

THE BRIDGE

THE OFFICE OF HOUSING COUNSELING NEWSLETTER



VOLUME 5, ISSUE 2

AUGUST 2016

Housing Counseling Works!

BEAT THE ODDS WITH HOUSING COUNSELING

Homeowner's
net worth
36X
greater than renter's.

- Federal Reserve (2013)

AM I READY TO BUY A HOUSE?



Housing
Counseling
may be the
answer.

One-third of first-time
homebuyers underestimate
their total household debt.

HOUSING COUNSELING PROVIDES EXPERT ADVICE TO HELP YOU:

- Create manageable Budgets
- Set Realistic Financial Goals
- Improve Your Credit Score
- Avoid Delinquency on Debt

DOES HOUSING COUNSELING WORK?

Borrowers who use HUD-Approved
Housing Counseling:



283%
more likely
to receive
loan modifications

IN 2015, HUD HOUSING COUNSELING HELPED:

Prevent **92,000+** Foreclosures

Improve **178,000+** Finances

Create **403,000+** Budgets

Counsel over **1.3 million** Households

WHERE DO I START?

Call **1-800-569-4287** or visit
HUD.gov to find an agency in your
community



**Over 2,000 HUD
Approved Agencies**

FROM THE DEPUTY ASSISTANT SECRETARY



Sarah Gerecke
*Deputy Assistant
Secretary,
Office of Housing
Counseling*

Greetings,

While many of us look forward to our final summer outings, others are already preparing for back to school. It seems as if time passes by so quickly. Sometimes we don't take enough time to pause, reflect and recognize the great work that we all do and the many families whose lives change for the better due to their work with a HUD-approved housing counseling agency.

This issue of *'The Bridge'* declares and demonstrates that *Housing Counseling Works!* Research and statistics show that homeowners who receive housing counseling are proven to "Beat the Odds" as detailed on our cover infographic. HUD's Office of Policy Development & Research has created a summary of recent research that you can access at [Housing Counseling Works](#).

What are some of the reasons that housing counseling works? We know that our HUD-approved housing counseling agencies educate consumers on their rights and responsibilities of homeownership. Housing counselors teach families to create a sustainable budget and to assess housing affordability within the confines of that budget; to address existing credit issues and understand how to manage credit; to shop for a home and a mortgage; to avoid fraud and discrimination; to understand the role of various housing professionals and how they are compensated; to plan for emergency repairs and ongoing maintenance, insurance, and tax expenses; and to prevent foreclosure via referrals to state and local resources.

Reports and studies featured in this issue provide important statistics including qualitative and quantitative evidence that housing counseling works! We should all get the word out to our families, friends, partners, neighborhoods and communities. We hope that the marketing tools, including our cover infographic, will help you spread the word. You can find them in the latest [National Homeownership Toolkit](#).

This issue also introduces the inaugural members of our first-ever Housing Counseling Federal Advisory Committee. The Office of Housing Counseling looks forward to working with these dynamic professionals to help all of us to increase our impact to benefit more individuals and families in fulfilling their housing goals.

Enjoy the rest of your summer and take some time to pause and reflect!

Sarah

FAMILIES ACROSS AMERICA BEAT THE ODDS WITH HOUSING COUNSELING



L to R – Sarah Gerecke, Deputy Assistant Secretary, HUD Office of Housing Counseling; Homeowner Shaun; Homeowner Rockea; Homeowner Kibsiam; Jodi Mobley, Director of Housing Programs at Nevada Partners; Rose Transfiguracion, Community Services Specialist for Hawaiian Community Assets

Washington, DC – Gerald and his wife, Joreen, waited over 35 years for their chance to secure the dream of homeownership and with the help of [Hawaiian Community Assets](#), they finally fulfilled this dream.

Kibsaim, a pastor leading a small church in Woodbridge, in Prince Williams County, Virginia arrived in the U.S. five years ago with a family of four, earning a very low wage. Kibsaim reached out to [Centro de Apoyo Familiar](#), hoping that he could achieve the dream of homeownership. His housing counselor helped him establish a savings and credit rebuilding plan, and in less than six months he was able to purchase his first home with an FHA loan and \$5,000 in down payment assistance.

Shaun, an active military serviceman, and his wife with the help of [Coastal Enterprises, Inc.](#) were able to achieve their dream of homeownership in rural Maine.

