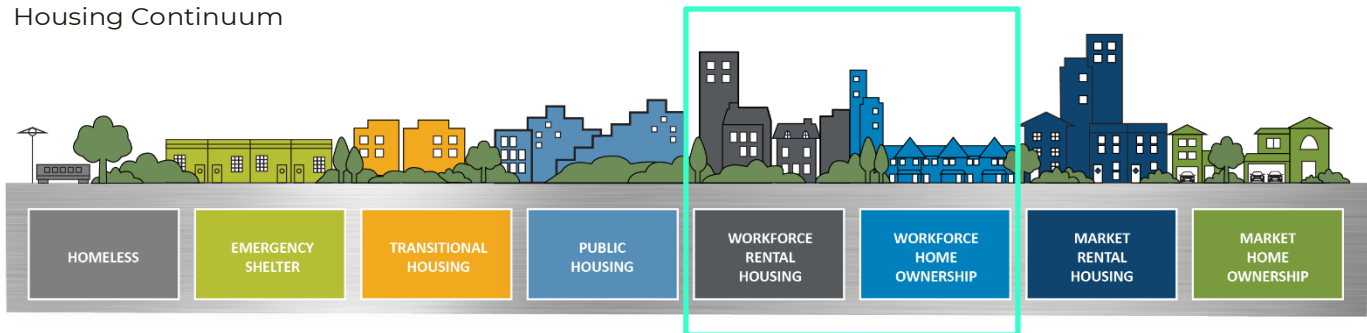


Housing Continuum



GoWest Foundation Supports Credit Union-Led Solutions to Housing Access and Affordability Across the Region

Credit unions throughout the region continue to focus on workforce housing hurdles within their communities—creating products, services, and partnerships that are directly tackling the problem.

To further propel this work, the GoWest Foundation has supported credit unions with over \$1,000,000 in catalytic philanthropic investments. The following are examples of the work we've done in partnership with credit unions across the region.

Establishing Community Land Trust and Leasehold Mortgages

A credit union was awarded a grant to launch new mortgage products by partnering with a rural community land trust (CLT). The funds will help finance the construction of affordable rural workforce housing in their community and create a new leasehold long-term mortgage product for prospective buyers of shared equity homes. Because CLTs own the land that the houses are built on, home buyers can obtain a mortgage to purchase only the improvements (house) on the land. Very few lenders offer these types of mortgages, and no local lenders or credit unions were offering them in the region.

Launching No-Down Payment Mortgage Program

GoWest Foundation provided grants for a credit union to create an accessible mortgage product and to expand its community outreach. With a planning grant, the credit union conducted a demographic study of its service areas that validated that housing costs were outpacing income levels – many of the rental options were worse than the financial pressures of buying a home. With a GoWest Foundation implementation grant, the credit union created a new no-down payment mortgage product and hired staff to provide housing finance education, as well as identifying community partners who could help make the right match between buyers and homes.

Credit Union Collaboration Drives Solutions for Renters

The Open Doors security deposit loan program—a collaboration of six credit unions—focused on assisting renters with rising rental costs. The project was a cooperative effort between credit unions to assist renters, offering a low-rate loan, allowing borrowers to spread out the cost of the security deposit over a period of their lease. GoWest Foundation awarded grant funds which were used for loan loss reserves, providing a unique opportunity to build a relationship with members.

Increasing Access to ITIN Mortgages and ADU Loans

A credit union utilized grant funds to help its community by expanding its residential lending programs. It aims to increase availability and access to workforce housing options, including accessory dwelling units (ADU) and ITIN mortgages. ADUs include tiny homes, basement income properties, and cottage cluster developments. The credit union partnered with government and community stakeholders that support these goals to identify and develop public policy changes that are needed from city building and zoning codes focused on affordable housing. ITIN mortgage loans provide undocumented immigrants with the opportunity for home ownership. The credit union partners with nonprofit housing organizations, which refers clients to the credit union for mortgage services.

Fueling Development of New Affordable Housing Through Interest Rate Subsidies

GoWest Foundation awarded a grant to support a credit union offering interest rate subsidies of up to 2.5% for rental properties that maintain affordable rental rates for five years after loan funding. To qualify, rental rates could not exceed 30% of gross income for tenants earning between 60%- 140% of Area Median Income (AMI). The program also offers a fixed interest rate for five years. By helping property owners obtain the financing they needed to develop and increase rental properties, the credit union was able to contribute toward increasing the supply of local stable affordable housing.

Creating First-Time Home Buyer Down Payment Assistance

A credit union provided a first-time home buyer down payment assistance program to those who are struggling in a housing market where prices are high, matching the Foundation's grant dollars—dollar for dollar—doubling its potential impact. The grants covered part of eligible members' down payment costs and provided homeownership education as a benefit of the program.

For more information on GoWest Foundation's Workforce Housing Initiative, please contact:

Sarae Bay
AVP & Managing Director
GoWest Foundation
206.294.1604 / sbay@gowest.org