, as well as obstacles in accessing funding, loans, or financial aid due to factors such as low credit scores. High inflation and interest rates also impacted affordability. Additionally, property market issues such as limited inventory and intense market competition deterred some participants from pursuing home purchases (22%). Furthermore, 11 respondents (14%) expressed a lack of experience and confidence in being a landlord and managing rental properties.

Need for additional post-purchase support

Regarding the biggest challenge homebuyers experienced since their purchase, 31 out of 56 homebuyer interviewees (55%) mentioned challenges related to home repairs, renovations, and rehabilitations. Homebuyers commonly purchased older homes that required maintenance because these homes were more affordable. Especially for those who had regular jobs, being a landlord meant fitting all of the work around their other responsibilities. Some respondents tried to prioritize tasks in order to balance between conducting repairs and saving—but they reported that even determining what they should do first was a challenge.

According to homebuyers, the post-purchase repairs and rehabilitation tasks usually came together with financial concerns (N=16; 29%). Using credit cards to cover repair expenses further impacted homebuyers' credit scores due to increased debt. Furthermore, managing unpaid property taxes, legal actions, and unforeseen expenses all contributed to the financial burdens experienced by program participants. These post-purchase costs prevented many members of the Matched Savings Program to pause their savings contributions. At the same time, the Collaborative's post-purchase loan fund for 2-4 unit properties was underutilized, indicating a disconnect between the design of the loan program and the actual needs of new homeowners.

Apart from property maintenance and associated financial challenges, 25 homebuyers (45%) reported property management issues, such as dealing with tenant-landlord communication issues and relationships, recruiting new tenants, relationship building with neighbors, legal issues with tenants, property maintenance—such as late-night maintenance emergencies, rodent control, and working with contractors—and paperwork/communication with city administrative staff.

Program qualification and access to program services

Eight out of 15 partners (53%) highlighted that because resources were limited, not all participants who were interested in and eligible for program services could be served in time. For example, around 15 participants were able to enroll in each Matched Savings Program cohort, with several expressing interest in joining but being placed on a wait list instead due to the pilot nature of the program, according to homebuyers in interviews.

Some partners (27%) mentioned that the program could potentially be more adaptable and flexible in enrollment timing and procedures. For instance, for the Matched Savings Program, alternative strategies were not in place when experiencing discrepancy between program plan and reality, such as when people dropped out of the program, until late in the initiative. In addition, partners raised concerns about the slower implementation of certain services, particularly funds for home improvement and renovations. Furthermore, while partners found the process for connecting individuals with programs provided by core initiative partners was generally effective, it occasionally involved multiple steps and an excessive amount of personal information from clients at the referral stage. One referral partner noted a lack of follow-through procedure with clients after initial contact, resulting in either losing contact with them or ineffective referral to core services. Partners mentioned that an adaptable information-sharing process across core and referral partners would be helpful for tracking the progress of cases and ensuring that counselors effectively collaborate with clients throughout the journey.

Small multifamily property supply efforts

In addition to building the knowledge, skills, and readiness of prospective homebuyers, the Collaborative supported the supply of small multifamily properties available to BIPOC homebuyers. The Collaborative recognized challenges in development, especially during and after the pandemic. To better leverage the ongoing efforts of partners and community organizations within the ecosystem, the Collaborative weaved its initiatives into existing systems and amplified the partnerships and efforts already in place.

Progress in supporting small multifamily property supply

To increase the availability and quality of small multifamily buildings for owner-occupant homebuyers, the Building Equity initiative established a construction loan pool for the acquisition, development, or rehabilitation of 2-4 unit homes.

The Land Bank Twin Cities operated the loan pool, prioritizing loans to emerging BIPOC developers to help them grow their businesses and further expand wealth-building opportunities. Since the creation of the loan pool, rising construction costs and extreme market volatility have presented significant challenges to new development. These market forces have made it risky for small BIPOC developers to sign on to deals as originally configured, and multiple deals fell through before closing. While it faced challenges in deploying capital, this construction loan pool provided a new tool for developing small multifamily properties, with a specific focus on BIPOC communities.