Rockea, first came to [Indianapolis Neighborhood Housing Partnership](#) (INHP) to purchase a home when she was just 21 years old. After 14 years of hard work and sacrifice to maintain her home – including working two jobs – Rockea was ready for a financial break. She rented a room from a friend so that she could experience the things she wasn't able to do as a young homeowner. A new job as an Indianapolis Parks Department Manager came with it a new desire to re-purchase a home, and Rockea came back to INHP a second time. Today, Rockea is the owner of a newly-built home in an area of town that is undergoing transformational redevelopment.

Kendra doesn't get much sleep as she works full time as a lounge server in Las Vegas and is also a full time college

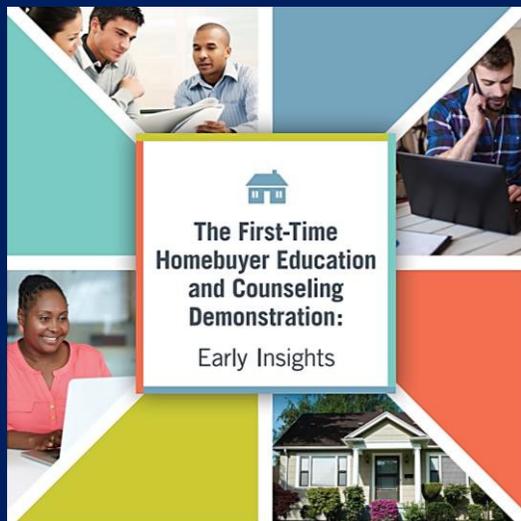
student. She decided to find out more about the Culinary and Bartenders Housing Program offered by [Nevada Partners](#). Kendra attended the homebuyer education class in September 2015, found a loan officer she liked and was pre-approved. She met with the housing counselor in November, and was so prepared that she received her "greenlight" approval right then and closed on her new home in March 2016.

The White House National Homeownership Month event June 21, 2016 celebrated these and several other families that beat the odds and became homeowners. Jodi Mobley representing Nevada Partners and Rose Transfiguracion, representing Hawaiian Community Assets shared client success stories and their experiences with how housing counseling helps clients succeed. Everyone's stories at the event truly demonstrated the power of testimonials and that housing counseling does work! Please share in their experiences and view the event at: [Dare to Own the Dream](#).

The Office of Housing Counseling created a [National Homeownership Toolkit](#) to help housing counseling agencies increase the visibility of housing counseling. The toolkit features 12 inspiring stories about individuals and families that beat the odds to become homeowners and also identifies key talking points about housing counseling.

We know every agency has many families who have beat the odds. HUD's toolkit can be used to share your success stories in your community to inspire others to Dare to Own the Dream! Let us know how you use the toolkit and if you have suggestions to improve it, at housing.counseling@hud.gov.

EDUCATION AND COUNSELING



Washington, DC - Congress and many researchers and practitioners in the field of housing counseling have asked whether pre-purchase homeownership counseling for higher risk borrowers leads to better borrower outcomes and reduced lender risk relative to no counseling.

Prior research has suggested there are benefits of pre-purchase homeownership counseling, but those benefits have been questioned for over 20 years by concerns that those who choose counseling may be different than those who do not choose to get counseling (selection bias).

HUD designed The First-Time Homebuyer Education and Counseling Demonstration as a rigorous, large-scale, randomized experiment to definitively answer the question about the relative efficacy of homebuyer education and counseling on higher risk borrowers. This Early Insights report demonstrates that HUD has successfully implemented the first large-scale national experiment of homebuyer education and counseling that promises to become a foundational source of evidence for policymakers, lenders, and housing counseling practitioners and advocates regarding the impacts of homebuyer education and counseling.

Now that the randomized experiment has successfully been implemented, HUD is hopeful that, over the next four years, subject to funding, the study will produce the long-sought answers about the impact of homebuyer education and counseling on mortgage literacy and preparedness, homebuyer outcomes, and loan performance.

Prepurchase Counseling Effects on Mortgage Performance: Empirical Analysis of NeighborWorks®America's Experience

By: Neil S. Mayer, Neil Mayer & Associates, Kenneth Temkin, Temkin Associates

Washington, DC - NeighborWorks®America with its nationwide network of nonprofit affiliates offering prepurchase counseling throughout the country conducted a research study based on 75,000 loans originated between 2007 and 2009. The study analyzes the effect of prepurchase counseling and education provided by the network on the performance of counseled borrowers' mortgages compared with the performance of borrowers who received no such counseling services.

