Wells Fargo Special Purpose Credit Program Expansion

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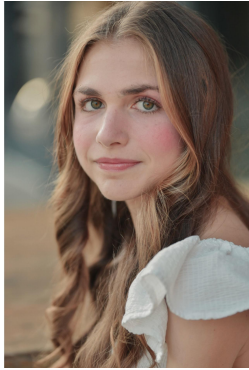
Agenda

1
Current State
Recommendation

2
Buyer Persona
Marketing

3
3-year budget
KPI

4
Risk Assessment
Change Management

5
Customer Journey
Value Mapping

Current State Analysis - The Task

Task: Expand the Homebuyer Access Grant to a new metropolitan area that maximizes impact on underserved communities

Key Stakeholders: Wells Fargo, low-moderate income homebuyers, local housing agencies

Constraints: Limited grant funds, need for a measurable impact

Important Factors

- Homeownership rates among minorities and low-income groups
- Housing affordability gap
- Local economic conditions
  - Median income vs. home prices
- Population demographics
- Mortgage accessibility

Recommendation Report

City	Minority Homeownership Rate	Housing Cost Burden	Median Home Price	Median Household Income	Existing Assistance Programs	Economic Growth Trends
Detroit, MI	52.4%	60%	$73,156	$39,575	Limited state programs	Moderate growth, high foreclosure rate
New Orleans, LA	52.0%	About 30%	$231,649	$55,339	Some state/local programs	Strong tourism-based economy; housing inequalities persist
Cleveland, OH	44.7%	31.2%	$108,509	$39,187	Revitalization grants, city programs	Stable job market, urban renewal projects

Why Cleveland?

- **High impact potential**
- **Affordable housing market**
- **Feasibility and existing support infrastructures**
- **Economic growth and stability**

Target Persona Overview

1.   Target Audience:

🎯 **Demographics: First-time homebuyers, ages 25-45, middle-income professionals (service workers, educators, healthcare workers, small business owners)**

🎓 **Education: High school diploma to bachelor's degree**

👪 **Households: Single or dual-income, often with small children**

3. Engagement & Retention:

📣 **How We Engage:**

- Social media stories & Q&A→ Address common concerns like affordability & credit scores.
- Webinars & nonprofit partnerships→ Help buyers understand hidden costs & mortgage options.
- Financial coaching sessions→ Provide long-term guidance for hesitant buyers.

📩 **How We Retain Customers:**

- Follow-up emails with budgeting & mortgage tips
- Credit counseling incentives
- Resources in Spanish & other languages

2. Biggest Obstacles for First-Time Homebuyers in Cleveland
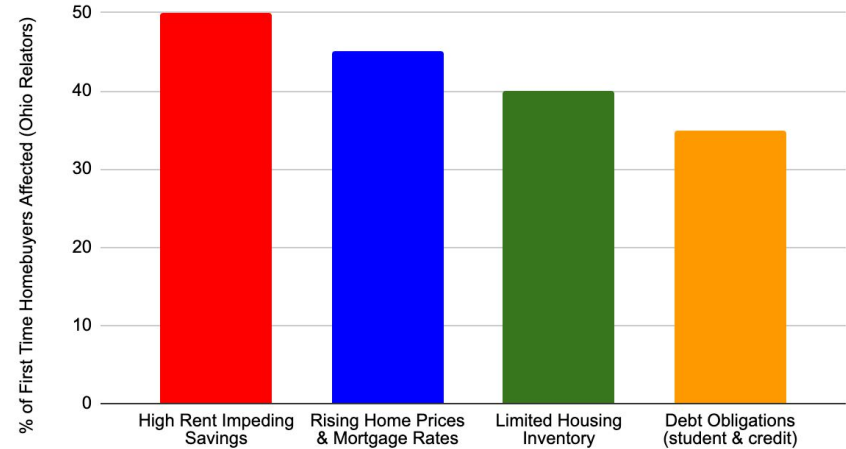
Marketing Strategy: STP

Segment	Characteristics	Housing Challenges
First-time homebuyers	Low-income, young professionals, limited credit history	Struggle with down payments, lack mortgage knowledge
Renters transitioning to ownership	Middle-to-low-income, paying high rent, stable jobs	Cannot save for a home, worried about long-term commitment
Multi-generational households	Living with extended family, limited space	Need affordable larger homes, financial strain on family
Low-wage essential workers	Service industry, gig workers, immigrants	Unstable income, difficulty securing loans
Minority & immigrant communities	May lack generational wealth, unfamiliar with homeownership process	Language barriers, fear of financial institutions

