The Housing Counseling Federal Advisory Committee ("HCFAC") of the U.S. Department of Housing and Urban Development convened a public meeting from 9:00 am to 3:00 pm CST on Thursday, March 21, 2024. The HCFAC met virtually via Zoom as well as in person. Public attendees included 208 registered webcast attendees, 97 attended the webcast virtually, 48 attended in person.

 **HCFAC Members Present:**

* Angie Liou
* Carol Ann Dujanovich
* Richard Verrillo
* Ibijoke Akinbowale
* Daniel Garcia
* Lawrence Batiste
* Bill Sevilla
* Paul Yorkis
* Sherri Eckles
* Gabe Ewing del Rio
* Anthony Walters

**HUD Presenters:**

* David Berenbaum - Deputy Assistant Secretary, Office of Housing Counseling
* Virginia Holman - Designated Federal Official, Office of Housing Counseling
* Terry Carr- Associate Deputy Assistant Secretary, Office of Housing Counseling

**Panelist Presenters:**

* Candace Valenzuela – Regional Administrator, Region VI, HUD
* Zuleika Morales-Romero - San Antonio Field Office Director, HUD
* Mark Carmona – Chief Housing Officer, City of San Antonio, Texas
* Mike Flores - Chancellor, Alamo Colleges District, San Antonio, Texas
* Laura Arce – Senior Vice President for Economic Initiatives, UnidosUS
* Walter Toliver – Executive Vice President and Corporate Counsel, Nueva Esperanza
* Jason Riveiro – National Association of Hispanic Real Estate Professionals, NAHREP
* Carlos Guerra II, Senior Program Manager, National Association for Latino Community Asset Builders
* Veronica Garcia – Director, City of San Antonio Neighborhood Housing Services Department
* Crystal Requejo – Chief Operating Officer, Mexican American Unity Council
* Gabriel Velasquez – Executive Director, Avenida Guadalupe
* Michael Taylor, Executive Directoe, Habitat for Humanity of San Antonio
* Zeke Romo – Executive Director, Our Casas Resident Council
* Lot Diaz – Vice Pesident, Housing and Community Development, UnidosUS
* Patricia Garcia Duarte – Executive Vice President Homeowners Initiative, Chicanos Por La Causa
* Renata Ghione, Executive Director, Centro Familiar Nueva Esperanza, Simi Valley, California
	+ Maria Iannarelli, Vice President of National Housing, Nueva Esperanza, Philadelphia, Pennsylvania
	+ Bill Sevilla, Executive Director, Centro Campesino, Miami, Florida
	+ Gabriela Luna, Director of Housing Programs and Community Redevelopment, Tejano Center, Houston, Texas
	+ Jorge A. Negrón Vega, Senior HUD Certified Counselor, One Stop Career Center of Puerto Rico, Inc., New York, New York

**Opening of the HCFAC Meeting**

**Summary:** Virginia Holman called the meeting to order and announced that a quorum was met. Ms. Holman announced the topics of discussion as she briefly went over the agenda. David Berenbaum welcomed guests and speakers and announced the OHC updates.

**Virginia Holman:** Welcome to today's very important meeting of the Housing Counseling Federal Advisory Committee. Just a couple of housekeeping tasks. We have a couple of our members who are engaged virtually. I now want to go over the agenda for the day we will have a welcome shortly from some of our important partners in San Antonio. Then we've got 3 very important panels, Latino Trends in Affordable Housing and Bridging the Wealth Gap, Local Affordable Housing Challenges and Opportunities, and Broader National Regional Housing and Housing Counseling Trends. After we will open it program up to public comments, and as was mentioned we will give instructions to the public at that time. We have people who have indicated online that they want to make comments. But then anyone here in the audience is also welcome to make comments and at this point I will turn it over to David Berenbaum.

**David Berenbaum:** Thank you for joining us today for the Housing Counseling Federal Advisory Committee meeting of March 21st, 2024. As we have quorum at this time, I'd like to call the meeting to order.

Welcome to all of the members of the committee, to all those joining us virtually today. I'm delighted that we are convening this meeting in person at the Alamo College's District Campus in San Antonio, Texas, and as well virtually via Zoom. Partnering with minority serving colleges and universities to expand access to affordable housing as well as promote access to housing counseling services nationwide for students, faculty, as well as all the surrounding community residents of the colleges and universities, is a strategic priority of the Office of Housing Counseling.

Since 2022, we have already invested over 3 million dollars to support partnerships between HUD certified housing counseling organizations and over 54 minority serving colleges and HBCU’s across the nation. I'm very proud of the work of 16 HUD counseling intermediaries and housing counseling providers to promote the availability of services in all of these campus communities. These partnerships are educating students on becoming more informed tenants through rental counseling and education as well to pursue opportunities for future home buyers as they graduate from college and pursue homeownership through the provision of high quality, homeownership, education, housing counseling services and information about the various and complex mortgage finance products and affordable housing options that are available to promote sustainable homeownership across the nation.

The mission of the Office of Housing counseling is to help families to obtain and sustain their homes. We accomplished this mission through a strong network of HUD approved housing counseling agencies and their HUD certified housing counselors who provide professional services to over 1.2 million consumers nationwide each year. For those of you who are viewing or participating in an Advisory Committee for the first time, the Housing Counseling Federal Advisory Committee is mandated by Congress to advise the United States Department of Housing and Urban Development about its Housing counseling program. The committee provides an active forum for those involved with housing counseling to offer advice directly to the Deputy Assistant Secretary for Housing Counseling on the ways to accomplish the objectives of our office. All committee meetings are open to the public. At this convening, the members of the Housing Counseling Federal Advisory Committee will be joined by representatives from UnidosUS and Nueva Esperanza, two HUD approved national housing counseling intermediaries, as well as other community leaders in the public and private sectors, to discuss how to best meet the housing needs of the diverse and unique Latino communities across the country as they face and seek sustainable and affordable tendencies and homeownership, as well as related housing opportunities, as well as our efforts to collectively ensure that elders and seniors age in place. Over the past 5 years, the Office of Housing Counseling, in partnership with our housing counseling providers, have served over 800,000 Latino families that represents approximately 18% of the total 4.8 million clients served since 2019. This is all in the face of what we recognize as a nationwide shortage of affordable housing units. Today the committee is here to listen to local experts and community leaders from around the country, and as well locally here in Texas, so that the committee can make recommendations to the Office of Housing Counseling on how we can leverage national housing counseling providers, state, and local agencies to better meet the needs of the Latino community.

**Welcome to San Antonio, Texas – By Local HUD and City Authorities**

**Summary:** Local HUD Authorities,Candace Valenzuela, Regional Administrator, Region VI and Zuleika Morales-Romero San Antonio Field Office Director as well as Mark Carmona, Chief Housing Officer, City of San Antonio, Texas and Mike Flores, Chancellor, Alamo Colleges District, San Antonio, Texas all made welcoming statements including what the city of San Antonio has been doing to help serve the needs of the local Latino Communities.

**Candace Valenzuela:** I grew up in the border city of El Paso, and I have seen so many folks who come from nothing, who came to this country seeking the American dream, and they found it, and were able to raise their family and stability. Unfortunately, I've also known folks who couldn't quite get a foothold in the economy who end up renting their whole lives, are unable to pass property onto their children, and therefore unable to pass on intergenerational wealth. My mom left the military with a disability and not long thereafter, I was very young, we lost our home and ended up moving in with relatives which also became untenable, and a HUD voucher became a lifesaving proposition for us.

But homeownership always seemed like that thing that was just elusive. So to know that you are here to explore the ways in which some of the family and community dynamics work to know that you are here to understand how to not just get people into homes, but also to keep people in homes and help their families to continue to pursue the American dream is absolutely precious to me, so thank you for doing the work to make sure that as you are trying to provide housing counseling to the country that that work is absolutely well informed.

I am here on behalf of Secretary, Marcia L. Fudge. We know that housing counseling is a powerful tool that encourages responsible homeownership. The network has programs that help renters become homeowners, and they ensure that the right counseling services reaches the communities and the families that need it most. That training helps folks to make sound financial decisions in a in a difficult situation. And for those folks who aren't ready for homeownership just yet, it enables folks to see that pathway forward. We're steadily seeing more homeownership, but we want to make sure that that trend is not just a flash in the pan, but something that is consistent for black and brown folks. A couple of things that FHA has done to make sure that we're closing the Latino homeownership gap and the Latino wealth gap includes updating the student loan monthly payment calculations so that we can put less weight on these loans in the net income calculations. We've moved to include a home buyer's positive rental history. We've also made changes for folks who are self-employed, we are trying to make it easier for them to take out these loans. We're doing a lot of direct consumer outreach specifically through the office of field policy and management. We've had HUD House Parties. This was started a couple of years back with Secretary Fudge. She started it online she brought folks, young people, that had purchased their first homes, using an FHA loan talking about their experiences. But the point of this is that we're trying to go to where people are, where families go, where folks congregate to talk to them about something that might seem scary, or might seem elusive and make it so that they understand that it's not so scary and we try to then directly connect them at those events with HUD certified housing counselors.

**Zuleika Morales Romero:** It is my great pleasure to be able to guide you through our city and to show the work that we're doing, because San Antonio is really leading the efforts when it comes to housing. I'd also like to welcome all of our online viewers, it's important to note that we are having the attention of the country and not just the attention of San Antonio here today. It's very important cause it allows us to highlight those issues that our Latino community and lets us spread and propose solutions which is very important for the purpose of this meeting. I would also like to welcome all of our local, HUD has great partners here, and they make an impact which also translate to what they're getting done through their strategic housing and implementation plan which is really resonates with what this advisory committee is doing and pushes forward.

**Mark Carmona:** I want to welcome this Housing Counseling Federal Advisory Committee who helps the Office of Housing Counseling, meet its mission to provide individuals and families with the knowledge they need to obtain, sustain, and improve their housing.

We are very proud of the strong partnership that we had with HUD at the local, regional and national levels. Here in San Antonio, we are driven by our Strategic Housing Implementation Plan. It was adopted by City Council in December of 2021. It aligns our partners locally, our local public housing authority, our housing trust, our county, and our city along with other partners like HUD, as we continue to meet the needs of many people who are cost burdened and living in our city.

There are 3 strategies I think that align well with the committee this morning. One is system wide eviction and foreclosure prevention that's really a real focus of ours. Another strategy is using holistic counseling at the center of our service provision. As we do our work, we try to integrate as much as possible. Our final strategy is supporting and growing our nonprofit partners we have got many partners that you're going to meet today that are really housing counseling agencies that are working with us to meet the mission here in San Antonio and play a huge and important role in what we're doing. Here in San Antonio, we have what we what I consider to be a broad definition of housing counseling. We work in eviction prevention; we invest in prevention services like emergency housing assistance and right to counsel programs. We have a robust home rehab program that was recently augmented by a 150-million-dollar housing bond that voters approved in May of 2022 that ensures housing affordability for future generations. We have a tenant's rights campaign that provides free public information, both in English and Spanish, on the essential rights and resources for renters in San Antonio. And then our housing counseling program is building relationships with families to find options to meet their needs. We have 36 strategies in our plan. We have, of the 150-million-dollar housing bond, we've got already 80 million dollars of that out. We've got almost 5,000 new units of housing that's either produced, in the process or in the pipeline. And so we're making strides.

**Mike Flores:** I want to thank my colleagues here in San Antonio. So, this is essentially where we provide support to 73,000 students working in tandem with 6,000 faculty and staff throughout the metropolitan service area. So the Alamo Colleges district has 5 accredited colleges throughout our community. The 73,000 students mirror our community from each neighborhood in strata within the area. Most importantly, in resembling the community, we have 78% students of color. The vast majority are Latino or Hispanic, African American, and Asian. We understand that intergenerational poverty has been a challenge for our community for decades. When we have a quarter of a million individuals who struggle daily, we see that. We understand that we need to provide robust academic and support services. Our students are successful because of the promise and aspirations that they have. Over the last 5 years, what we've done is partnered with organizations like the San Antonio Food bank in which we jointly fund benefits navigators at each one of our community colleges and our 6 regional centers. We partner with the school of Nursing from UT Health and have 2 robust health clinics that face to face on site and then can provide health services through telehealth through all 70,000 plus students. And we also partner with United Way in which we can provide and connect our 70,000 plus students through referrals and direct connections. To be able to ensure that most students who tell us that they are housing insecure, that we need to step into that gap and partner with others to be able to achieve that. There are a couple of things I want to leave you with. We've partnered with the city of San Antonio through Ready to Work. That's an over 50-million-dollar contract, ensuring that individuals have training to be able to achieve a credential. The other part is what we started 5 years ago, which is called Alamo Promise which provides no cost education to graduating seniors within our county. We currently have 16,000 individuals that are enrolled in Alamo Promise in which they will incur no debt and pay no tuition and pay for no instructional materials. It provides them with a seamless transition to currently 2 of our public universities for them also to leave with no debt and paying their tuition and fees.

**Office of Housing Counseling Updates – By David Berenbaum - Deputy Assistant Secretary, Office of Housing Counseling**

**Summary:** Mr. Berenbaum quickly updates the committee with the efforts the Office of Housing Counseling has been doing to better and strengthen the policies as well as announces the retirement of Secretary Marcia L Fudge, of which Mr. Paul Yorkis leads the committee in a resolution honoring Secretary Fudge. Mr. Berenbaum also acknowledges the passing of Committee Member, Marcia Lewis and honors her time on the Committee.

**David Berenbaum:** Most of you are already aware of HUD, Secretary Fudge's announcement of her plans to step down from her position and retire. It has been my pleasure to engage with and support the HUD Secretary during my 3 years at HUD. One of the first actions taken by the HUD Secretary and Commissioner FHA, Commissioner Gordon, was to jump start this very committee to return it to 12 members, and rather than just meeting twice a year we have been aggressively meeting 3 or 4 times a year, taking on issues of the day and acting on the strong guidance and recommendations of the members of this committee. But more significantly as well, the HUD Secretary has supported our efforts with our national Make Home the Goal campaign, our efforts to expand the reach of housing counseling organizations nationwide. She has participated, at events, with our housing counseling industry partners and there's no question her efforts in housing equity and to bridge the Home Ownership Gap are second to none of any HUD secretary who has been in her role. She has really been committed to equal housing opportunity. I am sure you're aware of all of HUD's efforts with other Federal agencies on what's called the PAVE initiative to ensure fair appraisal and home valuation across the country and her leadership has simply been transformative. We as a committee, Paul Yorkis, asked, would it be appropriate for the members of the Housing counseling Federal Advisory Committee to have a resolution, honoring HUD Secretary Fudge. And of course, I agreed.

**Paul Yorkis:** A Resolution honoring Marcia L. Fudge. 18th Secretary of the US. Department of Housing and Urban Development. Whereas Secretary Marcia L. Fudge, has served as Secretary of the US Department of Housing and Urban Development with distinction. Whereas during her tenure Secretary, Marcia L. Fudge, has been an outstanding supporter of the US Department of Housing and Urban Development Office of Housing Counseling. Whereas during her tenure Secretary Marcia L. Fudge has supported the staff, programs and initiatives of the Office of Housing Counseling to provide superior services across America to those who benefit from housing counseling services. Whereas during her tenure Marcia L. Fudge has supported the membership and programs of the Housing Counseling Federal Advisory Committee and welcome the guidance provided by the House Housing Counseling Federal Advisory Committee. Now, therefore, be it resolved that the membership of the Housing counseling Federal Advisory Committee extend our sincere thanks, appreciation, and best wishes to Secretary, Marcia L. Fudge, for her leadership and service to the American people.

