

Northwestern Mutual dedicates \$3 million to help residents in Milwaukee's underserved communities achieve homeowner status

The company and its local partners are helping Milwaukee residents secure financial stability through affordable housing efforts

MILWAUKEE, June 20, 2023 /PRNewswire/ -- Despite gains in education and earnings, the racial wealth gap remains a deep issue in America. According to the Federal Reserve Board, Black Americans' net worth is 70% below that of non-Black households. In Milwaukee, homeownership is less attainable for Black residents, which is due in part to this gap. As part of [Northwestern Mutual's](#) efforts to build healthier and stronger neighborhoods, the company is working to lessen this gap. To help progress towards this goal, the company is dedicating \$3 million through its Sustained Action for Racial Equity initiative and its [Foundation](#) to provide Milwaukee residents with the resources and tools to achieve financial stability through homeownership.

"As a financial services company, we recognize our responsibility to support and add economic value to our communities," said Grady Crosby, vice president, chief sustainability and impact officer at Northwestern Mutual. "By leveraging our expertise and working directly with local residents and partners, we're helping to create a pipeline to homeownership that makes housing more affordable and gives residents a stake in their properties for generations to come."

Northwestern Mutual is investing \$2.5 million in the [Milwaukee Community Land Trust](#) (MCLT) to help drive affordable housing and ensure homeownership affordability over time. The investment comes from the company's [\\$100 million impact investment fund](#), which is working to deliver on the company's commitment to addressing inequality and the racial wealth gap in the U.S. Funds from this initiative are dedicated to Black, African American and other underserved communities on local and national scales, specifically focusing on building physical and social infrastructure, increasing access to capital and creating healthy, sustainable neighborhoods and communities.

In addition, through its Foundation, the company is donating \$500,000 to [Acts Housing's](#) Homeownership Acquisition Fund. This fund was formed with the support of the Community Development Alliance and is a key strategy of Milwaukee's collective [affordable housing plan](#). The funds will address the shortage of quality affordable homes available for purchase by low-income Black and Latino residents by purchasing houses to rehab and sell to new homeowners. The combined funds will support up to 20 homes.

"Homeownership is strongly tied to economic empowerment, financial security and community development," said Steve Radke, president of the Northwestern Mutual Foundation. "Research has found that stable housing can improve education dropout rates, economic vitality and health, as well as reduce crime. As a company, we firmly believe that helping residents access fair and sustained homeownership opportunities is an important means to helping close the racial wealth gap, and we are grateful to our partners for helping us tackle this generational issue."

For more than a decade, the company has partnered with Milwaukee's Amani, Metcalfe Park and Muskego Way neighborhoods to create long-term sustainable impact, with more than \$15 million already invested toward revitalization efforts and economic empowerment. Those investments have paved the way for the establishment of thriving neighborhood associations, resident driven revitalization plans, deeper collaboration between non-profit partners and the development of a citywide shared housing strategy.

"Milwaukee is unique compared to other cities with a stark racial inequity in homeownership," said Lamont Davis, executive director for the Milwaukee Community Land Trust. "At MCLT, we are focused on a long-term strategy investment. Together with our partners, like Northwestern Mutual, we've already been able to invest in 10 affordable homes throughout the city and are working to add more than 30 more by 2025."

"In Milwaukee, families of low-to-moderate income are increasingly rent burdened and forced to make decisions that limit their ability for upward mobility," said Dorothy York, vice president, real estate at Acts Housing. "We are working to acquire at least 100 properties per year beginning this year and convert these properties into owner-occupied homes. This strategy works through a combination of program investments from philanthropies and long-term patient capital from financial institutions like Northwestern Mutual."

On average, the median income for a Black household in Wisconsin is [\\$31,351](#), which is less than half the [state's](#) and [nation's](#) median household income. Through these investments and partnerships, Northwestern Mutual is providing a sustainable pipeline to homeownership which will enable Milwaukee residents to invest in their future in a tangible and meaningful way.

About Milwaukee Community Land Trust (MCLT)

The Milwaukee Community Land Trust (MCLT) transforms houses into pillars of strong families and safe neighborhoods by making homes permanently affordable to low-income buyers through a proven community land trust model. There are 270 community land trusts across the country all dedicated to providing affordable homes and wealth creation opportunities to those who otherwise would not have those chances.

Using public and private subsidies, MCLT purchases land and home and either rehabs the existing homes or builds new ones, keeping prices well below market for homebuyers. In return, they agree to sell their home for below market value, ensuring subsidies are passed onto future generations. And homeowners can build wealth from market appreciation and equity growth.

About Acts Housing

Acts Housing provides one on one and online, HUD approved homebuyer and financial counseling for individuals and families to help them become ready to buy. As a real estate brokerage, Acts represents families in the purchase of homes for owner occupancy, in Milwaukee and Beloit, Wisconsin. Acts then helps families plan and execute home rehabilitation, with a focus on reclaiming vacant foreclosures. Affiliated nonprofit partner, Acts Lending, Inc., provides mortgage loans for rehabilitation projects.

About Community Development Alliance (CDA)

The Community Development Alliance believes that homeownership is a catalyst for dismantling systemic racism and building strong communities. That's why their work as accomplices with the community is centered on change for and with people and policy. By working collaboratively, they invest in neighborhoods, providing access to quality homes for Milwaukee families and nurturing capacity for Black and brown families to build generational wealth.

About SARE

[Sustained Action for Racial Equity \(SARE\)](#) is Northwestern Mutual's dedicated task force, led by Chairman, President and CEO John Schlifske, which takes a holistic look at actions that will have the greatest impact to drive sustainable change.

About Northwestern Mutual Foundation

The mission of the Northwestern Mutual Foundation is to improve the lives of children and families in need. The Foundation has given more than \$400 million since its inception in 1992 and is designed to create lasting impact in the communities where the company's employees and financial representatives live and work. We accomplish this by combining financial support, volunteerism, thought leadership and convening community partners to deliver the best outcomes. Our efforts are focused nationally on curing childhood cancer, and locally on education, neighborhoods and making our hometown of Milwaukee a great destination. Visit [Northwestern Mutual Foundation](#) to learn more.

About Northwestern Mutual

[Northwestern Mutual](#) has been helping people and businesses achieve financial security for more than 165 years. Through a comprehensive planning approach, Northwestern Mutual combines the expertise of its [financial professionals](#) with a personalized digital experience and industry-leading products to help its clients plan for what's most important. With more than \$558 billion of total assets being managed across the company's institutional portfolio as well as retail investment client portfolios, nearly \$35 billion in revenues, and \$2.2 trillion worth of life insurance protection in force, Northwestern Mutual delivers financial security to more than five million people with life, disability income and long-term care insurance, annuities, and brokerage and advisory services. Northwestern Mutual ranked 111 on the 2023 *FORTUNE* 500.

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