The study entitled, [Prepurchase Counseling Effects on Mortgage Performance: Empirical Analysis of NeighborWorks®America's Experience](#) was recently published by HUD in its research journal Cityscape. The study shows that NeighborWorks®America's prepurchase counseling works. The counseling also includes help in avoiding deceptive practices, such as misleading starter interest rates without disclosure of their later increase.

The study determined that clients receiving counseling are one-third less likely to become 90 or more days delinquent during the first two years than those not receiving counseling. This finding is consistent across years of origin, even as the mortgage market changed, and it applies equally to first-time homebuyers and repeat buyers.

The analysis **uses two** methods to avoid a common pitfall of such studies: selection bias. The analysis:

1. Employs propensity scoring to reduce the differences between counseled and non-counseled samples and
2. Includes many variables available from credit-reporter Experian to measure borrowers' credit attitude and approach that would usually be unobservable.

The effect of counseling remains strong after selection bias is limited, reducing the likelihood that borrowers get into trouble through deceptive practices and other means.

HUD NAMES NEW HOUSING COUNSELING FEDERAL ADVISORY COMMITTEE



From L to R: HCFAC meeting attendees, Edward Golding, Cassie Hicks, Meg Burns, Pamela Marron, Ellie Peppers, Judy Hunter, Arthur Zeman, Alejandro Becerra, HUD Secretary Julian Castro, Jose Garcia, Terri Redmond, Linda Ayres, Office of Housing Counseling's Sarah Gerecke, & E. J. Thomas

Washington, DC – In 2010, Congress established the Office of Housing Counseling (OHC) at HUD and mandated the Secretary to appoint an advisory committee to provide advice to the Deputy Assistant Secretary regarding carrying out the functions of the Office of Housing Counseling. OHC will benefit from the experience and perspective of housing industry experts, housing counseling agencies and consumers.

The Housing Counseling Federal Advisory Committee (HCFAC) will provide a forum for those involved in housing counseling to offer advice directly to the Deputy Assistant Secretary for the Office of Housing Counseling on a regular basis. The HCFAC, however, will have no role in reviewing or awarding of housing counseling grants and procurement.

On June 1, 2016, HUD Secretary Julian Castro named the 12 persons who will constitute the first-ever Housing Counseling Federal Advisory Committee (HCFAC). Those selected hail from the mortgage, real estate, consumer and housing counseling sectors. They include:

Mortgage Sector	
1. Pamela Marron	New Port Richey, FL
2. Linda Ayres	Las Vegas, NV
3. José Larry Garcia	El Paso, TX
Real Estate Sector	
4. E.J. Thomas	New Albany, OH
5. Cassie Hicks	Hattiesburg, MS
6. Alejandro Becerra	Silver Spring, MD

Consumer Sector	
7. Afreen Alam	Long Island, NY
8. Meg Burns	Arlington, VA
9. Ellie Pepper	Schenectady, NY
Housing Counseling Sector	
10. Judy Hunter	Sacramento, CA
11. Arthur Zeman	Saint Louis, MO
12. Terri Redmond	Hummelstown, PA

During future meetings, the members of the HCFAC will establish the committee's agenda based on their experience with housing counseling. However, topics could include:

- Identification of opportunities to expand visibility for and access to HUD housing counseling programs,
- Identification of sustainable funding mechanisms,
- Development of innovative public and private housing counseling programs,
- Identification of current and emerging needs for housing counseling, and
- Development of metrics to ensure that the HUD program results in quality housing counseling.

A CATALYST FOR LONG TERM FINANCIAL SUCCESS



Atlanta, GA – At Clearpoint, the vision is to provide solution-focused services to clients through financial education, counseling, and coaching. Clients reach out to the agency for a variety of reasons to discuss their housing needs. Whether they are facing a pending foreclosure, working through the trials of a loan modification, or anticipating the purchase of their first home, agency counseling programs remain nimble enough to address holistic financial opportunities, while ultimately providing targeted solutions to a client's specific set of circumstances.

