U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

THE BRIDGE

THE OFFICE OF HOUSING COUNSELING NEWSLETTER

VOLUME 3, ISSUE 12 JUNE 2015

BREAKING NEWS

HUD Awards $36 Million in Housing Counseling Grants

Celebrating National Homeownership Month!

HUDHousingCounselors.com

HUD HOUSING COUNSELORS TRAINING AND TESTING FOR CERTIFICATION

Introducing www.HUDHousingCounselors.com

On June 4, 2015, the U.S. Department of Housing and Urban Development (HUD) unveiled a new website, www.HUDHousingCounselors.com, specifically designed for HUD-approved housing counseling agencies, offering free on-line training covering a broad range of topics including:

- responsibilities of homeownership and tenancy
- avoiding foreclosure and eviction
- financial management and
- fair housing.

The training is designed to help prepare housing counselors for the upcoming, mandatory HUD-certified counselor examination.

Sarah Gerecke, HUD's Deputy Assistant Secretary for the Office of Housing Counseling said, "We're very excited to offer this free, on-line training and encourage housing counselors to take full advantage of this opportunity in advance of the publication of the final rule for housing counselor certification."

"This training covers a broad spectrum of housing issues required under the statute and creates a national baseline of knowledge for housing counselors. In the end, we hope the curriculum will ultimately prove beneficial to housing counseling clients that we all serve."

The training offered through this new online platform is not intended to replace existing housing counselor training offered by other entities. HUD will continue to urge housing counselors to participate in other training opportunities offered by HUD Housing Counseling Program Training grantees and other providers. Read more about the training opportunities for housing counselors.

HUD's new housing counselor website offers a downloadable study guide that can be accessed through tablets and other devices and will also be available in Spanish in the near future. Access to the housing counselor certification examination will become available after the final rule on HUD Housing Counselor Certification Program is published.

FROM THE DEPUTY ASSISTANT SECRETARY

Sarah Gerecke
Deputy Assistant Secretary
Office of Housing

Greetings,

Summer is here and brings an abundance of activities including young people heading off to camp, internships or summer jobs, backyard barbecues, family vacations, outdoor festivals, conferences, and much more. The Office of Housing Counseling is also buzzing with activity and I am pleased to share our progress on many fronts as we celebrate 50 years of HUD and recognize National Homeownership Month.

The U.S. Department of Housing and Urban Development was created on September 9, 1965 to allow the federal government to tackle urban problems including substandard and deteriorating housing in a coordinated manner. As part of an initiative under President John F. Kennedy that was completed by President Lyndon B. Johnson, five existing independent federal housing and community development agencies consolidated to form one HUD.

Today, we celebrate HUD's proud legacy of providing advocacy, policy and critical services to millions of Americans. As part of our year-long celebration, I invite you to learn more about HUD's distinguished history in an interactive timeline, be inspired by public housing success stories, and keep up to date with 50 Year commemoration events and activities that just may be in your area.

Interestingly, our housing counseling program is only a few years younger than HUD, dating from 1968. And while we celebrate HUD's 50th anniversary, we also recognize the critical role owning a home plays in communities across America during National Homeownership Month. We know the importance of providing all our citizens a chance to overcome barriers, prepare for homeownership, and be sustainable homeowners.

Furthermore, in our continued commitment to provide the best support to our nationwide network of Housing Counseling Agencies, staff from across the Office of Housing Counseling came together for our annual All-Staff Meeting themed, *OHC Gathering in the City of Brotherly Love,* in Philadelphia, PA. HUD's Philadelphia Homeownership Center hosted the meeting in the heart of downtown. We discussed our progress, updates, challenges and solutions including: preparing for counselor certification, grant process improvements, standardization of general housing counseling guidance, and investing in technology systems to automate OHC processes. We also premiered the new housing counselor website: www.HUDHousingCounselors.com. The site is a fantastic tool and resource for housing counselors and the housing counseling industry overall.

And finally, on June 15, the Office of Housing Counseling awarded nearly $6 million in grants to directly support the housing counseling services provided by 33 national and regional organizations, six multi-state organizations, 20 State Housing Finance Agencies and 248 local housing counseling agencies. The grants are in addition to $36 million awarded in April and include nearly $1.5 million to new housing counseling grantees and $4.5 million to existing grantees to help families and individuals with their housing needs and to prevent future foreclosures. Read more in the official press release.

