Mobile Community-Development Initiative (MCDI) Outreach & Training Efforts on Housing Education

Presented by
The University of Texas Pan-American’s Division of Community Engagement: Hispanic Serving Institutions Assisting Communities (HSIAC) Grant Project

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Presentation Outline

I. Community location and profile
II. HSIAC service focus
III. Outreach philosophy
IV. Housing seminar objectives
V. Mexican “Loteria” (bingo) as an Iconic learning tool
**Target Region**

*Colonia:* "rural U.S. settlements with substandard and poor living conditions along the U.S.-Mexico border. These communities typically lack potable water, wastewater treatment, drainage, electricity, and paved roads." *EPA definition*

The Delta Region’s current population exceeds **35,000** and is comprised of 97.7% Hispanic households.

*Pictures from the Julian Samora Research Institute Web site*
HSIAC Target Group Profile: Hidalgo County

- County *Colonias* (Rural Ghettos) residents
- 16% of the region’s workforce is unemployed (before the recession)
- 62% its residents earn less than $25,000.
- The poverty rate (36.3%, compared to 10.2% nationally)
- per capita income ($8,148 compared to $27,084 nationally)
- high school diploma (approximately 19.6% compared to 28.6% nationally)
- population graduate college (6.2% earn college degrees compared to 24.4% nationally)
- approval-to-denial ratio among prime mortgage lenders less than 50% of the state average
- 40% of Latinos buy subprime loans as compared to 19% of white families
Focus Areas

1. Micro-enterprise Development Program (MED Program)

Smart Choices, Better Future Series

2. Financial Literacy
3. Housing
4. Job Skills
5. Border Health
UTPA outreach efforts are based on the philosophy of empowering by placing high importance of praxis to create awareness ("conscientization") within the target groups, and hence, assist them reach their full potential without talking down to them.

- The powerless (marginalized/indigent) in society may fear freedom of the mind ("Patron" mentality).

- Therefore freedom (of the mind) must be “acquired by conquest, not by gift” (avoid Spanish “encomiendas” outcomes of paternalism that perpetuate dependency).

*Developing balanced and engaged “fishing” communities!*

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*Pedagogy of the Oppressed*

Paulo Freire, 1968
HSIAC Housing Training:

Program services are delivered thru a one-time group training session of two hours.

Objectives:

1. Acquire **basic** knowledge of home buying, including basic finance terms and concepts
2. Acquire **basic** knowledge of home ownership responsibilities & home care
3. Become familiar with local government and non-profit housing rehabilitation programs
Mortgage loan pre-approval, credit score, budgeting, down-payment, closing costs, fix vs. variable rates, predatory lenders vs. reputable mortgage lenders, escrow accounts, needs vs. wants, energy efficiency and sustainability practices.
Part I - Mexican Loteria (bingo) as an Iconic learning tool

Predatory lender

They tend to play to your emotions and or fears in order to induce you to buy whatever they are trying to sell you.

Make sure you ask questions to avoid falling into a web of financial problems you don’t understand.

Stop & think about your wants and needs, and learn to priorities them.

Guard yourself from falling victim to buying by emotions – use objectivity in your decision making.
Weight of the world represents the pressure and stress of not being able to get a home, car, and or other loans, due bad credit of 620 or lower. When a person is drunk on too much debt and does not pay on time. He is considered risky to uncertain, and tends to have a credit score of 620 to 660.

It signifies GOOD credit. This person shops wisely for a loan, has a job, and has some debts but tries paying his/her bills on time. (Reward for having good credit is a star) need credit score of minimum 660 to 720.

EXCELLENT credit makes you look good to lenders. (Score of 720 or more) This requires being brave and self disciplined to save and pay off debt.

- You meet all 4 C’s of Credit
  1. Character
  2. Capacity
  3. Capital
  4. Collateral
- You managed your credit and finances wisely
- High moral character that brings you respect in the community.
Part II Homeownership

(Environmental Sustainability)

Taking care of a home investment to increase its useful life, maintain or increase its value, and reduce home living expenses translates into a better quality of life.

- Home Useful Life
- Home Updates
- Lowering Living Expenses

Part III Home Rehabilitation

- Informational material regarding local grants or low interest home loans
  - Government (County & municipality)
  - Nonprofits (local community charity and religious organizations)
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Thank you – Mil Gracias!