THE IMPACT OF CORNERSTONE'S RENTER EQUITY PROGRAM IN THE CITY OF CINCINNATI

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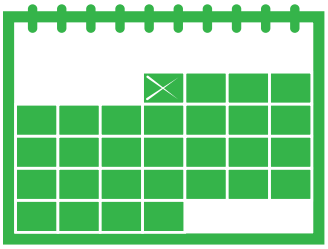
About Cornerstone:

Cornerstone Renter Equity provides affordable housing to its residents in partnership with a novel renter equity program that facilitates residents' asset building efforts. Residents are able to earn equity monthly by fulfilling defined tasks. Cornerstone aims to use a family-centered approach to help families create structured savings accounts, which increase their assets and provide long-term stability. In 2020, Cornerstone housed 82 individuals across four different properties.

The Economics Center performed an analysis for Cornerstone, sponsored by the Greater Cincinnati Foundation, estimating Cornerstone Renter Equity's impact on the City of Cincinnati in 2020. The report illustrates the impact that Cornerstone provides to the local community by analyzing the programming offered, resident demographics, and equity earned by residents. Further, the Economics Center completed a literature review on relevant benefits of affordable housing to estimate the residential stability that Cornerstone provides and its effects, particularly on children.

Renter Equity Program:

Cornerstone's Renter Equity program provides a unique opportunity for low-income renters living in affordable housing units to accumulate an asset they have traditionally been unable to access: equity. The Renter Equity program defines four monthly opportunities for tenants to earn equity credits, totaling $130 per month:



$30

Paying rent on time and being a good tenant,



$30

contributing to the community twice monthly,



$20

attending a community and/or block/building meeting, and



$50

working towards goals by engaging in family coaching twice monthly.

In addition, residents are paid $40 annually to complete data collection. From these opportunities, the maximum amount Cornerstone will credit annually to each Renter Equity Account is $1,600.

Cornerstone community members do not have access to these funds until they have been members of the Renter Equity Program for 36 months, at which point individuals are fully vested and can access earned equity in its entirety. Once vested, residents are able to withdraw any portion of earned equity for any purpose one time every 365 days, at the time of the tenant's choosing. Residents who seek to access additional equity funds within the 365-day period are considered on a case-by-case basis.

Earned Equity:

Between December 2019 and February 2021, Cornerstone residents earned an average $51.52 monthly in renter equity.

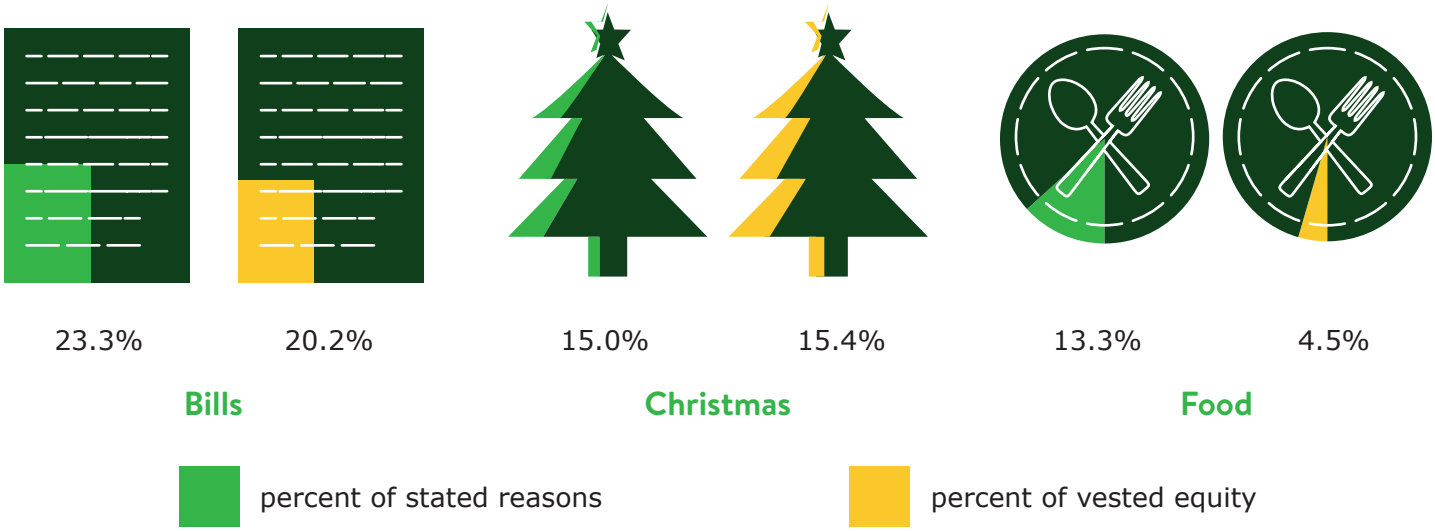
The individuals who have lived at Cornerstone for the minimum 36 months required for vesting have an average of $1,049.62 saved in equity.



