



Final Transcript

HUD–US DEPT OF HOUSING & URBAN DEVELOPMENT: Housing Counseling Certification for Salt Lake City

June 14, 2017/11:00 a.m. EDT

SPEAKERS

Ben Yanetta
Lorraine Griscavage- Frisbee
Kelly Jorgensen

PRESENTATION

Please note, during the second portion, the roundtable discussion, at times some participants were just too far away from the speakerphone to pick up all that was said.

Moderator Ladies and gentlemen, thank you for standing by, and welcome to the Housing Counseling Certification for Salt Lake City conference call. At this time, all participants are in a listen-only mode. Later we will conduct a question and answer session. [Operator instructions]. As a reminder, today's conference is being recorded.

I would now like to turn the conference over to our first speaker, Ben Yanetta. Please go ahead.

Ben

Hi, thank you very much. Hello, everyone. Thank you so much for sticking with us through some technical difficulties. I'm glad that you were able to join the conference call. Again, I really do apologize for those errors.

Before we get started on the bulk of the presentation, I just wanted to go over a few things with you about this webinar. This is a shared webinar. There's a live meeting going on at, I believe at the HUD Office in Salt Lake City. So, you're joining them remotely.

If you want to interact and ask questions, there are a few ways you can do that. As the operator mentioned, towards the end of the presentation, we'll do a question and answer session, and he'll give you instructions on how to do that. You can also use the questions panel on the webinar's interface to type in a question, and I'll be monitoring those as they come in, and we'll share those with Lorraine when the question and answer session comes up.

As mentioned, the webinar is being recorded. We're going to post this up on our HUD Exchange website, and we'll send out a Listserv announcement when the PowerPoint, a transcript, and the replay number are all posted on the HUD Exchange website. If you do ask a question over the phone line, we ask that you remember to first of all take your phone off mute, and also take yourself off speakerphone just so we can hear you a little bit better.

When you exit today, there will be a brief survey. We really appreciate your feedback, although I can imagine what some of the comments might be regarding the technical issues at the beginning, but hopefully we have a good presentation for you for the remainder.

Also, for everybody that registered and signed into the webinar today, you'll receive an email thanking you for attending from GoToWebinar. This email itself is your certificate of training. There's no attachment or anything that goes along with it. You'll receive that, and you can print that for your records.

All right, I think with that I'd like to turn it back over to Lorraine.

Lorraine Actually, I'm going to turn it over to Kelly Jorgensen.

Kelly Thanks, Ben, good morning. This is Kelly Jorgensen. I'm the Salt Lake City HUD Field Office Director. I do apologize for the technical difficulties that we've had so far, but I think you'll find your time will be well-spent here with Lorraine providing information on the Final Rule.

So without further ado, we'll just go ahead and turn the time over to her.

Lorraine All right, thank you, and welcome, everyone, and welcome those on the phone. I, too, as well apologize for the snafu. I am probably the person to blame because we had some confusion between East Coast and Mountain Standard Time. I'm actually located in Pacific Standard Time zone, and my staff assumed that was the time I was using, not realizing I was going to be here in Utah.

Today, we actually have two parts that we're going to cover. The first one is talking about our Final Rule for Housing Counseling Certification. We originally posted the Final Rule December 14th. Then we are very excited, just on May 31st, we published the Federal Register notice that tells everybody when we're going to start.

The first part of the training is going to be an opportunity to learn a little bit more about the certification. I have been working on this since March 2013. So, I'm very excited to see it coming to the point where we're going to go ahead and start the certification exam in August.

For those of you that are on the telephone, that are not currently part of our Housing Counseling Program, our training is going to help those, and we have one individual in the room here, too, that is not currently a part. We're going to be covering some basic information. Because we have a mixed group, those of you that are very familiar with our program, just consider it a little bit of a review.

Then, what we would like to do as a second part is we want to have a roundtable discussion as to any issues you have, any feedback you can provide us regarding the Housing Counseling Program, regarding some of the activities we're doing, and any questions that you might have outside of certification. So, we're very excited to have this opportunity.

Again, my name is Lorraine Griscavage- Frisbee, and I am the Deputy Director in the Office of Outreach and Capacity Building. Our

responsibilities are training, approving new applications, and capacity building.

What can we do to help you? We're not going to know that. We don't want to guess. We really need your feedback on that.

What we're going to cover in part one is we're going to give a little bit of a background for those that are participating in today's training that are not currently in the Housing Counseling Program. We're going to talk about our definition of housing counseling, and that's really important for those people that have to determine is what I'm doing actually going to be covered by the Final Rule?

We'll talk about our homeownership counseling requirement as well that became effective January 13th, which at this time we're still working on what we want you to do to satisfy that and provide these courses and other information. The most important thing I want to remind everyone and share, of course usually on your handouts, this is all black so you can't see it, but it's worth repeating.

By the way, Ben, I'm on slide 6. Our mission of housing counseling for the Office of Housing Counseling is to help families obtain, and sustain, and retain their homes. By homes, we include those that are in rental situations, those that are homeless, they're all included in this mission. The only way we can accomplish our mission is through you.

We need you. You are the critical, and so we are going to accomplish this mission by sustaining a strong network of agencies and counselors. That's what we're all about. So, how do we accomplish that?

Well, we have a couple of ways. The first one, we have about 1,900 agencies in our network, and we do monitor compliance with our HUD regulations. We want to make sure that housing counseling is provided in an independent manner so that clients get unbiased information and they can make their own choices.

We want agencies to avoid conflicts of interest and make sure that they're meeting our content and our process standards. Now, we also think it's very important to help you connect with the clients that are out there. I'm going to talk a little bit about our visibility and awareness campaigns and what we're doing to increase the visibility of housing counseling.

Then, a thing that I think most of you are really interested in is we also provide grant funding. This year, we were very fortunate for our fiscal year '17. We were allocated a total of about \$55 million, and I think about \$47 million of that will go towards housing counseling grants.

So, we are in process, and we hope to be announcing soon about the grants. I just want everyone to know I cannot answer any questions like, when am I going to get my money, or, when is it going to be announced. I just can say that, we're working on it, and they're coming.

What is housing counseling? I'm going to address the lady back from the Housing Authority, and talk about how we define housing counseling. This is very important in determining if you get covered by the program or not.

For housing counseling, we kind of tweaked the definition in the Final Rule. It's independent expert advice customized, that's the real key, customized to the need of the consumer to address the consumers' housing barriers, what's preventing them from reaching their housing goal, and

what they need to do to reach their housing goal, and how can the counselor, perhaps, help them with that.

It must include these key elements. Intake, intake in and of itself however does not have to be done by a HUD-certified counselor, but what makes housing counseling unique is we look at a client's budget. We look at their financial and housing affordability analysis.

This is very important because clients can come to you with rather extensive, especially those of you that work in pre-purchase that you talked about in pre-purchase. How many clients come to you with a wish list that doesn't meet their budget? We see that quite frequently. So, it's very important, from a housing counselor's perspective, that you explain to them what they can afford, and you conduct that as part of your counseling.

Another critical component is the action plan. It's required for all counseling except for reverse mortgage. Does everybody know what a reverse mortgage is? Do you know what a reverse mortgage is? Okay, great, and on the phone, if you don't, when we take questions, ask me, and I'll talk about it a little bit more in detail.

An action plan, I like to explain it as a roadmap. It tells the client, this is my goal, what do I need to do to reach it. It can be short-term. It can be long-term.

If it's long-term, we ask that you follow up periodically to make sure they're keeping it and then you have a reasonable effort to have follow-up with the client. We slightly changed the definition of follow-up to say a reasonable effort because sometimes you're going to be dealing with clients, you know that's the only time you're going to see that client. You're going to be dealing with a homeless client who you may never hear from again. You know at that time you can't do follow up.

We have provided some national statistics from 2016. We served, on a nationwide basis, over 1.2 million clients. That's a lot. Actually, that's lower than what we've done in the past. At one time, during the foreclosure crisis, it was up to 3 million, but it's still a substantial number.

Group education is the number one activity. Unfortunately, last year, mortgage delinquency and default was number two. Pre-purchase was number three. We're hoping in the future to see a little reversal of that.

