

Homebuyers' Workshop Shows the Need for Housing Education

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Abstract

In spite of a strong economy in North Carolina, a significant number of individuals are still struggling to secure and maintain safe, decent, and affordable housing. Because Lincoln County has become a bedroom community, the growth rate of residential housing has been 31.87 percent in the last five years. This is partially due to the influx of residents escaping more urban communities seeking a rural setting and lower taxes. To address this influx of families, a sub-committee of the Family and Consumer Advisory Board developed a five-week Homebuyers' Workshop. Since its development, two five-week homebuyer workshops have been conducted with 56 individuals completing the workshops. Of those 56, 53 are now homeowners.

Introduction

In spite of a strong economy in North Carolina, a significant number of individuals are still struggling to secure and maintain safe, decent, and affordable housing. This is particularly true among minorities and low-to-moderate income first-time homebuyers. Currently, the homeownership rate in North Carolina is 68 percent, compared to 67.7 percent nationally.

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In 1997, Lincoln County's Family and Consumer Advisory Board identified housing as an important need to address. From the advisory board, a subgroup was formed. This subgroup determined that a homebuyer education workshop was needed and developed a plan. The objectives of the homebuyers program were

- to assist individuals in understanding the complexity of purchasing a home by providing small bits of information over a five-week period.
- to acquaint individuals to a variety of housing professionals that they might encounter when purchasing a home.
- to become a recognized homebuyers' workshop so that lenders may accept a certificate of completion from customers who attend the workshop.
- to foster a long-term relationship with the housing community and Cooperative Extension, encouraging future joint efforts.
- to introduce individuals to Cooperative Extension who would not normally use its resources.
- to provide other housing-related programs.

This housing sub-committee is composed of realtors, inspectors, lenders, lawyers, insurance agents, consumer credit counselors, Lincoln county citizens, and one Extension agent in Family and Consumer Education. The committee relied on the Housing fact sheets that were prepared by Family and Consumer specialists to develop a homebuyers' workbook. These fact sheets covered the following:

- [Choosing to Rent or Buy](#)
- [Budgeting for Homeownership](#)
- [Choosing the Best Mortgage](#)
- [Choosing the Location and the Amount of Space You Want in Your Home.](#)
- [Environmental Concerns When Buying and Selling Real Estate](#) (water, radon, lead, septic system)
- [Inspecting a Home](#)
- [Choosing a Home Buying Professional](#)
- [House Purchasing Contracts](#)

- Renters and Renters Insurance.

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Supplemental information for the workbook came from the Fannie Mae Foundation and from various guest speakers. Workshop materials were grouped by related topics to create a five-part workshop.

Guest speakers were chosen from the housing field to help discuss these topics. They were informed of Cooperative Extension's educational mission and were asked to provide an educational program, rather than a sales pitch for their services. As the homebuyers' workshop popularity grew, other professionals wanted to become guest speakers. The Family and Consumer Extension agent used a speaker agreement form that was developed by Alice Mills Morrow, Extension Family Economics Specialist at Oregon State University (retired). Also, a post-evaluation was helpful to determine whether guest speakers fulfilled their role and should be invited back.

To add another learning element to the workshop, a financial conference and hands-on field trip were included. The financial conference allowed participants to speak with lenders. The hands-on field trip provided participants with a first-hand view on what an inspector looks for when inspecting a home for sale. At the end of the workshop, if participants had attended all five sessions, they received a certificate of completion. This certificate is recognized by all Lincoln County lenders.

Results and success of the program

Two five-week homebuyer workshops have been conducted with 56 individuals completing the workshops. Of those 56; ten were single mothers, sixteen were young couples, three couples were retired, and eight were single individuals. A follow up evaluation of participants showed that all but three had purchased a home. Of the three, one couple attended the workshop for credit counseling services, another couple came with a goal of purchasing a home in the year 2002, and one couple failed to respond.

Evaluations also showed that a five-week course was the adequate amount of time to get questions answered concerning purchasing a home. However, some thought the workshop could have been longer. The evaluation also showed that individuals felt more confident with their housing choice once going through the workshop. In addition, these individuals are using Cooperative Extension as an information source for other housing questions.

A video has been developed so those who cannot participate in the homebuyers' workshop can still acquire a certificate of completion. The only stipulation is that they have a counseling session with the Family and Consumer Extension Agent before receiving the certificate of completion.

Housing professionals are working with Cooperative Extension in other housing-related programs. Lenders have said this workshop is a considerable cost benefit compared to the first-time homebuyers workshop that most of their customers must attend in order to qualify for a loan. The cost benefit to the customer is \$140.00.

Efforts are currently being made to help those participants who have limited English language skills by providing the course materials in Spanish and by providing a translator during the workshops. Materials in Spanish have been researched and will be used at the next homebuyers' workshop.

This program has become a much-demanded program in Lincoln County. In fact, the last workshop had to be moved because seating capacity exceeded the Cooperative Extension lecture room. It has also helped Cooperative Extension's visibility with other housing professional organizations that had not partnered with us previously. Because of this one workshop, other housing programs have been developed, such as Knowing the Facts About Site-Built and Manufactured Homes, Basic Home Maintenance Course, and Housing Safety for Children from 0-5 Years of Age.

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