It's going to be a busy summer. Enjoy!

Sarah

CELEBRATING 50 YEARS OF HUD WITH NFCC: AMONG THE FIRST APPROVED NATIONAL INTERMEDIARIES

Susan Keating, President & CEO,
National Foundation for Credit Counseling

Washington, D.C. – *The Bridge* is celebrating 50 years of HUD by identifying housing counseling agency milestones for those agencies that participate in HUD's Housing Counseling Program. This article focuses on the National Foundation for Credit Counseling (NFCC) among the first national intermediaries approved by HUD in 1995.

The Bridge Editor Emelda Kennerly and Assistant Editor Lorraine Griscavage–Frisbee interviewed Susan Keating, President and CEO on June 3, 2015 to learn more about NFCC's housing counseling program over the last 20 years.

The Bridge: **NFCC was among the first agencies designated by HUD as a national intermediary in 1995. How do consumer housing counseling needs in 2015 compare to those in 1995?**

Susan: NFCC and our member agencies have been providing financial stability services since 1951. We recognized that 35 to 40 percent of the financial counseling was tied to housing issues so we decided that housing counseling needed to become a core part of our service delivery. Initially our goals focused on affordable homeownership with our education and housing counseling.

Today, 96 percent of our agencies provide the whole range of housing counseling and education services including reverse mortgage, mortgage default and foreclosure prevention, rental, post purchase, and homeless. During the financial crisis our services shifted significantly to help people save their homes.

In 2015, there is less focus on loss mitigation. We've rebalanced homeownership counseling and education based on the lessons learned from the financial crisis. We better prepare people for sustainable homeownership by ensuring they have the information and ability to manage their finances necessary for homeownership. Two major changes in clients' needs relate to saving for retirement and student loan debt. We found that especially the 50 plus age population segment have little or no savings for retirement.

When we poll this group we find they significantly underestimate how much money they will need when they retire. Without sufficient savings, housing stability becomes a problem for this group. They need better education on what it takes to retire. Student debt is also a major concern. About 40 percent of our clients are carrying student loan debt, which is long–term debt that impacts their ability to purchase a home.

The Bridge: **How has NFCC's Housing Counseling network changed over the last 20 years?**

Susan: Today we have 77 member agencies with 581 offices across the country and nearly 1,700 counselors. 1,200 of these counselors hold one or more certification. Our members have really worked hard to ensure they can provide services to their communities. Over the years, they have stepped up when we encouraged diversity of services. Counselors also became more diversified and more educated. While 96 percent of our agencies provide the whole range of housing counseling and education services, about 40 percent also provide other social and family services such as food or utility assistance.

Even though the number of member agencies has dropped over the years primarily due to mergers, our members have become more efficient and effective delivering services. Some have expanded nationally and offer counseling and education over the internet and telephone. When I joined NFCC about 11 years ago, we helped approximately 750,000 clients a year. During the five years of the financial crisis, NFCC members helped over 10 million clients. At the peak we saw four million clients in one year. Now we are seeing about 1.5 million clients a year for all of our services.

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NEIGHBORWORKS ®AMERICA: HOMEOWNERSHIP REIMAGINED

Washington, D.C. — Born out of an effort to revitalize older urban neighborhoods by mobilizing public, private and community resources, NeighborWorks®America has been developing initiatives, partnerships and long-term solutions for more than 35 years to help individuals and families live in affordable homes. Today, NeighborWorks and its national network of 250 community-based nonprofit organizations assist with the housing, financial and healthy living needs of residents and their communities in inner-city neighborhoods, older suburbs and rural areas. The journey has been filled with challenges, triumphs and one soul-stirring story after another about what home and community mean to residents across the country.

A Look Back: Answering the Call to Restore American Cities

In the 1960s, as civil unrest, overcrowding and urban renewal wreaked havoc on the state of America's inner cities, one determined Pittsburgh homemaker—Dorothy Richardson—and a small group of neighbors transformed their activism into action. When a local landlord refused to finance the remainder of their proposed project to remove rodents from 24 neighborhood homes, the women stormed City Hall.