In 2022, one loan was made in Minneapolis from the construction loan pool: a $300,000 rehabilitation loan for a duplex. The loan was made to Build Wealth Minnesota, a Black-led Community Development Financial Institution (CDFI) expanding its role in housing development. Another loan was made in Saint Paul to Rondo Community Land Trust to support its development project. Apart from those capital deployment efforts, six prospective loans averaging $340,000 were deployed for acquisition and construction lending in Saint Paul to Rondo Community Land Trust and six properties were acquired to provide new supply of the 2-4 unit homes. In addition, at the close of this grant, both Rondo Community Land Trust and Build Wealth Minnesota were working on identifying and securing additional small, multifamily properties to rehabilitate and sell to the populations of focus for this initiative.

Additionally, the Collaborative pursued the acquisition of a large portfolio of 60 small multifamily properties for this initiative. The portfolio presented an opportunity to acquire a significant number of properties at a discount, improving the financial feasibility of acquisition, rehab, and disposition of the properties for an affordable purchase price for the end homebuyers. Unfortunately, disagreement between the owners of the portfolio delayed—and ultimately squashed—the deal. The Land Bank has continued to pursue the acquisition of smaller portfolios.

In addition, to help reduce construction costs and further support emerging developers, Family Housing Fund worked with a team of architects to develop free-to-access construction plans for energy efficient duplexes that would fit on a typical Minneapolis or Saint Paul lot. The Greater Minnesota Housing Fund also conducted feasibility testing of these plans to maximize their efficiency and affordability for developers. Family Housing Fund and the Greater Minnesota Housing Fund encouraged local, BIPOC developers to utilize these construction plans for their own projects.

Offering BIPOC developers opportunities to develop/rehabilitate small multifamily properties

In case study interviews, Rondo Community Land Trust explained that they have grown their development efforts significantly and rapidly, and they have increased their focus on multifamily properties more recently. In addition, with the partnership in the Collaborative, Build Wealth Minnesota expanded its scope to include the development and rehabilitation of multi-unit properties, including duplexes and triplexes. Two smaller developers, Magnolia Homes and Refresh Real Estate, have been actively focusing on rehabilitating homes with an emphasis on building homeownership among BIPOC communities and individuals with incomes below 80% AMI. While both developers have been working primarily on single-family homes and larger multifamily complexes, they both acknowledged being inspired by the Collaborative's idea to develop small multifamily properties to align with their missions.

Connected community partners to collaborate on small multifamily properties supply

Partners working with and supporting developers and housing providers (20%) mentioned that, through their work with the Collaborative, they positively influenced the multifamily housing supply. The Emerging Developer of Color Program created by the Greater Minnesota Housing Fund (GMHF) assisted emerging developers in navigating the real estate development process by providing technical assistance and financing resources. Over the past three years, GMHF financed many units of affordable rental housing, including small multifamily rental properties, across various projects led by developers of color. Additionally, partners described the purchase and sale of duplexes as affordable homeownership opportunities as working well. A duplex on Penn Avenue, a collaborative effort between the Land Bank and Build Wealth Minnesota, was an example of success. It was the first fully completed transaction of a rehabilitation project through the Collaborative. Furthermore, Rondo Community Land Trust, with existing duplexes in its portfolio, aimed for 10 to 15 additional multifamily homes for BIPOC households by the end of 2024.

In interviews with stakeholders conducted in 2021, two of the stakeholders described how the Collaborative's partners were working to build a pipeline of existing small multifamily property portfolios for resident-participants to buy. Specifically, stakeholders identified

Hope Community's and other nonprofits' (e.g., Aeon, Project for Pride in Living) portfolios as an opportunity to increase purchasable small multifamily stock for residents.

In interviews with partners in fall 2023, partners described how the Collaborative not only strengthened existing internal relationships but also facilitated building connections beyond the established network. For example, partners were able to connect with the cities of Saint Paul and Minneapolis, advocating for more opportunities for newer and smaller-scale developers in multifamily property development. Partners collaborated with city staff to navigate aspects of this work, such as subsidies, project development, funding requirements, and the supply challenges associated with multifamily properties, pursuing increased availability and affordability in housing.