For more than 50 years, Clearpoint has served clients in local communities by providing money management advice. The agency has counselors available in over 40 branch locations that are able to impact clients across the nation through telephone, internet, and in-person service delivery, as well as educational services via an online portal: Clearpoint U.

Foreclosure Prevention programs continue to meet the demand of ever-changing client trends in 2016. As default rates cure across the nation, counselors must become increasingly adept at identifying the specific needs of clients who have unique challenges. Many clients continue to request assistance due to income-related issues, resulting in location-specific referrals and resources, as well as expense management strategies to help clients prepare for unforeseen circumstances.

Financial counselors work to identify opportunities for clients to take advantage of modifications and other workout options, and work side by side with internal Document Submission teams to help clients pull necessary documentation together for servicers and investors. The Foreclosure Prevention teams provided services to more than 25,000 clients nationwide in 2015 and over 11,000 clients at the midpoint of 2016.

Post Modification counseling programs are specific to clients who are actively engaged with their servicer for a modified loan, and the demand for this counseling service remains high in 2016.

Whether clients are seeking assistance due to foreclosure avoidance or a maintenance plan for an existing loan modification, the counseling solutions are working.

Clearpoint surveys clients immediately after initial counseling, and again one year later. More than 75 percent of housing clients have reported implementing a positive change in financial behavior within one year after their initial session.

This falls in line with clients surveyed immediately after counseling where 80 percent are educated on a new financial strategy which they had not currently utilized. However, it takes more than just one counseling session to drive a change in financial behavior. More than 70 percent of housing clients indicate that they continue to work towards achieving their financial goals one year after counseling. So, the work doesn't just stop after one meeting with a client.

Clearpoint counselors will reach back out to clients routinely over the first year for second sessions and follow-up contacts, and 15 percent of clients will voluntarily contact their counselor for additional advice. Clearpoint believes in the relationship established early on in the process as being the catalyst for long term financial success of clients facing housing-related challenges.

LEADING THE WAY IN HOUSING COUNSELING

Norfolk, VA - As one of the oldest redevelopment and housing authorities in the country, [Norfolk Redevelopment Housing Authority \(NRHA\)](#) is well aware of the benefits of raising the rate of homeownership. Not only does it strengthen Norfolk's neighborhoods and help maintain a healthy economy, it also contributes to wealth creation and has positive effects on the city's social and educational cultures.

NRHA's Innovative Approach

NRHA brings an innovative approach to accomplishing its goal of increasing homeownership. Its Homeownership Center is one of the only housing agencies in the nation to be awarded an allocation of New Markets Tax Credits by the U.S. Treasury in the program's first round. These tax credits enable NRHA to bring amenities such as fitness centers and grocery stores into the neighborhoods they build – amenities that attract the homebuyers that they counsel to those neighborhoods.

Today, through its one-stop Homeownership Center, NRHA demonstrates its commitment to bringing the Great American Dream of homeownership to more people every year, especially minorities. NRHA does this by providing comprehensive and customized homeownership counseling to any prospective Norfolk homebuyer. While its center is designed to link families from all economic backgrounds to the variety of housing choices available in Norfolk, an important benefit of the program is that they're able to match buyers with homes in the neighborhoods that they build as a redevelopment authority.

The Benefits of Housing Counseling

NRHA's counseling provides potential homebuyers with the tools and resources, they need to become homeowners. Its programs cover everything involved in the process of purchasing a home, from restoring credit and finding the right mortgage, to builder selection, home inspections and foreclosure prevention. To bring a complete range of home buying services to its clients, NRHA has formed partnerships with banks, developers, mortgage companies, attorneys, real estate firms and other government agencies.

NRHA's housing counseling ultimately increases homeownership in Norfolk, especially among minorities, by educating potential homebuyers about the issues involved in buying and owning a home. NRHA removes barriers to homeownership by preparing clients to become mortgage-ready, enabling them to pre-qualify for loans and informing them of the range of special financing and mortgage programs available. Post-homeownership counseling enables NRHA clients to handle issues that may arise after loan closing. For some clients, this counseling is the first time they have learned anything about homeownership, because they come from families caught in a cycle of poverty that has prevented previous generations from becoming homeowners.

NRHA's Homeownership Center

NRHA's housing counselors are certified through NeighborWorks@America, NeighborWorks Training Institute and by the Commonwealth of Virginia. Their program includes an 18-month counseling program through their Homebuyers Clubs, six hours of group counseling through the Virginia Housing Development Authority (VHDA) homebuyers program, and individual counseling customized to each client's needs.