For one year, Richardson met with bankers in the mayor's conference room. Their discussions spurred the creation of the Neighborhood Housing Services (NHS) program. By 1968, the NHS trailer was set up at the end of a Pittsburgh street with signs advertising their services: *"Home Repair Loans and Estimates. Contracting Assistance. Housing Information. Architectural Advice."*

The resident/public/private partnership of NHS proved to be a winning model for meeting the home financing needs of low-income city neighborhoods, launching a nationwide effort:

- **1974** – Neighborhood Housing Services America (NHSA) was created to provide NHS the liquidity needed to expand its loan services.
- **1979** – Legislation to continue the NHS model was introduced. The Urban Reinvestment Task Force that funded NHSA became the Neighborhood Reinvestment Corporation (NRC).
- **1982** – NRC had 171 NHS offices operating in 126 cities.
- **1987** – Launch of the first NeighborWorks Training Institute (NTI).
- **2004** – Neighborhood Reinvestment Corporation begins doing business as NeighborWorks America.

Amplifying the Need and Approaches to Obtain Affordable Housing

NeighborWorks America continues to live out its commitment to assure affordable housing and economic development by delivering impactful, timely, and compelling technical assistance, training, and grant funding to nonprofits coast to coast. These nonprofits are not only urban; thanks to the NeighborWorks Rural Initiative, residents in some of the nation's most rural areas and smallest cities receive the help needed to obtain safe and clean housing.

The affordable housing and economic development professionals driving these efforts benefit largely from NeighborWorks training opportunities. Reflecting significant impact since 1987, the organization hosts four practitioner-focused NeighborWorks Training Institutes each year in major U.S. cities. In fiscal year 2014, attendance was at an all-time high, averaging nearly 2000 participants per event – with more than 20,000 course certificates awarded.

Over the years, NeighborWorks training has grown to include online learning. Available in three different platforms, these offerings allow participants to select their optimal learning style:

1. Virtual Classroom (Faculty-led, 4-week courses)
2. eLearning (Self-paced, 2-4 hour courses)
3. eClassroom Express (Faculty-led, 90-minute sessions)

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HOUSING HOPE:
CLARIFI CELEBRATES 50 YEARS OF EMPOWERING CLIENTS

Philadelphia, PA – In 2016, Clarifi, a Philadelphia based nonprofit housing counseling agency, will celebrate 50 years of helping clients see a clear financial future. It's a given that any organization that has existed since 1966 has lived and survived through plenty of changes. Clarifi regularly adapted to industry shifts to remain viable, developed new programs to meet the evolving needs of its clients and changed its name to better reflect service offerings. Along the way, Clarifi remained committed to its clients and their financial wellbeing.

When it opened its doors in 1966, Clarifi was known as Consumer Debt Counseling Service of Delaware Valley and used volunteer counselors to provide budgeting and credit advice to customers who were struggling with credit card debt. Housing counseling did not enter the picture until 1986 when Clarifi began helping clients apply for Pennsylvania's Homeowners' Emergency Mortgage Assistance Program (HEMAP). Today, housing counseling is a core component of Clarifi's service offerings.

Achieving Financial Stability

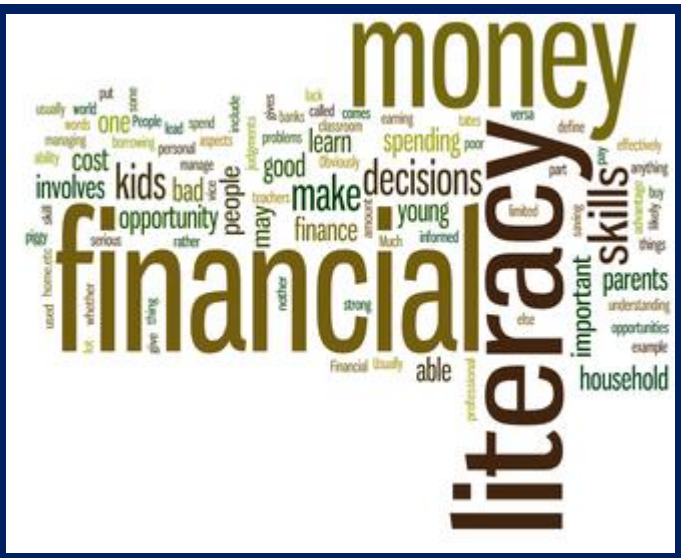
Throughout much of its history, Clarifi enrolled clients in debt management plans to help them achieve financial stability and a majority of its funding came from the credit card companies.

