



CORNERSTONE RENTER EQUITYSM

Most low-income families cannot afford, or are not in a position, to buy and maintain a home. They miss out on the primary means by which middle income Americans achieve financial growth. Our communities suffer when families are trapped in a rent rut from which they cannot escape. A new housing option is needed that is similar in many ways to ownership but scaled to the experience and affordability of low income renters.

Cornerstone Community Loan Fund developed Renter EquitySM on the principle that stable, reliable residents who take care of their housing add economic value and should be able to earn an economic return. Cornerstone organizes developments in which residents pay rent on time, perform janitorial assignments and take part in the resident association. Residents earn credits each month toward a future cash payment from Cornerstone. Payments are made from an investment fund managed by Cornerstone and capitalized by public and foundation grants as well as management fees from the housing development. Cornerstone provides ongoing support to build and maintain a strong and successful residential community.

THE CORNERSTONE RENTER EQUITYSM MODEL

An association of current and prospective residents works with Cornerstone to recruit low-income families who desire to participate in the planning, development and operation of their housing. Cornerstone develops or contracts with housing owners to provide the housing. Once the housing is established, Cornerstone contracts with residents to earn credits according to a schedule that is specified in advance.

- Credits may be redeemed for a cash payment after 5 years, at which time their value may be as high as \$4,137.
- Credits can continue to accrue for up to 10 years or \$10,000.
- Residents do not have to move to redeem their credits.

Residents at St. Anthony Village, Cornerstone's pilot project, are already planning for how they will invest their Renter EquitySM funds in their future. Some are planning to start business, some to buy homes, others are saving for retirement or to pay for college.

NEW OPPORTUNITIES FOR ECONOMIC GROWTH

In addition to the financial benefits, Renter EquitySM residents gain

- new economic choices
- hands-on experience in financial planning and management
- greater control over their housing conditions and budget
- neighbors with shared values
- increased safety and cleanliness
- opportunities for service in the larger community
- respect and recognition for their contribution