In Wilder's conversations with emerging partner developers, Magnolia Homes described gradually expanding their scope to navigate the complexities of multi-unit property development, specifically 2-4 unit buildings, a decision influenced by evolving community needs and a broader vision for sustainable housing. Beyond the Collaborative, Magnolia Homes accessed support from various sources, including Local Initiatives Support Corporation (LISC), Greater Minnesota Housing Fund, and City of Minneapolis funding streams. Their ongoing development plan involves four additional twin homes and two triplexes in Minneapolis, targeting low-income buyers with incomes at or below 60% of AMI.

Challenges with small multifamily property supply efforts

The Collaborative experienced several significant challenges that hindered the development of small multifamily properties as affordable homeownership opportunities.

Challenging housing market during economic change

In 2023, Wilder Research interviewed partners on challenges they are facing in their efforts in small multifamily property development. Eleven partners (73%) experienced challenges related to the changing market, economic, and housing environment, especially throughout pandemic-related economic upheaval. Partners and developers both described high construction costs impacting the feasibility of building small multifamily properties, and struggles to find affordable properties in a competitive market with limited housing inventory. Partners also emphasized difficulties in adapting to rising interest rates and the impact of large outside investors on the housing market dynamics. These market forces have made it increasingly risky for small BIPOC developers to sign on to deals as originally designed under the grant and, as a result, multiple deals fell through before closing.

Build Wealth Minnesota reported adverse effects from the COVID-19 pandemic and environmental challenges like wildfires over the past three years. These factors caused a significant rise in development costs and inflation, especially regarding lumber, due to disruptions in the international supply chain. These challenges further affected manufacturing facilities and subcontractors, resulting in less structured collaborative relationships. Furthermore, the scarcity of inventory created a seller's market, intensifying competition among buyers. The demand of homes surpassed the available and affordable options, causing an increase in home values. However, Build Wealth Minnesota identified that the market was experiencing a high degree of instability, marked by a 3% decline in housing sales.

Funding constraints and policy restrictions

Securing funding for affordable housing development has been a significant challenge for the developers Wilder interviewed. According to some developers, even with financial support from the Collaborative, they needed more public subsidy to proceed with small multifamily property development projects. However, challenges in multifamily property development primarily stemmed from regulatory and financial constraints, particularly in the early stages of development. They highlighted inconsistencies in funding and subsidy policies across different cities, making it challenging to navigate. Obtaining federal funding proved even more difficult due to restrictions on usage and deployment methods. Securing pre-development support and resources posed difficulties, and overcoming this challenge required strategic thinking and leveraging personal entrepreneurial experience. Delays in approvals and navigating bureaucratic processes extended project timelines, affecting overall project efficiency. Some developers have addressed funding gaps by establishing strong relationships with organizations and individuals willing to defer payments or provide support.

In conversation with Rondo CLT, they emphasized the need for subsidies in operating in a constrained housing market. The limited supply of 2-4 unit properties and high competition from outside investors has driven up the cost of homes to a prohibitive point. Staff explained that the average well-maintained duplex in the area they serve is about $450,000 and to build a duplex with all of the requirements needed is $700,000. That makes the subsidy essential. However, they also emphasized that each funding stream has many requirements around how to use the money and it increases the costs and timelines, up to 30% if not more. In addition, these funding sources often limit who they can sell the properties to.

Emerging developers described challenges with limited access to working capital, which affected their ability to sustain projects and hindered the speed at which the organization could grow. There was a mismatch between the perceived need for equity and the availability of cash and lines of credit. They also described difficulties in accessing subsidies for affordable housing projects due to competitive processes and stringent application requirements. In addition, the anticipated timelines for property development were longer than initially expected, influenced by factors such as weather, city processes, and scheduling of trades.

Referral and collaboration activities

As a core element of this grant, Family Housing Fund served as a convener and connector of partners around the common goal of increasing access to small multifamily homeownership opportunities, particularly for underserved and marginalized communities.

Successes with referral and collaboration activities

Partners, including both core and referral partners, identified multiple key successes associated with the Collaborative, particularly regarding the integrated partnership model.

Developed new and enhanced existing partnerships

Nine partners (60%) perceived the effective internal collaboration among partners to be one of the aspects of the Collaborative that went well. Overall, the partnership created a positive and effective mechanism for pursuing shared goals and addressing community needs.

Overall, 80% of partners agreed that they made new connections with partner organizations and stated they feel connected to other Collaborative partners because of their participation in this program. In addition, 67% strengthened existing relationships with partner organizations through the Collaborative.