Sweeping changes overtook the industry in the early 2000s and Clarifi knew it had to take steps to be sustainable. In March 2000, Clairifi was approved by HUD and began to ramp up its housing counseling services. This would prove to be a fateful move.

When the housing market collapsed in 2008–09, Clarifi was on the front lines to help struggling homeowners. In 2010, it held over 19,000 counseling sessions related to housing alone.

Financial Education Empowers Clients

In addition to housing counseling, financial education became a major focus in an effort to empower clients to make more informed decisions around money.



- In 2003, Clarifi launched *Philadelphia Saves*, a program designed to encourage consumers to save regularly and be prepared for financial emergencies.
- *Financial Smarts* was also introduced to educate participants on developing a spending plan, improving credit and preparing for homeownership.
- In 2008, Clarifi launched *FinanciallyHers*, after industry insight showed that women were the financial heads of their households. The program has helped thousands of women take control of their money and make savvy financial decisions for themselves and their families.
- In 2010, Clarifi began offering reverse mortgage counseling.
- In 2012, Consumer Debt Counseling Service of Delaware Valley officially changed its name to Clarifi with the tagline, *Lifelong Financial Literacy* and brand promise of *Clarity, Hope and Empowerment*. Its bold new mission became:

We create hope by helping people identify and secure the most important assets in their lives.

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FROM GOOD TO GREAT:
HOUSING COUNSELING EXPANDS WITH THE TIMES

Hyattsville, MD - When HomeFree-USA started in 1995 its average client was a single mother who earned $46,000 per year and never knew that she could be paying the same or less for her mortgage. She was steadily employed; a minority (primarily black but also many diverse gay and lesbian families); did not go to college; and purchased throughout the DC Metro Area. No one in her family had ever owned a home. Based on that income, HomeFree-USA encouraged her to spend no more than $115,000 on her mortgage. She typically paid $101,000.

It took her an average of six months to purchase her home, and she has remained a homeowner since that time. Because of what she learned through the HomeFree-USA counseling program, she spent less on her home than she could afford and never fell behind on her mortgage. Some of her children have since come through HomeFree-USA when they decided to buy their homes.

Today, HomeFree-USA's clients are families in which each working adult earns about $65,000 per year and are keenly aware of the opportunities that come with homeownership. They also typically have college degrees, are married with blended families, minorities (including more Latino families), and have significantly narrower options for neighborhoods in which to buy due to the region's high cost of housing.

In short, HomeFree-USA's clients are reflective of America: greater diversity, income and education, but derailed by skyrocketing housing costs and debt.

In this changing landscape, not only has HomeFree-USA's clients evolved but so have the needs of the mortgage industry. Whereas at one time underwriters preferred to see two years of steady employment, since job changes have significantly increased over a worker's lifetime, now greater proof of the ability to repay is required.

Before the housing crisis, more down payment funds and 100% mortgages were available (which was often the only way many of HomeFree-USA's clients were able to buy); now, not only has much of that dried up, lenders are more risk averse and require significant down payments. And the exponential rise in student loan debt has crippled the debt-to-income ratio, another very real factor in the widening homeownership gap.

What's changed most of all: acknowledgment of the need for housing counseling.

"For the first time in HUD's 50 years, housing counseling is being taken seriously," said Marcia Griffin, HomeFree-USA's President & CEO. "Our industry is finally seen as a bridge to increasing sustainable homeownership and expanding access to safe, affordable housing. The mortgage industry, Congress, and federal regulators are beginning to recognize how crucial it is to have us weigh in on housing related discussions and legislation. And consumers understand that having an expert advisor is worth millions (literally)."

HomeFree-USA gives much credit to HUD for this evolved thinking.

"Establishing the Office of Housing Counseling shows that you see how heavily our industry aids the Department in fulfilling its mission; opening the door to charging a reasonable and customary fee for our services show that you understand the depth and scope of the work we offer; and working so closely with agencies, the Coalition of HUD Intermediaries, National Housing Resource Center, and State Housing Finance Agencies resoundingly shows that you're aware of how deeply we're committed to our communities and clients," said Griffin.

