

Couleecap FACTS

Employer Assisted Housing

Have you heard the term “workforce housing”? What do employers and housing have to do with one another? The answer is “everything”. A growing trend across the nation has employers participating in meeting their employees’ housing needs through a benefit known as “workforce housing” or “employer assisted housing.” This type of benefit provides employees with assistance in purchasing a home or finding a suitable rental as part of the company’s benefit package.

Employers are realizing that a stable and productive workforce requires not only decent wages and good training, but also an affordable place to live with a good quality of life. Employers can have a significant impact in helping their employees obtain stable, quality housing that allows their quality of life to improve. By offering a housing benefit employers reduce turnover, increase employee loyalty, and help control costs. Employees who have stable and affordable housing are less likely to move in search of better housing. This stability means that the trained employees remain with their employers and the employers benefit from retaining trained and experienced staff.

So how can an employer help with housing? One of the most popular options involves helping employees purchase their first home. This type of benefit can be offered through a number of methods:

- Homebuyer counseling – an employer contracts with a non-profit homebuyer counseling agency to provide low or no-cost counseling to employees interested in purchasing a home.
- Matched savings – an employer matches the savings accumulated by an employee and the funds are used as downpayment on a house.
- Downpayment assistance – offered as a grant or a loan, the employer provides funds to help an employee purchase a home.
- Closing cost assistance – money offered to pay for closing costs and other fees that come with purchasing a home.
- Guaranteed loans – the employer offers to guarantee the loan which often allows the employee to avoid paying private mortgage insurance.

A second option, often found in major urban areas where high property values make homeownership very difficult, involves rental housing for employees. Typically in rental housing benefits the employer either constructs rental housing that is available to employees or provides rental subsidies for employees within a certain area. Across the nation this type of benefit continues to gain momentum. Within Wisconsin a number of employers have adopted a housing benefit including WE Energies, M&I Bank, Harley-Davidson, Pitney-Bowes, and others.

In either type of benefit, homeownership or rental, an employer assisted housing benefit is very flexible and can be crafted to meet the needs of the employer. Couleecap, Inc. offers assistance to area employers looking to structure a housing benefit and can provide benefit management services as well. For more information on helping further your organization’s success through an employee housing benefit please contact Todd Mandel at 608-634-7381.