The NRHA Homeownership Center is especially effective because it is a local "grass roots" counseling center. They work with people on an individual and neighborhood level. Their counselors visit schools and churches and have close relationships with neighborhood and civic associations.

Measuring Success

One of the ways NCHA measures its success is by tracking the number of clients who graduate from its counseling programs. Currently, NCHA serves more than 286 clients annually.

But the most important and satisfying measure of its positive impact is following their clients' successes that result from improved credit scores, increased savings and reduced debt, loan pre-qualification and lowered foreclosure rate all the way through to the ultimate success of their homeownership.

THE FUTURE OF LOSS MITIGATION

Washington, DC –The U.S. Departments of Treasury, HUD and Federal Housing Finance Agency released a white paper discussing the Future of Loss Mitigation. The white paper outlines lessons learned from government programs during the financial crisis, and outlines five principles that should provide a foundation for future loss mitigation programs after the Make Home Affordable programs expire in December 2016.

The principles are:

1. ACCESSIBILITY

Ensuring that there is a simple process in place for homeowners to seek mortgage assistance and that as many homeowners as possible are able to easily obtain the needed and appropriate level of assistance.

2. AFFORDABILITY

Providing homeowners with meaningful payment relief that addresses the needs of the homeowner, the servicer and the investor to support long-term performance.

3. SUSTAINABILITY

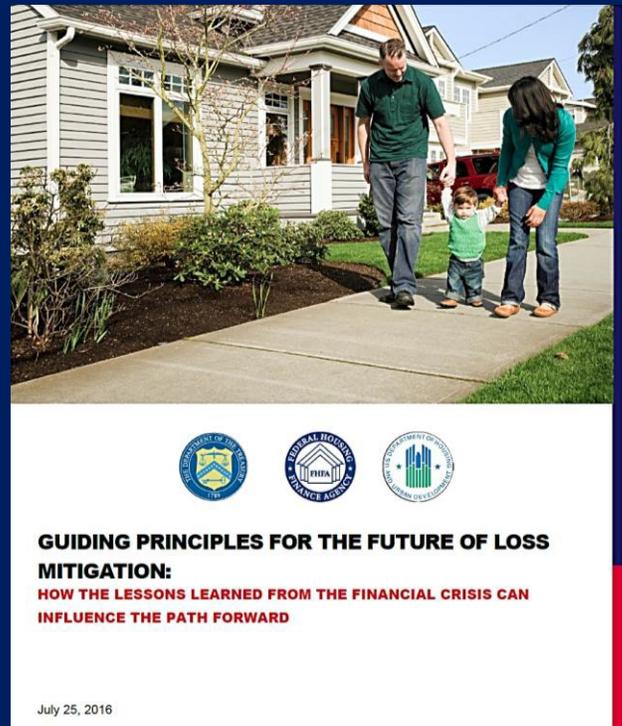
Offering solutions designed to resolve the delinquency and be effective long-term for the homeowner, the servicer and the investor.

4. TRANSPARENCY

Ensuring that the process to obtain assistance, and the terms of that assistance, are as clear and understandable as possible to homeowners, and that information about options and their utilization is available to the appropriate parties.

5. ACCOUNTABILITY

Ensuring that there is an appropriate level of oversight of the process to obtain mortgage assistance.



The paper, [Guiding Principles for the Future of Loss Mitigation](#), discusses the importance of housing counseling in loss mitigation and acknowledges that housing counselors have played a key role in supporting both homeowners and servicers, and increased the number of foreclosures successfully avoided. The paper also suggests that in the future, considerations related to counseling should include:

- Whether the role of counselors should be adjusted or expanded to better serve homeowners;
- How servicers can help match homeowners with HUD-approved housing counseling agencies;
- How servicers can help ensure that homeowners complete counseling; and
- Whether servicers and homeowners share responsibility for compensating counselors given the decline and possible end of funding under NFMIC.

The Consumer Financial Protection Bureau has also released a white paper on loss mitigation entitled, [CFPB's Principles for the Future of Loss Mitigation](#).

HOUSING COUNSELING RESEARCH AT YOUR FINGERTIPS

Washington, DC – Cityscape is a publication by the Office of Policy Development and Research (PD&R) of the U.S. Department of Housing and Urban Development.