Likewise, housing counseling agencies are coming together to support and promote one another, be a loud voice on their client's behalf, and seek out new and innovative ways to achieve its goals. Accomplishing this mission in a time of increased regulations, restricted lending, and decreased federal dollars is a feat for sure, but one the industry is more equipped than ever to handle thanks to partnerships with government, industry, and fellow non-profits.

Happy Birthday HUD!

CELEBRATING 50 YEARS OF HUD WITH NFCC: THE FIRST APPROVED NATIONAL INTERMEDIARY, cont.

(continued from pg. 2–Celebrating 50 Years of HUD with NFCC)

The Bridge: NFCC's website, www.nfcc.org, offers a multitude of consumer financial tools and information. Approximately how many consumers visit your website each month? Do you track how many clients contact NFCC network agencies as a result of the website?

Susan: The website averages 160,000 visits a month. When people connect with our website we try to encourage clients to call the National Locator to be connected with an agency in their community. People can also complete intake on-line and connect with an agency. We can track results through the National Locator. We're in the process of refining the website to better track how many site visits result in clients contacting our member agencies for assistance.

The website is only one way we reach out. We also use other communications and partnerships including working with HUD to connect clients to our services. In mid-June we're launching a new social media campaign targeting communities and groups we feel are most vulnerable. This is different than 1995. Then, we would have mass media campaigns to all groups. This campaign will have targeted outreach to single women heads of household, military service members, 50 plus group either retired or planning to retire, and those with student loan debt.

The Bridge: HUD has strived to improve our Housing Counseling Program over the last 20 years. From NFCC and your network's perspective, what changes have been positive?

Susan: We appreciate HUD's focus on policy development and communication with housing counseling agencies. You have also helped us become more efficient and effective in network management. We've implemented a risk-based model for monitoring. Not having to submit a NOFA application this year was a significant time saver of 200 to 250 hours. The new Office of Housing Counseling also put a lot of focus on embedding housing counseling in the whole loan process. This policy is central to helping homebuyers. We hope you continue these efforts.

The Bridge: What suggestions can you offer for improving the way we administer HUD's Housing Counseling Program?

Susan: We want to see more best practices for intermediaries and hope to work together to ensure better consumer protection.

The Bridge: You have mentioned the financial crisis throughout our interview today. Looking back, what do you think the federal government can do better in the future to support nonprofits in the forefront helping clients during a crisis?

Susan: We would like to offer more input into policy. For example, in 1995 the emphasis was on homeownership without sustainability. Now we realize we need to empower people so they can make responsible decisions on homeownership. The second thought is funding. Funding was critical. We needed more funding than was available for the services we had to provide.

The Bridge: June is National Homeownership Month. What do you see are the challenges and opportunities for homebuyers in 2015?

Susan: Homebuyers are better educated and informed now. With financial counseling, they will be able to sustain homeownership. Student loan debt is another major obstacle as well as access to credit. Many financial institutions have tightened parameters for obtaining mortgages. We need to provide data showing housing counseling helps clients maintain homeownership. We are working with Ohio State University to research the relationship between housing counseling and education and consumer financial and housing stability including credit scores, paying down debt and how clients handle money in general. Visit www.nfcc.org for a summary of our preliminary results.

Susan Keating has been with NFCC for 11 years. Prior to NFCC, Keating spent 29 years in financial services and was the highest ranking female CEO of a US bank holding company.

ALL STAFF MEETING HIGHLIGHTS: OHC GATHERING IN THE CITY OF BROTHERLY LOVE

OHC All Staff Meeting from (l) to (r), Office of Policy & Grants Administration; Office of the Deputy Assistant Secretary, Office of Oversight and Accountability, Office of Outreach and Capacity Building

The annual All-Staff Meeting of the Office of Housing Counseling convened this year in Philadelphia, PA, one of the first Promise Zones outlined in the Obama Administration's initiatives in January 2014. The three-day meeting took place at the HUD Philadelphia Homeownership Center (PHC) where a robust agenda unfolded led by Sarah Gerecke, Deputy Assistant Secretary (DAS).

Anthony Triolo, Deputy Director, PHC and Richard Ott, HUD Region III Deputy Regional Administrator gave a warm welcome to the OHC staff. Everyone was encouraged to re-connect, re-energize, and establish new relationships. Engaging in teambuilding activities, individual office meetings of the Deputy Assistant Secretary (DAS), Office of Policy and Grants Administration (OPGA), Office of Outreach and Capacity Building (OCB) and Office of Oversight and Accountability (OOA) provided the perfect venue for reigniting staff.