One key benefit of the Collaborative was the effective exchange of information and resources among diverse partners. Cohort check-in meetings were valuable for partners to share experiences, creating a cross-sectional platform for interaction and knowledge exchange. The "open-door atmosphere" during meetings allowed organizations to share insights into their respective programs. In addition, partners appreciated the efficient division of responsibilities among organizations and credited the Collaborative for fostering teamwork, resulting in mutual referrals among partners.

Created a comprehensive supportive model through system-wide collaboration

Two-thirds of partners emphasized the significance of establishing a comprehensive supportive model through collaboration across the system. The Collaborative effort was perceived to successfully fill a crucial gap in the system, focusing on small multifamily ownership, which was not previously well-established within homeownership strategies. It focused on not just homeownership but also on creating business opportunities for individuals to become landlords, generating passive income.

> *Initiatives like this one are rare and [we] appreciated the Collaborative for its intentional approach to addressing housing equity. – Partner*

> *The success rate without the Collaborative's efforts and resources was essentially 0%. All of our projects involved the resources provided by the cohort [partner], and they collaborated with another cohort [partner]. Without these resources and collaborations, the projects wouldn't have happened. – Partner*

The Collaborative adopted a comprehensive approach by actively engaging partners with diverse expertise and backgrounds. This inclusive strategy provided support throughout the entire homeownership journey, from generating initial interest to providing post-purchase solutions. This approach was designed to enhance accessibility and sustainability for community members facing challenges in achieving homeownership. The collaborative nature of working with other community organizations engaged in similar efforts was perceived as highly beneficial, and partners attributed this to Family Housing Fund's intentional and inclusive approach to fostering partnerships.

Partnering organizations evolved through the initiative, gaining valuable insights into new knowledge, tools, networks, and approaches. These learnings were then translated into actionable practices, contributing to the collective growth and effectiveness of the Collaborative's efforts. Then, partners actively engaged with other key stakeholders in the system, bringing innovative ideas to the community and establishing connections between the Collaborative and additional players of different kinds. This collaborative effort extended beyond the immediate partnering organizations, creating a network that involved diverse stakeholders, including local communities, policymakers, lenders, and other entities contributing to the broader housing ecosystem.

> *[The Collaborative] has brought on new lenders that operate in an affordable housing space… The system is changing right now. There are more products coming to the table to make multifamily homes more accessible with finances—more flexible guidelines and more financial support. – Partner*
>
> *That's huge—the Collaborative and how the whole thing operates. [Our organization] has always been collaborating with communities—community leaders, a lot of the housing authorities for cities, Minnesota Housing, Minnesota Department of Commerce, neighborhood leaders—that's how we, and the Collaborative, get the word out for what they do. – Partner*

Challenges with referral and collaboration activities

However, partners also identified challenges to this work, including difficulties engaging the target population and sustaining the momentum created during this initiative after the three-year pilot phase ends.

Lack of unified marketing and communication strategies

Eight partners (53%) highlighted that there was a need to strike a balance between serving existing clients effectively and reaching additional clients within the available resource pool. Without a formal and unified outreach marketing plan, some partners were relying on their own referring approaches. Some referral partners recognized challenges in explaining program activities and resources. Clients might not fully understand the requirements and considerations for rental property homeownership. Concerns include possible complications, miscommunication, and a lack of complete information when introducing multiple housing-related resources. Concentrated advertising efforts and improved clarity on the referral process were identified as areas for enhancement. The absence of impactful marketing strategies contributed to limited program visibility.

Individual awareness of and interest in multifamily homeownership

Partners acknowledged that it took time to build awareness and acceptance of multifamily property purchases. Partners faced challenges due to the lack of knowledge about the opportunities and potential benefits of multifamily homeownership, and a lack confidence in the overall home-buying process and homeownership system within the community. In addition, some potential buyers were initially overwhelmed by the complexities of becoming both a homeowner and a landlord. The homebuyer training and preparation, particularly when provided by trusted community partners, helped prospective buyers increase their understanding of multifamily homeownership and make informed decisions about whether this pathway was the right fit for them and their goals.