We also look at impact. This is on Section 10 of our 9902. I'm not going to go through these numbers, but you can see that there's a substantial amount of clients that by a budget [ph], we seek their housing information. That's something else that's a critical service that we provide to help them with that.

You'll improve their financial capacity and help them gain access to resources. While we were waiting to resolve our technical issues, we went through the room, and several of the agencies here offer down payment assistance. That's a perfect example. Those of you on the phone, on the webinar, also provide down payment assistance. That is, you're helping you clients gain access to resources that will help improve their housing.

Now, since this is a Utah-based meeting, I thought I'd share with you some Utah statistics. The first one has to do with money. That's always a good topic, right? How many here receive funding through a network? Okay, great. Altogether, both independently, and as part of your network, approximately \$153,000 was shared with Utah agencies. That's a good amount, and it was shared with all agencies and branches. So, some funding could have come into an agency and their branches.

Your activities in 2016, you saw a total of 28,000 clients, a very good number. The majority of that, 40%, was in group education very similar to the national. What I think is interesting is your reverse mortgage. This one was showing at 3%. Actually, I pulled up some additional data, and I saw on the 9902 report for Utah, you saw almost 1,000 reverse mortgage clients. That's a huge number. You guys must be very busy with reverse mortgage counseling. That's very good.

If others are interested in joining that, just let me know, and I'll tell you what it takes to have a HECM roster counselor on line. These are some impacts that were reported, and I have to tell you, only eight agencies reported. So, if you're an agency that didn't complete your 9902 on time, I'm going to urge you for 2017 to make sure you are submitting that data.

Our 9902, for those of you that are participating via the webinar, and are not familiar with it, it is our primary reporting tool that our agencies use to tell us what they do in the program, how many clients they helped, the demographics, and the outcomes of counseling. This is our report card. It's very important because we give that number to Congress, and that

helps Congress decide how much money to give us, so it's a very critical report for that.

The other thing that we've been working on, some program initiatives, first of all research. There are studies out there, and I do have another slide that talks about the success of housing counseling, but not a lot of studies did long-term studies. So we are actually embarking on a research study we started about a year ago where we're going to follow families for up to five years. We'll be able, at the end of that five years, to say, not only did housing counseling have a short-term effect, but this is what we saw over the long run. We're going to compare a test group that did not have housing counseling to a group that did have housing counseling.

We distributed the [indiscernible] posters. Did everybody get them? Yes, and Charmaine, she shared with me a great story. She showed me where they have the poster, and it's in English in her lobby that not only serves housing counseling, but a lot of their other program clients. She said people would look at that and then ask about it. What is housing counseling?

So, it's a positive tool to help improve people's comprehension of what is housing counseling. We do have challenges with that term, housing counseling. Hopefully, down the line, maybe in the future we can consider changing your title, something we'll look at in the future.

The other thing we really need to get the realtors and the lenders on board so that they better understand that having an educated client makes their job easier. So, we're working on developing toolkits to help them. I don't know when we're looking at releasing those, but it's something that we are working on to help them better understand.

We're getting some substantial help in that area because we formed the Housing Counseling Federal Advisory Committee. This is something brand new for our program. It's a 12-member committee, and by the way, any time we have a meeting, it's open to the public. We announce a Federal Register notice, and you are welcome to participate by telephone. If you want to go to Washington, D. C., that'd be great. You could actually go there in person as well.

Our committee is composed of 12 members. We have three from the lenders, three from other industry related, three from housing counseling

groups, and three from clients. Their job is to look at our program and say how can we give our feedback, how we can improve it. We're getting some very good feedback from the other lenders.

This is just several studies that we have posted on our HUD Exchange that already supports housing counseling. How many people have visited our HUD Exchange? Okay, great. These come up under housing counseling. These studies are good references for when you do a grant. They can cite the benefits of housing counseling.

Okay, what we all wanted to hear about, housing counselor certification.

Ben, I'm doing a sound check, and can you hear me okay?

Ben Yes, you're coming through perfectly.

Lorraine Great, great, wonderful, thank you. Housing counselor certification, I'm really curious before I start talking about this, how many people in the room have taken a prep class already or done something online? Okay, all right. Great, okay.

How many people plan to take it as soon as the test is open? Okay, all right. That's a good number. Great, well we're excited.

Like I said, we published the Final Rule on December 14, 2016. It took us over three years because our proposed rule came out in September 2013 [ph]. Why it took us so long is because you guys gave us lots of feedback. We had over 200 comments. Some comments were ten pages. Some comments were one paragraph. But it took us a while to evaluate everything and to make changes to the Final Rule.

So, we did make some changes. Especially, we had a one-year certification period, give everybody one year. We were able to change that to three years. Basically, what it boils down to is there are two key provisions on certification that I want to share.

Basically, what that Final Rule says, all housing counseling provided under or required, the word requirement is there, but that's a key, required under or in connection with all HUD programs, not just our Office of Housing Counseling, must be performed by a HUD-certified housing counselor. That's the title we are giving you when you become certified, by August 1, 2020.

We're giving you three years to do it. People like the Housing Authority, you guys might want to wait a little. We hope you don't. I'll have more information for you later on to help you in your decision.

What exactly is a HUD-certified housing counselor? There's actually two parts to the process. First of all, you have to pass the exam. Secondly, you have to work for a HUD housing counseling agency already in our program. We'll talk about these a little bit later, but those are the two keys to that.

Now, we really think certification is a good thing. We are hoping for one thing. You already do a fabulous job with your counseling services. We're hoping that everyone is going to have the same basic knowledge base now. I'll talk in a minute about the six categories you're going to study about.

You're going to have a broader knowledge, especially if you just concentrate your work on one category of counseling. You'll have a broader knowledge of the topics. We're hoping that it's going to create professional recognition. You're going to have a certificate that says I am

a HUD-certified housing counselor. We're hoping that's also going to help elevate the value of the Housing Counseling Program.

We're hoping by having this, it might also help funders besides HUD. You may be able to use this as a leveraging tool. We don't know if this is going to happen or not, but we're certainly hopeful that it is so it will help you stand out. This is a good thing.

Let's talk a little bit more about counselor certification. We have the exam. It's going to be on six topics, which I'll cover next. The really cool thing about this is you only have to pass it one time. You can try as many times as you want to try and pass it. You have to pay the fee each time, but we're not limiting your number of attempts.

You don't have to work for a housing counseling agency at the time you take the exam. Actually the exam is open to anybody. Once you pass that, we will maintain that record indefinitely. So then if you want to become a housing counselor, you can use that as a tool in your resume. Same thing if you pass it now and you leave your agency, a couple of years later, you get back into the field, it's so good because you passed it that one time.

As soon as the exam starts, August 1st, you can become certified at that time. We're going to have all the systems in place that as soon as you pass it, you will go to another system, and we'll provide extensive training on that system in July for you, and you can become certified. The bottom line is you have three years to do it. We hope you don't wait, though.

These are the six major topics. These were based on congressional legislation. Financial management, property maintenance, responsibilities of homeownership and tenancy, fair housing laws and regulations, we are not trying to train you to become fair housing enforcement officials, but we think it's very important you have a basic understanding of the fair housing law. Housing affordability, how do you determine if a client's income is sufficient for their housing situation? Then, how can they avoid foreclosure or eviction? Those are the six topics.

Let's talk about the training and how you're going to take the exam. Well, we've actually created a separate website hudhousingcounselors.com. How many people have visited that website? Okay, that is your portal to starting the process.

We have a free online training. We will be announcing soon the practice exam which will also be free. You can take that as many times as you want. Then, the exam, of course, starts August 1st.

What you can do now on this website is you can go in now and register for a user account. Has anybody done that? Okay, good, great. We want you to do that now so there's not a rush. It's the first step because you need that user to register for the exam, so you're getting a jump on it.

When the site changed on June 1st, and we opened up the ability to create the user part, we had 1,000 people register in 3 days. We were very excited with that, but we need more. Like Sarah said, that's only a tenth of what we estimate counselors out there, so thank you to those of you that have already done that.

Now, you can take the certification exam one of two ways. You can either take it online using your computer and your camera equipment, or you can take it at a proctoring site. We had a webinar last week, and questions came up about the camera equipment.