The goal of Cityscape is to bring high-quality original research on housing and community development issues to scholars, government officials, and practitioners. Cityscape is open to all relevant disciplines, including:

- Architecture
- Consumer research
- Demography
- Economics
- Engineering
- Ethnography
- Finance
- Geography
- Law
- Planning
- Political science
- Public policy
- Regional science
- Sociology
- Statistics
- Urban studies

The July 2016 issue of [Cityscape](#), Volume 18, Number 2, *Borrower Beware*, features a commentary by Sarah Gerecke, Deputy Assistant Secretary, Office of Housing Counseling on [How Housing Counseling, Financial Education, and Consumer Guardrails Can Support Responsible Borrowers](#).

The Mayer and Temkin study on page 4 of 'The Bridge' is also published in the July 2016 issue of Cityscape.

Cityscape is published three times a year and subscriptions are available at no charge online at [Cityscape](#).



The Office of Housing Counseling provides research and studies on its website on the [HUD Exchange](#). Examples of featured studies include the following:

All Research and Studies

- [The Evidence on Homeownership Education and Counseling](#)
- [NFCC – Sharpen Your Financial Focus Impact Study](#)
- [Housing Counseling Works](#)
- [State of the Nation's Housing](#)
- [National Foreclosure Mitigation Counseling \(NFMC\) Program Evaluation](#)
- [HUD Data Sets](#)



If you are aware of an independent study of housing counseling, please send it to: housing.counseling@hud.gov.

INQUIRING MINDS WANT TO KNOW



This month's segment focuses on grant awards under a HUD housing counseling program grant.

Q: My organization received a FY 2016 HUD housing counseling grant in the awards announced on June 21, 2016. Now what?

A: HUD mailed grant award packages to grantees on June 30, 2016. The packages included signed grant agreements and HUD-1044 forms as well as instructions for additional documentation that must be submitted as part of the grant execution package. Grantees must submit the following documents as instructed in the award letter:

1. Indirect Cost Rate Documentation
2. Financial Management Systems Documentation
3. Audit
4. Code of Conduct
5. Projected Budget
6. Projections for Housing Counseling Grant Activities
7. Sub-allocation list (*Intermediary, Multi-state Organization, and State Housing Finance Agency grantees only*)
8. Client Management System documentation
9. Signed Form HUD-1044 and Grant Agreement signature page

Please see the award letter and grant execution checklist included in the grant award package for further details. If your agency is a FY 16 grantee and has not received a grant award package or has an issue with the package received, please send an email to: housing.counseling@hud.gov and notify your point of contact in the Office of Housing Counseling.

Q: The deadline for returning grant execution materials this year was July 22, 2016, and I've missed that. What do I do now?

A: Contact your HUD point of contact to discuss the circumstances and request an extension.

Q: I've read the award letter, but am still unsure about where and how to submit my documents. Can you provide more guidance?

A: This year, grantees may scan and send all documents by email to their assigned HUD point of contact. You can find the HUD point of contact information in the award letter or by looking on the HUD Affiliation Tab for your agency on the Housing Counseling System (HCS).

Grant agreement packages were processed and mailed from several locations and we have received feedback that some packages may have inadvertently contained incorrect language instructing grantees to mail some of the items. Again, this year there is only a requirement to return items by email. However, OHC will accept and process award documents received by mail too. If you need additional information, please notify your point of contact in the Office of Housing Counseling or send an email to: housing.counseling@hud.gov.

Q: What information do grantees need to input in HUDs Housing Counseling System (HCS)?

A: Grantees need to input their yearly budget, administrative funds, indirect costs, clients served projections and if applicable, information on subgrantees or branches. HUD has available step-by-step guides for inputting this information.

- Budget and cost information can be found in the [HCS Suballocation Guide](#) and
- Instructions for submitting projections are available through the [9902 Projection Training Guide](#).

(continued on pg. 12)

SUCCESS STORY

Fort Lauderdale, FL – Some U.S. immigrants face an uphill battle when it comes to credit, often making it even tougher for them to qualify for a mortgage on their first home. They come into a credit system that's usually more complex than where they came from, starting at square one to build a good credit score. Without the right knowledge, credit usage often turns into credit card debt problems that present an additional barrier to homeownership.