Targeting – Focusing on High-Impact Segments

🏆 **Primary Target: Renters transitioning to homeownership**

🔹 **Actively looking for housing solutions**

🔹 **Already paying high rent, may qualify for financial assistance**

📣 **Campaign Slogan: Own Your Future – Your Path Starts Here!**

✅ **Key Differentiators:**

✔ **Low-interest loans for first-time buyers**

✔ **Down payment assistance to ease financial burdens**

✔ **Financial education tools to empower buyers**

✔ **Multilingual support for diverse communities**

✔ **Bundled grants with mortgage offerings to provide seamless funding and lending solutions**

Benchmarking Analysis and KPI

CHASE

Competitor Analyzed:

Chase Homebuyer Grant Program

- **Product & Service:** Grants up to $7,500 for down payments.
- **Business Model:** Bundles grants with mortgage products to boost customer loyalty and lifetime value
  - Removed income limits for its 3% down DreaMaker mortgage in grant-eligible areas, expanding access.
- **Geography:** Operates in 15,000+ communities, enabling large-scale initiatives

KPIs

Customer Acquisition:
- ➔ Awareness
  - ◆ Ad Impressions, Website Traffic for Digital Platform
  - ◆ Metrics: CPC, Unique Users, Bounce Rate, Page Visits
- ➔ Sales
  - ◆ Lead Generation (completed grant applications)
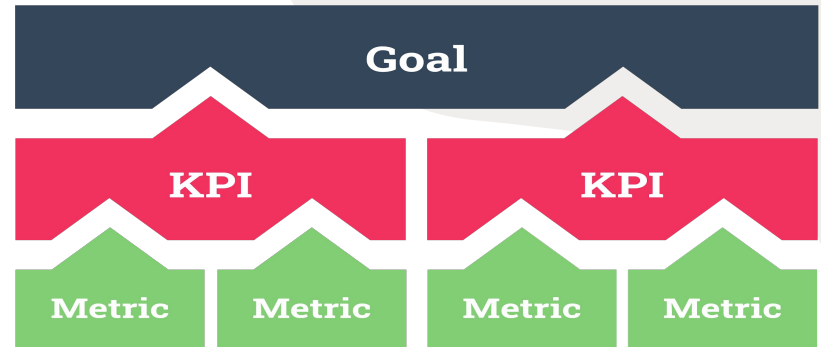 - ◆ Metrics: Engagement with Financial Calculator, Info Request, Application Completion Rate, Cost per Acquisition

Customer Retention:
- ➔ Customer Lifetime Value
  - ◆ Purchase Frequency, Engagement Rate with Education Tools
  - ◆ Metrics: Retargeting Campaign Visits, Reviews/Referrals, Platform Users, Cross-sell Rate

Goal

KPI | **KPI**

Metric | Metric | Metric | Metric

4TH & GOAL

Multi-Pronged Budget

Budget Phase	Goals	Total Budget	Key Expenses	Impact
Y0-Y1	Launch the program Provide first-time homebuyer grants to 350 buyers Establish a financial education portal with multilingual support.	$5 million	$3.5M grants $750K education & portal setup $750K marketing and admin	Increases homeownership access, builds financial literacy, and supports diverse communities.
Y1-Y2	Provide first-time homebuyer grants to another 350 buyers Integrate Wells Fargo mortgage bundling into portal	$5 million	$3.5M grants $1M tech & portal enhancements $500K operations	Strengthens financial confidence Increases mortgage accessibility Boosts customer loyalty
Y2-Y3	Create revolving grant fund Support 150 buyers/year Collaborate with housing agencies to provide personal financial coaching	$5.5 million	$3.5M grants $1M revolving fund $500K financial coaching $500K customer retention & outreach	Ensures program longevity Strengthens local networks Enhances financial stability

Risk Assessment

1st Potential Risk: Economic volatility and housing market fluctuations in Cleveland

Risk Classification: Moderate/ 26-50%

Risk Mitigation: Continuously monitor Cleveland's economic indicators and collaborate with local workforce development programs

2nd Potential Risk: Availability and accessibility of affordable housing in Cleveland

Risk Classification: Moderate/ 26-50%

Risk Mitigation: Partner with local housing organizations to identify and secure affordable homes for grant recipients

3rd Potential Risk: Long-term financial stability of grant recipients

Risk Classification: Major/ 51-75%

Risk Mitigation: Partner with local nonprofits or government programs that provide ongoing support for low-income homeowners

MAKE A PLAY FOUNDATION

Task

Risk Matrix		Impact			
		Minor	Moderate	Major	Critical
Likelihood	76-100%	0	0	0	2
	51-75%	2	0	5	0
	26-50%	0	3	0	0
	0-25%	1	12	0	0

Kotter's 8-Step Change Model

Step 1: 🎤 Engage city officials, realtors & community leaders

Step 2: 💡 Recruit minority community leaders

Step 3: 🗺️ Align with Cleveland's urban renewal plans

Step 4: 📲 Leverage social media & local news for outreach

Step 5: 🔨 Offer homeownership counseling & repair assistance

Step 6: 📺 Share success stories through media

Step 7: 📊 Expand funding & explore new city opportunities

Step 8: ✅ Implement annual review process

Step 1: Increase Urgency
Step 2: Build Guiding Team
Step 3: Develop the Vision
Step 4: Communicate for Buy-in
Step 5: Empower Action
Step 6: Create Short Term Wins
Step 7: Don't Let Up
Step 8: Make Change Stick

Why Kotter's Model?

