



December 11, 2013

President Barack Obama
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Obama:

The below-signed members and supporters of the non-profit housing counseling community are writing to thank you for your support for housing counseling and to ask for your continued support in your fiscal year 2015 budget request. While the economy and housing market have made improvements since the peak of the recession, we are at an important time in our nation's recovery and housing counseling is critical to ensuring that these gains are sustained and built upon. **We respectfully request that you include federal funding for housing counseling in your FY 2015 budget at the same level you requested in your FY 2014 budget: \$55 million for the HUD housing counseling program and \$77 million for NeighborWorks' National Foreclosure Mitigation Counseling (NFMC) program.**

The improving economy and housing market have received much attention from the national press in recent months. While these gains are to be celebrated, it is important to recognize that many Americans are continuing to struggle five years after the recession began in the fall of 2008. We are still seeing more than 50,000 foreclosures completed each month and there are more than 900,000 homes in the foreclosure inventory.¹ The Federal Reserve System reports that 8.59 percent of residential mortgages in the U.S. were delinquent through the third quarter of 2013. To put this in perspective, from the beginning of 1991 through the first half of 2008, the delinquency rate averaged 2.29 percent.² It is with these delinquent homeowners that housing counseling can have the greatest impact. According to the most recent report to Congress on the effectiveness of the NFMC program, for example, homeowners who received NFMC counseling were nearly twice as likely to obtain a mortgage modification and were at least 67 percent more likely to remain current on their mortgage nine months after receiving their modification. By working directly with distressed homeowners to help them obtain affordable modifications, counseling has played a critical role in the recovery of the housing market.

As the housing market improves, it is also necessary to ensure that there is adequate support to meet the growing demand for other forms of housing counseling, especially pre-purchase counseling. In the years leading up to the housing crisis, there was an explosion in the availability of predatory loan products, which helped to bring about the crisis. In recent years, mortgage credit has become hard to obtain, even for many well-qualified potential borrowers. Pre-purchase counseling is an effective response to both of these problems. On the one hand, pre-purchase counseling educates the client on mortgage products and homebuyer responsibilities. On the other hand, pre-purchase counseling involves a comprehensive look at the client's complete financial picture and a realistic assessment of whether the client is financially

¹ <http://www.corelogic.com/research/foreclosure-report/17-nfr-1013-00-national-foreclosure-report-for-september-2013-screen-103013.pdf>

² <http://www.federalreserve.gov/releases/chargeoff/delallsa.htm#fn1>.

prepared for homeownership. While this role is not often recognized, pre-purchase counseling serves a critical gate-keeping function in which clients who are not financially ready are encouraged to work with a counselor until they are better prepared. As a result, lenders can be more confident in the financial readiness for homeownership of counseled borrowers as compared to similarly situated, non-counseled borrowers. A recent study measuring the impact of pre-purchase counseling and education provided by the NeighborWorks housing counseling network found that clients receiving pre-purchase counseling and education from NeighborWorks organizations are one-third less likely to become 90+ days delinquent than are borrowers who do not receive counseling. Preparing home buyers for financially responsible homeownership and getting well-qualified people access to mortgage credit are essential to sustaining and building upon the gains that have been made in the housing market and adequate federal funding for housing counseling will help to ensure this.

In addition to foreclosure and pre-purchase counseling, HUD-approved housing counseling agencies offer a number of other counseling and education services, including counseling seniors on reverse mortgages (HECM counseling) and helping renters to resolve a wide range of issues related to rental housing. More fundamentally, counseling provides clients with a better understanding of their overall financial health, a function that has become increasingly important since the recession began and that is becoming increasingly formalized within the counseling profession. There is also a movement underway to professionalize the industry, including through HUD implementation of the Dodd-Frank requirement that all housing counselors be certified.

The nonprofit housing counseling industry is committed to delivering high-quality counseling to all who seek our services, but this will not be possible without sufficient federal funding. Recognizing the current state of the federal budget, we are asking you to request the same level of funding for housing counseling that you requested last year, \$55 million for the HUD Housing Counseling program and \$77 million for the NFMC program, even though this is far below where federal support for housing counseling has been in recent years.