Goals and expectations for future collaboration

Many partners voiced a desire to continue the momentum they felt in working together to address Collaborative goals, particularly around multifamily home ownership and access to homeownership and wealth building opportunities for BIPOC individuals and families. Twelve partners (80%) expressed the desire for an agency (such as Family Housing Fund) to play a crucial role in bridging resources and partners to support their future efforts. Core partners highlighted the importance of Family Housing Fund in identifying appropriate lending organizations, maintaining open dialogues, building marketing and communication approaches, and serving as a convener, connector, and funder. They would like to see an organization willing to step into that role in the future, even if it is not Family Housing Fund. In addition, 60% of partners emphasized an ongoing need for securing funding and housing resources to support their future efforts.

Feedback from Family Housing Fund

In January 2024, Wilder Research facilitated a reflection session with Family Housing Fund staff, discussing their insights on the initiative's lessons learned, challenges experienced, Family Housing Fund's future directions, and recommendations for similar initiatives.

Lessons learned

From Family Housing Fund staff's observations and perspectives, the Collaborative offered multifaceted, practical, and experiential knowledge in supporting programs promoting BIPOC homeownership, including:

Amplifying existing community efforts to advance BIPOC homeownership

An essential learning obtained from this three-year pilot was that the timeline for homeownership preparation, particularly for historically underserved households, could span several years. The journey for BIPOC households to prepare, build credit, save, and secure first mortgage financing was not linear. It necessitated a longer-than-anticipated runway to provide them with support through education, resource sharing, financial assistance, and guidance for unforeseen circumstances. Therefore, it was important for the initiative to leverage and build upon the groundwork already established by the Collaborative's community partners. These partners, particularly BIPOC-led organizations deeply rooted in the community, have long been dedicated to preparing households for homeownership. Their sustained efforts have laid the foundation for the Collaborative, equipping households for the journey towards homeownership.

Aligning strategies with local community development goals

The Collaborative intended to align its strategies with the broader community development initiatives and goals set forth by local governments in the Twin Cities metro, including the Minneapolis 2040 Plan and Saint Paul's 2040 Comprehensive Plan. The former emphasized small multifamily and infill development, the development of cultural corridors, and investments in cultural districts; the latter revised zoning code regulations to promote greater housing density, fostering flexibility in small multi-unit housing development. By encouraging owners to reside in the rental properties they purchased, the program inspired community-rooted landlords in neighborhoods and contributed to the expansion of local housing providers serving their communities. However, the Collaborative's experience revealed that upzoning alone was insufficient to facilitate the development of small multifamily properties. While zoning shifts opened up possibilities, they did not provide developers and practitioners with the necessary support to navigate the complexities of evolving market conditions effectively. The Collaborative continues to support upzoning, as it removes a critical barrier to more housing development; however, local governments should pair zoning reform with additional strategies to support affordable housing development.

Valuing Homes in Black Communities

As part of the Building Equity initiative, Family Housing Fund began exploring additional innovations to increase access to mortgage financing and increased savings/liquidity for Black households specifically. This strategy–called Valuing Homes in Black Communities (VHBC)–has become an outgrowth of the Building Equity initiative and presents a next evolution of work to reduce racial wealth disparities in the Twin Cities region. Beginning in January 2023, Family Housing Fund conducted community engagement in the form of listening sessions, interviews, and design workshops with Black aspiring homebuyers, homeowners, and community partners. The insights obtained from VHBC, including systemic, institutional, generational, and community-wide challenges facing Black communities, coupled with knowledge acquired through the Building Equity Collaborative's practices, mutually complement and validate each other. These learnings have underscored the needs for accessible culturally responsive mortgage products and pre- and post-purchase support provided by Black-led, culturally rooted community organizations throughout the entire homeownership journey. Aligning these initiatives could enhance the potential impact and effectiveness of future endeavors.

Market challenges to addressing the supply shortage

As mentioned by other program partners, Family Housing Fund staff also acknowledged that challenges arose from the supply shortage due to the impact of the COVID-19 pandemic and the economic challenges in the post-pandemic period. For Family Housing Fund staff, these challenges were not only reflected in the outcomes of the program but influenced the overall trajectory and strategies of the initiative over the past three years.

On the supply side, the increasing costs of labor and materials rendered new property development financially challenging, prompting a greater emphasis on acquisition and rehabilitation projects. However, the process of acquiring portfolios proved to be time-consuming and difficult during the pandemic, limiting home-buying options for program participants. The Collaborative struggled to shift in strategy in response to these supply-side challenges.

