



PRESS RELEASE
September 17, 2008

REACH Mississippi working with its first 100 homeowners

The first 100 Mississippi Gulf Coast workers have been referred by their employers for the REACH Mississippi program. The \$40 million program will help about 2,000 working families become homeowners over the next three years.

“We want to encourage any employer interested in finding and keeping quality employees on the Mississippi Gulf Coast to come to an employer workshop or call our office,” said Kimberly LaRosa, president and CEO of the Gulf Coast Renaissance Corporation.

Renaissance launched the REACH Mississippi program on Aug. 25, 2008. Through REACH, which stands for Regional Employer Assisted Collaboration for Housing, qualified workers can receive up to \$40,000 in down payment and closing cost assistance to purchase a home in the three coastal counties.

Employers offer a housing benefit to their employees of \$5,000 to \$10,000 and REACH will triple-match the benefit, giving qualified employees a total benefit of \$20,000 to \$40,000.

The program is for households earning less than 120 percent of the area median income – about \$60,000 for a family of four. The income limit is adjusted depending on the number of people in the household.

The employees that have been referred to the program are required to complete a homeownership education course before making an offer on a home. They will also receive help to repair damaged credit, if needed. International Relief and Development in Gulfport is providing homeownership counseling for 17 households and Director Lori West said she has the capacity to see many more.

“We have eight homeownership counselors trained and certified,” said West. “We are looking forward to more employers signing up.”

REACH decreases the employers’ recruitment and retention costs and increases workforce stability. The program is open to all employers in the three coastal counties. Small businesses and large corporations alike are seeing the benefit of investing in their employees through REACH. Employers may ask participation employees to commit to a term of service in exchange for the benefit (typically five years). Program participants include J Levens Builders, Andover Development, Mississippi Power Company and Northrop Grumman with many more employers in the process of program implementation.

“When you take into account the cost of recruitment and retention, program participation costs the employer nothing,” said LaRosa. “For their investment, employers get a commitment from employees for which the value far exceeds the cost of their contribution.”

Conservative studies, including one by Cornell University School of Hotel Administration, show the direct and indirect cost of turnover to be 30 percent of an employee’s yearly salary. That figure increases for skilled workers. Some estimates go as high as 150 percent, as in a report by Spherion.

The REACH program has the added benefit of helping a local real estate market struggling under a high inventory of homes for sale. Approximately 1,000 homes are currently listed for sale in the three coastal counties that REACH candidates could potentially afford to purchase.

“Employers that participate in REACH are not just investing in their employees,” said LaRosa. “They are investing in the future economy of the Gulf Coast.”

Details: www.reachmississippi.com or call (228) 896-3386.

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Gulf Coast Renaissance Corporation is a 501(c)(3) nonprofit founded by the Gulf Coast Business Council following Hurricane Katrina with a mission to facilitate the development of mixed income communities which provide safe, quality, affordable housing for the workforce of the Mississippi Gulf Coast.

Note to Reporters: turnover estimates can be found at:

http://qa.spherion.com/about_us/emerging_workforce/turnoverCalculator.jsp

<http://cq.x.sagepub.com/cgi/reprint/41/3/14?ijkey=UCzR5gOG5hDXg&keytype=ref&siteid=spcqx>

REACH Mississippi allowable Income

| Household Size | Jackson Co. | Harrison and Hancock Co. |
|-----------------|-------------|--------------------------|
| Individual | \$45,000 | \$41,150 |
| Two People | \$51,450 | \$47,050 |
| Family of three | \$57,900 | \$52,900 |
| Family of Four | \$64,300 | \$58,800 |
| Family of Five | \$69,450 | \$63,500 |
| Family of Six | \$74,600 | \$68,200 |

Employer workshops:

Get a step by step overview of the REACH Program. RSVP: ssapet@msgcrc.com

September 18, 2008, 10 a.m., Merchants & Marine Bank-Conf. Room, 3118 Pascagoula Street, Pascagoula

September 19, 2008, 10 a.m., St. Paul United Methodist Church, 6716 Highway 90, Ocean Springs

September 23, 2008, 5:30 p.m., St. Paul United Methodist Church, 6716 Highway 90, Ocean Springs

September 22, 2008, 5:30 p.m., Donal Snyder Community Center, 2520 Pass Road, Biloxi

September 24, 2008, 5:30 p.m., Hancock Bank’s Waveland Community Center 700 Hwy 90 , Waveland

September 30, 2008, 5:30 p.m., Hancock Bank’s Waveland Community Center 700 Hwy 90, Waveland