**David Berenbaum:** Thank you, Paul. We have a motion. Is there a second. Gabe, Thank you. We have a second, all those in favor of the motion. Simply show of hands, please. It is unanimous. Thank you very much, and thank you, Secretary Fudge, for your service.

I'd like to begin first with fiscal year 2024 appropriations, Congress has adopted the fiscal year 2024 budget for HUD as an agency, and on Saturday, March 9th, the President signed the appropriation into law. And for fiscal year 2024, the Office of Housing Counseling’s appropriation is level set at 47.5 million dollars. On January 9th, the Office of Housing Counseling also announced the availability of over 40 million dollars in our fiscal year 2023 Notice of Funding Opportunity for the comprehensive housing counseling program the funding also includes, 3 million dollars in additional support for our HBCU and MSI partnerships initiative, and it is our hope to grow that program over the coming years from the current 50 plus colleges and universities to over 75 colleges and universities across the country. Applications from eligible organizations were due on February 8th, and our team is currently actively and quickly reviewing those, and we are looking forward to making award announcements. As well on March 5th we issued a new NOFO for a new program. Our homeownership initiative, it is a 10-million-dollar program to promote homeownership. It will include funding for pre and post purchase housing counseling that leads to mortgage origination. We will have a negotiated fixed price for services for pre and post purchase housing counseling our hope is that this fixed price will become the equivalent of a market rate for housing counseling services which will pave the way for more private sector agreements that are RESPA compliant to really take pre and post purchase housing counseling to scale. One of the aspects of this HI grant initiative is that HUD's Office of Policy Development and Research will also be producing a White Paper analyzing the impact of our work at the end of the 12-month Grant period. This will include who benefited from the program, the type of mortgages received, impact on credit score, community choice, type of mortgage, and so on. We offered a training program on March 13th for this program and we're very excited about what has been a very wide response for our stakeholders and agencies to participate in the program. We also just announced our training grants 2.75 million dollars in grants to organizations to provide what I'll call continuing education for HUD certified housing counselors as well as precertification training for those who are looking to join the field. Grantees will provide professional development and their educational offerings on every issue of the day. We are moving forward with our regional meetings. There will be 6 regional meetings around the country, and these meetings provide a wonderful networking opportunity for HUD staff to meet with all our agencies. The meetings are tailored to respond to regional questions and issues. We're looking forward to meetings that are coming up, if you're interested to learn more, is on the HUD Exchange, and we'll also be announcing via our ListServe. Associate Deputy Assistant Secretary Terry Carr has been leading our Make Home the Goal national campaign which launched last year in essentially about 12 metropolitan areas. We use social media, radio, as well as some other communication means, and the impact has been impressive. We've been reaching consumers and areas where our partners have identified the highest opportunity for homeownership in the Black, Latino, Asian American and Island Pacific Islander communities. The campaign consists of digital display ads, social media advertisements, smart audio, traditional radio and a Youtube PSA. We're now expanding for phase 2, or planning for phase 2 of the campaign which will launch later this year. The campaign is in multiple languages, targeting mobile demographics, and the diverse constituencies in our nation. But, more importantly, it is designed to create an atmosphere where the HUD certified housing counselor is one of the go to professionals as a trusted advisor model on what we've known for years with real estate professionals and housing finance professionals. Stay tuned at a future meeting, we're going to walk you through the elements of the second year of our campaign and at our regional meetings and meetings with all the housing counseling community. Our 800 number and our find a counselor tool on HUD.gov has been used by over 3 million people already, and it is robust information regarding language access services offered, programs offered, and access to housing, whether it be down payment assistance, or locating housing, rehousing after a disaster, or for those who are unhoused. We're looking forward to participating at the National Housing Resource Meeting Conference coming up where we're going to walk the members of that association, and the coalition of intermediaries through all our plans on that front. We'll be moving into a series of listening sessions to ensure inclusiveness as we work to update what are known as the industry best practices for homeownership education, and housing counseling. But we're very excited about updating them for those of you who participated in our National Conference last year, or a virtual conference over 500 people suggested on a virtual whiteboard. We're looking at aging in place and updating some of the best practices for reverse mortgage. Both the HECM product as well as private label products updating all the information available about the robust mortgage products that are available today that the public is not aware about and how we can educate consumers on that front but as well how we ensure that we're reaching consumers in every community. A quick update on some of our rule making we are very close to a final rule in tribal rule making. As you know we have done several tribal consultations. The comment period, the formal written comment period for the tribal rule making has closed. We are working now internally at HUD to prepare to issue a final rule. We'll be using new technology to ensure the availability of more counselors in tribal lands and expand the knowledge base of counselors across the country, who work both in tribal communities as well as in quote the United States proper. We're very excited about all the recommendations that stakeholders have made about training and those conversations as we move forward will be in partnership with tribal communities to ensure that the new certification of tribal counselors will meet the needs of the communities that they serve. Many of you are also aware that we had a modernization rule. The modernization rule will permit, as it was proposed counseling to all of HUD standards, both on a face to face, a telephonic, as well as virtual basis, or some combination of all of those to ensure that consumers have choice that they can speak to the counsel of their choice, using the modality of their choice. They are currently under review, and we are hoping to fast track that final rule sometime between April and June, depending on internal processes of issuing a final rule. And of course, you know we're also working in other ways to modernize and streamline the program, and that includes some of our work as well. Regarding how we are issuing our regs you can expect a final copy of our new handbook to be issued. I want to take a moment to express our appreciation, to housing counseling organizations who are working in Hawaii, and, who are serving consumers who are in Maui after the serious wildfire that took place there. I want to note that our agencies have helped over 1,700 households to recover, under the circumstances of the disaster, to find temporary housing, to locate new housing, to apply for various forms of assistance, whether it was for their mortgage or applying for other forms of insurance or other FEMA support that was available.

I also, for the members of the committee, and want to take a moment to remember and express our sad loss that one of our members, Marcia Lewis, passed away recently, but her commitment and her professionalism as a human being, and her years of work in the housing, finance industry, and work as a long term member of the Housing Counseling Federal Advisory Committee is greatly appreciated, and her counsel and her personality will be sorely missed by all of us, and I wanted to take a moment to acknowledge that loss in her passing.

**Latino Trends in Affordable Housing and Bridging the Wealth Gap**

**Summary:** Mr. Berenbaum introduces the first panel to speak on Latino trends in affordable housing and bridging the wealth gap. Followed by a question and answer session with the Committee members.

**Laura Arce:** I'm Laura Arce, I'm with Unidos and in the time I have with you I was hoping to do 2 things. One is, I wanted to spend a couple of minutes sharing with you all about the needless US home initiative focused on Latino homeownership. And then I want to broaden the lens and talk about and share some data on Latino homeownership trends in San Antonio, and how they compare to Latino homeownership trends more nationally. So I'll start by sharing with you last year in 2023, UnidosUS launched the home initiative. Homeownership means equity, initiative, and our goal with this initiative is to influence systemic change, to help create 4 million new Latino Homeowners nationwide this decade. Unidos has a long legacy advancing Latino homeownership. We prioritize focus focusing on homeownership in our community because we know it's the gateway to building intergenerational wealth. We see that homeownership has positive correlations to access to many opportunities, including positive health outcomes, and with the demographic trends of this country. We believe it's an imperative to invest in Latino homeownership to support the economic vibrancy of this country in the years to come. What is the home initiative? I like to describe it as a movement to garner to the long-term investments needed to change the systems that are barriers to Hispanic homeownership, including public policy and market practices. Home has 4 pillars of work, the first is around policy and advocacy. We focus on federal public policy, but we also are beginning to do some work at the state level, and a couple of key priority states. The second area of work is research and insights, including a partnership with the Urban Institute to support a Latino Homeownership Research Collaborative that is expanding awareness and understanding of what the barriers and opportunities of the Latino mortgage market. The second area of work is around communications and storytelling, which we think is really important to change the hearts and minds, not just of those in the industry and policy makers who make a lot of the really important decisions around our housing ecosystem, but also to inform and influence positive behavior and making right choices in the community in with our with consumers. More directly the fourth area work is community investments, we're headquartered in DC. There's a lot of important work going on at the Federal level, but, as those of us who were on the tour yesterday, know the real innovative work is happening on the ground and communities across the country, including in San Antonio. That's just a little bit of some highlights on what the home initiative is up to what we're doing in the coming year. I'd like to switch gears and talk a bit about Latino homeownership data trends in San Antonio and how those compare against Latino homeownership trends more nationally. The Hispanic home ownership rate in San Antonio is about 58%, which is higher than the national Latino homeownership rate, which is just shy of 50%. 30 years ago the Hispanic homeownership rate in San Antonio was 57%. In 30 years we've made one percentage point in progress. During that same 30 year period, we saw the Latino to white homeownership Gap actually widen by 5 percentage points like to share a little bit about income. So in recent years the Median income household income for Latino families in the city has increased by about 18% to 58,000. Interestingly, at the national level we are seeing trends and narrowing an income gap between Latino and white households. But again, in San Antonio we're seeing a modest widening in that income gap between white and Latino households so definitely a concerning trend. Now to talk about mortgage denial rates for Latinos. In this city, mortgage now rates are higher than they are nationally for the Latino community. Bandic mortgage applicants have almost twice the denial rates compared to white mortgage applicants, which is a much greater denial rate delta than it is nationwide and denial rates, and so are higher in San Antonio, across all lending channels. So, for example, for FHA lending the denial rate for Latinos in the city is 14.6% compared to 9.8% nationally an even bigger concern is Fannie Mae and Freddie Mac. The denial rate for conventional financing for Latinos nationally is 12.3. But in San Antonio it's over 28%, so more than double what it is nationally.

The takeaways that I want to leave you with are that we need to address both affordability and access to credit in San Antonio if we want to reverse the trends of a widening homeownership gap in the city. The good news is the strong, San Antonio has a strong homeownership culture, particularly in the Latino community, so we have a very strong foundation to build on.

**Jason Rivera:** My name's Jason Rivera represent the NAHREP. So National Association of Hispanic Real Estate Professionals. We're an organization made up of over 40,000 members spread out in the real estate ecosystem, which includes real estate agents, brokers, loan officers, title and more. Our mission, though we are a trade association, is consumer focus. Our focus is sustainable Hispanic homeownership, and we feel that we really accomplish that through our advisors and through the work that they do every day of our members themselves. I do want to highlight particularly some of the national trends. There's a lot of momentum there and it's really has been surprising because as we go into the ninth continuous year of growth for homeownership and the Latino community, despite the tremendous headwinds that all of you are aware of. We're talking about affordability and the interest rates really surprising now where we're at reach very close to the 50-homeownership rate across the country. You mentioned San Antonio being notable to that. So nationally, we're at about 9.5 million Latino owned households. Just to put it in perspective in terms of this momentum, in 2023, we saw the single largest gain of net gain of Hispanic households, and 377,000, which is more than double of what we've seen before. A single largest gain since 2005 we've also see and I think this is another part of the resiliency of the community is the mobility of our community to find affordable housing where it needs to be to find work where they need to be. Texas continues to be an attractive place for Latinos. You have 9 of the 25 most affordable markets in the country here in Texas. But compared to a lot of places where Latinos are accustomed to most of the most expensive urban areas where they're coming from, Texas remains a very solid choice for Latinos. Though this is not just a mobility factor. We're also seeing that co-borrowers right are continues continuing to rise. I think this is going to be an issue that I think the GSEs, and I think everyone needs to grapple with and understand that that is a trend that will continue because of affordability, multi-generational households, Co-signers. I think we're on the right path, that homeownership is that that way to build generational wealth. We put out another report, it's called the State of Hispanic Wealth Report. We’ve been tracking wealth along with a lot of the information we see out in the marketplace that the Federal Reserve provides, and pleased to say that Latinos have tripled their household wealth over the past 10 years. As a matter of fact, we've seen that that that is compounded 3.2 times compared to 1.6 in the in the general population. So a lot of this because of household being the household equity, the growth that we've seen there. I'm going to highlight 3 areas that we mentioned before. I think we've mentioned with the Congressional Hispanic Caucus as well we know the expansion of cash flow underwriting is so very important. We know that our community is very strong from an entrepreneurship standpoint that's not going to change. You're going to see a lot, continued growth and entrepreneurs, and the opportunity for them to be homeowners utilizing other flows. What I'm seeing from an assumability standpoint would be great, considering assumability of loans and FHA specifically, and then we're, we're proud to support the expansion of what you're seeing from 203K in that program. I end with saying that of how we've within our membership, and what we focus on is not just the transaction itself but what we're going to see in changes in the real estate system. Many of you've heard the commissions lawsuits that are out there. That's certainly going to change the dynamic and make it more difficult for first time home buyers. So the role of the housing counselor is so much more important. The role of the buyer representative is so much more important. How do we continue to do that? Because they're going to face even more headwinds against individuals that are wealthier, have more resources.

**Walter Toliver:** I'm Walter Toliver I'm the Executive Vice President and Corporate Council for a Nueva Esperanza and Esperanza is a multi service education and Community Development Corporation in the North Philadelphia Section of Philadelphia, particularly Hunting Park. For the last almost 40 years we've been committed to developing what we like to call an opportunity community which we define as a community where residents can enjoy affordable housing, safe and beautiful streets, high quality education, job training, access to local cultural resources and vibrant business districts. As part of our mission, we provide direct housing counseling and we also serve as a HUD intermediary for affiliates across the country. In addition to that, we do our own development of affordable housing. What I would like to talk to you today about is a problem that we're seeing in our city and I'm sure is being seen across the country and it's the effect that rising housing prices is having on the available stock of affordable housing. And as we talk about homeownership, what we found is the population that we serve is the lowest income population. Our Zip code is the lowest income population in our State and the idea, and the goal of homeownership is not available to many of our residents today. What we've looked at is, how can we help those people who aren't quite ready to own a home being safe, affordable, decent housing, rental housing as they grow and move towards homeownership. With that we've developed a project that we call the Stable Affordable Rental Trust Project, as we call it, START. And we've created a land trust and we're developing scattered site rental housing, low-income rental housing that will be available to families that make 60% or below of our area median income. For us the Median income is about $25,000 for our area. what we've looked at is, how can we address the lack of affordable available housing for that population as we continue to grow and develop and see gentrification coming in. We’ve worked with our local city agencies, our housing authority, who's donated 20 properties to this project, we're working with our city land bank to acquire property for nominal or low acquisition cost. We had those properties and then put them into our land trust, where our Land trust is a little different is that the properties will be derestricted to be permanently affordable, and so there won't be a compliance period meaning after 10 or 15 years they will be open to the for-profit development. We also are looking at having as part of this model each tenant would be able to put up to 10% of their rent will go into an idea account. So that while they are renting, they're also building up equity to be able to then move on to purchase a home. We look at this to try to address a couple of different problems. One, the traditional source of affordable rental housing, funding right now is the low-Income Housing Tax Credit Project to tax credit. That project and that program has been instrumental in creating a for so much affordable housing. We want that to continue, but those that those projects take anywhere from 3 to 5 years to get developed because of the competitive nature of obtaining the credits, the limited number of credits, and then the cost that are associated with doing those types of projects. In addition, they require an additional amount of subsidy, because, for them to be feasible you must set rent to 60% of AMI, but many of the families who move into them aren't at that amount, so you need subsidy to make the projects economically feasible. And finally, what we found is that to put together a project you must have large enough areas of land to develop multifamily sites. And in our city and cities across the country and areas across the country, the ability to put together those large parcels of land is becoming more and more diminished, and so what is available are scattered site, vacant properties, scattered site properties that are available for acquisition that can be rehabbed and then put back into the rental market. We're looking at trying to create this model that will create more cost-effective affordable housing in a more efficient and timely manner, and that can get more and more housing on the market much quicker and at a much more feasible economically rate. We see this as a trend that could be replicated across the country. We also feel it's important that as we provide these services, like housing counseling, and financial literacy training, to have people have a place that they can be stable, stay in the communities that they've been in for long periods of time, take advantage of the resources that are there to help them move towards the goal of homeownership.