Kotter's framework is well-suited for implementing the Homebuyer Access Grant expansion because it provides a structured, step-by-step approach to driving organizational and community change. It ensures stakeholder buy-in, builds momentum, and establishes long-term success.

Customer Journey Mapping

MAKE A PLAY FOUNDATION

Potential Buyer

Buyer Persona

| Age: 25-45 | Education: High School Diploma-Bachelor's Degree | Gender: Man or Woman | Income: Single or Dual | Renters transitioning to homeownership |

Awareness

Marketing emails and sales emails from homeownership and local branches of Wells Fargo

Social Media: Wells Fargo's social media accounts are dedicated to this project.

Webinars: Wells Fargo customer webinars, social media webinars, and also informational sessions

Customer support: Automated and personal phone calls from representatives within Wells Fargo working on this project

Traditional media: billboards, radio, etc. Not everyone has access to these fancy versions of social media and there are still people who keep to the basics.

Consideration

1. The long-term effect of how this will help their family
2. How to get approved for the project
3. How to maintain mortgage after the initial help.

Conversion

1 Clear values and timelines about when the project will be implemented and how much users will receive

2 Proof of results: seeing that this helped longterm homeowners start.

3 Personalized support for each individual from the Wells Fargo team

Loyalty

-Recommending the program to other people in their community
-Sharing the opportunity on social media platforms.
-Great feedback and reviews about the program

Advocacy

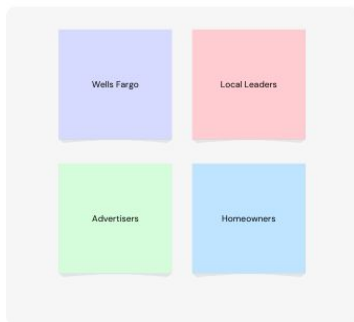Sharing the program on social media

Face-to-face recommendation

Organizing groups to review, discuss, and understand the program.

4TH & GOAL

Value Mapping

Key Players

Wells Fargo	Local Leaders
Advertisers	Homeowners

Map the Process Steps

The inputs would be the target consumers, and the outputs would be homeownership, stability, and increased minority homeownership specifically.

1. First, the customer would see the ad through advertising.
2. They would then attend financial literacy courses to ensure they are prepared to participate.
3. Next, buyers would apply to the program, and both local housing and Wells Fargo would evaluate eligibility.
4. Once approved, the downpayment is put down, and following that, post-purchase literacy courses will begin.

Collect and analyze Data

The data that can be collected over this process is essential to the execution of this project.

The application itself and the time it takes to fulfill expectations and complete the form help with efficiency. Moreover, processing time by both local housing and Wells Fargo provides key information to the timeline of this project. Next, the grant value itself is essential to this process. The distribution of 10,000 dollars to homeowners is the main portion of the project. Lastly, surveying is very important to the process, whether this is the pre-informational/ training sessions or post-program financial literacy courses and surveys

Waste + Improvement

Input: A possible factor in waste and improvement is overproduction concerning marketing strategies.

Output: A solution would be to move digitally and market from there.

As for waiting, customers could be waiting for approval for an extended period, and a solution to this would be to develop an efficient process to evaluate applications based on the target customer criteria.

inventory would only pose an issue if too many people wanted to transition into homeownership, and in this case, those most likely to uphold their mortgage would be a priority.

Keep Informed   HIGH

The future state of this project could be a waste-free digital version of the homeownership program. The stakeholders, such as homebuyers, Wells Fargo Workers, and local leaders, have to be "all in" and dedicated to the program at hand. The potential gaps in communication, support, and simplification of the process would be addressed, making the process for customers to be approved for this project quick and concise.

The program would ensure fast approvals and dismissals, simplified access to the program, and preparation for long-term success in homeownership and sustainability.

Timeline:
3 Years

Project Closure - Our Goals

1. **Transform**: uplift and revitalize renters and underserved minority communities
2. **Empower**: promote stability and prosperity for homeowners
3. **Expand**: generate economic growth and access to markets

WELLS FARGO

Together we'll go far

Thank you! Questions?

Connect with us!

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