The proctoring service will have some specific requirements for the camera. If your camera in your laptop or computer doesn't meet that, you will be responsible for getting your own camera. Now, you can purchase it from the proctoring company. We are not endorsing them. We are just saying this is one option available to you. I think the price is \$45. Maybe if you have multiple employees in your office that might be something to consider doing. The first think you're going to want to do is see if your camera, if you have one already, will meet the requirements so you don't have to buy anything.

Probably the biggest news was the cost. We were so thrilled when that Federal Register notice came out on May 31st to announce our price reduction. Just to give you a little history, when we first published the rule in September 2013, we were looking at \$500. That was our estimate. In December, we said it was going to be \$100 and \$140. It's gone down to \$60. Are you guys happy with that amount? Is that a reasonable amount? Yes, okay, good, and \$100 if you go to a proctoring site.

We're verifying that they have a site available in every state. I know they have a couple of them in Utah. They also have one in Hawaii, if you can

convince your executive director that you need to go to Honolulu to take the test, but we were happy to see that and actually Anchorage as well.

You can't register for the test yet. Like I said, it's not going to be open until August 1st, but you can take that first step and get your user account created.

Now, what do you need to do now to prepare? People in this room, raise their hand if they've already taken the training. I'm hoping our webinar participants have taken some training as well. Now, HUD housing counselors did an update, and there's a little bit of information I want to share with you that is not on the slides but is in a recent FAQ we published in April. The exam is based on the training material that posted on hudhousingcounselors.com.

We will periodically need to update that training. What you need to know is there is going to be a revision. There is actually a revision history on that site and it outlines every major topic that was changed. If you studied on this about six months ago, or eight months ago, you want to check that revision history and say, they got rid of HANS [ph]. Well HANS went

away at the end of December. You'll see in there the revision history that was changed.

The industry that we're in, just by the nature, there's constant changes in the mortgage market, so we're going to do our best to keep this updated. We'll let everybody know when there's going to be updates so you know, okay, now, this is the version the exam is based on.

One of the things we did want to clarify, if you're, for example, an intermediary, or a staff, or you're a program manager and you do not provide housing counseling services, you do not need to become certified. Now, this doesn't mean you can't. We welcome you, so you can see what your counselors have to do to take the exam. We do want to clarify, if you do not provide direct housing counseling services, you do not meet one-on-one with clients, or you do not oversee group education, then you don't have to worry about the certification part.

Okay, I think, Ben, at this point, can we open the phone lines for questions about the exam and does anybody have any questions about the exam now, in the room?

Moderator Thank you. Would you like all lines open simultaneously or the formal question and answer?

Lorraine Let's do a formal question and answer.

Moderator Thank you. [Operator instructions].

Lorraine While we're waiting, does anybody have any questions? Okay, we know there's going to be approximately 90 multiple choice questions. It is going to be two hours long.

One of the questions we have is, "If you miss a question, can you go back to it?" The answer is, yes, you can do that.

Do we have any questions on the phone?

Moderator There are no questions at this time. Please continue.

Lorraine Good, well that's good to know. Yes.

W If I obtain certification, and then I stop working at my agency, I have a certificate, so I feel like there's room for abuse or fraud, I guess, where people to go out and say, a real estate agent, for example, may say, I'm a HUD-approved housing counselor even though they're not working for an agency. I know that's [indiscernible], but is there anything to [audio disruption] able to do that.

Lorraine Okay, let me see, and correct me if I'm wrong. For those of you on the phone, we had a question in the room that said, I'm certified for an agency. What happens when you leave the agency, and also what fraud protection do we have in place to make sure that, for example, an industry professional doesn't go around saying, I'm HUD-certified. Those are both very good questions.

The first question, your certification is tied to the agency that you work for. That agency has to take a step. It's very similar to the HECM certificates now, the HECM [audio disruption]. The agency has to verify your employment. The agency also has to notify us when you no longer work for the agency.

Your certification is entirely dependent on that you are employed by a HUD-approved agency. When you leave, you're "certified" right now because you're not tied with an agency that goes away. I told you, we store your pass record indefinitely, so that means when you get hired by a new agency, or a different agency, that agency just has to go back in and verify, yes, now she's working for us. You become certified again.

That is one way we're trying to avoid having people claim they're certified because they're not going to get a certificate unless we have that third-party verification.

We're also going to have some other things in place that we haven't officially announced yet. We had a question during last week's webinar presentation, "Are we going to post everyone that's certified?"

No, we're not going to do that, but we're going to have a way for clients and potential grantors to check and verify that your certification is active. Those are two ways that we're going to try to avoid fraud. That's a very good question. Thank you.

Anything else before we move on? Ben, do we have any questions typed in?

Ben Sorry, I was on mute. No, no questions have come in through the webinar at this time.

Lorraine Okay, great. All right. Our visitor from the Housing Authority, this is going to be really important, specifically for you. Now, that doesn't mean the rest of you can dig out your cell phones, and start texting, because what I'm going to say has an impact on you as well and who you interact with in your community.

Let's talk for a minute about the HUD program. Again, this is worth repeating what we said at the beginning, these key provisions. All housing counseling by August 2020 must be performed by a HUD-certified counselor which is someone that's passed the exam, employed by a HUD-approved agency.

The key word here, if I had a highlight marker, would be housing counseling. Remember how we defined what housing counseling was at the beginning? Those are the activities that are covered under this

program. We think in all fairness that we're talking about what is not considered housing counseling to help you distinguish between the two.

We tried to work on different programs that we would not consider housing counseling. Services that just provide housing information, or placement, or referral services, for example, utility assistance is not necessarily housing counseling. You're just trying to determine their income level, if they meet that, in order for their utility assistance.

Routine administrative activities, determination, intake case management, without housing counseling, is not considered housing counseling. If you're dealing with housing issues that are part of a larger case management process, we don't necessarily include that to be housing counseling either.

We've used the alphabet soup of HUD acronyms here, HOPA stands for Housing Opportunities for Persons with AIDS. That's a very comprehensive program that does not fall within this. Emergency Shelter Grants is another one, and Continuum of Care. Those are three programs, for example, that do not necessarily we consider housing counseling.

If you're just providing fair housing advocacy, or advice, or testing, outside of housing counseling, you don't do any housing counseling activities, you're just the fair housing, we probably [indiscernible] depending on the funding that they get from fair housing, that's not considered housing counseling either and then, if you just offer group education.

I'm going to talk just a little bit about what we consider group education. We do actually have agencies, especially in the Community Development Block Grant Programs and the Community Planning and Development Programs, sometimes they'll just do group education. They won't do housing counseling. Group education is where you provide online like we're doing group education right now. We're doing it through a webinar. We're doing it through a conference call. We can also have it online where someone's sitting in front of a computer.

That's not counseling. Why? Well, I'm not going to go to Jeff, and say, oh Jeff, in this group setting, how much money do you make a year? Let's see if we can figure out your budget.

The major difference between housing counseling and group education is that housing counseling, as those of you know who provide the service, is they're customized to the individual. HUD-approved housing counseling agencies, if you're in our program, and you offer group education, you also have to offer one-on-one housing counseling on the same topic, and a HUD-certified counselor must oversee group education.

We had a lot of questions, "What does oversee mean?" That doesn't mean you have to physically sit in the class, but you have to basically approve the curriculum. When you're sending your clients to an online class—how many people send their clients to NeighborWorks or Framework or eHome America, rather? Yes, okay. When this becomes effective in 2020, you're going to have to review that curriculum and make sure you're in agreement with it.

What are some organizations that can possibly be affected by this Final Rule? State and local governments that provide down payment assistance, public housing authorities are definitely another entity that may be covered by this. State housing finance agencies that offer housing counseling outside of our program, many housing development

organizations may be affected, especially those that provide down payment assistance, or possibly other non-profits or governments.

The bottom line is, if you're delivering housing counseling services yourself, such as counseling as part of either the Community Development Block Grant program, sorry it was easier to put the acronym instead of spelling everything out, Public and Indian Housing programs, or the HUD programs, they'll also be covered by this Final Rule. That's why we carefully defined what housing counseling is.

Some examples that we provide like down payment assistance, purchasing units developed with home [ph] funds, those might be covered if the clients are required to go to housing counseling. CDBG programs do pay for housing counseling. The Family Self-Sufficiency that might also be covered. We can talk a little bit more about that after the housing counseling. We do have very extensive Frequently Asked Questions for other HUD programs. That's something you can check.