We appreciate your support for our work and your shared commitment to ensuring that the housing needs of all Americans are met. Thank you for your consideration of our request,

Sincerely,

cc: Ms. Sylvia Matthews Burwell, Director Office of Management and Budget

HUD Intermediaries and National Organizations

HomeFree-USA	Hyattsville	MD	National
National Coalition for Asian Pacific American Community Development	Washington	DC	National
National Council of La Raza	Washington	DC	National
National Council on Aging	Washington	DC	National
National Federation of Community Development Credit Unions	New York	NY	National
National Housing Resource Center	Philadelphia	PA	National
National Urban League	New York	NY	National
NID-Housing Counseling Agency	Oakland	CA	National
Rural Community Assistance Corporation	West Sacramento	CA	Regional

Local, State, and Regional Organizations

Neighborhood Housing Services of Southwestern Maricopa County, Inc.	Avondale	AZ	Local
SouthEastern Arizona Governments Organization	Bisbee	AZ	Local
Community Action Human Resources Agency	Eloy	AZ	Local
BOTHANDS	Flagstaff	AZ	Local
Arizona Housing Alliance	Phoenix	AZ	Local
Greater Phoenix Urban League	Phoenix	AZ	Local
Neighborhood Housing Services of Phoenix	Phoenix	AZ	Local
Campeños Sin Fronteras	Somerton	AZ	Local
Housing America Corporation	Somerton	AZ	Local
Newtown Community Development Corporation	Tempe	AZ	Local
Administration of Resources and Choices	Tucson	AZ	Regional
Family Housing Resources	Tucson	AZ	Local
Old Pueblo Community Services	Tucson	AZ	Local
HPP CARES	Long Beach	CA	Local
East LA Community Corporation	Los Angeles	CA	Local
Korean Resource Center	Los Angeles	CA	Local
New Economics For Women	Los Angeles	CA	Local
Watts/Century Latino Organization	Los Angeles	CA	Local
Montebello Housing Development Corporation	Montebello	CA	Local
NeighborWorks Orange County	Orange	CA	Regional
Inland Fair Housing and Mediation Board	Rancho Cucamonga	CA	Local
Housing Resource Center of Monterey County	Salinas	CA	Local
Neighborhood Housing Services of the Inland Empire	San Bernardino	CA	Local
National Asian American Coalition	San Diego	CA	Local

Visionary Home Builders of California, Inc.	Stockton	CA	Local
Northern Circle Indian housing Authority	Ukiah	CA	Local
Latino Economic Development Center	Washington	DC	Regional
Housing Opportunities N DE	Wilmington	DE	Local
Neighborhood House, Inc.	Wilmington	DE	Local
We Help Community Development Corporation	Belle Glade	FL	Local
Tampa Bay CDC	Clearwater	FL	Local
HELP CDC	Eatonville	FL	Local
Trinity Empowerment Consortium	Miami	FL	Local
NANAY Community Economic Development Corporation	North Miami	FL	Local
The First Community Christian Pentecostal Church of God, Inc.	Orlando	FL	Local
Real Estate Education And Community Housing Inc.	Palm Beach Gardens Fl	FL	Local
Consumer Credit Counseling Service of West Florida, Inc.	Pensacola	FL	Regional
St. Petersburg Neighborhood Housing Services, Inc. d/b/a Neighborhood Home Solutions	St. Petersburg	FL	Local
Housing & Education Alliance	Tampa	FL	Local
Credit Card Management Services, Inc.	West Palm Beach	FL	Regional
Debthleper.com	West Palm Beach	FL	Local
NID-HCA	Albany	GA	Local
Sand Hills Urban Development, Inc.	Augusta	GA	Local
Dalton-Whitfield Community Development Corporation	Dalton	GA	Local
Green Forest H.O.M.E., Inc.	Decatur	GA	Local
Hawaii HomeOwnership Center	Honolulu	HI	Local
United Neighbors Inc.	Davenport	IA	Local
Home Opportunities Made Easy, Inc.	Des Moines	IA	Local
Joseph Corporation	Aurora	IL	Local
Brighton Park Neighborhood Council	Chicago	IL	Local
Genesis Housing Development Corporation	Chicago	IL	Local
Housing Action Illinois	Chicago	IL	Local
Neighborhood Housing Services of Chicago, Inc.	Chicago	IL	Local
Northwest Side Housing Center	Chicago	IL	Local
Partners In Community Building, Inc.	Chicago	IL	Local
Spanish Coalition for Housing	Chicago	IL	Local
The Resurrection Project	Chicago	IL	Local
Homestead Consulting Services	Lafayette	IN	Local
Louisville Urban League	Louisville	KY	Regional
Neighborhood Development Foundation	New Orleans	LA	Local