Importantly, in 2020, only 64 percent of Americans stated that they had sufficient funds to cover a $400 emergency expense.[1] However, 82.6 percent of Cornerstone residents who were vested by February 2021 had more than $400 saved in earned equity.



In 2020, Cornerstone disbursed $27,422.34 in renter equity in 60 instances to 35 individual tenants. The average amount accessed in each instance was $457.04. The top three given reasons for accessing equity were:



Additional Benefits:

The Economics Center also conducted a literature review to estimate Cornerstone's effect on community members' residential stability. The Economics Center estimated that 12.5 tenants and 8.4 children would have moved in the past year had they lived in non-Cornerstone renter occupied housing.[2] However, Cornerstone's data shows that only 4 tenants and 2 children moved out of their housing in the past year, representing a 68.0 percent and 76.2 percent decrease, respectively. Geographic mobility is particularly harmful for children, as moving homes for the first time decreases children's likelihood of graduating high school by 13.0 percent.[3] This means that due to Cornerstone affording residents with increased residential stability, an additional 0.6 children are expected to graduate high school who otherwise would not have.[4]

Cornerstone further seeks to empower residents to become active members of their community. Cornerstone therefore sponsors all tenants' memberships in the Over-the-Rhine Community Council (OTRCC), allowing all current residents to become voting members in the OTRCC. Moreover, Cornerstone holds monthly community meetings for residents, in which they often invite community leaders to hear and address residents' concerns. Through these meetings, residents have been able to successfully advocate for the re-opening of Findlay Park, residential parking along Green Street and Republic Street, and increased efforts regarding neighborhood safety.

1 Source: Federal Reserve System, 2021
2 Source: U.S. Census Bureau 2020 Current Population Survey, Annual Social and Economic Supplement
3 Source: Haveman, Wolfe, and Spaulding, 1991
4 Source: U.S. Department of Education, 2017



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Cornerstone Renter Equity is a community-oriented partner providing a customized, family-centered approach to asset building and personal growth through an innovative program called Renter Equity. Cornerstone Renter Equity uses a financial empowerment framework that includes asset building, income building, financial literacy, financial assistance, and coaching, all of which work together to lift families out of poverty. Ultimately, Cornerstone seeks to be the leading model for enabling communities to thrive through empowerment, goal setting, and equitable opportunities.

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The Research and Consulting division of the Alpaugh Family Economics Center provides tools to help clients make better financial, policy, and economic and workforce development decisions. Our dynamic approach and critical data analyses empower business and civic leaders to respond to changing economic conditions, strengthen local economies, and improve the quality of life for their communities.

Research funding was provided by Greater Cincinnati Foundation

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As the region's leading community foundation, Greater Cincinnati Foundation (GCF) connects people with purpose in an eight-county region in Ohio, Kentucky, and Indiana. For over 55 years, GCF has been amplifying the power and potential of giving, leading our community and addressing the region's greatest needs.