When **Maria Altamirano** and her mother emigrated from Nicaragua, they were inspired to achieve the American Dream. However Maria's low credit score combined with a high level of credit card debt that was acquired when they first arrived to the U.S. seemed to put that dream out of reach. A low credit score combined with \$20,000 in credit card debt meant mortgage approval was simply out of reach.

Then Maria found [Consolidated Credit](#), which put her on a path to achieve the financial outlook she needed to become a homeowner. Her journey started with enrollment in a debt management program. Through the program, the credit counseling team was able to negotiate her interest rates from 29 percent to 2 percent. Within three years Maria eliminated \$20,000 in credit card debt, making her a much better candidate for mortgage approval. At the same time, the program helped her build a positive credit history raising her score to 790.

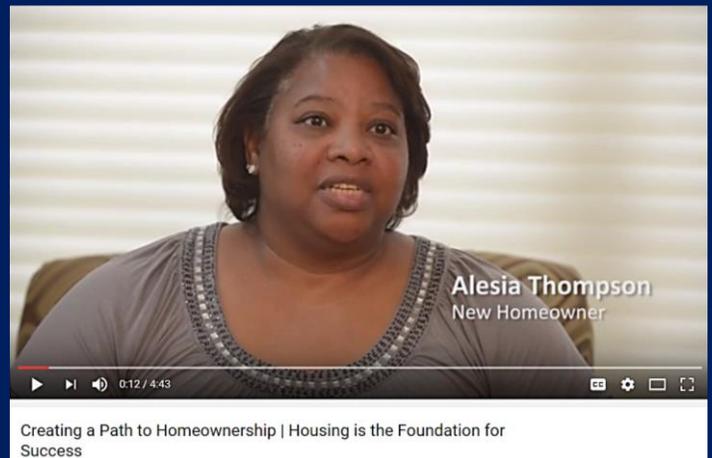
With her credit card debt eliminated and her credit score in a much better position, Maria and her mother moved into working with Consolidated Credit's housing counseling team. They attended a first-time homebuyer workshop and started working one-on-one with senior housing counselor Victor Sola. Following the action plan they created with Sola, Maria and her mother received mortgage approval within six months of taking that first homebuyer class.

"Buying a home was like a dream," Maria explains proudly, "because I always wanted a home for me and my family."

St. Paul, MN – In a recent video series on the power of homeownership and financial coaching by the [Minnesota Homeownership Center](#), housing counseling client **Alesia Thompson** shared her experience of buying her very first home with guidance from a housing counseling agency.

Alesia shared how her coach at [Neighborhood Development Alliance \(NeDA\)](#), Caley Long, walked her step-by-step through the homeownership process and why buying her first house was the "best decision" she ever made.

NeDA is a HUD-approved housing counseling agency and a sub grantee of Minnesota Homeownership Center, a regional intermediary. Watch Alesia share her experience [here](#).



Homebuyer Club Produces Results

Durham, NC - Three years ago [Reinvestment Partners](#) held its first Homebuyer Club for a group of 30 Duke University employees. The club was initiated by the university, which had launched a homebuying program for its low- and moderate-income employees only to find that applicants weren't financially prepared to purchase a home. Recognizing that long-term financial stability doesn't come fast or easy, the club was designed to support Duke's employees on their journey to homeownership.

It was clear from the outset that the club was more than a regular homebuyer's class with information packets and presenters, complete in eight quick hours.

(continued on pg. 12)

SUCCESS STORY

(continued from pg. 11 – Homebuyer Club Produces Results)

For starters, their education class was spread over eight weeks, allowing more in-depth exploration of topics like financial goals, credit building and debt reduction, and shopping responsibly for a home. It also included a monthly meeting that was less textbook and more real life. These meetings provided a much-needed forum to share, support, and build trust with like-minded people during the months – and sometimes years – it took reach their goals. And everyone brought something to the table.

Reinvestment Partners brought in real estate professionals, organized field trips to affordable housing, and provided one-on-one credit counseling. Club members aired out their frustrations and shared their victories, like improving their credit enough to refinance a car loan! Some even brought their teen children to learn about the cost of living, debt, and savings... because buying a home is a family affair when working with a tight budget.