Furthermore, the combination of rising property prices and mortgage rates, coupled with reduced buying power among potential BIPOC homeowners, exacerbated the demand-supply gap in the housing market. This economic constraint underscored the need for innovative solutions to ensure equitable access to housing opportunities amidst shifting economic conditions. However, despite recognizing the need, there was a lack of effective tools available to bridge the gap in the system.

Implementation changes and evolving strategies

In the past three years, Family Housing Fund learned from initiative implementation and community discussions in order to adjust program strategies, focus, timelines, and products, with the purpose of better supporting participants and addressing emerging challenges.

- ***Program strategy was adjusted to address collaboration and streamlined services.*** Initially, the program was focused on increasing access to first mortgage financing by both amplifying efforts surrounding the Build Wealth 9000 Equities mortgage program and exploring new mortgage products on the private market. Through continued engagement with partners and community members, Family Housing Fund learned that various partners within the ecosystem were already engaged in the provision of culturally responsive mortgage products. Therefore, the strategy was adjusted to prioritize better utilization of existing tools, collaboration with partners towards common goals, and identifying additional systemic gaps in support.
- ***Program focus was adjusted by adding additional layers on homebuyer support.*** Recognizing the supply-side challenges and responding to the limitations posed by the changing economic and homeownership landscape, additional efforts were added to enhance homebuyer support services (e.g., by including CLUES and other referral partners). The initiative revealed that three years was insufficient for many target households to adequately prepare for the home-buying process. This understanding led to the shift towards supporting a longer period for households to become prepared, committed, and ready for homeownership.
- ***Offerings and products were adjusted to better address participants' needs along the journey.*** Recognizing that many homebuyers struggled with managing monthly expenses after property purchase, the Collaborative created new tools or adjusted existing offerings to address post-purchase challenges. For example, the Collaborative: maximized savings opportunities for Matched Savings Program participants through catch-up payments; proposed post-purchase loans to support property maintenance; and adjusted the down payment assistance program to provide recipients with a larger amount of assistance upfront, addressing concerns about managing expenses in the initial stages of homeownership.

Future efforts

Moving forward, Family Housing Fund is committed to addressing systemic issues and disparities within BIPOC communities by exploring the effectiveness of accelerating the wealth-building trajectory through small multifamily owner-occupancy. Efforts include but are not limited to the following:

- ***Prioritize the Valuing Homes in Black Communities (VHBC) initiative to promote* Black homeownership.** The successes of and lessons learned from the Building Equity Collaborative have accumulated experience for the VHBC initiative across various stages of the homeownership journey. The planning, learning, and designing phases of the VHBC initiative in 2023 highlighted the importance of Black-led, culturally rooted organizations to further promote Black homeownership. In response, Family Housing Fund is catalyzing partnerships and evolving strategies to amplify and invest in deep, culturally responsive support pre-purchase, strengthen coordination of support for Black homebuyers in the transaction phase, and build a sophisticated ecosystem of support post-purchase to ensure long-term success for Black homeowners. Addressing systemic issues such as lack of post-purchase support, inequitable valuation of homes in Black communities, and disparities in tax burden are critical areas for intervention and investment to promote long-term wealth development and asset maintenance.
- ***Continue to support partners in the Collaborative to advance their community-based efforts.*** Family Housing Fund will ensure the effectiveness of the capital loan pool dedicated to the acquisition, development, and rehabilitation of 2-4 unit properties; learn from the Matched Savings Program to make saving more flexible and accessible; and better fit the post-purchase repair loan pool into the post-purchase ecosystem—with potential adjustments such as re-designing the loan to accommodate flexible repayment plans.
- ***Continue to improve the capacity of the system to support the multifamily rental property ownership model.*** Family Housing Fund will continue its active engagement in developing strategies to address racial wealth disparities. As part of this effort, Family Housing Fund is committed to ensuring that these strategies incorporate small multifamily properties as a viable tool. A large pool of Down Payment Assistance resources created by the Minnesota Legislature will soon become available for first-generation homebuyers, and duplexes will be eligible for these resources. Additionally, other, smaller pools of DPA are becoming available in the Twin Cities for homes with 1-4 units. Leveraging the growing DPA resources tailored for small multifamily homebuyers, Family Housing Fund will continue to learn, understand, and amplify the owner-occupancy approach for first-time homebuyers as an effective pathway.