**Carlos Guerra:** My name is Carlos Guerra, I am a Senior Program Manager with NALCAB I manage our equitable neighborhood development program. Our mission at NALCAB is to strengthen the economy by advancing the economic mobility in Latino communities. We work to foster racial and economic equity by strengthening our members by deploying capital in the most needed areas and influencing our funders and policy makers with research, advocacy, and technical assistance. We're mission-driven organization, we serve over 200 members across the country, including DC and Puerto Rico. We have 6 areas of expertise, we have a small business program, we have financial capability, a public policy program, lending and a leadership development and training program. I manage equitable neighborhood development. This is the practice of building and maintaining neighborhoods where all individuals and families can thrive. We work to ensure that development is community driven and responsive to the needs and aspirations of all community members, particularly the most vulnerable. We support our members in community organizing, policy advocacy and real estate development work through capacity building, technical assistance training, direct investment and research data analysis and mapping. Today, I want to talk briefly about some of the trends that we've heard across our member network, through focus group meetings, stakeholder interviews and member surveys. First is predatory tax loans. We've heard that soaring property appraisals have created a very heavy tax burden that has left many home and business owners desperate to safeguard their investment. It's not only the appraisal values that are high, but they're also the end of moratoriums on evictions after COVID, which creates more pressure for people to pay delinquent taxes. Enter property tax lenders, they offer immediate high interest loans to these vulnerable, vulnerable communities and business owners. This is something we're actively pursuing on how we can provide our members with the tools to combat. Second is gentrification. Gentrification and displacement are an issue nationwide, not just in San Antonio. At NALCAB we believe that antidote to gentrification is ownership. Owning an asset empowers people to leverage their assets, to build wealth and maintain financial and housing stability. The question is, how can we monitor this on a neighborhood scale? And how can we respond proactively to provide our members with the tools they need to stay and thrive in their communities. Next is loan opportunities. We hear that there's a lack of low interest loan opportunities across our network. There's a lack of support from large financial institutions, despite generally performing higher than traditional mortgages. Housing rehab loans are also difficult to obtain and very risky. It's an opportunity for people to add value to their investment and build generational wealth, but oftentimes you know, it leaves desperate homeowners vulnerable to predatory contractors. Something that we're pursuing on, how we can educate our members to better have the tools to have rehab loans. Lastly, is the opportunities our funders are increasingly interested in wealth and property transfers. So we're looking at establishing an heirs program. We're pursuing opportunities to assist our members to build and retain generational wealth through programming and educating our members. This could include financial coaching, wealth and estate planning along with title transfers to ensure that we're creating opportunities for our members to pass on that wealth. In partnership with the UTSA School of Urban Design we're developing a GIS-based dashboard that will allow us to score census tracts based on the rate of change, to identify vulnerable neighborhoods. We call this our neighborhood trends analysis. This dashboard is in the development phase, and the project team is developing predictability measures to help us predict trends that could accelerate displacement or gentrification which puts these neighborhoods at extreme risk. This information gives us a baseline understanding of some of the urgency some neighborhoods are facing and will help us better assist members by proactively planning to address factors related to gentrification and displacement. Lastly, and going back to lending opportunities, we've heard that that there is interest in offering lending products to ITIN holders. Mortgages are not traditionally offered by common mortgage lenders, so our CDFI members and financial institutions have expressed interest in purchasing them and then reselling them on the secondary market. The only issue is that they would have to mark that up from a 1- 2% rate, so that the so that the member can get their investment back that 1 - 2% increase can often be the tipping point between what is affordable and what is not affordable for many families. So to combat this, we've talked about programming to offer interest, buy down loans or grants that'll buy down that percentage point and hopefully bring down that monthly payment to make the home more affordable for our members. Another emerging trend is 0 interest loans for citizenship fees. Our citizenship fees are rising as of April and our lenders are interested in lending for immigration attorneys and citizenship fees to facilitate a path to citizenship for their members.

**Member Q&A – David Berenbaum - Deputy Assistant Secretary, Office of Housing Counseling**

**David Berenbaum :** Thank you very much. So we're going to move into a discussion now with our members. I'd like to begin by recognizing that we have several members who are joining us via Zoom to participate today. I believe Carol Dujanovich and Tony Walters are currently online. I'd like to invite them, if they have any thoughts or questions, to kick off our discussion, or to ask our panelists to join us now.

**Carol Ann Dujanovich:** Well, I would just like to say, thank you for everyone, and I'm sorry that I'm not able to attend. But thank you for the panel. Great discussion. Thank you.

**David Berenbaum:** Carol, thank you very much. I'll invite our members to share any thoughts or ask any questions of our panel. Bill, let's begin with you.

**Bill Sevilla:** Bill Sevilla. I work at Central Campesino as Director of Community Development. I've been there for 13 years, and prior to that, 27 years in the lending world with banks. So I've seen both sides helping people become homeowners who had adequate resources, and now helping people who don't have those adequate resources.

**David Berenbaum:** Lawrence, any thoughts?

**Lawrence Batiste:** Oh, I just wanna personally say I'm just so glad to have been here, especially on the tour yesterday, and what we received from each one of the agencies, and because this was so enthusiastic, and it was really encouraging to know all that was going on. I would like to be able to further say that, you know there are policies that are in need of being reformed and worked on, and I wanted to wanted to ask Jason in essence if there was any policies that they were working on at this point in time toward that, to make a difference in going toward affordable housing at this time?

**Jason Riveiro:** Certainly. So, from our end we have a lot of focus on the sell and buy side. I think that when we talk about affordability, we have a focus as well on terms of the supply side. Right? So we actually, late last year we started a National Hispanic Contractor Association. We know Latinos are driving force in construction industry, and so labor is, of course, a big factor for us. So to us, I think when we address the affordability factor, we need to build the capabilities of those that are in construction. We, of course, know that a lot of the affordability issues are local. Right? So we actually, late last year we started a National Hispanic Contractor Association. We know Latinos are driving force in construction, industry, and so labor is, of course, a big factor for us. So to us, I think when we address the affordability factor, we need to build the capabilities of those that are in construction. We, of course, know that a lot of the affordability issues are local. Right? So talking about zoning a lot of those issues. So I see a lot of issues, and we we're very pragmatic in this sense. I think you can only throw money at this for so long at the top of the house, when in reality there's really very much that that's going to sometimes, you know, those programs don't get to the local communities right? Because at the end of day, being able to qualify being able to find the inventory that's out there. So it is a it is a supply issue. This, you hit it on the head, this is what we grapple with, you know, every day, and so I think it's great to see all these different programs are being proposed. But it's really a local, a very localized issue. So our members are very active with that. And I know that they're very involved in these local committees, so I don't have a direct answer to that. But I think that from what we're doing from our organization is really helping the practitioners. Making sure that they have the right policy stance and helping the capabilities of our Hispanic contractors as well. So those are, that's our focus. Yeah.

**Lawrence Batiste:** You made a statement also about the increase in wealth in the Latino community. That's over the last 3 to 10 years. Were you speaking specifically with San Antonio or nationwide?

**Jason Riveiro:** That's national. Yes, that's a national term.

**David Berenbaum:** Thank you. Let's turn to Daniel Garcia.

**Daniel Garcia:** Good morning, Daniel Garcia. I represent the mortgage industry on the committee. Couple of things, maybe more of a question and more of a statement. In regard to ITIN mortgages, we hear a lot of the data, or not the data, but the statements. Although they're very high performing mortgages, they're very good mortgages, and we all know that they are. But has there been actual studies that show this type of data? And I think that's very important, because one of the things that was brought up was that these larger institutions don't provide that type of financing. Maybe if we had this data, you know, at our fingertips to show that these are high performing mortgages. So I you know, I'll put that to you know those of us nationally, even locally, to maybe that's something we can work on and see and I know, you know, in the banking industry, our, the bank I work for, does have an ITIN mortgage product, something we just relieve. But that's the question, what's the data? What in a risk from a risk standpoint, does it make sense? We all know it does. But where's the data? We want to see the data. Another thing that locally in in my market, I'm in Dallas. That's really kind of trickled up is specific to ITIN borrowers being able to take advantage of the Homestead exemption. So if you don't already know that, you know, in order to take advantage of that, you know, you have to have, like a state issued ID to be able to get that exemption onto their property. Well, unfortunately, these ITIN borrowers can't do that, so therefore they're not able to get that exemption lower taxes. So essentially, it affects their affordability. So that's something that we've been kind of grappling within our local market. I mean, you know, regardless of which side of the political spectrum you're on. The fact is individuals are here. They're contributing members to our society. They pay taxes, these mortgages that we have, they must qualify, sometimes even reach higher hurdles than a regular traditional citizen, or something like that. So those are my comments, my question, something to think about, even those of us locally for the next panel, something to think about.

**David Berenbaum:** Thank you very much, Sherri.

**Sherri Eckles:** Thank you so much for the excellent information and for the tour yesterday. I can't say enough about how much we learned and all the great work that's being done here. I have 2 questions and the first one is for Laura. Do you know what's driving the increase declination rate for Hispanic borrowers over the national average?

**Laura Arce:** So the top 2 reasons for marginals for Latinos is the same in San Antonio as it is nationally, and that's DTI ratio and credit history. Which the credit history, you know, has couple of ends so, but it could be lack of credit history, could be that you need to fix some things in in the credit history. So that's the same in the city as it is nationally. The next top reason nationally is collateral nationwide. In San Antonio, I was just looking in San Antonio, the third reason is the credit application is incomplete. Which I think you know, really it focuses that the importance of housing counseling, and having kind of someone help you through the process. The DTI ratio in the credit history together, that's like 80% of the reason. So they're much, much higher.

**Sherri Eckles:** And do you think that a lot of that is driven by the fact that there's a lot of intergenerational households and income that's not traditionally included in qualifying in the mortgage model that exists now?

**Laura Arce:** I think that's part of it. I think it's, you know, multifaceted, you know, NAHREP report does a really good job representing some of this, but we know that Latinos tend to live in higher cost markets. Just, you know, speaking more nationally. So you have a higher cost of living, and we also know that, due to many historic reasons, Latinos also have on average, lower incomes. So you're in a higher cost market. You have a lower income than the general population. And then on top of that, there is certainly the challenges around different types of income sources and being able to document that. So I think all of those things combined contribute.

**Sherri Eckles:** Great.

**Jason Riveiro:** Can I? Can I add to this as well? Because I think that one of the areas which I mean we know from, you know, being in the space. But the nuances of this is why it's so important to have individuals that understand our community, not just at the origination side of things, because that certainly helps, I think but also in the underwriting standpoint, right? So I think there, there should be a certainly a big effort to attract more individuals with diverse backgrounds into these roles that are so very important. And I think that's where you see a lot of, I think IMBs are certainly much more successful in this space. When you have people that are very much local, you know, obviously, the role that CDFIs play, those that's going to continue to be the areas where we should focus on from a talent perspective. Because that's one of those areas that I think can improve these some of those issues, because on face value, you would think, Oh, okay, yeah, it's just a credit or some. But there are those other nuances that I think aren't just clear in the research.

**Sherri Eckles:** Thank you. And, my next question is for you, too. So I was curious, you know, I live in New York, where we have a huge, we're, we're under producing housing at the worst rate in the nation, and a large, a large factor contributing to that is the lack of construction labor force needed to build and preserve and rest, restore the housing stock that we have. So you, I know, you guys had all talked about 203K as an option and also trying to make sure that there is not predatory practices being done by contractors. Do you have anything in the works in terms of construction, labor, workforce development in terms of looking at the downstream kind of solutions?

**Jason Riveiro:** Yes, that's exactly the focus of the Trade Association. We stood up so it's very much on the on the training side, also on the capability side and helping them scale, and then eventually go to government contracts. There are opportunities, but that's a big part of the effort. There's a lot of tremendous work that's happening at the local level. We're trying to create a national umbrella to be able to speak with the same voice and speak to legislators on the same voice. I think that. That's one of those areas when we talk about, you know, immigration where a lot of the industry is very much supportive. We're talking about employment-based visas that are available. This industry certainly needs it with new construction, you know, on the rise right now, certainly an opportunity, but they they're the cost to keep that down is certainly labor, and that's a big issue.

**Sherri Eckles:** When you say training and hands on, what does that kind of look like? And is there funding coming from someplace?

**Jason Riveiro:** Yeah, certainly, I think where you have the Latino, I don't like to generalize, but I think for most part for the practitioner, you see folks that, especially on the residential side, are going project to project right? So I do one project, but don't have really the capital to be able to take on multiple projects and then scaling to kind of the GC level. So not just in one trade, but also taking on full projects. It's the capabilities at the end of the day to be able to qualify. I think that that's across the board with a lot of contractors of color. Right? It's being able to tap into that. Having to capital reserve is the same as in our industry, you can be very good at your skill set, but maybe need help in the business, structuring and understanding how to run your business. That's the kind of work that we're focused on.

**Ibijoke Akinbowale:** Thank you for this morning's presentation, and to all the wonderful organizations that are present that gave us such a fantastic tour on yesterday evening. The 2 things I'll say that are sticking out the most to me from yesterday's conversation and this conversation this morning is really around title and rehabilitation program offerings and so I know in our conversation and goal to increase home ownership globally we talk about the importance of maintaining homeownership. And so wanted to continue to highlight some of the fantastic work that the organizations present have been doing around title and helping consumers to access affidavits of airship and other relevant measures to continue to maintain their home ownership safely, but something that Jason mentioned was also kind of struck me, I know 203K, we were talking about it on our tour yesterday and thank you for bringing it up, it does strike me as unique. I know Texas specifically, Hispanics compromise 61% of the construction worker force within the State and so I can see that that leans itself to maybe being a factor of how 203K may be working so successfully, and some of those rehab programs that were mentioned earlier. My prompt and really challenge to the Office of Housing Counseling, and housing counseling agencies specifically, is really around the education component. In our conversation yesterday we were talking about how 203K could be more accessible for more demographics, like seniors and other folks trying to enter housing in a non-traditional means and access. And so again, my challenge and prompt are around title and around rehabilitation and pre-purchase education and program offering, because moving into homeownership is not happening standardly, it's happening through non-traditional means and their greater needs around, whether that's having a will and doing estate planning or looking at some of these rehab programs. And so, I think it's critically important for the Office of Housing Counseling in the field to make certain that the educational standard is consistent with the trends that are working in the field.

**David Berenbaum:** Yup and I'll add, it was very powerful to hear how all the community groups are working together, for example, to clear problematic title, to ensure transfer of wealth and intergenerational wealth between families as they move forward.

**Jason Riveiro:** If I can add, having been through the 203K process, it was very humbling, I can tell you that. And it does require a lot of determination. And so I think people that are less sophisticated, maybe, as myself or others it's important to have that coordination, because certainly you're talking about the contractors right? One, their capability, the ability to be able to draw and the way that the program allows finding the right one. Even the homeowner themselves, understanding the process itself adds a lot to that. So adding more capabilities at the local level. I know the lenders, you know, do what they can. And then certainly, there's a lot of coordination there, but more content around this, more education, because it's not easy. It's you know. I think it's a great program, but it is difficult. I'll just say from my opinion.

**David Berenbaum:** And let me add, I appreciate the conversation that NAHREP has initiated with HUD's Office of Housing to expand education across the country in this space. So the point is very well taken. Paul.

