

SPOKEN SCRIPT FOR STEVE GIERINGER

Pennsylvania Senate Democratic Policy Committee Hearing

“Solutions for Addressing Housing Affordability” – December 17

Good morning Chairman Miller, Senator Schwank, and members of the Committee.

Thank you for giving me the opportunity to speak with you today.

My name is Steve Gieringer, CEO of Neighborhood Housing Services of Greater Berks and President/CEO of the Pennsylvania Home Lending Collaborative. For nearly 50 years, NHS has been a trusted, mission-driven affordable housing lender and a HUD-certified housing counseling agency serving families across our Commonwealth.

THE CRISIS

Pennsylvania is facing a structural housing affordability crisis. Home prices have climbed 35 to 60 percent. Rehab costs routinely hit \$80,000 to \$120,000. Mortgage rates have doubled, cutting buying power for working families by almost 40 percent. Employers across every sector are struggling because their workers cannot afford to live in the communities where they work. This is now a workforce and economic competitiveness issue.

BUILDING AWARENESS — THE LUMINARY AWARDS

On April 10, NHS held the First Annual Luminary Awards at our More Than a Home Workforce Housing Luncheon, with over 240 leaders in attendance. This event unified employers, hospitals, nonprofits, developers, schools, and government around the understanding that workforce housing is essential to Pennsylvania’s economic future.

INTRODUCING THE KEYSTONE AFFORDABILITY HOUSING STACK — KASH

NHS created a model that is already working across the Commonwealth. We call it the Keystone Affordability Housing Stack, or KASH. KASH puts homeownership power into the hands of working Pennsylvanians.

Layer One: A safe, fixed-rate first mortgage.

Layer Two: A \$5,000 PHARE Grant from PHFA, which NHS uses to fill the middle of the stack and reduce cash-to-close.

Layer Three: An affordable PHLC down-payment assistance second mortgage that closes the affordability gap.

Three layers working together as one unified affordability system. KASH lowers monthly payments, reduces debt burden, and creates stable, long-term homeownership. It is outside-the-box innovation that Pennsylvania urgently needs.

DPA + HUD COUNSELING = STABILITY

In 2024, NHS deployed \$4.8 million in down-payment assistance. In 2025, we expect to deploy \$5.1 million. Every one of these families received HUD-certified counseling, which is the backbone of sustainable homeownership.

THE COMMUNITY WORKFORCE FUND — THE ENGINE BEHIND KASH

The Community Workforce Fund (CWF) is a private social-impact fund capitalized four-to-one. Every investor dollar becomes four dollars of deployable affordability capital. With full capitalization, the CWF allows NHS and our partners to create more than 500 new homeowners every year using the KASH model. It is the first fund of its kind in Pennsylvania focused solely on workforce homeownership.

CWF + COMMONWEALTH CAPITAL = EXPONENTIAL IMPACT

Pairing the CWF with Commonwealth funding multiplies the impact dramatically:

1. One dollar of state capital becomes four dollars of KASH lending power.
2. State partnership attracts additional private investment.
3. It creates a permanent, statewide affordability engine instead of stop-and-start programs.
4. It delivers unmatched return on investment.
5. It directly helps the workers who keep Pennsylvania running.

WHAT PENNSYLVANIA CAN DO

1. Create a State Workforce Housing Fund to pair with the CWF.
2. Expand PHARE, which is essential to the KASH model.
3. Introduce rehab incentives for aging homes.
4. Support HUD-certified counseling statewide.

CLOSING

Housing is the foundation of community stability, workforce strength, and generational wealth. The Keystone Affordability Housing Stack provides the blueprint. The Community Workforce Fund provides the engine. And the Commonwealth provides the scale. Together, we can finally give working families across Pennsylvania a fair shot at homeownership.

Thank you for your time and for your commitment to this mission.