Recommendations for similar work

Given the complexity of wealth-building and home-buying journeys, the Building Equity Collaborative initiative prioritized achieving owner-occupant homeownership as its primary focus, with all services and activities designed accordingly. Based on the Collaborative's experience and lessons learned, Family Housing Fund staff suggested that, to effectively utilize resources, similar initiatives may consider the following recommendations:

- ***Explore and examine community-based culturally responsive solutions***. Informed by the insights gained from both the Building Equity Collaborative and the VHBC initiatives, there is a need to recognize and amplify the work of BIPOC-led, community-based organizations, which establish the foundation for supporting BIPOC households and guiding them along the homeownership journey. Bridging the gap between these community resources and mainstream financial institutions presents an opportunity to enhance the homeownership preparation process and improve the homebuyer experience. Additionally, efforts should align with complementary initiatives at both local and broader levels to collectively address gaps and challenges in advancing BIPOC homeownership.
- ***Support housing development to close affordability gaps.*** Initiatives may explore ways to systematically support emerging BIPOC developers in accessing capital and resources to improve the feasibility of small multifamily development for an affordable purchase price. There is a need to create pathways for properties to become available and affordable for owner-occupied homebuyers. Challenges such as restrictions on subsidies and varying zoning regulations across different entities (e.g., state and cities) hinder developers' efforts. Free accessible housing designs provided by the Collaborative have shown potential, but further efforts are needed to navigate high construction costs and complex regulatory landscapes effectively to allow these resources to benefit developers.
- ***Enhance the effectiveness of Down Payment Assistance programs to move beyond "just enough."*** Consideration may be given to increasing the amount provided. Rather than imposing caps, providing individuals with the necessary resources to achieve long-term ownership is recommended. Alternatively, allocating funds specifically for significant expenses in the initial years of homeownership could be beneficial, though it requires thorough planning and administration.
- ***Keep learning from ecosystem partners and key stakeholders.*** Actively engage with ecosystem partners and stakeholders to refine ideas and strategies based on lessons learned. This collaborative approach will ensure that initiatives are thoroughly tested and adjusted to effectively address challenges—which are deeply rooted in historical racism and exclusion, appear as systemic barriers, and negatively affect BIPOC families' homeownership achievements.

Conclusions and considerations

Launched late in 2020, the Building Equity Collaborative initiative stands as a collaborative effort across funders, service providers, developers, and community referrers, aiming to comprehensively serve BIPOC community members in their pursuit of homeownership and wealth through small multifamily owner-occupancy. Over the past three years, the program has achieved successes in increasing community awareness of the benefits of homeownership, expanding the number of BIPOC families becoming homeowners and landlords, supporting the supply of small multifamily properties, and contributing to the sustainability of BIPOC homeownership. These efforts have expanded housing options for BIPOC homebuyers, enhancing equity and diversity in small multifamily homeownership. Additionally, the Collaborative has strengthened partnerships and collaboration in community outreach, participant connections, and property development and rehabilitation, thereby fostering a supportive ecosystem within the community.

Despite these successes, the program has encountered several challenges. Homebuyers have faced barriers in pre-purchase preparation, post-purchase costs, and renter management. The changing economic environment post-pandemic and obstacles in the housing market bring challenges to the program's implementation, including increased competition, interest rates, and development costs, impacting homeowners' affordability and developers' capacity. Funding constraints and policy restrictions have also presented obstacles. Addressing these challenges will be crucial for further progress in promoting equitable homeownership and community development.

In recent years, the Twin Cities and state governments have endeavored to inspire innovative solutions to close wealth gaps. Alongside these efforts, the Building Equity Collaborative initiative has pursued various strategies during its three-year pilot period. Its implementation and outcomes show that collaborative and culturally responsive efforts prompt change for households and communities, while sustainable system change requires ongoing commitment, resource allocation, and alignment with broader equity-focused initiatives and policies. The insights gained and project experiences acquired through this pilot are instrumental in informing, shaping, and advancing initiatives that prioritize BIPOC wealth-building and wealth equity.

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