If you're listening on the webinar, and you're going, this might affect me. What are my options? Well, we've determined that there's four options

available for you. This is where you folks come into play here that are already in the program.

The first option is, let's just join HUD's Housing Counseling Program.

We'll be more than happy to welcome you with open arms into our program. We have a lot of technical support to help you in how to apply if you decide to go that route, and I'll talk a little bit more about our resources.

Or, you can partner with these guys that are already in our program.

That's why it's important for those of you that are already participating to understand there may be other agencies coming to you with needs, and saying, we really don't want to join the program, but how can we work together. You'll have an understanding for the basis of that request.

Other options are to modify your program so that housing counseling isn't a component, or just stop your program altogether. That's worst case. I most definitely hope you don't choose that as an option.

If you say, I do think I want to join the program, how do I learn more?

I'm not going to go through this how to become HUD-approved because

we have a couple of online resources. As a matter of fact, Ben just gave a wonderful webinar yesterday on how to become a HUD-approved agency, he, and another staff member.

Ben, how long was that training, about an hour to an hour and a half?

Ben Yes, it took about an hour and 15 minutes, and it will be posted on the HUD Exchange website pretty soon.

Lorraine Great, thank you. There it is, an hour and 15 minutes of everything you wanted to know to become HUD-approved. We also, I've given you the references here where you can find more information. One of the neat things that we have developed to help you is a housing counseling eligibility tool. That's also on the HUD Exchange.

Kelly, if you have any agencies that express interest in joining our program, this is a great place to start. It's on this webpage on the application process right there, and what it does is it takes about 30 minutes, and it provides information as to what exactly our program requirements are and asks you if you meet those requirements.

It's a great training tool for you to decide. At the end, you get a report and it says, well, you're not ready yet. This is why; this is what you need to work on. Or it says, yes, you're ready to go. If that tool says you're ready to go, we still have to do a formal review process, but it's a good place to start.

Okay, any questions about HUD approval process? We have one agency here that's not in our program. I don't know, for those on the line. If you have any questions, can you type them in? Then, we'll get to that at the end of the presentation.

There's a couple of other things that I'd like to talk specifically to agencies that are in our program now. Like I said, we published the Final Rule in December, January, well we published it December 14th. Some things became effective January 13th so I want to take a couple of minutes and talk about.

The first one has to do with homeownership counseling. The Final Rule created a new term for our program, homeownership counseling. I'll talk about what that means in a minute, but it basically requires that if you're

going to offer homeownership counseling, you have to cover all of the entire homeownership process.

We also made it mandatory if you're dealing with a client that's interested in buying a home, they have to get those home inspection materials.

There are two, and again they're on the HUD Exchange. The first one, who knows what they are? I'm going to ask you guys. What are the two materials you have to provide your client?

W For your protection, get a home inspection and ten important questions to ask your home inspector.

Lorraine Yes, yes, for those of you on the telephone, if you didn't hear that, the first one is for your protection, get a home inspection. It talks about the importance of the home inspection. It is available on our HUD [indiscernible] forms in both Spanish and English.

The second one is ten important questions to ask your home inspector.

That one, for a long time, was only available in English. I'm very happy to say we've finally convinced the espanol.hud.gov folks to put it in

Spanish, too. If you have a Spanish client, you can find that version as well on Espanol on hud.gov.

Okay, those are two changes. We also had some changes to our grants. We added the term material violation to that which has to do with your grants, and then we also have basically reinforced the election law violation. If you were convicted of an election law violation, then the agency can't get any grant money.

Let's talk a couple minutes, what is this new term homeownership counseling? It's counseling that covers the whole lifecycle of the homeownership process including the decision to buy a home, the selection and purchase of a home, issues that can arise during or affecting the period of homeownership such as, should I refinance, house purchase, a deed [ph] followup, foreclosure, or other types of financial, and then lastly, how do I sell my home, or what are other ways I'm going to lose my home such as through a deed in lieu or short sale, so this is the whole lifecycle.

What the Final Rule is saying is if you're offering homeownership counseling, you have to cover all four of these topics. Now, I went

through in February, and we went through an exercise at the RCAC training, and we basically established that everybody pretty much covers all these topics for pre-purchase counseling and some in homebuyer education.

That's great, but these can also apply to post-purchase, mortgage default, and reverse mortgage counseling. You're probably thinking, how do I meet this requirement? This is the formal language. How do you address the entire process of homeownership?

Ben, I'm on slide 37. I skipped through the other slides fairly quickly.

Ben Thank you.

Lorraine Yes, I apologize, I should have been doing that more frequently. Now, on 38, what are we expecting you to do? Well, it's the agency that has to have in their toolkit, how they're going to address all these topics.

You have some choices you make. Some of the agencies already do this. If you have a client that is going to pre-purchase, you may send them to homebuyer education first. That's perfectly fine. You can do that.

It's going to be up to the counselor to decide what topics are relevant. If you're dealing with a client with foreclosure, and they're trying to save their home, I don't think they're going to be interested in learning how to buy a new home. What do you think? No, no, so you don't have to cover that during this counseling session.

What we're asking agencies to do is to revise their work plan a little bit, tweak that, and tell us how you are going to address all these topics. Now, Charmaine, you've tweaked yours. Was it hard? No, it wasn't hard at all, a couple of paragraphs she added to her work plan. When we come out and do performance reviews, we're going to ask for your updated work plan, and to have that done at that time.

Okay, we're almost in the home stretch before we take a break, just some resources, and other information. This is our main web page, the HUD Exchange info about housing counseling. We have a whole page dedicated to certification, but there's a lot of other neat information on there.

You can subscribe to Listserv messages. You'll get all kinds of notices. You'll also get our Bridge newsletter, and by the way, I also work on the Bridge team if you're interested in submitting a story. I think August is going to be on rural, so we're looking for information, and we're going to definitely talk more about helping rural during the second part of today's discussion.

There's a lot of toolkits on there to help you. We recently added an introduction to housing counseling training. That will be good if you're new to the program. There's a lot of information, a lot of toolkits available.

Now, for certification, we have lots and lots of frequently asked questions, not only for certification but a bunch of topics that are also available on the HUD Exchange. The certification FAQs, because they're separate, if you'd like to, they're also incorporated in the main bank, but I find it easier to download the PDF file for those FAQs. And they're easy to search because even though it's 58 pages, for example, you can find family self-sufficiency. We have several FAQs related to family self-sufficiency on there.

Then, of course, you can always send us an email at housing.counseling@hud.gov, and we do our best to answer those questions within 48 hours, and we have a fairly good track record of doing that.

Okay, before we take a break, are there any additional questions about what we talked about?

Ben Would you like to open up the lines for the attendees on the webinar?

Lorraine Yes.

Moderator Thank you. [Operator instructions].

Ben We did have one question come into the queue through the webinar interface. The question is regarding that lifecycle of the homeownership process. I think I went through the slides pretty fast, so they're asking for clarification. The question is, "When you say you have to offer the entire lifecycle, do you mean in the session to the client, or do you mean that your agency must have those types of sessions available?"

Lorraine

That's a very good question. Yes, I did go through this very quickly. We are not saying you have to offer all four types of counseling. This affects pre-purchase, mortgage default, HECM, and let me go back, I forgot one, house purchase and [indiscernible] thank you.

We're not saying you have to cover all those. We're just saying, let's say you offer mortgage default counseling only. You have to have some strategy in your work plan how you are going to be able to provide that information if needed for a client.

For example, I had just said a mortgage default client probably isn't interested in purchasing a house. Let's just say that mortgage default client, let's take it a step further, and say you end up with a particular client who's going through a short sale, and they know they want to buy a new house down the line. They may ask you, okay, I'm doing this short sale now, how is this going to protect my future home purchase?

You need to be able to tell them things like, well, it's going to impact your credit, you're probably going to have to wait three to five years depending on your loan, so you're sharing that information with them on pre-purchase, but it's only relevant. You don't have to share that information

with all your mortgage default clients. You just have to share that information with those that are interested, those that it's relevant to their situation. I hope that clarifies that question. That was a very good question.

Moderator No one queued up over the phone lines.