**Paul Yorkis:** First of all, I'm delighted with the panel this morning. Thank you. I happen to be an NAHREP member, so I'm delighted you were able to make a presentation this morning. Laura. You made a comment, an observation about the number of applicants of Hispanic community are not approved for mortgage and one of the things that Jason mentioned was that it might help to have more a more diverse loan officer population. I'm a policy guy, so I would really appreciate your suggestions on what policies might be appropriate so that the both the professional staff at HUD, as well as members of the Advisory Committee have something to chew on, so to speak a as these discussions continue.

**Laura Arce:** Thank you for bringing that up, I think that's a great point. And as you were kind of making that connection between you know best and sort of the homeownership process and the representation of who's helping you through the process, I'm reminded, maybe 2 years ago the Dallas Federal Reserve came out with a study showing that mortgage applicants who had a loan officer who was of a similar race or ethnicity, were one more likely to be approved, and 2 more likely to be successful in their loan longer term. And so I think there really is something there around that connection. In terms of policies, I would just start by saying, I think needs to be very intentional, and I think, with our new sort of more flexibility around work and where we work I think we can be more expansive of how we look for talent. I mean, certainly just looking at the great talent that we've seen the last day and a half here in San Antonio, we have folks from other parts of country, we'll hear from a little bit later, there's some really impressive talent in the Latino community, and I think it's incumbent on both the government when they're looking in the private sector that they've got to make the effort, and they got to maybe look for employ, maybe do things a little differently than they have in the past in terms of looking for that reach, and reach out to groups like those of us sitting here at the table, we are a resource, I will flag that UnidosUS, we are part of a coalition for Perrio Bainte, that with the start of this administration we made a goal, that political appointees in the Biden Harris administration would be representative of the Latino population overall. And we've been, I wouldn't say 100% successful in all the agencies, but we've been very successful in in many, and so we've been helping to identify talent. So there are folks in the field who are more than ready to help both the industry and those in government bring in talent from our community, so that our community is better served.

**David Berenbaum**: Richard

**Richard Verrillo:** Jason, you touched on the change potential changes to commissions. Is there any, could you go further with the opportunity that exists for housing counselors and realtors to work closer and help the buyers out?

**Jason Riveiro:** Yes, certainly. So the I think that the way it's framed is the thought is that commissions would be reduced, or as a part of that's really the video, really, what's happening. It has nothing to do with commissions. It's really about cooperation between the selling agent and the buying agent, right? And so the ability for there to be commissions or a fee paid from the seller, and so that in terms is to say who is capable to be represented to have a representative. So if the buyers agent is no longer be able to be compensated from the transaction, then that leaves first time home buyers, either susceptible to going at without representation or which is terrible right? Especially for first time home buyers or figuring out a way to be able to actually pay for that whether it's 2% or 3, whatever that is. That's certainly currently in the current state not a financial fee, certainly making it even more difficult if you're going to come up with another 2 or 3% for that. So that's why for us, that's a tremendous concern, and then facing the headwinds, where a lot of markets, I don't have the number in terms of institutional buyers in San Antonio, but you're looking at a place like Phoenix, where it's nearly 40% or so. That's really the headwinds that I'm talking about cash buyer versus someone with the FHA loan or VLA loan are going to be even more difficult to be considered.

**Richard Verrillo:** There's definitely an opportunity for housing counselors. I'm just trying to figure out what roles.

**Jason Riveiro:** No, I think that that certainly, being able to say that that important I've I just actually connected with someone that was a real estate agent before now, as a housing counselor. I think there's a lot of synergy there, it really behooves us to work more closely together. We I know our practitioners are many of them are trusted advisors that are dedicated to first time home buyers. And they've realized, hey, I'm going to have to take a cut from my commission to get this loan closed, or whatever it takes, anybody that works for first time home buyers understands it's a long term process. And so the more we can work together, even cross discipline get more people, maybe, to your point, Paul, as well as more people licensed as well to consider that are important. I've heard, I was with at the FDMBA earlier this week, and they're talking about where what is the role of the LO now in this space could they also help in in this process? And so those are all considerations that we should have.

**David Berenbaum**: Gabe.

**Gabe Ewing del Rio:** Just applaud all your efforts and as another organization that has our nose in the data all the time. Very much appreciate you, telling the story with it and continuing to get out there and let the industry and all the professionals that are interested to understand the problem statements and the opportunities, part of which, as you talk about the access to lower in lower interest rate loans, of course, is special purpose credit programs. So please continue to advocate for those so that we continue to see more and more of them in the marketplace, and they can provide those discounts. I have a few concerns around the ITIN lending, and that, you know, we talk about that being needed, but they also have very large down payments and much higher interest rates. So compared to a standard mortgage, it's a big delta. And we talk about down payment assistance and down payment barrier and access to generational wealth being inherent with these populations and so an ITIN product generally requires a very large down payment and we've got a lot more work to do there. In the data one thing that we see, and I and Laura, you spoke to it with the DTI, right? We talk about affordability, and we talk about access to credit, one of the things I don't quite hear, and this is just feedback for the for-policy advocates. This is not something that we do, to work on the income equation. So another piece of the data that we see all the time. Every time we look. And everywhere that we look. when you look at income disparities by race and ethnicity. They are everywhere, and they are significant. In some cases, you're talking about half or a third of their non-Hispanic white peers in that same market. So you know the biggest thing I think, that we haven't seen enough work on in the policy space, that it's desperately needed, especially as you look at affordability is income. So please, please, that's my comment to you all. Consider what you can do in that world. I'm disappointed to see that we've gone so many decades now in in civil rights, frankly, and haven't seen something that is specific because it is. It's what drives debt to income and not just your debt, It's your income right? It's what drives affordability, it's how much you can pay each month. And so we shouldn't see those same disparities. And that goes for any ethnic or racial focus advocacy group in policy that that discussion, I just don't hear it, and I've been in this space for decades, so we need to have more discussion around that, please. My question is for Walter. Walter, You know I spent 13 years at Community Housing Works in San Diego, a large affordable housing developer and owner, CDFI, etc. We focused on non-scattered site development, right? We were focused on volume and scale within each community and development. So I think what you're pointing out is an enormous opportunity. One of the reasons why we didn't focus on that and I'm wondering how you solved for it and what you can teach everyone here about, is the property maintenance and the management and oversight of a scattered site approach. So what could you share with us, that you've learned, or that's part of your plan to manage scattered site rentals and make sure that you're a great neighbor, as the owner of that property.

**Walter Toliver:** Yeah, that's a good question. That's one of the more difficult parts of doing scatter site is just how you do the maintenance. One of the things that we've done is we have a Low-Income Housing Tax Credit Project that's a couple of blocks from our main headquarters and we're partnering with the property manager on that project to do the maintenance on the scatter site units. So it becomes more of a idea of how wide the scatter sites are and what we've discovered with our contractors is from a building standpoint if the sites can be within a mile of each other, then it helps them to be able to do the rehabs in a quicker way, and then, from a management perspective. They can also manage better they can manage those sites because they're within a smaller geographic space. So that's how we've, that's how we've been looking at it is coming up with a number of units, and right now it seems like the sweet spot is if you can get 4 within a mile of each other than you can have one property manager that can actually oversee it. And the difference here is because these are not multifamily buildings the ongoing maintenance issues are a little bit different. So you're not in a situation where you know, you're going to have to have somebody who's monitoring elevators and common area, because these are all individual units. So it's more about making sure that the grass, if there's if there's grass, the grass is mowed, that the that there's not trash building up so, there's a little bit of difference in terms of how what has to happen in from a property maintenance perspective. But geography is key and so that's what our property manager has told us is that if we can have blocks of 4 to a mile, they can then coordinate with their staff to make sure that they get properly maintained and managed.

**Gabe Ewing del Rio:** Thank you, Walter. So scattered site, but with clusters.

**Walter Toliver:** Yeah. And I think it's because as you said, if you have a property here, and then the next property is 5 miles away from a from a management perspective is not cost effective. But if you can say, hey, we have 4 here, four here, then they can assign, if it's a maintenance person and go around. They can say, okay, you're going to do that group right now and then. Tomorrow, you do another group, and we manage 3 commercial corridor districts. And we have commercial cleaners for each of those districts. And so that's the way we do it, like they within a mile a mile and a half is like the scope for one cleaner. And so we just using that as a model, we can see that that mile is usually the right scope.

**Local Affordable Housing Challenges and Opportunities – Moderated by Veronica Garcia, Director, City of San Antonio Neighborhood Housing Services Department**

**Summary:** Mr. Berenbaum introduced the next panel to focus on what is happening local to San Antonio and all of the organizations who have made it their mission to identify the important works that need to be done and the strides that each organizations have made. The Committee members asked questions and made comments.

**Veronica Garcia:** We're very excited to host you here in our city, hope you found San Antonio to be a welcoming city, and I think you'll find that what one of our approaches is that if you have a problem, we have a problem, and we work together to try and solve those issues. San Antonio, we know that there are a lot of housing challenges, particularly for our lower income families and our minority families and we really take an innovative approach to see how we can address those issues. We know that our local area median income for families who live within the San Antonio city limits is $33,000 lower than what our HUD regional San Antonio Bronfful's data suggests. So knowing that part of our 10 year Strategic Housing Plan includes a redefined definition of affordability. So in San Antonio we define affordable housing as anything that is built for families at 60% of the area of median income or below, because we acknowledge that our local incomes are lower and we want to ensure that the housing projects that we provide, whether it's our local bond funds or our Federal dollars, that they are going to create housing that is affordable to families that live here in town. So something else that we acknowledge is that we do have an older housing stock about more than 25% of the homes in San Antonio are more than half a century old. Our approach to that locally has been to have a robust home rehab program and acknowledging that there are many issues that led to families living in older homes with significant deferred maintenance homes that, as we talked about have title issues to pass them on, or to get their own home Rehab loans on their own. We have incorporated housing counseling services into that program where we have city staff that have the expertise to guide the family through the home rehab process, connect them to other services, and we also offer housing classes for the family after post rehab, so they understand how to maintain that home going forward. We're ensuring that those houses and those units have weatherization incorporated into them, that they have connection to public transit, because we know that that's important and that we're ensuring that these homes that are created are resilient to plan. I'm very excited to be joined today by nonprofit partners that have a proven track record in San Antonio, helping with housing access and stability, making it a reality for families.

**Crystal Requejo:** My name is Crystal Requejo, I am the Chief Operating Officer of Programs and Development for the organization. We focus on a very holistic approach of how we help the community move forward and create economic mobility, creating generational wealth within the community that we serve not just the west side of San Antonio, but the entire city. What we do is we be able to help the family to continue to access those resources, such as rehab assistance, applying for loans if they're going through the city's program or individually seeking resources, helping with their property taxes, being able to really make their home affordable. We know that there is there's not as many affordable affordability options for our homeowners, so how do we help them stay in their home and continue to be able to really preserve their assets. So, through assisting with title work, creating those transfer on death dates for families to be able to do preventative work.

**Gabriel Velasquez:** My name is Gabriel Velasquez, I'm the President and CEO of the Avenida Guadalupe Association.We're a community development corporation that was created in 1979 in the poorest neighborhood in city of San Antonio. That is, at this point 99%, 97% Mexican American and is host to probably one of the largest public housing environments in the nation. I have been trying to articulate one of the concerns that we have being in a community that is already over densified with public housing as we talk about increasing the need for affordable housing. I've been trying to articulate something that is actually very difficult. So I've prepared some notes so that I do my best to communicate this this problem. When considering innovative, affordable housing mechanisms that move America closer to homeownership. For the American Latino, the year 2007 represents the high-water mark in in homeownership at 49.7%. Today, that percentage is 49.5% and supporting to the National Association of Hispanic Real Estate Professionals that we heard just about that statistic a second ago. Analyzing this decrease in stagnation is essential because historically, homeownership represents a building block tied to family economic success. It's your strategic step toward building generational wealth, then, assessing, accessing upward economic mobility. We should recognize that while we endeavor to build more and cheaper, new and smaller, denser and taller we do so, despite the neglect of our existing government funded but substandard and slummed public housing communities in masse. Low-income American Latino communities for the most part remain ethnic ecosystems whose economic characteristics are defined by the people who live in them with new development, when new development prevails, despite unimproved, slummed, existing government housing, the aspiring community loses not just the public housing community, but the mom-and-pop homeowner owning near the poverty level. System change must begin with a vital commitment to adequately invest in existing government housing that otherwise presents a barrier to housing solutions. I recognize that affordable housing dilemma is a broad circumstance, but I also question why our affordable housing community experts are moved to believe, or at least to have faith, the answer lies beyond their experience that the existing housing solutions are inadequate. Including housing choice vouchers, PRAC 202, housing for the elderly, housing counseling agencies that educate and develop affordable houses and multifamily developers building apartment complexes with mixed percentages of AMI, such as the low-income housing tax credit projects. Add to this public housing and emerging partnerships like housing trusts. But what if the problem is simply the economy to your point? What if the problem is really caused by a new player in the housing industry that's artificially inflating the cost of our houses, so that an old house cost as much as a new house. This mix of elements is still confounded by the ever-sliding scale of needed rental units, affordable and available to extremely low-income renters when 79% of those households are experiencing severe cost burden. The problem of affordable housing where it is most needed has problems not solved by housing alone. Where should we begin to solve this problem? When what, what? What we're really missing is housing as wealth creation, as opposed to housing as a basic human right. My main concern is the reintroduction of ethnic economic segregation, still far from a rich versus poor dichotomy. Where economically upward mobile Latinos seek affordability at 50 to 125% AMI in their neighborhoods of origin only to find that it doesn't exist compounded by the fact that public housing developments constructed in the early twentieth century have received 0 to no improvements or modernization. This is concerning because Latino and black communities are where housing projects exist. Today concerned housing advocates advocate for increased density of new housing at 0 to 30% AMI, to be constructed almost exclusively in communities already densified with government development poverty, public housing. This means it's solving the housing affordability problems of the last 90 years. Real affordable housing solutions permeate Latino minority communities at large but the housing benefits are not without the consequences of deliberate densification of extremely low-income housing developments. Perhaps a problem at large can be solved by qualifying not only the de facto prohibition to income stratification in systemically impoverished minority communities but also by severely limiting federal, State and local funding use to enable increased over densification of poverty in historically distressed communities. Regulate funding would be a solution to solely rehabilitation, modernization, or reconstruction of existing housing stock and these already distressed communities. This is not to say that the affordable housing availability problem will be solved. But what will be addressed is a housing entry point that can nationally define an acceptable systemic benchmark for what a proper and just affordable housing solution looks like. Which is essential to cause under burden communities to accept their fair share of extremely low, very low, and low housing developments, not quotas, limits. As for economically upward mobile Latinos seeking affordability in their neighborhoods of origin. We recall the classic success for Mexican Americans considering San Antonio is economic independence and that much system investments produced young economically successful new home seekers be they renters or home buyers. All the success of those system investments, IE. Workforce development, scholarship granting, mentoring, parent development, adult literacy, and ESL and on and on would be for nothing of a young Latino who went to school at Lanier or Harlan Hill in the south side cannot come home from college and find an apartment that reflects his or her achievement by virtue of a place in the visible strata of a well-diversified community economic portfolio. The solution of our collective, affordable housing crisis gives way to great opportunity for our communities to understand how demand creates the rate of housing inflation and bettering our existing affordable housing stock defends against the consequences of demand. intentionally diversifying our affordable housing strata, defends against the consequence of demand and recognizing that reinforcing poverty zones is unjust, however unofficial, or de facto they may be and that any well designed strategic housing plan must accept that increasing the density of concentrated poverty is an investment dedicated to keeping generations poor. We must ensure that our solution to get out of this housing dilemma does not, in fact, create the slums of the future while destroying already stressed-out functional ecosystems. If the ship is to rise for all people, then all sectors of the housing community must be burdened to balance its fair share of affordable housing solutions. And it's important that that that I wrote this down because it’s so hard to communicate. But I want you to understand that from this, from the vantage point of the Avenida Guadalupe Association, we've existed for close to 50 years, central to the housing, a public housing community, and that means that in the era of the Hope 6 grants we saw the theory and philosophy behind the de concentration of poverty. Now that we're all looking for more housing, we're almost, because of the ignorance of the past, reconcentrating that poverty, these areas. And our fear is that we're going to return to creating the unintended consequences of this development. Poverty, more poverty in the future.

