

# Boosting Homeownership: The Impact of Employer Assisted Housing Programs

## What is Employer Assisted Housing?

Employer Assisted Housing (EAH) is an employer-led initiative to assist employees who are purchasing a home with financial support through grants, loans, down payments, security deposits, and homeownership education and counseling. EAH programs vary by employer but aim to help employers achieve their respective employee benefits goals as they simultaneously support their employees' housing needs. By offering financial support and creating a pathway to homeownership, these programs both can contribute to a more fulfilled and stable workforce and stimulate economic growth.

## History

In the 1960s, an EAH program was introduced to existing University of Pennsylvania staff with the purpose of retaining and attracting talent to the area. In 1991, Fannie Mae introduced its first EAH program to reduce employment turnover. Fannie Mae provided down payment and closing costs assistance to qualified employees, with loans being forgiven over a period of time if the recipient was still an employee. However, the trajectory of EAH programs was not sustained in the early 2000s and decreased even more in the 2010s due to the 2008 housing crisis. Nonetheless, the recent housing market — high prices, high interest rates, and low inventory — has once again brought attention to EAH programs, making them even more attractive to employers and employees across the nation.

The Fannie Mae program was a huge success at its inception, with hundreds of employees becoming homeowners. The turnover dropped to single digits as the savings on recruiting, retention, and training costs paid for the entire program.<sup>1</sup>

## First-Time Homebuyers and EAH Programs

As more employers recognize the benefits of EAH and implement programs, we can anticipate a notable increase in first-time homebuyers, fostering help in an expensive real estate market. A surge in first-time homebuyers can have a cascading effect on local economies. Increased home purchases can generate demand for housing-related goods and services and contribute to overall economic growth. This positive impact is not only felt by individuals but extends to the communities in which they live and work.

## Inclusive Workforce and EAH Programs

EAH programs can contribute to a diverse and inclusive workforce by addressing economic disparities. Such initiatives level the playing field for employees from various socioeconomic backgrounds, fostering a workplace culture that values equity and opportunity. A diverse workforce can enhance creativity, innovation, and overall company performance.

## CCM and EAH Programs

CCM is exploring ways to expand its impact in the realm of fixed income impact investing by collaborating with organizations to enhance EAH programs. The primary objective is to find innovative ways to assist more individuals and families in their efforts to purchase homes. Additionally in 2024, CCM is implementing an EAH policy for its own employees. The policy assists eligible first-time homebuyers with mortgage acquisition and down payment support.

## EAH Program Benefits

Both employers and employees can benefit from EAH programs.

### Employers

- Attracting and retaining talent
- Helping employees find homes close to their place of business
- Reducing the costs of commuting and encouraging office attendance through housing incentives
- Lowering employee turnover
- Obtaining tax incentives
- Improving employee morale and productivity

### Employees

- Accessing conventional mortgages with favorable terms
- Achieving the dream of homeownership
- Receiving education on how to navigate the homebuying process
- Reducing commuting stress and costs
- Receiving tax benefits that come with home ownership vs. renting



## First-Time Homebuyer

In 2024, CCM launched a new initiative for **First-Time Homebuyers**, which looks to both invest in bonds financing mortgage loans made to low- and moderate-income (LMI) and workforce first-time homebuyers and bonds financing programs helping first-time homebuyers with downpayment assistance and other housing-related costs. For more information, visit [www.ccminvests.com](http://www.ccminvests.com).

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<sup>1</sup> <https://nhc.org/employer-assisted-housing-a-solution-for-companies-employees-and-communities/>

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