Day One Meeting Highlights:

- The DAS led the way in an honest conversation on OHC's charge, updates, progress, challenges and goals.
- Management and staff meetings uncovered OHC's FY2014 successes and challenges.
- Day one wrapped up emphasizing that our "challenges provide opportunity."

Day Two Meeting Highlights:

- Reviews of quarterly reports, intermediary reporting, the Line of Credit Control System (LOCCS), and final grant submission.
- With potential changes to oversight on the horizon, staff discussed updates on the forthcoming housing counseling rule and saw a demonstration of the new housing counseling website for training and certification at www.HUDHousingCounselors.com.
- A reveal of the latest OHC social marketing and on-line media campaign, which will launch July 1, 2015 – October 31, 2015, focusing on sites specifically realtor and residence–based. The primary audience has been expanded to Millennials and Renters. A Spanish banner ad will also be posted on www.Espanol.HUD.gov.
- A special session on Point of Contact (POC) work led by the DAS, Sarah Gerecke was followed by demonstrations of improved tools for POC's, 9902, grant execution, and the new Housing Counseling Agency Management System (HCAMS). The new system will provide consistency in performance review interpretation, which is beneficial to all.
- Day two wrapped up with OHC staff receiving a fresh reminder on Tips and Tools for Work/Life Balance provided by OHC's Virtual Presenter's Group.

Day Three Meeting Highlights:

- On-site visits with Clarifi, a HUD-approved housing counseling agency in Philadelphia. Clarifi has over 200 community partners for workshops and outreach in New Jersey and Philadelphia. A majority of Clarifi's referrals for housing counseling come from "word of mouth." They have held over 400 workshops for tax assessors, as a proactive effort to get referrals of residents who are experiencing problems.
- The City of Philadelphia presented their efforts to save homes by filing petitions to halt sheriff sales and contract with 26 housing counseling agencies for assistance. This program diverts the path of foreclosure and gives each homeowner scheduled for foreclosure an opportunity to fight its case in a court room setting.

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INQUIRING MINDS WANT TO KNOW

With June's focus on National Homeownership Month, this segment features questions about working with other industry partners and developing affordable homeownership opportunities. Many agencies present industry guest speakers as part of their homebuyer education programs, refer clients to first-time homebuyer specialized lending products, and develop affordable homeownership opportunities.

Q: Can a housing counselor refer a client to a particular lender or loan product?

A: A housing counselor must refer a client to at least three different lenders. As long as the counselor or their family (or other members of the agency or their families) are not receiving a fee or other compensation for the referral, they may refer a client to particular lenders. If there is any relationship between the counseling agency and the lender, the nature of that relationship must be disclosed to the client. In addition, the counselor must provide a disclosure that clearly states that the client is under no obligation to use that lender or loan product, and that the housing counseling services they are receiving are not contingent upon using a particular loan product or service. The counselor must provide information about other relevant alternative lenders or loan products, as well.

Q: Can a housing counselor both originate loans and provide housing counseling services?

A: Yes, an individual housing counselor can perform multiple affordable housing activities for an agency, including counseling and originating loans. However, these tasks must be completed as part of that counselor's job duties and cannot command a special commission or fee above his or her salary. The housing counselor must provide the client with a written disclosure which states that the client is under no obligation to use the loan product that the housing counselor is originating. The disclosure must also state that receiving housing counseling services is not contingent upon using a particular loan product.

And, the counselor must also provide information on at least three other relevant alternative loan products that are available. In the case of Home Equity Conversion Mortgage (HECM) loans, housing counseling agencies are prohibited from both originating HECM loans and providing HECM counseling to clients.

Q: Can a housing counseling agency both sell properties and provide housing counseling services?

A: Yes. Housing counseling agencies are permitted to participate in multiple affordable housing services, including loan origination, property sales, and housing counseling services. However, should an agency choose to do this, clients must be provided with a disclosure form stating that these services are available through the agency, or through agency partnerships, and that the client is under no obligation to use these services and is free to seek them from another provider. The client must also be provided with information on at least three other relevant alternative services or products. Employees of the agency cannot be given extra compensation for counseling a client that purchases a home from the agency.