**David Berenbaum:** If I may jump in. I just want to quickly respond and express my appreciation, because really, what you're capturing is attention from the enactment of the Fair Housing Act through the present. The Yonkers case, the Huntington NAACP case, all dealing with the issues of exclusionary zoning or limiting access or location to where housing is being made available. The issues continue through today. I will note that there is a pending, affirmatively furthering Fair Housing Rule at HUD, which will be an opportunity for every community to comment to their state and local entitlement communities about the importance of ensuring access to homeownership, neighborhood diversity, the provision of all forms of housing in a way that really creates strong communities. So what you're speaking to is a historic tension in the work that we do, and it was a very deep presentation, but very well received.

**Michael Taylor:** Michael Taylor. I'm the President and CEO of Habitat for Humanity of San Antonio. Habitat for Humanity of San Antonio, we were the first Habitat affiliate in the country. We were founded in 1976, the first Habitat for Humanity house in the world was built on the west side of San Antonio. Almost 50 years ago. and as of as of yesterday that was our 1,374 homeowner that was able to purchase home through Habitat for Humanity yesterday. And now what we do is it's not easy. There are over 1,000 Habitat affiliates across the country, and San Antonio is one of the largest. We're the third largest and I and I credit this this success with the funding that we're able to get from HUD. So it's the Federal CDBG home funds that flow through city and our county governments, housing bond funds that the local San Antonio residents felt were appropriate to approve the support affordable housing development. Those are really the keys to us. The Habitat model is very challenging. The things that we do to sell homes at 0% interest we finance them ourselves that is a that is a very tough model to bring to scale.

We build homes with volunteers we have 12,000 to 15,000 volunteers out on our site. It is those federal funds that we use for infrastructure development that is what is key to us being able to build at the volume and scale that that we do. And I would also credit, the credit, the success of our program with the investment that we that we put into our home buyers. We do a very comprehensive home buyer Education course. Every homeowner takes at least 15 hours of formal education classes. But there's also a lot of informal training that's happening throughout their 9 months to a year that they spend building their house, building the houses of their neighbors. It's a successful model. We have 413 homeowners who have actually paid off their homes since our beginning. We're servicing over 950 mortgages today. I would just encourage from HUD of the CDBG and home programs that that really are critical to our success. The housing counseling that's critical to our home buyers being successful. Home buyers are home buying homeownership creates a stable foundation that allows our families to improve their education, their health, their job outcomes. We know that it is effective. We know it's a permanent solution. I just again want to thank you all for having me here today, and I'm very excited about our panel.

**Zeke Romo:** I want to commend the committee for visiting the near West side yesterday. There, as you might have noticed in the tour, one of the has one of the highest poverty levels in the country of aging housing stock but it's got one of the most brilliant residents, I mean, proudest in their culture, in their history. Our Casas is a HUD approved housing counseling agency and services, and services, and affiliate of Nueva Esperanza. For about the last 10- 12 years. We're also a community housing development organization here in San Antonio. It's a nonprofit where we're founded in 1990 by a group of community advocates for housing with an initial mission of turning public housing residents into homeowners. We are certified HUD counselor provides housing counseling that's referrals to different city programs to the different housing providers and rental programs. We're also building smaller homes, 2-bedroom, one bath homes that we're going to price at $100,000 or less to be able to get those, some more of the renters being able to afford those smaller homes. We do purchase counseling for the first-time home buyers individuals and families buying their homes, not just the homes that we built for any home in the in the surrounding counties. For the HUD counseling program for the HUD program there's no limit of income of who we serve. But when we refer people to the homes we build the affordable homes we serve those that are at 80% at an AMI. One issue found there right now currently is HUD income guidelines have don't move much year to year, that’s becoming a detriment to people, because, example, family of one can only make up to what 49,000 but very few lenders will loan to someone. The other area we serve is homeowners once they become it would provide post purchase services. Referring people to the home maintenance program that we kind of work with homeowners we found when we sell their homes. Also for homeowners we started a home rehab program that's funded by Bexar County and by HUD, through the help of the community funding project through Congressman Joaquin Castro, where we're focusing in the areas where we are building our homes to try to up bring the whole community in that area. The other service we provide is mortgage mitigation that unfortunately picked up during COVID, and even after COVID, our counselor tells us that the numbers increasing as the COVID Protections ended in December. All studies indicate a single-family homeownership drives education, students do better that it's healthy, healthier for the families if they have a safe place to stay at. What Our Casas does, we take vacant lots and turned them into the American dream for families who have been renters for decades it produces property taxes for over 50 years, or life of a property that could be vacant for that time. If you estimated a very low 2,000 dollars per year in property taxes, with everybody having homeless exemptions that comes up to over a hundred $1,000 per unit family that grows the economy through property taxes grows. In closing, one of the programs we have is the owner occupy programs that we have especially targeting the West Side. After our staff, does all the hard work of the intake, outreach, intake, eligibility, documentation, and so on. I have the honor of doing the final approval. Most of the applicants have been older residents, homeowners on fixed income always tugs at your heart when they come and say, I beg you to please approve my program. I need a safe place to live. No one should have to beg to have a safe healthy place to live.

**Veronica Garcia:** Let's talk a little bit about some of the challenges. I know San Antonio has been the recipient of lots of pandemic related funds. The city in partnership with the county, distributed over 200 million dollars in rental assistance over since the pandemic started in 2020 we've also been the recipients of funding to help renters with relocation assistance, the right to council program, making sure they understand their rights and have advocates and a lot of that pandemic related, it's also been the Texas Homeowner Assistance fund which helped a lot of families who were facing foreclosure kind of get back on track, and a lot of those programs are ending. So why don't we talk a little bit about those financial assistance that's ending, and how that's affected the families you serve.

**Michael Taylor:** You know it seems it's been a vicious one to Punch, with the financial assistance ending. We had homeowners who it was a It was a lifeline during the pandemic, during times of job loss and mental health issues and all kinds of other things that that mortgage assistance was lifeline that assistance is now gone. Many of the problems from the pandemic and then we have high inflation, and so we do have a higher delinquency rate on our mortgages now than is typical. I think that it’s the combination of those 2 factors that that challenging, and by the time that that the emergency assistance was provided, oftentimes it was a lifeline, the intention was to keep folks in their homes but there weren’t necessarily the ability types of counseling connecting with other services and resources that would be needed to get this home back on track, I see that as a key need moving forward. Certainly, the emergency assistance was helpful, but now what we find ourselves doing oftentimes to try and get these homeowners back on track is providing these services. We are spending increasingly our time working with home buyer on that. And that's something that that there's not a lot of assistance up nonprofits that are that in that in that position right now.

**Veronica Garcia:** Gabriel, I know you manage a lot of rental facilities. Can you tell me about how a lot of those pandemic programs that aren't funded at to the level they were, how that's affected some of them. I know you probably have a lot of older adults living in in your community.

**Gabriel Valesquez:** One of the things that we know for sure, if you were here during that period when but a greater availability of support, San Antonio, very reminiscent of what we saw in New York when New York had to band together, clearly government and all the agencies worked so hard to make sure that no one fell to the crack. Now, the contradiction to that right is the condition before and the condition after. So it's a really, gave us an opportunity to see ourselves in the best light but that also kind of gives way to us, having to look at ourselves before that, and after that right. In our neighborhood, which is a which is really the historic Mexican district, it's an area that's been poor for very long time, and that marker doesn't change very often in that space you'd be surprised how, when bad times hit, we're not, we don't really feel them that much, because the economic there is already depressed. It's already so along with our sister organization or brother organization, the Mexican American Unity Council, their founders are our founders, we've been in the space of housing and focusing in on a senior housing through PRAC 202 and just affordable housing for seniors. So we're organizations that took on much of the senior community when they left public housing so that they could live in independent communities still in the same neighborhood so, and no displacement but that they're living on fixed incomes. So I can't really say that they were affected to a great degree by the economic circumstance of the past. But I can tell you that that is changing because the as the AMI moves up well. All the experts that exist to say in San Antonio, they really know their work, and the idea that coming out of this this next phase, where we're dealing with this high cost of interest and the high cost of housing that seems to be artificially inflated up. But inside of that I think that that one of the things that we really must have extreme confidence in, to Michael's point, is that these are the organizations that have been the solutions for half a century. They seem to be less funded, there seems to be a question as to whether there's another way. But I would think the way that hasn't been tried is to is to increase that support, increase that confidence and let these organizations do what they've done historically is solve the problems in the spaces that they are.

**Member Q&A – David Berenbaum - Deputy Assistant Secretary, Office of Housing Counseling**

**Ibijoke Akinbowale:** When I was introduced to housing counseling nearly 15 years ago, my chief complaint was that it was cookie cutter, and more of a copy and paste routine, what does the Reg say? What did we do last year was pretty much the standard for a lot of organizations and I think the pandemic itself, as you all have highlighted this afternoon, has called for a great deal of innovation and timely response to community needs. Earlier, this March marked 4 years since the pandemic began and I think we're really going to spend the next 10 years truthfully recovering and unpacking the impact that the pandemic has had on our economy overall. And so really, it's kudos to the organizations present and those not today that are throughout the field, championing innovation and response to the communities that we care about the most. I mean represented here today, and from the tours that we saw we saw houses that are being sold with in-law suites, helping consumers to be entrepreneurial in their approach. Tiny home communities for the unhoused and title programs that are assisting folks with maintaining their ownership. And so it really is just a hats off to the organizations, and the line of programming that you all have is really helping to change our view of housing overall, and so hats off to the organizations that are working in the space and so the Office of Housing Counseling for really pushing, for larger innovation and holding the field accountable for being responsive at this critical time.

**Gabe Ewing del Rio:** Just it was great to spend time with you all yesterday, and thank you for the work that you're doing. 2 things to note. One, I heard from you all yesterday that you're seeing contract for deed become more popular here, which is an old predatory practice that we really must keep an eye on. So please continue to lift that the stories make sure that that regulators and that the government officials understand that make sure we hear those things so that we can all organize around a response and can hopefully end that practice. It's terribly predatory. One thing you know, to the title issue. Ibijoke mentioned this, too, I just thought you know, Crystal, maybe you could give an example or explain to the room you know what it is, you see why, what it, what's an example of a tangled title? Right? This is often an unseen issue that people don't understand. And so could you give it, you know. A little example in life, please.

**Crystal Requejo:** Yes, so many times when we talk about tangle title, a lot of families come in with either generation where a home is just non-traditionally passed down. So it's just by word of mouth where they say, I'm going to leave it to my daughter, the person passes away, and it continues that way. But there's no legal documents or any record left, so the person is living in the house. It's still passed down to a family member, but legally there's no way for them to say that it belongs to them. There's no clear title, so it continues going on generation to generation. We tend to go back two generations and then we find out that the father passed away, the mom continued living there they didn't have a any way to really go in and clear their title, or they didn't have the funds to do so, and so they can’t apply for assistance, they can't apply for rehab programs, they're not able to apply for property tax exceptions. So they're paying a higher rate and living in a home that most of the time is deteriorating, or sometimes ends up getting demolished because they're the city doesn't allow for them to live there anymore and so they're losing their assets. So we step in and we help them by educating them on what does it mean to not have clear title. What documents do you need, and a lot of time, a lot of times this is done also in Spanish through our, in a culturally competent way for them to understand what it means, and so we tell them an affidavit of heirship means, this is the document would help you transfer and have the home under your name. Then we continue on and say, you don't want to have so many different people owning the home cause, then it's fractionalized so let's try to pick one person. So the attorney comes in and really educates the community member on saying, you know you can give it to one specific person, then that person is able to get a gift deed from, say, 12 siblings. So our Latino families tend to be large, so you can have between 6 to 12 family members that it could be a fractionalized home. And so the title ends up being into 6 or 12 people. So they say, let's give it to the person that's living in the home, they give the gift deed. Once they did do that, deed of heirship, they get the gift deed and then they leave with the transfer on death deed, which means they're doing the prevention, they're not leaving the headache for someone else. They're able to make sure that the home is going to be passed on securely to someone else the moment that person passes away. The goal of the of clearing title is just to make sure that the home is not fractionalized, make sure the home is having clear title so they can access those resources to make sure they're preserving their asset, and they're able to create that generational wealth and economic mobility.

**Gabe Ewing del Rio:** You said it with the generational wealth, right? If you can't pass on an asset, and you can't legally own an asset. Then you can't claim that wealth. So it's really important work. Thank you.

**Paul Yorkis:** The title of your program this morning was Local, Affordable Housing Challenges and Opportunities. I wish we had also added the word successes because yesterday we saw successes. The work that is taking place in your community is a model and is greatly appreciated and I hope that your spirit and energy remain to continue to do the work you're doing. Thank you.

**Carol Ann Dujanovich:** I was so happy to hear throughout Gabriel, and Zeke, I was waiting to hear what services were offered to our elderly and as a representative of the mortgage industry. Our entire goal is to allow our seniors to age in place and remain in their homes, and to Crystal's comments about the titles, we see this all the time where the title to a property has been, as she said word of mouth transferred to someone else, to someone else, to someone else and it's a big mess. So we appreciate that type of assistance to our borrowers. But thank you so much for bringing up that you do have services and resources available to our seniors to allow them to age in place, and we, and maybe even obtain, you know first time homeownership. So thank you so much.

**Veronica Garcia:** If I might add to the question or comment about aging in place, I think something else that's really unique about what many of the partners on this panel are doing is as they are providing these services in the community as they are building these houses. That aging in place is something that's very much top of mind to the point where they are also incorporating universal design, and at the projects that they're building lowering light switches that they're easily accessible, making doorways a little bit wider. So it's something that is done on all new projects and rehabs, and it's something that all the partners here, along with the services, but just making the house physically accessible. So people need to know that.

**David Berenbaum:** The committee members took note of that. It was very impressive and universal design is to be celebrated.

**Daniel Garcia:** I just want to mimic what everybody else said, just the work that you guys are doing is just amazing. Yesterday was definitely an eye opener, and I love the idea of what MAUC is doing is you're ultimately preserving generational wealth, which, if you go back to the first person in that family that bought that home, that was their goal was to be able to pass on that generational wealth. So what you guys are doing is just transformational, and I love it. Habitat, the amount of work that y'all are doing is just amazing. I volunteer for the local habitat where I'm at, and we're not nearly at that level. But to be able to share that best practice that you have, I mean, I could just imagine the impact that you would have on Latino communities underserved communities. But to all of you, thank you for the work that you do, It's so impactful and not to just the people you serve, but just the example that you're setting for us. We want to go back and do more at our perspective places. So thank you for that.

**Lawrence Batiste:** I would just like to say thank you to Veronica, the city of San Antonio, because you've shown a pure example of partnership with the nonprofits here. And as it was just stated, that it gives us the same will and power to be able to go back and instill some of those same things I wanted to ask you, though, Michael. As you're set up, do you have guidelines in regard to post counseling after the fact, no matter how long you've had a home. Is that something that is set up there so that you would help people with budgeting and so forth?

**Michael Taylor:** Part of our program is that we do provide lifetime, technical assistance, and that's everything, from maintaining their home to budgeting. And helping them through financial issues that they encounter. Our whole team is, we're dedicated to helping our homeowners throughout their term as homeowners, and so whenever they're encountering challenges help connect them to resources, get them back on their feet.