Lorraine Okay, great. All right, so now, how long—do you want to do a ten-minute break?

Kelly Sure.

Lorraine Okay, we're going to do a ten-minute break, and then we're going to launch a roundtable discussion after that ten minutes. Ben, I think we're going to put you on mute.

Ben Lorraine, before you do that, there was a follow-up to that question.

Lorraine Oh, okay.

Ben “How soon do the housing counseling plans need to be updated to show the suite of homeownership counseling lifecycle, the four types? Can strategy include that they would be approached to another HUD-approved agency? They would be sent to another HUD-approved agency if they do not offer something such as reverse mortgage?”

Lorraine That’s a really good question. Let’s say you’re dealing with a post purchase client who is interested in a reverse mortgage. If that agency does not provide reverse mortgage counseling, then by all means you can refer them to another agency.

But, and this is a big but, you have to understand that that is an option for your client, that reverse mortgage. So you have to have a little baseline information and knowledge about that HECM to be able to make the appropriate referral, not saying you yourself as an agency has to offer reverse mortgage counseling, but you have to understand this is an option for them. You need to say in your work plan, yes, for clients that are interested in reverse mortgage, we’re going to refer them to the HUD referral online, for example, where they can look and choose agencies.

We have people update their work plans, agencies update them now, but it's not a requirement. We will be asking for updated and for you to update it at a time of a performance review in the near future. We are definitely going to have more training on this topic.

Yes?

M I have a new question if it's okay.

Lorraine Okay, yes, I think we have one question. Go ahead.

M On the slide about options for affected agencies who may have to make that decision about how they're going to comply with the rule.

Lorraine Yes.

M [Indiscernible] partner with a HUD-approved housing counseling agency providing services. Now, from our side of this, does HUD have any existing trainings in place, or will they be providing trainings for us as HUD housing counseling agencies about how we might structure those types of agreements properly?

Now, this probably has been delayed because these agencies they have three years before they're going to have to decide what they're going to do. Is that something that's coming up, especially if we've never had any sort of formal partnership agreements with [indiscernible]? Are we going to get some direction or training on that?

Lorraine

That's a very good question. To repeat the question, what was added, slide 31 talked about the option for the other types like Housing Authority and community development organizations and city municipalities can partner with housing counseling agencies currently in the program. The question was, do we have any guidance or any training that's going to be provided in the future on how to structure agreements like that and how to make arrangements.

This is a great suggestion. I'm going to write that down because we did not have any plans, but it really sounds like a good idea. We do have model lender agreements in our toolkit now, but it may not necessarily apply to that type of an arrangement. I'm going to put that on our to-do list, so an excellent suggestion. Thank you. Great. I'm going to write that down so I don't forget.

Okay, with that, let's take a ten-minute break, and Ben, we're going to put you on mute.

Ben Sounds good.

[Break]

Lorraine Ben, are you still there?

Ben Yes I am.

Lorraine Alright, how many people do we have on the call?

Ben Operator, can you give that information?

Moderator Yes, we have 16 lines connected.

Lorraine Sixteen lines, that's great. So, I would really like if we could to open the lines. I don't know—we're going to now launch into a roundtable discussion, which is really more for your benefit to hear what's going on

and to give you the opportunity to provide feedback to us. So, I don't know if we'll be able to hear what everybody in the room says. I'll try to repeat it unless its gets too distracting.

But would it be possible, operator, if we could have those on the telephone introduce themselves and tell us who's listening in and their agency and where they're located at?

Moderator Certainly, and before I open up the lines, ladies and gentlemen, just please keep in mind if you have your mute button, if you're not speaking that'll ensure the best audio quality and keep all background noise to a minimum. All the lines are now open.

Lorraine Okay, let's start with those who are located in the northern part of the state. Can do identify yourself? Those of you that are Salt Lake and Provo or Logan.

Ellie I am with you with US Housing and Financial Counseling and I'm in Logan.

Lorraine Okay great. What's your name?

Ellie Ellie Hansen.

Lorraine Ellie, alright.

Joe This is Joe with Community Action in Provo.

Lorraine Hi, Joe. How are you doing?

Joe Good.

Lorraine Alright.

Stacy I'm Stacy Abbott. I'm with Utah State University, the [indiscernible]
Extension in Salt Lake County.

Lorraine Alright, Stacy. Thank you.

Diane Diane Stobie [ph], with the Housing Authority of Utah County.

Ryan I'm Ryan Seedall, and I'm with the Utah State University Housing and Financial Counseling Program.

Lorraine Great.

Lucas Lucas with BRAG in Logan.

Lorraine I'm sorry, I didn't get the name.

Lucas Lucas Martin with Bear River Association of Governments in Logan.

Lorraine Great. Okay, who else? Even if you're from out of state you can say your name and your agency.

Trish Hi, this is Trish Gavis [ph]. I'm with the NOTC [ph].

Lorraine Thank you very much for joining us, Trish.

Trish Thank you, it's very informative. I appreciate the information.

Lorraine Now, do you have any branches or agencies in Utah associated with the intermediary?

Trish No, we don't.

Lorraine Okay, was just curious. Thank you, Trish.

Trish Thank you.

Lorraine Anybody else?

Leslie Leslie and Kim from Tooele County Housing Authority.

Lorraine Great. We had a discussion about the Family Self-Sufficiency Program. Good information. If you have any additional questions just let me know. I'll stay on a couple of minutes after the webinar is over, if you have any specific questions about becoming HUD approved or what you're thinking. Especially all, and that applies to anyone on the phone that is not currently in our program, if you have any additional questions we can have a discussion after that.

Okay, did we have anybody from Nevada? We had one person registered from Financial Guidance Center. Financial Guidance Center actually has a branch in St. George. Okay, anybody else?

Cindy Cindy Warren from Roosevelt City Housing.

Lorraine Alright, thanks for joining us, Leslie. Anybody else? We're going to try to go around the room again and introduce ourselves. Just speak loud and we'll see if they hear you.

Justin Justin with Neighborhood Housing Solutions in Logan, Utah.

Lorraine Did you hear that?

M Yes.

Lorraine Alright, great.

Susanne Susanne with Neighborhood Housing Solutions in Logan.

Lorraine Alright.

Debbie I'm Debbie Hansen [ph], with Community Development [indiscernible]
Utah, Salt Lake.

[Off-Mic]

Lorraine Okay.

Ashley Ashley Webber, [indiscernible].

Claudia Claudia [indiscernible].

Lorraine Okay.

[Off-Mic]

Lorraine Okay.

Jeff Jeff Stole [ph], US Department of Housing and Urban Development in
Salt Lake City.

Leslie Leslie Jones [ph], [indiscernible].

Kelly Kelly Jorgensen at Salt Lake City Head Office.

Lorraine And of course, Lorraine Griscavage- Frisbee. Okay, so what we're going to do in this second part is—and Ben, we're on slide 46, excuse me 45, and I'm not going to advance the screen until we change.

But the purpose of roundtable discussion is to give you guys an opportunity to network with each other, first of all, and I understand that the Utah agencies did have a coalition a couple of years ago to address the foreclosure crisis, but I don't know if you've had any opportunities or considering to do that. So, this might give you an opportunity to hear what everyone is providing and also to understand the market what's going on. Are you seeing any trends? And then I'm going to change it a little bit and talk a little bit of how we and the Office of Housing Counseling can help you.

And so, the first thing is the market conditions. We did have a discussion here in the room while we were waiting for the phone issues to get resolved. So, I'm going to ask those of you that are on the phone if you could share with us what you're seeing in trends of services. Are you seeing a decrease in mortgage default and an increase in pre-purchase? Or

are you having clients that had a loan modification, their five years is up,
are they coming back?

So, let's open that up to the phone people first. Who would like to share
with us? And operator, we can just leave all the phone lines open.

Moderator The phone lines are open.

Lorraine Okay, great. Who would like to share with us how your services are
doing? I can't pick on you because I can't see you.

[Off-Mic]

Lorraine Okay, very important point. So, what are your primary services that you
are getting requests for? And some of you of course do not currently
participate in our program. So, that might not be a fair question.

Okay, I'm going to open it up to the folks in the room then. Can you share
with us any trends you're seeing?

W Foreclosure in general is definitely down.