Q: Can a counseling agency take part in a promotional agreement with a lender, through which the lender will participate in outreach and education with the intention of producing loans?

A: While permitted; an agreement such as this must be carefully orchestrated. Clients must be given a disclosure form informing them of the agreement and stating that they are under no obligation to use that specific lender's products. Clients must be offered at least three alternative products and counselors may not receive referral fees for sending clients to the lender. The agency as a whole may receive compensation, but individual members of the agency may not.

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NEIGHBORWORKS®AMERICA: HOMEOWNERSHIP REIMAGINED, cont.

(continued from pg. 4- Neighborworks®America: Homeownership Reimagined)

The largest of NeighborWorks learning tracks, with courses available in-person and online, includes a curriculum for housing counselors and other professionals developed and managed by the NeighborWorks Center for Homeownership Education and Counseling (NCHEC). Launched in 2004, NCHEC provides courses on topics including:

- Financial capability
- Foreclosure/intervention
- Pre- and post-purchase homeownership education
- Home Equity Conversion Mortgage (HECM)
- Tracking and reporting tools and methods using CounselorMax, the industry-leading client management system
- Rental housing counseling.

In addition to providing industry-related training and professional certification in six topic areas, NCHEC has initiated a collaborative of national lenders, GSEs, HUD, mortgage insurers and more. Known as the National Industry Standards Committee, the diverse group has developed guidelines for providing quality homeownership and counseling services.

Are We There Yet? The Journey to Affordable Housing, Improved Lives and Strengthened Communities

During FY2014, NeighborWorks America and its network counseled more than 108,000 individuals or families, repaired over 58,000 homes and helped 21,000 people become new homeowners—leveraging $44 for every $1 in federally appropriated funds.

In the years ahead, NeighborWorks' focus remains on creating and expanding new approaches and models for rebuilding the path to sustainable homeownership, and growing financial capability, knowledge and skills. By developing new partnerships between housing and community development sectors in health care, education and workforce development, the organization can continue to support the dream of homeownership, thriving communities and improved lives.

(continued from pg. 9 – Inquiring Minds Want to Know)

The compensation to the agency may not be tied to generating a specific number of loans. In addition, if the lender's representatives participate in any portion of homebuyer education sessions, they must sign a written agreement stating that they will educate clients about homeownership, NOT market their own product.

Q: What key language should a disclosure form contain?

A: A disclosure form should divulge any financial relationships or partnerships that the agency has with servicers or other parties, and should inform the client that he or she is not under any obligation to use the products or services of the agency or its partners. It must state that the client is free to choose a product or service or abstain from doing so, and that receiving housing counseling services from the agency is not contingent on the use of any product or service.

***OHC TIP:* Agencies are encouraged to review their housing counseling disclosures annually or sooner if there have been changes in partnerships or programs. Remember to send an updated disclosure to your HUD point of contact. Do not wait until a performance review to update your disclosure!**

(continued from pg. 8 – All Staff Meeting Highlights)

After seven years, this program by the City of Philadelphia's Housing Counseling Authority (PHA) saves approximately 1,000 homes a year.

- Mary Campbell, Housing Counselor, Intercultural Family Services (IFS) demonstrated how IFS operates a "one-stop shop model." Since 1979, IFS has worked with area residents to educate them on how to qualify for a home, make repairs and practice financial literacy. IFS also just formed a partnership with (PHA) for six high-rise apartment units housing 5,000 people.
- Senior Vice President of Asociacion Puertorriquenos en Marcha, (APM), Rose Gray, shared her experience as a social service agency working in Choice Neighborhoods.

OHC CHAMPIONS OF SERVICE

The final highlight of the All Staff Meeting included presentations to honorees for the newly established ***Ben Detterman Customer Service Award***. The award was inspired by OHC's colleague, the late Ben Detterman, who showed all of OHC the meaning of outstanding and how to be the best in everything we do. Ben set an example for all in how customer service is done well.

This award recognizes an outstanding body of customer service work that improved an individual's housing situation, helped a colleague improve their customer service skills or helped an organization work better within our programs. Through this annual award OHC will keep the legacy of Ben's outstanding customer service in the memories of HUD's Office of Housing Counseling.