**Broader National and Regional Housing and Housing Counseling Trends – Moderated by Lot Diaz, Vice President, Housing and Community Development, UnidosUS**

**Summary:** Mr. Berenbaum introduced the next panel to focus on what is happening on a broader scale and all of the organizations across the nation who have made it their mission to identify the important works that need to be done and the strides that each organizations have made. The Committee members asked questions and made comments.

**Lot Diaz:** We're now going to talk about what housing counselors are facing, things they're doing and things they deal with daily, and trends that that may be confronting them from a variety of communities can be very broad swath lots very, very big part of the country. But before I My name is Lot Diaz, I'm Vice President housing financial department with a Unidos. Unidos is a civil rights organization that uniquely combines program support that intermediaries many times provide funding technical assistance, but we layer in advocacy work both nationally and statewide to kind of support ah, what we think are community outcomes, client outcomes and try to the art is meshing that right but we always that's kind of our North Star. Housing counseling agencies are some unique animals, they solve housing problems, and they also help solving problems by helping clients understand the financial and economic environment in which they're living that's affecting their housing. Second thing they do is they provide access to programs we talked to, we spoke a lot earlier today have a lot of public programs at San Antonio is made available, a lot of federal programs have made available, they are an access point where clients can access programs through them. And that's a big, important role that they play. What is also true about housing counseling agencies are funding is very complex. HUDs grant funding is an important and consistent source of operating support for these organizations, and which is very much appreciated, by the way. But the rest of that, in depending on the agency that could be a larger or smaller part of their budget, the balance must come from somewhere. And then they're just like many nonprofits, they must do for private fundraising. And that is, depending on the environment that can be easy or harder. But no matter whether it's easy or hard, it requires a lot of time and effort for them to do. And for some more recently fee for services starting to play a role in their budgets, fee for services here. The second thing agencies have to do is they have to think about how they deliver the service and how can they adjust their method of delivery, to kind of match that partner in a way where you don't incur huge costs of partnering on either side of that equation. Housing counseling is both very technical professional service has if it's done well, it's done culturally competent, and in language opportunities are available to clients who need services. But delivering and funding, this whole operation is complex. And agencies work very hard to both serve and fund their programs. And I think it's probably most of the people already know that but I just it's always a reminder that we can only serve the amount, number of individuals that funding can be made available for that service and, and it's incumbent in all of us here to kind of work hard on that, but it's just a truism.

**Patricia Garcia Duarte**: First of all, Chicanos Por La Casa is a multi-state nonprofit organization with many related entities. I'm only going to focus on one of our areas of impact, but just to highlight, health and human services, housing, education, economic development, and advocacy are the areas that have impact. We are now in six different states. We started in Arizona, and my housing comments related to our HUD counseling activity will be focused in Arizona and Nevada. We have housing counseling teams in Las Vegas, Phoenix, and Tucson. What's happening in Arizona? You heard the theme already this morning, we have a housing crisis. So over the past several years, we've seen our unhealthy population grow. Recent studies have shown that we need anywhere from 60,000 to 270,000 housing units. This was a recent housing analysis that was done by the Department of Housing. In 2021 the gap analysis indicated that we only have 24 housing units for extremely low income, those would be 30% of area median below for every 100 that as needed. This is our housing continuum. We address emergency shelters, provide transitional housing, permanent supportive housing, affordable rental, affordable homeownership and our newest line of businesses, we added home lending operation, we talked about earlier, why it's important to have culturally competent people that look like our community to be in this space. So we're adding this it has not been easy, especially when the interest rate has gone up 11 times since last year, March when we started this effort, but we're determined and we're going to continue. And we also provide market rate housing. We have been a HUD approved counseling agency through our intermediate intermediary Unidos I believe, since the 1970s 1974 plus or minus, so many years in this space. In Arizona, our Latino homeownership rate is 59.4. A little bit better than the US but when compared to our Anglo families, we're still having a big gap. The biggest gap in Arizona is our black families. That's extremely low. And we also must do a lot about that. The Hispanic formation really is pointing every direction that the Latinos Hispanics are the ones that will be in homeownership positions into the future. Next slide. But this is where I want to spend a little bit more time. We have seen that on a national level, and we've had a lot of conversation with our peers, that our housing counseling numbers are going down. Which is concerning, but 2020 you all know what happened 2021 22 we still are recovering the COVID years have really shifted our space. I raise this are the numbers really going down? And I would say no, they're not going down because we have seen more families, we shifted in activities that are not meeting that HUD eligibility criteria to be counted. We have had to transition and move into our community where the community is, they needed assistance. We've been in crisis mode. So over the last four years, Chicanos Por La Casa has deployed $16.2 million in assistance, utility rental mortgage assistance. So what do we need to do? And the problem has always been the same guys. It's a math problem. It's always been a math problem. Not enough money to afford that current price. It's always been a math problem. So in our space, we're grateful for all the resources, our organizations, our departments, the housing counseling, education departments are dealing with what our community members are dealing with, because our funding is not always secure. We must fundraise to keep the lights on, to keep our team members, to do the training, to do all the things that we need to do and stay competitive. Not too many lenders, and not too many real estate agents send us people and, and the emergency assistance that we provided to many don't require housing counseling. So there's a problem in the industry. We bring such valuable director corporate Cordray from the CFPB used to say unsung heroes, the housing counseling right during the foreclosure prevention era. But it's not a profession that is growing and resourcing it is really important. I remember when your budget used to be $80 million, were at 47 million. So we still have a lot to do to help.

**David Berenbaum:** 87.5 million

**Patricia Garcia Duarte**: I remember the 80 so thank you for that correction. So policy-wide, that is one of the things that we need to do. We need to fund the Office of Housing Counseling because we need you, we really need to move the needle and change some things.

**David Berenbaum:** Patricia can I ask you a quick question because you identified an issue that we are very focused on. In fact during one of our previous meetings, we spoke about clarifying what is covered by housing counseling, for example, during the pandemic, many organizations were not reporting or billing against the program because they were simply assisting consumers to apply for the emergency Rental Assistance Program or the homeownership Assistance Fund program. Because there was a misperception that there must be a budget, there must be an action plan. That is fact not the requirements of the HUD comprehensive housing counseling program. You identified that there were areas that you're working on at a local level that we don't reach. Could you be a little bit more specific because we are very focused applying human design right now to ensure we are enabling all of our groups local, national, to serve all consumers in a way that's pragmatic today. Could you be a little bit more specific on that front?

**Patricia Garcia Duarte**: On the outreach?

**David Berenbaum:** Well, you said that there, you're you said you're focused on meeting the needs of your consumers right now. And that counseling was not affording you. The means to do that, or perhaps the opportunity to report against our program, I don't want to quote for you, that's the shift. That's how I took it.

**Patricia Garcia Duarte**: The shift was helping people with basic needs, right? Covering the utilities and the rent, the affordability factor has always been real. So more people are disenchanted with the ability to buy because they hear the news, they hear the media. And unfortunately, when they don't come to us, they don't understand that there's different downpayment program, closing cost assistance, and that's the reach that we need to increase to help people better understand that there could be some resources.

**Lot Diaz:** David, part of that, too, is the Emergency Programs didn't go through a full HUD client cloud file with, you know, emergency assistance, was just not practical for some organizations, so that, and there was no place to put that client, there was no category for that client.

**David Berenbaum: T**hank you, Lot for that feedback. Many organizations did report against the 9902’s. But again, we're going to work to clarify how we define what is covered by housing counseling because there's been what's happened over the years is some of our rules or guidance in the handbook have become very rigid. And that is not how the program was intended to operate. In fact, it's the opposite. Of course, whenever a budget or a financial plan is appropriate, we want to see it done as a funder as a regulator as an industry but there are many times for example, after a disaster or after someone is, let's say, unhoused. There are other priorities that have to be met, such as applying for Treasury assistance, or whatever it may be and we want people to be able to build against our program and report their work. And so as we modernize and simplify the program, this is a stated goal of our program and you're going to see some renewed guidance and FAQs coming out of our office in the near future, to facilitate your work. And I don't mean to dominate the conversation here, I just wanted to find out a little bit more from you. So, thank you both.

**Patricia Garcia Duarte**: And there is opportunity for training. So there. There's a lot of rules, there's a lot of restrictions that may be if they're not there, we need to understand better so that we can count and utilize more of the tracking back to the 9902’s. And the last point that I wanted to just leave behind is that we have a lot of great opportunities to deploy downpayment and closing cost assistance programs. In my experience, I am having quite a challenge getting lenders to layer to take two to three different programs. So we have funding, we have families that can qualify for several totaling 60 to 90,000. But the lenders available that are willing to do those layerings are minimal. There's just a handful, and those are when it's some of the reasons why we have also started our own mortgage company. Thank you.

**Renata Ghione**: My name is Renata Ghione and I'm from Centro Familiar Nueva Esperanza in Simi Valley, California. I'm not sure if you're familiar with Simi Valley, but we are part of the Ventura County, very close to LA County as well. Centro Familiar Nueva Esperanza the main purpose is to equip and empower people to help themselves. Our mission is to provide different programs and services to help families in their communities, especially the less fortunate and that's been our focus since we started our agency. Services that we provide are different services. We provide housing counseling, annually these past two three years we have served like 250 people a year with the different services that we provide inside the housing counseling such as rentals and budgeting and foreclosure and different other programs. We also have a Food Distribution Program that is part of our center and we serve annually like 4160 families which makes family a week. We have been affiliated to Nueva Esperanza since 2002 them as well, as HUD since then, we thank HUD for everything that they're doing for us and it's been a benefit to the less fortunate because we tried to help those that are in need. I’m going to talk a little bit about foreclosure because we have a program in California that has helped a lot of people in their homes. Foreclosure process are different in every state and I guess we all know that there are a number of programs to assist homebuyers who are at risk of foreclosure and are struggling with their monthly mortgage payments. Homeowners are advised not to ignore letters, or any type of correspondence they receive from their lenders. Our main concern is helping homeowners keep their homes. It is difficult when you call the servicer and their response is that the investor does not participate in certain programs. Unfortunately, foreclosures are increasing currently. After you know, the pandemic, there was a period when they were doing the forbearance, they were applying for forbearances and they got them but then at the end when that period was over, they didn't know what to do. And they didn't have the funds to cover that up in something that's where a lot of lenders did not want to participate or help the clients but one good thing and this is the main reason that I mean I wanted to talk about is because California has a program that is called California mortgage relief program that is still active up to now. Started in 2020 and they did it for a year they extended for the following year they extended for this following year again, and now we the last thing that they did is like a person who's been behind two months prior to February 1, they could apply for this program. And the good thing is that they have a cap of $80,000 that the homeowner if he's behind, they could get that amount of money to get back on their feet.

**Maria Iannarelli**: I'm here to talk about the Philadelphia eviction diversion program is a very unique program in Philadelphia. I am the Housing Vice President of Esperanza you heard my colleague Walter Toliver this morning. So we are very proactive about among rental assistance and in also developing properties to help the community. I'm bringing it today this program being unique in Philadelphia, because I wanted you to hear what is happening. So this program has started in August 2020 because the city found many factors among the population, but mostly was due to COVID. The program is helping landlords and tenants resolve issues before the legal process of eviction. As of January 2022, this is last year, all landlords must apply, must get approved and participate in good faith at least 30 days before filing an eviction. A good opportunity for tenants to work out agreements to avoid the legal process of eviction and related court also records. Many landlords also want to participate in a program to avoid paying costs, mostly attorney fees and filing fees from tenants with lower amounts or, or other factors may be assigned to a housing counselor in a mediation session for additional support to help reach an agreement and prevent the case from going to court. We work in conjunction with Community Legal Services and Philadelphia legal assistance who runs the problem and connects to the housing counselors on having enough housing counselors attend this. They came with target financial assistance up to $3,000 plus another two months of power rent. I can see the amount of work that we have in Philadelphia to attend you know, pension law budgeting and some of the areas that we do, but in fact many of the programs that we have to sign the clients require AMIs if I go to the to the electric company to the water company and apply these people, they have to know what, what the AMI is I have to know you know what they can cut in order to make any case.

**Bill Sevilla:** My name is Bill Sevilla, and I've been working at Centro Campesino for quite a number of years. The name originates from 1972, when the organization was helping farmworkers, dealing with deplorable working conditions, that over the last 50 years is changed. 10% of our clients are now farm workers. 90% are people like us here who are buying homes, or dealing with foreclosure issues. We hold two workshops every month one in English, one in Spanish, my staff of five are fully bilingual as I am and four of them, like myself are HUD certified counselors. So we have one of the larger HUD certified counseling staffs in the state of Florida, which helps us get our job done. We also hold post ownership workshops for a lot of our clients that are section eight, and have to have a workshop every year and we do 10 to 12, offsite financial literacy clinics, in HUD financed rental complexes, they're required to have education classes, and we've been ourselves involved and give them an hour and a half of financial literacy and the ones that feel that you know what I don't want to rent anymore, I want to learn more about becoming a homeowner than they are workshops. So it's a good recruiting tool and it lets us reach out to the community because that's one of the bigger issues that we deal with. It's the lack of information. A lot of our clients are low to moderate income, and they're not aware of the existence of our organization, and available to understand how to become a homeowner. On average, we have 500 people attend our workshops a year, and on average, 100 of them become homeowners. That's the highest records in the state of Florida. And one of the reasons that we're successful is because our counselors, both through the workshops, you still have to have a one on one counseling session and that doesn't mean it's a one time event because not everybody's ready to buy a home after the workshop. Some of them take three months, six months a year. So that's what we call the mortgage ready status. We do not send any of our clients to a lender until they’re mortgage ready. We want them to be knowledgeable, we want them to know the right questions to ask and we don't want them to be denied, which is what happens when you go to a lender. We track 12 lenders, and we asked for updates on their lending practices, their underwriting guidelines do they use all credit, so we know the profile, and depending on what our client needs, we send them there and we try to avoid and I don't have any issues with brokers. We try to make sure that they're informed so they can make good decisions, because we want them to become homeowners. And as you've all heard, the percent of ownership is at 49. We try to see the future where they break that 50% line and keep moving up. So, what are some of the obstacles, and I'm sure this is not just in Florida, this is nationwide, lack of helpful information. It's not on the internet readily available for the low to moderate income buyer and part of that lack of information is downpayment assistance, a lot of our clients have no clue that it exists, how to qualify for it. Another issue that we're dealing with is misinformation. Clients don't know what kind of credit scores they need. That keeps them from applying for a mortgage, you can get an FHA loan, if you're in the 580 or below but if you're in the six hundreds, there are banks that will work with you it's a matter of knowing where these banks are and do they have programs for the first time homebuyers. One of the bigger issues that we're also dealing with and some of the trends are that sellers practice every single closing statement and my organization for a number of things. The other trend that we're seeing is banks are putting downpayment assistance money as part of the part of the loan, maybe their interest, just going to be a little bit higher but if they can give you $10,000 that's again money that you don't have to go fishing for, have to go saving for. Things we're trying to stimulate with the banks is about create a system where you give the person that's going to get a loan from you $1 for every dollar they save out there to build up the savings that they need, by contributing, you're going to get it back because of the interest that you're charging, but make it attractive and there are no banks in Miami that are doing this. So we're trying to create this as a way of marketing for the banks that need clients. And this is the key, we tell them you been in our workshops, but that doesn't help you unless you have something that will aid interest on the part of that homebuyer to really know that you know what, I met the right bank, a got a counselor, that's not going to let me go because we follow up every 30 days, we've had clients with us for two years, waiting to qualify, for one reason or another, and most of it is credit. I'll end my presentation by saying that the key to helping a home owner become a homebuyer. I mean homebuyer become a homeowner is to give them the tools to be in charge of the process instead of someone grabbing them and taking them through a journey that they don't control, and you say that word of mouth gets back and that's how we get most of our clients is word of mouth. They like how they were treated with respect and it's hard in this virtual world to make a connection over the phone and that's what our staff has tried very hard to do. These are the type of trends and issues that I think are very valuable and helpful and it's part of our entre This is how we decide to approach our community and trying to make a difference.

