

HOUSING VENTURE LAB 2025 AREAS OF INTEREST

Each year, the <u>Housing Venture Lab</u> interviews our partners, community leaders, and investors to understand where they think innovation in the housing sector can best increase affordability, equity, and sustainability. These conversations, along with the <u>Terner Center</u>'s research and policy work, inform our areas of interest for each year's Housing Venture Lab cohort, which are detailed below.

Note: We're excited about these areas, but they won't limit the makeup of our final cohort. In past years, some of the amazing ventures the Housing Venture Lab supported were a surprise - they did not align neatly with our areas of interest, but they blew us away. <u>The Kelsey</u>, <u>Esusu</u>, and <u>Blackstar</u> <u>Stability</u> are just a few examples. You can read case studies about many of our alumni ventures on our <u>blog</u>.

Innovative methods to solve for core drivers of building and construction costs, especially permitting and labor shortages, or solutions for rural markets.

We remain interested in innovations that help housing get built more quickly—such as automations for entitling & permitting—and that help more developments "pencil"—such as solutions that increase access to labor or increase efficiencies. There is also a high need for rural housing, we are interested in models dedicated to expanding supply in these areas.

Supporting historically marginalized populations in accessing housing and remaining stably housed.

The housing market continues to be plagued by persistent inequities that systematically disadvantage certain groups, including Black and Brown people, people with disabilities, and low-income households. We are looking for solutions in technology, data, design and more that address and reverse these inequities while centering communities that have historically been overlooked. Such solutions might include more equitable methods for screening renters, underwriting mortgages, or appraising home values. They might also look like design innovations that create more inclusive spaces for people with disabilities, people



experiencing homelessness, or people dealing with trauma.

Addressing the lack of small to midsize multifamily properties.

There is a need for more housing that occupies the gap between standalone single-family homes and large multifamily rentals. Small to midsize multifamily properties, such as 5 to 49-unit developments, create both homeownership and rental opportunities.

Developing tools that empower and improve outcomes for low-income renter households.

Low-income renters face myriad challenges in finding, securing, and maintaining high-quality affordable housing. We are interested in innovative applications of technology that equip renters to more effectively navigate such challenges. These might include tools that hold their landlords accountable to affordability or quality standards, or better access vouchers and other subsidy sources available to them.

Using housing as a way to break cycles of poverty and build wealth among historically marginalized groups.

Stable housing—including but not limited to homeownership—is foundational to achieving economic prosperity and long-term wealth building at the household level, a linkage which has contributed to dramatic wealth inequality across the country. We are interested in ventures working to:

- help low-income households access high-opportunity neighborhoods through vouchers or other supports,
- make homeownership more accessible and equitable through innovations like rent-to-own, matched savings programs, small-dollar mortgages, new forms of down payment assistance, or improved financing terms and availability for low-income households, or
- support wealth-building and retention for historically marginalized groups by creating tools to support estate trust planning.

Terner Labs

Accelerating progress towards our climate goals through innovations in housing sustainability.

The built environment accounts for <u>42% of global greenhouse gas emissions</u>. To reach our climate goals, we need innovations that go beyond retrofitting existing buildings and push us towards more sustainable forms of housing and living. We are interested in ventures working to integrate housing with public transit, build for climate resiliency and disaster recovery, enable denser and less carbon intensive greenfield development.

Financing solutions for underserved segments of the housing market.

Many properties could be rehabilitated or constructed and turn a profit, but the profit margins are low or the investments are perceived as too risky or unknown. Philanthropic support plays a role on individual projects, and there are promising solutions from community-based and local government-backed funding models. However, these solutions often face challenges in achieving scalable impact. A key opportunity to increase the housing supply lies in fostering stronger connections between impact-driven global capital investors and local developers.

Sustainable rehabilitation and preservation of older stock buildings.

Across the United States, particularly in the Midwest, mid-Atlantic, and the South we are seeing aging homes which are becoming dilapidated and underutilized. There is an opportunity to renovate and preserve this naturally occurring affordable housing, allowing homeowners to better retain their equity, decrease insurance costs, and preserve neighborhoods.