Lorraine Okay.

W We are starting to see people coming back at the end of their five-year term [indiscernible] that are concerned about the increase in their interest rate. Although, I talked to someone the other day whose permanent rate will be 3.675% and he was concerned about his mortgage payment going up and his on a fixed income and getting into his senior years. So his ability to change his income, to keep up with the mortgage, the change isn't great [ph], but I told him there was basically nothing that could be done in his case really unless he wanted to sell his home because his interest rate was going to go 3% and then 3.675% and stay there, which is better than [indiscernible] going forward.

Lorraine If he refinanced it.

W So, it seems like, I'm working on some of that. I've seen some people re-default, but very few [overlapping voices]. We're really only seeing probably four or five people a month on foreclosure.

Lorraine Okay, any other?

M We're up in Logan, seeing the same trends, we deal probably all smaller numbers than you do here in Salt Lake. I'm down to about probably one or two foreclosures, probably a month now. So we are seeing just a small uptick, it's not anything drastically crazy, but we are seeing an uptick, I think, a little bit in pre-purchase. And it's going to continue.

I think our housing stock—this is probably similar for all of Utah, but maybe [indiscernible] especially with the geographic people aren't looking—they don't have as broad of an area to look in. So, they don't really want to commute to the train outside [indiscernible] Valley. So people are struggling to find options and trying to find the best home buying decision for them. Or people are wanting to enter and just can't find the right opportunity.

Lorraine And yes, you look you're getting ready to make a comment.

[Off-Mic]

Lorraine Okay, that's good to know. So, how about the pre-purchase plans? We had a little bit of an intermission discussion that the housing inventory, the

housing stock prices are going up. And I don't know if anybody on the telephone currently provides down payment assistance. If you do, is that becoming an issue with your clients?

W We're seeing the purchase price limit. We're getting some different interpretations of that from the different municipalities.

Lorraine That's interesting.

W So, the numbers are old, the number that HUD gives is a year old by the time it comes out and is not appropriate for the market that we're in and it makes the challenge extremely difficult. Salt Lake City sticks exactly with the HUD number and they are the highest priced city.

So, for someone to actually be able to buy a home, and we have a lot of people that are below 80% of [indiscernible] median income and could qualify for down payment assistance, or are highly qualified candidates for mortgage, but they do not find a home under the \$241,000 mark that's not a one bedroom condo or something. And in Salt Lake it's getting kind of crazy.

There are a few areas where there's a few things out there, but it's really difficult to find anything in the city. Some areas have gone with an updated number and they've done the math to get that affordability number. So, that makes it a little easier, but those are lower priced areas, too. So, it doesn't affect those people as much as—so that's one thing.

The numbers are too old. They're not keeping up with the market trends. So, that's really hard for people to actually utilize what's out there and help them become a homeowner [indiscernible].

Kelly What number would be a good number for the limit, do you think?

W Well, so Salt Lake County is up to like 295 versus Salt Lake City is 241, so they're basing up it off a quarterly, the last quarter's median price and then going from there with basically sticking with whatever HUD says. So, I think that [indiscernible].

Kelly Closer to 300 though.

W Yes.

Lorraine Interesting. That's a really high number.

W It's high. It's not affordable for [overlapping voices], but it's on the median home price. If that's what it's based off of, then the median home price is much higher than—

Lorraine This may not be a fair question for an underwriter. It used to be, they could appeal the mortgage limit in between the yearly adjustment. I don't know, I think the program support division used to do that, but I don't know since I'm not in program support anymore if they still do it.

[Off-Mic]

Lorraine Yes, [indiscernible] home ownership.

[Off-Mic]

Lorraine Yes, that might be something, after this call Kelly and I will do some brainstorming to see if there is anything. But the request has to come if, and this is a big if, if they still allow those midyear adjustments, they have to come from an external source. But that doesn't mean it isn't something

that you guys can do. You can perhaps get together with the local real estate and lender, possibly associations and say if we have the data we can submit it and then everybody benefits from that, by having an increased FHA mortgage limit. So, not only does it help the loan for homebuyers but it helps sales in general. We can talk about that as a possibility maybe.

Okay well, thank you. Any other comments? Any comments from the folks from the phone?

I think the majority of you sounds like you don't provide housing counseling services now, but after we go through these discussion topics, we'll talk about what you do provide, especially the Housing Authority individuals that are on the phone and the reverse government representative.

One of the other things that, it sounds like there is not a problem, but I always add it as a discussion topic and it has to do with reverse mortgage or HECM clients. Are you having a greater demand? Yes. Okay. Are you the only agency in the Salt Lake City area?

M We're up in Logan, the [indiscernible] is out there as well in Logan. We both, I know, do a fair amount of home loan counseling. I don't know if—I don't think anybody is here from AAA Fair Credits, I think they just barely got someone certified and they're going to start that up again. The rest of us have been picking up their demands and they will do a lot in Salt Lake area.

W We stopped doing it a while back. The requirements got a little cumbersome, honestly, and then the person that was doing it was into [indiscernible]. We haven't had replace that. But I feel like this obligation, like I should do it, but then like this thing that's in the back of my mind like I should be helping with that as the largest housing counseling provider in the state, and the county and in Salt Lake County where most of the demand is probably because the population size. But we don't offer it; I have guilt about it, but it all goes to one of those things of is it worth it, I don't know.

Lorraine Well, I can share what I've heard from other agencies. And as we said the HECM requirements are not going to change. That was done under separate federal code, federal regulations and that was not affected by the certification rule, except for the fact come August 2020 the HECM

counselors have to both be certified and still be on the HECM roster. Has anybody taken the HECM exam within the last year? No. Okay.

M I'm taking it in the summer.

Lorraine Okay, and that's one thing they have to recertify every three years. We would appreciate any feedback that you can give us on getting HECM training, if you have issues or you're considering that having a counselor. On the plus side, can I ask what you charge?

M We do \$150.

Lorraine One-fifty, okay, and that seems to be the norm. We do not have a set HECM fee now; you just need to be able to justify it. But, it is a potential source of income when it comes to providing especially if you have a large volume. So, if there is greater demand [indiscernible], certainly don't want to take from the business, but if you feel that there's not enough HECM counselors then it's something for other agencies to think about it, maybe be becoming HECM certified in the Utah area.

M Hi, Lorraine. [Indiscernible]. So, you said there were around 1,000 in Utah.

Lorraine Yes.

M Okay, so I think most of that is probably—Diane, are you online in Provo?

Diane Yes.

M I think they do most of that. How many do you do a week, Diane?

Diane Okay.

Lorraine Diane, the question was of about the approximately 1,000 HECM clients, did your agency do a great majority of those?

Diane Actually, we don't. I refer them to Community Action for the counseling and I do refer them to the AAA Fair Credit for further counseling, also.

[Off-Mic]

Lorraine Sorry, Diane.

M They are part of NeighborWorks as a national agency. So, they run most of that, I bet, because I probably will only do 60 a year.

W And they're the only agency [indiscernible].

M They have a satellite office now in St. George as well.

Lorraine Okay.

[Off-Mic]

M So, I do feel like other agencies either dropped out or who haven't done it [indiscernible] because I think it's only going to go up. If you notice, [indiscernible] about four years ago and as people run out of money, the first to ten years of their life, I do think there's going to be an uptick in the [indiscernible].

I get a lot of lead-over [ph] from the [indiscernible] area, too. That's another thing that happens is [overlapping voices] that aren't very well

populated, like Idaho, Wyoming, Montana. They might have one or two housing counselors involved. So, if they're backed up or if they have turnover I know because I get a ton of calls from [overlapping voices] from Boise and places like that. So I think Utah is the more we can get, the more we'll actually meet the demand of not just our state, but in the Rocky Mountain region.

Lorraine

Good point. Thank you for sharing that. That's a very good—and in some states that I have visited, it seems to be an issue when I was in Phoenix. There was one agency in the whole Phoenix metro area. And if you're familiar with Phoenix there are 100,000 residents just in Sun City. And so, there they can't meet the demand. It was very busy because as the result of—we did a similar stakeholders meeting. We found there were actually HECM in Tuscan and in Yuma, which wouldn't be feasible for most seniors to drive, but depending on their location they could now deal with somebody that's in their same state and understands issues. So, good to know, well, thank you for sharing that with me.