**Gabriela Luna**: My name is Gabriela Luna, Director of housing programs and community redevelopment with the Tejano Center for community concerns out of Houston, Texas. Tejano Center is a family of 14 programs. Our services are dedicated to the underrepresented, underserved and under resourced. These programs are woven together as an intergenerational network with a commitment to nurture lifelong learners, empower families, and transform lives. Since its beginning in 1992. Tejano Center has served as an agent for change providing comprehensive array of social health, educational, economic and health Housing Services. Tejano Center housing program guides and educates homebuyers in the home buying process in order to attain affordable, sustainable homes. Some of the programs and services offered by the housing department are homebuyer education pre purchase counseling, post purchase counseling, disaster recovery, case management disaster, and blue skies, home repairs, direct intake referral to center points weatherization program. We also operate a senior housing program and supportive housing for the youth aging out of foster care program. During this past year Tejano Center created 99 new homeowners that that was over $24 million in economic impact from the closings for millions of $4 million came from downpayment assistance programs that is a direct testament of the impact of housing counseling, the average monthly amount, mortgage amount was $195,000 and 33% of those 99 new homeowners were long term clients incubation clients, we were also able to repair 2021 homes. Now I see that with great pride because our client profile is composed of 89% below 80% of AMI. 60s 76% of those are Hispanic or Latino and 27% are limited English. Tejano Centers focus on a new initiative through Unidos US, the home readiness program. We're hope we're focused on ITIN applicants those that are aspiring to become homeowners and lack of legal status and the reason why we opted to focus on the ITIN buyers is due to the trend that we are currently seeing here in Houston. With the contract for deeds, there's nothing wrong with those as long as our families are making informed decisions, they have a full understanding of what a contract for deeds is and oftentimes, they don't know what they're doing. We're teaching and changing our model a little bit. So for anyone who is an item buyer, we offer an orientation, one and a half to two hour orientation to identify the do's and the don'ts of Homebuying. Then we follow up with a one on one housing counseling session that is tailored to the to the client's need. Once the counselor deems that family mortgage ready then we send them to our eight hour homebuyer education class. Here locally, we have identified downpayment assistance for ITIN buyers, we have a $5,000 grant for our ITIN buyers. A smart savings account that they're fully eligible for, mortgage loan products for ITIN buyers, and also secured credit cards. I do have a special ask for you. I would like for all of us specially my colleagues here from from Texas to advocate for a change in the Texas State law on homestead exemptions. House Bill 252, which became effective September 1 2011, requires homeowners to have a state issued ID or driver's license in order to meet homestead eligibility. This leaves all of our ITIN homeowners out of the property tax discount and the value caps, jeopardizing the home affordability. And for the secondary market investors such as Fannie Mae and Freddie and Freddie Mac to purchase it and mortgages to add financial capacity to our current lenders and bring added opportunity and better terms for our ITIN borrowers. I was passed quickly taking notes when you mentioned about disaster recovery. Houston has endured its disasters in the last seven years we've experienced hurricane Harvey winter storm Uri and Tejano Center is a disaster recovery agency we conduct home repairs, case management and oftentimes we're not able to count posts for housing counseling. It could be a lack of knowledge of what is required to document but we want to make the process easier during this time of stress for our families and oftentimes, I mean, if we think back to 2017, we, we experienced hurricane Harvey most of the homes were flooded and after that they were molded. So, a lot of families didn't have any documentation to provide to us to count them as a housing counseling session. So, I welcome I will embrace any training any guidance when it comes to disaster recovery.

**Jorge A. Negrón Vega:** Thank you very much for this opportunity. I work for One Stop career center of Puerto Rico as a certified housing counselor. I've been doing it for the last 10 years. One Stop is an organization that been working for the community of Puerto Rico for the last 23 plus years. The main purpose of the organization was to help people that were transitioning because they have problems with the law, and they were transitioning to society, they will give them live workshops and incorporate them into the workforce. Because of that, there was a need for housing, so the organization certified as a HUD counseling agency. After that, we needed legal services for them. But then at the same time for people in the were homeowners, so they created a legal service. So now we have legal services, housing counseling, job employment, health, and education, and everything to train the people and the organization depends depending on the needs of our clients. We work together to work all the programs together, if we go to Puerto Rico in the last seven years, had a lot of natural disasters too. You know we have Maria Irma in in 2017, we had an earthquake in 2020. In the south part of Puerto Rico, there was no replacement housing for the people that lost their housing. So, it was a very trying time and then in 2020- 2022, we have Fiona, which brought a lot of water into the island, and it aggravated what was being done with Maria, and the pandemic also. So, we are dealing right now the housing counseling with the CDBG-DR Funds. One thing that is been very positive, is that in those funds, they included the housing agencies. In the last two years, we have served in education 6275 households, and we have given 834 one on one counseling, those ones about 600 are for prepurchase. So, it's been very effective. So in Puerto Rico, um the situation is a little bit different because of our political structure. We are part of the United States but we're not incorporated. So, the services, the programs, and the help is limited. There's another barrier which is language, you know, everything is in English, but the I will say 95% of the population don't speak English, especially senior citizens. Which are the one who needs the most help in Puerto Rico, the loss mitigation crisis never ended. And now, because of interest rates people cannot afford to buy a home, because they cannot pay for $150,000 home because of the interest rate, it becomes unaffordable even though they have help. The help of home owners Assistant Program is for mortgage ready people, in reality is unbalanced, because it's supposed to help people that are 80,000 80%, on other on their and AMI. So it's a very peculiar situation in Puerto Rico, I have to say that we do have a lot of success, especially with the loss mitigation people because we are able to combine programs. And if somebody needs legal services, after a counseling session, we go to a unique legal servicer, or at least an orientation and we and we take them over there. And so that's pretty much out program that we do, we have two programs, which is this one, and an a color program that serves the nation to help in in financial capability and then the CDBG-DR funds, helps the people in Puerto Rico. It's the same thing happens a lot of the problems that I've heard here, like title problems, there's title problems, there's a lot of short term investor coming in because of the disaster to buy property. You know, so it changes neighborhoods, and because of this the rents have gone up.

**Lot Diaz:** I just wanted to, before we get into the questions wanted to add something about, first of all, One Stop and Puerto Rico has been really has expanded its capacity to do housing counseling has been a great partner for us there. And one of the things that we're trying to do, and OneStop has been a big partner is use their counseling capacity and other formats. So, we have a way to connect virtual counseling with various counselors in our network, we work in about three or four of them. And so we may have a camp campaign running in another state that we need capacity, we'd count and then we said having counselor is a is a big issue going around was a common theme you heard in the presentation and we experienced that too but what we wanted to create some revenue events for the agencies and the fee for service formats. So, we created partnerships where we get fee for service for work, and then we utilize um our agency counselors to do that. OneStop is one of those agencies that is working with us a lot and it's been, it's a model that we're growing, we're planning to grow as broadly as we can as big as we can grow partnerships. But I think, and then the second thing about that is that it's generally tied to industry, right? You have very small marketing efforts within the housing counseling agencies writ large, and because their budgets are not that big and just impossible for them to do it, your support in that's obviously been helpful but what we're trying to do just tie the tie to close those knots if they're spending a lot on marketing, and they're tracking people that are not ready, that's a motivated potential homeowner to us, right. And so we want to connect, we're trying to connect those dots. I think that's a kind of part of the fee for service trend, but it's part of kind of read looking at how the all the industry, all the industry is serving potential homebuyers or potential homebuyers or are working together to kind of really maximize the ability to pull people through. What is your approach to forming local partnerships in your community for client support. I'm going to go since COVID. Has that changed for you either up or down? Is it easier to make partnerships, whether it's a city or private, private lenders? Or is there is it about the same? You know, I guess one of the things partnerships are becoming people are open to partnerships, its aligning business models, and I I've found the bigger transfer image curiously in your communities how that how that work? And but yeah, Maria why don't you start.

**Maria Iannarelli**: For us, and I'm talking about the Philadelphia However, yes, this has been very easy to partner. Realtors, and um in other sources has been very cooperative with the housing counselors because they know us and they know what we do through the but for other organizations and other states has been very hard. Or they don't want to really go through all the restrictions and regulations of some of the program’s that I heard. So, we try our best I think at the end of the day, we will look for synergy. We're very open. Without us working together. I always pass that to the agencies around the you know, the nation that we serve. We need to work together otherwise, it's not going to it's this is not going to stop.

**Patricia Garcia Duarte**: I can add that partnerships I agree are really important and critical. We've been very successful with municipalities, churches, other nonprofits on the state level. I see a lot of opportunity to partner with homebuilders. They haven't been at the table and I love to open up some conversations with the builder community and other lenders. I know I hear from lenders a lot that they don't have underwriters that these programs are not big enough on a national level, the regional level so you know, they don't have staff to track additional down payment programs. Unfortunately we don't have good downpayment that is national or even regional, we have so many that in our industry, we really need to get better at unifying a type of downpayment that is more universal, so that more participants can play in the game.

**Renata Ghione**: I just wanted to say that we do need avenues and all that I see over there in California due to the houses are expensive downpayment assistance, and really something that a lot of people are using, because or they see that somebody's using a downpayment assistance. They don't want to go through the whole process. So, what they do is they just say no, I rather have somebody that is not using this, you know, and we see arms to the and then at the end, they never do. I bought loans and all the type programs, but not downpayment assistance. I don't know how will be the best way for, like lenders to you. Programs. But it's hard. It's I don't know, that's what I see over there.

**Jorge A. Negrón Vega:** Onestop still has a lot of collaborators. Our director works very much with that our executive director, and she's very good at collaborating. And we've been able to expand because of all of those alliances that she does with the community. And what she just talked about it, the home assistant program when it first started. Real estate didn't want to work with it. Because it took a long time as time passes, we have been able to shorten the amount of time to process the loan. So now they're more willing to work with because to have what I talked about before of the investors coming from outside and buying houses in block. Some people don't want to sell their houses, you know, because they think an investor is going to come in and buy them cash. It's a big problem, you know, but, you know, we got hope.

**Lot Diaz:** Let me switch at what some other couple even mentioned for trends and foreclosure in your market. And I guess my question, I know there's a little bit foreclosure in every market, but has since the expiration of the COVID protections have has had you actually see an increase in foreclosure cases coming into your counseling organizations.

**Jorge A Negron Vega:** Yes, I have worked with another counselor assisting in loss mitigation. And as seen in the last few months, it increases. In Puerto Rico, that's another problem that a lot of people have servicers in the States. So there's cultural difference idiosyncrasy of our culture, and a language barrier because sometimes the they don't know how, they don't know that they can ask for somebody to speak Spanish. And they don't know it until they get to a housing counselor. You know, we got to have somebody to speak Spanish. And I go, let me show you. You know, even though I speak English, I know I want somebody in Spanish, you know, but then sometimes they require some things in Puerto Rico, they don't do. I go like, you know, we don't do this in Puerto Rico, it just doesn't work, what you asking. In Puerto Rico, we don't do a quitclaim deed, have to change the title. It's a little bit more of a process, you know, for loss mitigation. So, so that's a cultural imbalance. The way I can describe it,

**Bill Sevilla:** This is not something new. I've said this before that, with COVID, you had a lot of folks that needed help, were out of work. And there's two things that upset me about the mortgage servicers, or the investor guidelines, whichever ones you want to deal with. One would be that they have a criteria that a loan modification, boom, payment should be equal or less than the one you had before to be a true benefit. And that's not happening because they're using the current rate of interest. So that's going to make the payment higher. We know taxes and insurance have gone up on these homes over the last year. So my ongoing argument is, how do you expect to make the payment lower when these three factors are in play? If the homeowner qualifies for the higher payment, give them the loan modification, the purpose is to save the homeowner save the home and keep that community intact. So that's one issue. And the other one is the one that's even more ridiculous, where you run into a mortgage servicer that says, well, we helped Mrs. Jones three years ago, with a modification she's already used up her number, where is it written, that you can't have two or three financial crisis in your life, divorce, medical issues, out of work, and you're going to you're going to your doctor who treated you for an ulcer three years ago, and he says, Sorry, that was a one-time only treatment. And it doesn't make sense, and I think it's time for our higher authorities on the HUD side to, you know, look at why these policies are in place. They may be policies that make sense at one time, because you can make rules. But do they make common sense, given the new normal that we're living with, which was COVID. And things cost.

**Member Q&A – David Berenbaum - Deputy Assistant Secretary, Office of Housing Counseling**

**Angie Liou:** I do have a question. For many agencies that, provide housing counseling services here, would like to hear maybe a little bit more about any challenges you have in terms of recruiting, training and retaining culturally competent, and bilingual housing counselors?

**Maria Iannarelli:** Great question. I ask that every day. How are we going to, how this is gonna happen, agencies also come to us and us, including, you know, ourselves as a branch. So think of, you know, what are the regulations HUD comes with a, what we what the non certified housing counselor can do and what they can do. So, at the end of the day, one of the top one of the process that I have applied in, I don't know if this the magic formula, but I had two new counselors, this past three months in, I had to dedicate to them most of the time to study and make sure that they concentrated hours, at least for the first month, only on the study side, then on the second month, I went ahead and they start doing some intakes and some administration. And I will say 20% of the administration, and then the third month, immediately start taking some tests on a regular basis, that now they can fill in how the test is going to look like and how difficult or hard it is, they have passed the test. And like about four times, I know that one it took like about, I'm not saying is like the perfect formula, but it took like five or six times. So and finally they did in three months. But it took me away from serving clients, because of those three months, they had to dedicate their time basically on passing a test that helps.

**Bill Sevilla:** We're fortunate that we don't have a recruiting problem, but I'll share a different problem that is probably more common. Three of our counselors that are HUD certified, are mothers. They are married, but they have young children. And they all work remotely. They haven't set foot in the office in three years. So our biggest concern is their productivity. They're good at what they do but are they being as productive at home, taking care of the children, making sandwiches, answering the doorbell compared to being in an office or for eight hours, you're dedicated to production. And we're we try to you know, work balance, we give them the opportunity to you know, catch up on the weekends and just make sure that their clients are taken care of, but I wanted to bring that up because working remotely has benefits and this is not one of the benefits It's hard to keep track of their ability to do a good job. But the fact that we're productive overall tells me that they are doing a good job. But could it be better. And I'm only saying it because it is a distraction to take care of your children. It's an important part of their life. They are mothers first before they ever became counselors. And I respect that. And that's part of what makes us a good team. But I'm sharing that just because it's worth hearing.

**David Berenbaum:** I will note because it was more of a follow up that our office did make a commitment to offer the certification exam in additional languages. And that is in progress right now, more announcements will be following. And we hope to make more of the training materials preparing for the exam available, as well as those additional languages, including number of Asian and other languages that we've been engaged with our counseling community discussion on

**Richard Verrillo:** Maria, could you share with the funding model for that program Philadelphia is not the count, like how the counselors are paid, how's the program itself funded?

**Maria Iannarelli:** The program was funded, it is city funds in basically CDBG and some state funding,

**Richard Verrillo:** Is it a one time, is it a one year program? Or is it a permanent?

**Maria Iannarelli:** Not really, we really, this is our two years that we started as a pilot, like I said in 20. Now it's 22. We're hoping that they're going to continue I'm thinking, guessing just another year, based on what the Community Legal Services in Philadelphia legal system are saying.

