

Program aims to help teens buy homes

Tuesday, November 16, 2004

By Elwin Green, Pittsburgh Post-Gazette

A pilot program sponsored by local banks, nonprofit housing advocates and Allegheny County hopes to teach 1,000 teenagers from low-income households the basics of managing finances and building credit -- with an ultimate goal of helping participants achieve home ownership.

Called "My Money, My Life," the six-week financial literacy course will use lectures, videos, games and other learning tools to cover such topics as saving, budgeting, understanding credit and managing debt, the sponsors said yesterday.

The [Federal Home Loan Banks](#), which acts as wholesale lender to member banks, created the program to help boost home ownership in lower-income communities. John Bendel, its director of community investment, cited a study showing that low-income homeowners have 12 times the wealth of low-income renters.

"Decisions that you make when you're a youth significantly impact the rest of your life, particularly when you go to buy a home," Bendel said.

Neighborhood Housing Services will administer the program and establish financial literacy clubs in 10 neighborhoods each year over the course of five years, with approximately 20 teens allowed in each club.

The clubs will meet after school and will provide free meals for attendees, and the nonprofit housing advocate will collaborate with neighborhood organizations to determine locations for the club meetings.

Each participant will receive a fee-free bank account with an initial deposit of \$100 upon completing the program.

The Federal Home Loan Bank system provided \$100,000 in start-up funds for the program, while Allegheny County pledged \$100,000 in Community Development Block Grant funds. Participating banks -- ESB Bank, Iron & Glass, Laurel Savings, National City, Northwest Savings, PNC, Sewickley Savings and Sky Bank -- also committed a total of \$100,000.

Those interested in enrolling or in bringing a club to their neighborhoods may call Neighborhood Housing Services at 412-281-9774.

First published on November 16, 2004 at 12:00 am

Elwin Green can be reached at egreen@post-gazette.com or 412-263-1969.