The next one is serving rural communities. My impression, and correct me if I'm wrong Kelly, you've got St. George, which is rapidly growing

and then you have quite a bit of population here in the northern part of the state, but there are quite a bit of rural areas as well.

Kelly It sounds like we have two satellite offices in St. George and that's it.

Lorraine And that's it. I think everybody else is located in this—I know Charmaine [ph], you serve the rural counties. How do you, actually, I can't remember, do you actually physically go down there?

Charmaine If they do request it [indiscernible] and then we'll stay an extra day to do their one on one.

Lorraine Okay, that's good. Does anybody else serve the rural counties? Yes. And how do you do that just by telephone or how do you get your word out?

[Off-Mic]

M I do a lot of phone and I do a lot of virtual, video conferences.

Lorraine Oh really, very interesting.

M We have people come in the corners of our county [indiscernible] over the past [indiscernible].

Lorraine Okay, interesting. Anybody on the phone serve the rural counties?

W We deal through Utah State University Extension. We offer an online homebuyer course. So, we get a lot of people who don't necessarily go to an in-person class because it's physically not available for them. I mean it's not practical for them to travel. So they'll take our online education. I actually work in a rural area. I work for Salt Lake County but I live in Price, Utah, which is very rural, and I can tell you there is not a lot going on as far as housing counseling in the area. So, there is definitely opportunity to reach out to those areas, but that's how we are serving the rural community from Utah State.

Lorraine Okay, great. Thanks for sharing. But you seem to think based on your experience that there is a need for more housing counseling services in that area.

W Yes. Because, I don't think people are getting any one-on-one counseling in San Juan, Grand, Carbon and Emery County those kind of areas. There

is an agency in Moab that does [indiscernible] counseling and we get their clients as far as the education goes, but I don't know what happens to them after they're educated. We offer one-on-one counseling to the Family Life Center, but I think very few take advantage of that. So, it seems like there is definitely an opportunity to reach out to that area. When we bought our house, there was nothing available down here, as far as what I was familiar with in northern Utah.

Lorraine

And I'm kind of wondering is USDA active in those areas?

W

Yes, so we do get a lot of—another pool of our clients are closing on USDA loans. So, yes they are active. There are quite a few of those loans closing here. But I am talking more from the consumer education side. I don't think a lot is happening in these areas.

Lorraine

That's interesting.

W

[Indiscernible]. So, they'll allow the online education and that's good enough.

Lorraine

For USDA?

W For USDA, yes on the other [audio disruption]. I used to have to a grant through USDA where I would travel to those counties that she mentioned and actually provide homebuyer education. Every few months I'd go to each one and do an abbreviated class that's probably done in one night like four and a half hours or something. And then I'd stay the next day and if they needed counseling or whatever, but most of them didn't require the counseling and that grant went away a long time ago and when they started allowing online education.

So, I don't know—I think that's one of the issues is that a lot of stakeholders don't require it. Some are requiring some type of education, which is great. There's a lot more education available now. They'll give access to a counselor. So if Home America, Frameworks, as you've mentioned, they all tell you how to act as a counselor, but yes it's a little tricky. Most people just think they're fine.

Lorraine And it's interesting when we've had our discussions with Community Planning and Development about this Final Rule, one of their concerns are these small municipalities in rural areas that may provide down payment assistance, but don't have any ways to offer housing counseling. The

challenge—we had initially said to them well, refer them to a housing counseling agency staff, not thinking there is no one to refer them to. So, it's something we need to figure out how to better get the word out and in rural areas. Any feedback that you have for us on that will be very helpful because I think that's a niche group that we need to work on.

W So, Justin mentioned helping people are in other states. So with the HUD geographic restriction, for instance my agency is a statewide agency but we're basically not really permitted to counsel people outside of the state of Utah. He is close to the border so he may have a different type of geographic area that they cover, but I'm curious about that. Because for me that [overlapping voices] challenge, but certain agencies, like in Salt Lake, I know is trying extend its geographic area, but they have [indiscernible] geographic area. So if the need is high, they're not able to meet some of that need due to the geographic setting.

Lorraine That's a very good question and there is a couple of things that come in to play. And Ben, did you hear that question as well?

Ben I was having a little bit of trouble hearing that.

Lorraine

It has to do with—there are some agencies that are for example located close to Idaho and so they tend to get clients that come in from other geographic areas. You're on the new app [ph] team. I'm going to give what I think would be an answer and please let me know if there's anything I need to add.

Generally, in your work plan you can define your geographic area. And if you're locally approved you typically are looking at a two state area. HECM used to provide services nationwide as long as it's in your work plan. So, the key is first of all, are we getting them? Should we amend our work plan to include additional area depending on the services?

Every so often though you're going to get somebody that calls you that says I really need help now and there's no one available. We're okay with those occasional exceptions as long as you document your client file as to why you helped this individual.

Like I think a foreclosure client, if that lender submitted action to start their foreclosure and they can't get in with an agency closer in a month, I think that's okay because the bottom line is we need to help these clients. So, as long as there's not a pattern of that. As long as you put your note,

well this is why I chose to help this client because they needed help immediately and no other services were available.

And I don't know, Ben, is there anything you could add to that?

Ben No, I think I fully agree with everything you said and it's very, very uncommon for a new agency to come in right off the bat offering reverse mortgage counseling. Usually, they'll add that to their mix once they've been approved for everything. I've never seen an agency come in—

Lorraine That's true.

Ben I think that would be something to discuss if you come in as a new agency with the application advisor and a person that's reviewing your application for approval. But in general, we're more interested in making sure that you are not turning away clients. The only thing I'd be worried about is if you're conversant in the state regulations. If it's across borders you may not be able to give them expert advice.

Lorraine That is a very good point. Thank you, Ben, for bringing that up. Especially in foreclosure, if you're going to help a client from another

state make sure you're versed in their foreclosure laws because they definitely are different from state to state. So, excellent point there, Ben.

Okay, is there anything else counseling specific to Utah? Kelly, is there anything you wanted to bring up or any questions?

Kelly It was brought up that there is a housing counseling group. I think Stephanie you were in part of that. I'm not sure anybody else, Charmaine, would that have been three to four years ago?

Charmaine Yes, [indiscernible] housing education [indiscernible] Utah prior to the crash of the market, so 2007 I believe is when it came into existence, kind of shifted into a foreclosure task force a little bit. We had several agencies who have gone out of business. We've had several people who were in the leadership of the group, basically every past president for the last four presidents have left their job during their term as president and [indiscernible] left. I think we were stretched pretty thin especially two years ago, still with foreclosures that we just didn't pick it up really.

So, it's sort of died, gone by the waste side a bit. Technically I guess it still exists.

M We'll call it dormant.

Charmaine So, my office does contact everyone in the state and provide a statewide education schedule, a statewide reverse mortgage provider's roster basically, that we just email out to everybody and they can email it to their people. We put it on our website and things like that so that people can access the other education [indiscernible]. That's the one thing that we expect [indiscernible].

So we'll see how that goes. We can discuss other possibilities now [indiscernible]. I think we would all love to have that going but then we'd we sort of miss each other. I think we'd miss seeing each other. We'd miss talking with each other and sharing best practices.

But I think that the numbers have dwindled almost probably to half at least from what they were. And so that's part of—that's kind of what happened [indiscernible], but I think it would be great. I think it will be awesome to include more of the Housing Authority and things like that into that.

We didn't have a lot of stakeholders and the stakeholders came and went based on their [indiscernible] foreclosure over the years and it was really the core group was the housing counseling agencies but we always wanted it to be bigger than that. At some points it was.

W We did kind of standardize homebuyer education across the state. I was in [indiscernible], and that went really well. I think [indiscernible]. We've all sort of adapted from there.

Lorraine In Las Vegas what we've done—and actually we include the northern part of the state, we really don't have any separate agencies there. We just have branches up there. Twice a year HUD organizes a meeting, a stakeholders meeting, and we try to pick a topic and sometimes we'll bring in external speakers. For example our next one, one of the group works with Freddie Mac. And so, we've asked that group to see if they can bring in a speaker on the new Flex Modification that's starting in October. So, we have it as an opportunity to get together, and I'll set something [indiscernible] will be wanting to do something like that.