Cambridge Credit Counseling Corp	Agawam	MA	Local
ESAC (Ecumenical Social Action Committee, Inc.)	Boston	MA	Local
Merrimack Valley Housing Partnership	Lowell	MA	Local
Berkshire County Regional Housing Authority	Pittsfield	MA	Local
HAP, Inc.	Springfield	MA	Local
CHAI	Baltimore	MD	Local
Eastside Community Development Corporation, Inc.	Baltimore	MD	Local
Edmondson Village Collaborative, Inc.	Baltimore	MD	Local
Garwyn Oaks Northwest Housing Resource Center	Baltimore	MD	Local
St. Ambrose Housing Aid Center, Inc.	Baltimore	MD	Local
Hagerstown Home Store	Hagerstown	MD	Local
HNDP, Inc. / Hagerstown Home Store	Hagerstown	MD	Local
Southern Maryland Tri-County Community Action Committee, Inc.	Hughesville	MD	Local
HomeFree-USA	Hyattsville	MD	Local
Housing Initiative Partnership/HIP Services. Inc.	Hyattsville	MD	Local
Housing Options & Planning Enterprises, Inc.	Oxon Hill	MD	Local
CENTRO DE APOYO FAMILIAR	RIVERDALE	MD	Regional
Asian-American Homeownership Counseling, Inc.	Rockville	MD	Regional
MaineStream Finance	Bangor	ME	Local
Coastal Enterprises, Inc. (CEI)	Wiscasset	ME	Local
Northern Homes CDC	Boyne City	MI	Local
Inner City Christian Federation	Grand Rapids	MI	Local
Listening Ear Crisis Center	Mt Pleasant	MI	Local
Oakland County Housing Counseling	Pontiac	MI	Local
Catholic Charities Financial and Housing Counseling	St Cloud	MN	Local
4-sight Counseling, Inc.	Cape Girardeau	MO	Local
Beyond Housing	St Louis	MO	Regional
Justine Petersen Housing and Reinvestment Corporation	St. Louis	MO	Regional
Covenant Community Development	Tupelo	MS	Local
CCCS of Greater Greensboro, A division of Family Service of the Piedmont Inc.	Greensboro	NC	Local
Robeson County Community Development Corporation	Pembroke	NC	Local
DryWorks	Raleigh	NC	Local
Financial Pathways of the Piedmont	Winston Salem	NC	Local
Affordable Housing Alliance	Eatontown	NJ	Local
Union County Foreclosure Task Force	Elizabeth	NJ	Local
La Casa de Don Pedro	Newark	NJ	Local
New Jersey Citizen Action	Newark	NJ	Local