This year's recipients were **Judy Ayers**, Office of Capacity Building; **Brian Handshy**, Office of the Deputy Assistant Secretary; **Phyllis Ford**, Office of Oversight and Accountability; and **Colleen Weiser**, Office of Policy & Grants Management.

Congratulations
Judy, Brian, Phyllis and Colleen
~
You are Champions of Service!

(continued from pg. 5- Housing Hope: Clarifi Celebrates 50 Years of Empowering Clients)

Clarifi's tireless work to help clients improve credit, reduce debt and secure their housing needs certainly didn't go unnoticed. In 2010, Pennsylvania Housing Finance Agency (PHFA) honored Clarifi as housing counseling agency of the year. Two years later, The National Foundation for Credit Counseling (NFCC) recognized Clarifi's Elizabeth Greenwood as Counselor of the Year. This was particularly special because Liz is Clarifi's longest-term employee with over 40 years of service.

In 2014, Clarifi wrapped up a five-year study with The Federal Reserve Bank of Philadelphia that tested the impact of pre-purchase housing counseling. The study found that participants who received counseling, on average, were more likely to qualify for a mortgage, had higher credit scores and paid less for their home. Early results from a collaborative study with Innovations for Poverty (IPA) also show that integrating texting and peer support with Clarifi's debt management plan is inciting more positive habits with its clients.

Equipped with a dedicated team and board of directors, and a new brand identity, Patricia Hasson, Clarifi's President said, "We are better positioned than ever to embark on new opportunities and programs in our next 50 years."

Hasson continues, "In 50 years, the programs we offer—and the ways they're delivered—have changed a lot. What hasn't changed is our commitment to helping clients."

"Housing counseling is still a cornerstone of the services we provide. Today, we're helping clients avoid foreclosure, navigate the complexities of a reverse mortgage and take steps to purchase their first home. We believe that home is where the heart is and we remained steadfast in helping people secure theirs."

Visit Clarifi.org for more information.

TOOLS AND RESOURCES

Celebrating 50 Years of HUD

- Success Stories
- Blog
- Videos
- Events

www.Espanol.HUD.gov

www.HUDHousingCounselors.com

Offers free on-line training covering a broad range of topics including preparation for housing counseling certification.

National Foundation of Credit Counselors

The nation's largest and longest-serving nonprofit financial counseling organization.

HUD Exchange

Providing resources, assistance, and information to support the work of HUD's partners in local communities.

NeighborWorks®America

Works through local partnership, public and private to drive change at the local level for individuals, families and communities.

NeighborWorks Training Institutes

Clarifi

Non-profit community resource devoted to Lifelong Financial Literacy

Promise Zones Initiative

Partnering with local communities and businesses to create jobs, increase economic security, expand educational opportunities, increase access to quality, affordable housing and improve public safety.

HomeFree-USA

A leading homeownership development, foreclosure intervention and financial empowerment organization.

Asociacion Puertorriquenos en Marcha

Latino-based health, human services, community and economic development non-profit organization serving the Philadelphia area.

Intercultural Family Services

Committed to serving the needs of children and families in the Greater Philadelphia area.

Consumer Financial Protection Bureau

Empowers consumers to take more control over their economic lives.

Owning a Home Closing Checklist

HUD Housing Scorecard

Each month, the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of the Treasury produce a monthly scorecard on the health of the nation's housing market.

ON THE HORIZON

Upcoming Training

July 29, 2015	Water Efficiency Best Management Practices for Multi-unit Property Managers
August 11-12, 2015	FHA Servicing & Loss Mitigation Training
August 17-21, 2015	NeighborWorks Training Institute (NTI)
August 26, 2015	Tracking Water & Energy Savings

Visit the OHC Training Resources webpage to keep up-to-date with training.

Help *The Bridge* celebrate HUD's 50th year anniversary! **Were you a "founding member" of HUD's Housing Counseling Program?** This month we featured one of the first national intermediaries to join our program. We are **looking for agencies that have been involved in HUD's Housing Counseling Program for many years**. Please share your agency history with us. We would also like to feature **state housing finance agencies that first joined HUD as a result of the Fiscal Year 1999 grant funds** that first included funding for such entities. Please contact us at THEBRIDGE@hud.gov. We look forward to hearing from you!

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