Kelly We can do something like that. Will that be of interest do you think?

Lorraine What do you on the telephone feel about that? Would you like to see maybe—we meet twice a year that seems to be sufficient. I don't know how you would want to structure it. Do you like some kind of organized opportunity to network with each other that HUD could facilitate?

Ellie This is Ellie in Logan. We would be happy if HUD facilitated a program or sometime that we could network. That would be wonderful.

Lorraine Great.

W I know we would be happy to participate as well from Utah State Extension.

Lorraine Good.

M [indiscernible] interest if they can do something.

Lorraine Yes, that would be great. Okay, well that sounds good. Well, my last topic, we're running out of time here in the last ten minutes that we have. I just wanted to check in with you when it comes to training.

Our primary training has been by webinars. It just makes sense since we cover the United States, but I love the opportunity to see people in person. It's very beneficial to see are you understanding what I'm saying because a lot of times I'll be at the webinar sitting there and I will wonder what is the reaction or are they totally ignoring me and they're doing their emails or something else or listening in. And quite frankly we've had stakeholder webinar meetings that that's strictly been no face to face and the silence. So, this is very refreshing, thank you.

But are we meeting your training needs? Or are there other training—like thank you very much, Justin, great topic. I'm going to take that back; it probably takes us about six months to develop something. We work with the contractor that manages the HUD Exchange and they do a very nice job with their polished training. So, we'll definitely look into that.

Any other suggestions or feedback. Like someone that's considering joining our program, what kind of information would you like to see?

[Off-Mic]

Lorraine

You don't know what you're missing.

M I think the redesigned HUD Exchange is a huge help. All the information that used to be on the website was a little bit harder to navigate and find. On that note, I know the question that you asked was more directed towards maybe if you want to become HUD approved, but just moving over to talk HUD housing counseling agencies getting into HECM counseling—for the first time we're returning to it. In a similar way I think I know it's a big ask and a big project, but rehashing the HECM counselors website.

Lorraine Okay.

M I think it's now due. I think for several years probably it's not really been designed. It's a fantastic resource and when I had that a couple of people say, how did you start into HECM counseling. I point them there because I know some information is there, and sometimes it's difficult for them to do that, to find what they need there.

Lorraine Do you have any specific suggestions? Is it easy to know where to go for the training or anything particular?

M I can't remember, off the top of my head I can't remember. Are the forums only accessible to people once they've become counselors? Because there is a pretty great HECM counselor formed community that you could participate in there. But it really might help if prospective people can potentially—they might be able to. That might already be a thing.

Lorraine The actual certificate is a HUD form and so you can go into our resources on, not HUD Exchange, but on hud.gov you click on the resources. You know there is a tool bar across and then forms and then you can pull up a number. You can actually see the blank HECM form. So that is one way they could access the form. But I don't know—

M You're asking about forums, though, weren't you?

M Forum.

Lorraine Oh forum, I'm sorry I heard the wrong thing. There is a HECM forum.

M There is HECM forum on HECMcounseling.org.

Lorraine And you have trouble accessing that or—

M No, I'm saying I think it's only accessible to people who are already HECM counselors. I could be wrong on that. I don't know but just the redesign of it like you did with the main one.

Lorraine Just looking at it.

M It can help people or agencies who are trying to look into that.

Lorraine Maybe we need a how to, a more step by step how to become HECM counselor, HECM roster counselor?

M I think there's an NTI course that helps how to get one started, but if you're not available to go to that, which I wasn't around the time we were looking into. It was a lot of like—felt like I was sort of alone in researching everything, how to do those steps. The info is there, I mean, that's the most important thing.

[Off-Mic]

Lorraine Okay.

M And especially it would help agencies who have lost their one and only [indiscernible] and it's hard to get up again when she's not able to train [indiscernible], or AAA Fair Credit who lost their counselor back in August and they just barely got another counselor because no one new how that process worked. It was difficult to find out how that works.

Lorraine Okay.

Ben Lorraine, do you mind if I just add something to the training needs?

Lorraine Yes, please.

Ben Hi, this is Ben Yanetta and I'm also in the Office of Housing Counseling. And I just want to say that obviously a lot of our energy has been going towards the counselor certification rule since it's new and it affects everybody. Our focus isn't going to be going off of certification anytime soon, but we are going to start looking at more training topics on a wider variety. This is something that [indiscernible] has specially asked of us.

So, I get the feeling that HECM is going to be on that list for sure in the near future. It's been a while since we've done specific training on HECM counseling, but yes, definitely if there's any other topics that you guys want us to put on the list of things to get started. It may not happen tomorrow but sometime in the next six months to a year topics for training is exactly what we are looking to develop right now.

Lorraine

Yes, that's great if you have any other suggestions you can definitely email me. I sent everybody an email invitation reminder of the time. So, otherwise if I were to tell you my email we'd be here until lunch. It's so long.

You all have my email, feel free to email me if have any—do you have any other—I know RCAC comes very frequently to the Salt Lake City area. They're one of our training providers, in addition to NeighborWorks and RCAC there is also National Council of La Raza, and NCRC and they also offer scholarships. So, those are other training providers to take a look at their schedule. Links to them are on our webpage under training partners. So, if you can think of anything else, like Ben said, please let us know.

Any closing comments, Kelly, I'll turn it over to you.

Kelly I just appreciate everybody coming today. It's been a long time I think since we've gotten together like this. I appreciate everybody on the phone that stuck it out with our technical difficulties. That was something that doesn't happen. Well, technical difficulties happen all the time, but this was something that was totally unplanned and kind of unavoidable. So, thanks for sticking with us. It's about all of that. Do you have anything else?

Lorraine Well, I just thank you. Any final comments from the folks on the phone?

Okay, those of you that were Housing Authority if you have any additional questions I'll hang on and answer any questions you have about the HUD approval process. Ben and I—Ben is the expert on HUD approval, he's part of the new app team.

Everyone that was here thank you very much. Is this a good location?

Does this work for everybody for possible future meetings?

M Free parking.

Lorraine I agree with that. Alright, well thank you. That's all that I had and we'll hang around if you have any questions.

[Off-Mic]

Jeff One thing I do for the Salt Lake Head Office is I manage their website and the housing counseling section of our website it's great for me but it's also frustrating for me [overlapping voices] as a State Web Manager [audio disruption].

Counseling information that appears on HUD's website as I understand gets put in by all of you. So, just one feedback question I'd like to hear from you, and maybe Lorraine would like to add to that too, do you have difficulties doing that? Is it easy to get to and update as your services change over time? Do you know where to go? Do you know what I'm talking about?

Lorraine The housing counseling system, the information you put in your agency name—and thanks for bringing this up, Jeff, because it's important. The housing counseling system that is our basis for what we post on the public

site. So, if you move, if you change your telephone number you have the ability to go into the housing counseling system yourself and change that.

It's also going to be really important that you make sure your contact information is correct, too. If you have Suzie Jones as the main contact for your email and Suzie Jones left and you didn't update your system, we're still sending the emails to Suzie Jones and you're missing out on possible important policy information that we're sending out and updates. So, all that you can go yourself into the housing counseling system.

Now, it is a funky system. You have got to change your password. I think it's every 60 days. If you don't do that it's going to lock you out. So, if you need your password updated you can either contact your HUD point of contact. If you're not sure who that person is, you can just send an email to housing.counseling@hud.gov and say I need my password updated. Make sure you include your agency HCS number and your housing counseling system ID number and we'll reset your password.

When you get an email it says your new password is—wait at least 30 minutes because if you go in immediately, it doesn't work. Don't ask me why; it's just some glitch.

But thank you all very much. It was a pleasure seeing some folks again and meeting some new folks. And anybody on the line, if you want to ask any additional questions on approval just let us know.

Ben Lorraine, I believe that because of the way the telephone lines are set up, if we end the conference now and stop recording everybody is going to be disconnected.

Lorraine Okay, let's not hang up yet until we make sure there's no questions.

Moderator All lines are open. All you need to do is speak up if you have a question.

Lorraine Okay, then I'm going to assume no questions. We can end the conference call. Thank you very much, Ben.

Ben Thank you.

Moderator Thank you all for using AT&T. You may now disconnect.