Newark/Essex Foreclosure Taskforce	Newark	NJ	Local
Urban League of Essex County	Newark	NJ	Local
Central Jersey Housing Resource Center	Raritan	NJ	Local
Housing and Community Development Network of New Jersey	Trenton	NJ	Local
Community Services of Nevada	North Las Vegas	NV	Local
Empire Justice Center	Albany	NY	Regional
Arbor Housing and Development	Bath	NY	Local
Long Island Housing Services, Inc.	Bohemia	NY	Local
Brooklyn Housing & Family Services, Inc.	Brooklyn	NY	Local
Cypress Hills Local Development Corporation	Brooklyn	NY	Local
Buffalo Urban League	Buffalo	NY	Local
Albany County Rural Housing Alliance, Inc.	Cohoes	NY	Local
La Fuerza Unida, Inc.	Glen Cove	NY	Local
Friends of the North Country	Keeseville	NY	Local
RUPCO	Kingston	NY	Local
Center for New York City Neighborhoods	New York	NY	Local
Neighborhood Housing Services of New York City, Inc.	New York	NY	Regional
New York Mortgage Coalition	New York	NY	Regional
SafeGuard CCS	Northport	NY	Regional
Consumer Credit Counseling Service of Buffalo, Inc.	West Seneca	NY	Local
Westchester Residential Opportunities, Inc.	White Plains	NY	Local
Empowering and Strengthening Ohio's People (ESOP)	Cleveland	OH	Regional
Neighborhood Housing Services of Greater Cleveland	Cleveland	OH	Local
Spanish American Committee	Cleveland	OH	Local
Homes on the Hill, CDC	Columbus	OH	Local
Ohio CDC Association	Columbus	OH	Regional
Fair Housing Resource Center, Inc.	Painesville	OH	Local
Willamette Neighborhood Housing Services	Corvallis	OR	Local
Hacienda CDC	Portland	OR	Local
Housing Opportunities of Beaver County	Beaver	PA	Local
Pennsylvania Interfaith Community Programs, Inc.	Gettysburg	PA	Local
Affordable Housing Centers of Pennsylvania	Philadelphia	PA	Local
NKCDC (New Kensington CDC)	Philadelphia	PA	Local
Schuylkill Community Action	Pottsville	PA	Local
Neighborhood Housing Services of Greater Berks, Inc.	Reading	PA	Local
Integra Home Counseling, Inc.	Tannersville	PA	Local
Bucks County Housing Group	Wrightstown	PA	Local
Housing Network of Rhode Island	Pawtucket	RI	Local

West Elmwood Housing	Providence	RI	Local
Family Services, Inc.	North Charleston	SC	Regional
GAP Community Development Resources, Inc.	Franklin	TN	Local
Binghamton Development Corporation	Memphis	TN	Local
New Level Community Development Corporation	Nashville	TN	Local
Residential Resources, Inc.	Nashville	TN	Local
Austin Habitat for Humanity	Austin	TX	Local
Housing Opportunities of Fort Worth	Fort Worth	TX	Local
Avenue Community Development Corporation	Houston	TX	Local
Project LIFT	Houston	TX	Local
To Each His Home CRC	Texas City	TX	Local
Neighborhood Nonprofit Housing Corporation	Logan	UT	Local
AAA Fair Credit Foundation	Salt Lake City	UT	Local
Salt Lake Community Action	Salt Lake City	UT	Local
SLCAP	Salt Lake City	UT	Local
NCCCED	Richmond	VA	Local
Urban League of Hampton Roads, Inc.	Virginia Beach	VA	Regional
Helping Overcome Poverty's Existence, Inc.	Wytheville	VA	Local
Champlain Housing Trust	Burlington	VT	Local
Vermont Affordable Housing Coalition	Burlington	VT	Local
RuralEdge	Lyndonville	VT	Regional
BROC-Community Action in Southwestern Vermont	Rutland	VT	Local
Parkview Services	Shoreline	WA	Local
Pierce County Coalition for Developmental Disabilities	Tacoma	WA	Local
Select Milwaukee	Milwaukee	WI	Local
Homestead Solutions, Inc.	Oshkosh	WI	Local
HomeOwnership Center Inc.	Elkins	WV	Local
Consumer Credit Counseling Service of the Mid-Ohio Valley	Parkersburg	WV	Local
Safe Housing and Economic Development, Inc.	Welch	WV	Local