Three years and nine successful home purchases later, Reinvestment Partners' Duke Homebuyer Club boasts a membership of 60. A survey at last month's meeting showed 100 percent of attendees have improved their credit score since joining in January. And the best news of all? The club is being replicated by another local university who has been inspired by the program's success. And why not? Financially stable employees tend to be more reliable, able to absorb emergencies more easily. Everyone wins!

Get inspired by a recent Duke homebuyer success story.

Lolita Guasp purchased her very first home in February 2016 after two and a half years of avid preparation through the Duke Homebuyer Club. Lolita found the support she needed in the club's monthly meetings and weekly phone calls with her Reinvestment Partners pre-purchase counselor. She took advantage of Duke's \$10,000 down payment grant for purchasing in the Southside neighborhood, as well as three other City and State homebuyer incentives – all programs she learned of through her counselor. Today, Lolita and three of her children live in a beautiful new home in Durham's Southside.



From L to R: Mayme Webb Bledsoe (Duke University), Lorisa Seibel (Reinvestment Partners Counselor), Lolita Guasp (Homeowner!), Lee Playford (Real Estate Agent)

(continued from pg. 10 – Inquiring Minds Want to Know)

Q: May I charge items like administration, travel, training, certification costs, and marketing and outreach to my FY 2016 HUD Housing Counseling Grant?

A: Yes, these costs remain eligible in the FY 2016 – 2017 Comprehensive Housing Counseling Program NOFA. Administrative costs include those associated with administering a housing counseling program and for Intermediaries, SHFAs and MSOs managing a network of housing counseling agencies, branch offices, or both.

Marketing and outreach includes providing general information and materials about housing opportunities and issues, conducting informational campaigns, advocating with lenders for non-traditional lending standards and raising awareness about critical housing topics. Marketing and outreach should follow affirmative marketing principles and be directed at those populations least likely to seek counseling services or the information marketed, including those of racial, religious, or national origin groups not normally served by the sponsoring agency, as well as persons with disabilities and persons with Limited English Proficiency.

To charge costs to a HUD grant, they must be included as itemized expenses on your approved grant budget. For more details, see the Eligible Activities section beginning on page 9 of the FY 2016 – 2017 Comprehensive Housing Counseling NOFA and work with your HUD Point of Contact during the grant execution phase, as well as any future budget changes.

TOOLS AND RESOURCES

HOUSING COUNSELING WORKS!
CLICK HERE FOR MORE INFORMATION
Call Toll Free at: 800-569-4287



GET EDUCATED!
GET CONNECTED!
GET EMPOWERED!



[National Homeownership Toolkit](#)

To help housing counseling agencies increase the visibility of housing counseling.

HOUSING COUNSELING WORKS!
CLICK HERE FOR MORE INFORMATION
Call Toll Free at: 800-569-4287



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GET CONNECTED!
GET EMPOWERED!



[First-Time Homebuyer Education and Counseling Demonstration](#)

A rigorous, large-scale, randomized experiment to definitively answer the question about the relative efficacy of homebuyer education and counseling on higher risk borrowers.

HOUSING COUNSELING WORKS!
CLICK HERE FOR MORE INFORMATION
Call Toll Free at: 800-569-4287



GET EDUCATED!
GET CONNECTED!
GET EMPOWERED!



[Prepurchase Counseling Effects on Mortgage Performance: Empirical Analysis of NeighborWorks® America's Experience](#)

Analyzes the effect of prepurchase counseling and education on the performance of borrowers.

HOUSING COUNSELING WORKS!
CLICK HERE FOR MORE INFORMATION
Call Toll Free at: 800-569-4287



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[Cityscape](#)

A publication by HUD's Office of Policy Development and Research that brings high-quality original research on housing and community development issues to scholars, government officials and practitioners.

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GET EMPOWERED!



[Guiding Principles for the Future of Loss Mitigation: How the Lessons Learned from the Financial Crisis Can Influence the Path Forward](#)

The importance of housing counseling in loss mitigation.

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ON THE HORIZON



August 8 - 12, 2016	NeighborWorks Training Institute (NTI) - Detroit, MI Host: NeighborWorks®America
August 23 - 24, 2016	Federal Housing Administration (FHA) Servicing and Loss Mitigation Live Training. Oklahoma City, OK Host: HUD

Visit the [Office of Housing Counseling Training webpage](#) to keep up-to-date on the latest training, events, and webinars. If you missed a webinar, visit the [Webinar Archives webpage](#) to access previously recorded sessions.

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