**Paul Yorkis:** Thank you, David. Patricia, you mentioned earlier that you had hoped to work more closely with realtors. I want to share with you that the National Association of REALTORS has grant funds available to help realtor organizations work with housing counseling organizations, to put on programs to translate materials from English to other languages. So I would simply encourage you to contact your local real Real Estate Association. And if you have trouble reaching them, and I mean this very seriously, please contact me and I will help you make that connection. Because the National Association of REALTORS is committed to supporting those programs they had. We approved two years ago, a program in Howard County, Maryland, which did exactly what I've just described.

**Anthony Walters:** No, no real questions. I'm just picking a lot of conversation and discussion. And it's, it's good to hear, you know, counselor counseling services, it always seems to broaden in scope every time we have these discussions, you know, learning about some of the title issues that we've heard about today, and almost even estate planning and helping families maintain that. So it's it's good to hear everyone kind of being almost comprehensive and holistic in what we're talking about, and just adding more and more to the workload.

**Ibijoke Akinbowale:** Thank you. One of the things that has been consistent throughout all of the presentations today is the word resilient. And so in thinking about working in the pandemic, I'll say Puerto Rico really has produced a lot of innovative strategies as a community that has been repeatedly hit with natural and manmade disasters. And so Jorge, I'm wondering if you can speak to some of the models and strategies that OneStop and its partners are using to reach consumers more broadly. I know some folks struggling with technology, access to technology has been an issue for folks in Puerto Rico, organizations have done really great things like helping to eliminate barriers to shelter by providing COVID-19 testings or even mobile vans to reach consumers that are not able to come in office. And so if you could talk about some of those innovative models happening in Puerto Rico, that'd be great.

**Jorge A Negron Vega:** So when the hurricane happen, the organization when they started doing partnerships, the first thing that we realize is that you have to do surveys in communities, right? Instead of just sending supplies, you know, water, water, water, water, it's like, what are the needs, so you must contact community leaders, to do those partnerships. Once you do those partnerships, and you know, the necessities of the community, then you go out and look for whatever donations you're going to get, or while they're partnerships you're going to have and once we do that, then the housing counseling comes in with the legal team. We do education on group and then we take them one on one. So that's pretty much our model. Every time something happens, you know, the first thing is to contact community leaders and do a survey of the community needs so that then we can look for supplies that way, resources don't go wasted. Pretty much what we do. That's your question.

**Gabe Del Rio:** Thanks for sharing the production trend, empathy scale, you know, that was interesting. And the other thing that I think, you know, I find concerning in my question for all of you is age demographic change, on trend. So in other words, when we look at the net new homeowners, right 8.5 million net new homeowners and between now and the end of the decade, over 8 million of them will be will be bipoc. Right? Okay. And so now that population are forming households, they're the 25 to 44 category. So how many of the, what sort of population mix and demographic mix are you all seeing in the age perspective, who also have communication modality differences than their predecessors? Right? So while older groups may be willing to pick up the phone, or go in person, that may be very scary to a younger generation. So what are you seeing, you know, from the age demographic trend? And what are you doing anything differently with technology to reach that population?

**Patricia Garcia Duarte:** Thank you for that question. We are still in a space where we are talking to all kinds of generations, we have a young, middle and older ages. So our teams have to adapt to all of the different styles that people need to learn better, or talk and understand better. We have such a long pipeline of interested homeowners, and many are under the 45. So I'm very optimistic. And one of the things that keeps me up at night is knowing that there's these resources, there's these downpayment assistance programs that many of our Latino families are eligible for but earlier, we heard the trend of coborrowing. And what worries me is that that coborrower opportunity or need is going to disqualify them for some of the resources and must change things up. We can't continue doing the same things over and over, we really need to be bold, and make some changes, because we're not going to get there. For one reason or the other the rules have been the rules 80% of AMI. I mean, I was an advocate last year, saying 80% and below, that's who needs our help. I now am here saying is 80% really the number? When is it going to change? Does it need to go up to 100% 120%? Because if we're so focused on helping those that are harder to help, and we need to help them don't get me wrong. We're missing opportunities in casting the net wider. Your question? I'm sorry, I get too excited. But yeah, we there's interest of in all ages.

**Maria Iannarelli:** I'm going to speak for Philadelphia. No, we're not. But it's like they are trying to have all together before they're buying. So it's very, very hard. So the population that we are getting into the doors are, I will say from 40 and up, which is surprising after COVID. And we are looking with the housing counselors maybe after, you know, the fact that COVID made that mind changing now they don't want to be renters anymore, right. But the younger population, you know, we have to look at the marketing another way technologies that way to go with them. But I'll tell you, many of them they are not ready to buy it.

**Member Remarks – David Berenbaum - Deputy Assistant Secretary, Office of Housing Counseling**

**David Berenbaum:**

**Mr. Berenbaum opened the floor for the committee to comment.**

**Paul Yorkis:** I am not speaking for the National Association of Realtors, I am speaking for myself, and happy to share my understanding. Very, very briefly, there were a series of lawsuits filed against the National Association of Realtors, and a number of very large real estate companies regarding commissions, and how commissions were being paid to buyer agents typically, very basically, there are two sides to every real estate transaction, the listing side and the selling side, the listing side has an agent, and the buyer side has an agent. Typically, in the past, through multiple listing services, the there was an offer of compensation from the listing agent to the buyer agent, when and if the property closed. As a result of the recent lawsuits and the settlement that had been reached, what will happen now going forward are some options, there will be three opportunities basically, for a buyer agent to be compensated. And let me share with you, as I've worked in real estate for 31 years, have been a buyer agent in Massachusetts now for about 20, maybe 25 years, since the change the law permitting buyer agency, there are it is critical for a buyer, whether they're a first-time buyer or an experienced buyer to have a buyer agent representing them in the transaction. So how does that person get paid? Well, the first thing that buyer agent needs to do with the buyer is to have a contract, which lays out the terms and conditions of what the buyer agents responsibilities are, as well as what the consumers responsibilities are, in terms of working with that buyer agent. Once that contract is discussed, there should be an agreement between the buyer and the buyer agent on what their compensation would be, once that agreement on what their compensation would be, they need to agree on how that compensation will be paid. And there are typically three ways that that can happen. First, the buyer could agree to directly pay the buyer agent. Second, the through the multiple through the offer of compensation from the seller, it's possible that the seller would agree to pay the buyer agent, as a result of the sellers contract with the sellers agent. And the last opportunity is for the buyer, through their buyer agent, when they present an offer is to request the seller to pay the buyer agent compensation. Now, let me explain. I was discussing this with one of my colleagues earlier today. It could be and I don't want to use dollars, I'm going to use apples as an example. It could be that the buyer agent and the buyer agree that the buyer agent would be compensated three apples. And they agreed to that and that's in the contract. Well, when it comes time to submitting an offer to purchase a property, what may happen is that the buyer may instruct the buyer agent to ask the seller to pay those three apples directly to the buyer agent or the buyer agents firm. Well, what may happen is that the seller may say no, I won't pay you. I won't pay your buyer agent three apples, but I'll pay your buyer agent two apples. Well, that means that the buyer would be responsible for paying one apple so that the compensation would come from both the seller as well as the buyer to the buyer agent. It's all negotiable. And I say to people, when I am representing them either as a buyer agent, or as a seller's agent, everything in real estate is negotiable. But in Massachusetts, and I don't know what it is like in every state, but in Massachusetts, all contracts need to be in writing or real estate contracts are not valid in Massachusetts.

**David Berenbaum:** Lawrence I don't mean to put you on the spot but of course you're a seasoned professional, you know, from the sort of the mortgage industry that side of it. I'm wondering, would you mind, do you have any thoughts about the settlement?

**Lawrence Batiste**: Well, our national association has made a statement came from our president, Dr. Rose. And we've laid out several things that we're looking at as far as the goals towards realtors, realtors members, the community as well a couple of things that that we did do was one we appointed a special task force to really study this closely not to take any steps to do anything that would not be in accordance. But at the same point in time making sure that our members are getting familiar, we're going to add education in regards to this, we are also working on our development academy that now to assist to have our own inventory to have inventory there, so that there will be more inventory on the ground so that you'll get more representation where you have a point where people will come to you to be able to purchase homes, we recently just kicked off from assistance from one of the large lenders, the program itself, besides that, we have a, we are leveraging ourselves with our 100 city tour. That tour is going from basically on April the 13th, we going to have it in 100 cities associated with, in addition to the COVID, an organization, the having that at churches all over the country, as well as having realtors and housing counselors, attorneys, mayors are part of it and also our idea behind it is now to educate our idea and it's really to get behind educating and making comfortable the buyer, the you know, as well as the seller, because you're going to walk into the situation where one day, you may be the buyer, but one day, you're going to be the seller. And that's going to come right back around that that commission that they're speaking of that money you're talking about is just going from one to the other at one point in time.

**Sherri Eckles:** As a representative of the mortgage industry, this has definitely been concerning to us in terms of the increased costs from the buyer to close. So if the buyer is paying a buyer's agent, then that's going to increase their cash to close. And if the seller is paying now on their behalf, then if they're able to negotiate a seller concession this would eat into that, and again, cost them more out of pocket to close. So one of the things we've been looking at is an advocacy effort across the agencies to available seller concessions, or exclude any buyer's agent fees from the allowable seller concessions so that they could conceive it, the seller to pay that buyer's agent fee and 3% or 6%, whatever the allowable seller concessions are. But we definitely feel that this is going to until it works itself out to a system that's more regular going to cost homeowners homebuyers, and be a bigger barrier to homebuyers in the immediate.

**David Berenbaum:** That's certainly been a major concern in some of the discussions. Often individuals who are advocating for this change point to lower commissions in Europe or elsewhere better historic norms. I understand that's disputed, we don't need to go down that rabbit hole, I do have one question for the group. And we certainly can continue to go around the room. But also, I think this is a great opportunity for the housing counseling community, part of the solution moving forward here, please go on.

**Daniel Garcia:** So what I will say when you looked at the settlement, the biggest thing was it didn't, it didn't say that the seller could not pay the buyer's agent commission. What it did say is that we could not advertise it on the multiple listing services or any third-party services. So what's going to happen is that there's going to have to be a lot more conversation between the two agents. And the commission is going to have to be directly negotiated within the contract. So it's not doing away with buyers at commission, let's make that clear. So I know there's a lot of talk in the media about saying it's doing away with it, and how are they going to pay, I get that, I get that. But when you look at the settlement, it just talks about how it's advertised that it's not allowed to be advertised in the Multiple Listing Service, and the third party, so what's going to happen is that, again, it's going to require buyer's agents and listing agents to work a lot more closely together. Now, at the beginning, I know there's going to be some sellers that are like, Oh, if I don't have to pay a buyer's agents commission, I'm not going to do that. But eventually what I feel is going to happen is that they're going to see that their homes are not going to get sold. So things are going to eventually go back to, you know, normalize, I guess you could say, so, you know, coming on from both ends, I mean, it's a scary thing. But if you think about it, as you know, on the mortgage side, this happened to us back in 2010. When trade got into place, the Dodd Frank Act took place, they completely changed how mortgage loan officers were compensated. Ultimately, my what, what I think is going to happen is that it's going to weed out once in the bad ones in our industry, which is a good thing. So hang in there. You know, as far as I know, the settlement hasn't been accepted yet.

**David Berenbaum:** That's correct.

**Daniel Garcia:** So it could change again, but support each other, housing counselors, be educated about what's going to happen. So it doesn't necessarily mean that you know, buyers are going to be out of pocket. I mean, it could potentially be because, you know, how things work out.

**David Berenbaum:** So permit me, we have to stay on our agenda and our time limits. What I'm going to do is I invite everyone to share your comments wherever they may be, as well as any thoughts or recommendations. This is certainly a discussion that will continue. If, again, this is formally adopted as a settlement by the court and we're all learning. I'm sure we're going to return to this conversation. But I felt it was appropriate to have to acknowledge it, because it has been out there for a while now. And it will impact the practice so to speak. So allow me once again to go back online to our members who are online to invite them to make any comments on Carol, would you like to kick off some comments? We can't hear you yet.

**Carol Ann Dujanovich:** It's interesting that you started the meeting with discussion of the final rule and HUDs approach to how our speaker borrowers can receive counseling. We received notice from Senator Shirley turn New Jersey's 15th district that she is filing a bill, Senate 2520 to require all state of New Jersey and reverse mortgage applicants that are face to face. The same as the state of Massachusetts. The reason for the bill? Really it's on the Senate floor apparently, is because one of Senator Turner's constituents reported that his mother obtained a reverse mortgage and ended up into foreclosure because she didn't understand the consequences and the nuances of a reverse. At the end of the day, what really happened she defaulted on taxes and county court. NRMBA my Trade Association, the National Reverse Mortgage Bankers Association kind of set up a proposal and a letter to the state warning what this can do to our industry. You know, it's difficult in our audience that the first borrowings didn't drive into a counseling agency and sitting face to face, I can't imagine that that would happen. And that was coming as a quote from her organization that would cause a chilling effect on industry businesses in the state of New Jersey. So, I have attempted to reach out to Senetor Turner on two occasions and have not received a response NRMBA has also had correspondence to her and as of today, they have not received any type of response as well. And interestingly about several of the larger lenders in the state of Massachusetts are looking to also change and allow counseling remotely telephonically. However, because of our audiences, senior borrowers not being able to physically attend a counseling session face to face. So stay tuned for that. Turns out, this is a big, big ordeal. For parts industry as a whole.

**David Berenbaum:** Carol, thank you for referencing this. Again, this is state legislation to require in person counseling for the HECM and all reverse mortgage products. As you're aware, our standards do permit telephonic virtual and face to face, and really leave it to consumer choice to choose the modality that they would like. And of course, the country, the reverse mortgage counseling is being provided via all of those means currently. The standards though our expectations for high quality are the same, regardless of delivery. And I'll also add, I'll repeat in our new handbook, we have tightened those standards, insisting that Sessions be at least one hour in length. And as well, to ensure the quality, we have referenced that in the future, we will be doing mystery shopping of reverse mortgage housing counseling providers, because of the importance of insurance, ensuring high quality reverse mortgage counseling the best that's possible to elders, as well as other family members who may participate in that we have not been reached contacted by anyone from the state of New Jersey at this time. But we are in process of alerting our liaison office at HUD that we are available to answer any questions should they wish to speak with the Office of Housing Counseling. So thank you very much for raising that. Let's move on to Tony, Tony, anything that you'd like to share? Right. And now we hear your Go ahead.

**Anthony Walters:** Yeah, really just nothing to substitute. I'm just sorry, I couldn't be there today. You know, one of the benefits of being on the advisory committee, as you see, get to go on these site visits and see some successful practices, a lot of the panels and discussions are usually talking about challenges. So it really missed out on not being able to see in person and visit with the groups there. It's great to hear the conversation today. But I'm sorry I could make it there, so I encourage the advisory committee continuing to have these types of site visits as well but I think I do think it's very valuable, and certainly, you know, sharing best practices and successful programs for others to take back to their own community. So appreciate that.

**Angie Liou:** Likewise, similar, Tony, I'm sorry that I couldn't be there with you. It sounds like yesterday's in person, bus tour and site visits were really informative. So and I know how those, you know, seeing things in person, you know, sometimes speaks 1000 words and but I really appreciate all the community groups that have come in today, in person or online, on the panels to share with us and I've learned a lot. Thank you.

**Gabe Del Rio:** I guess the thing to mention for this community is the work that's happening on the equity certification for SPCPS, so there's a new website, you can go to equitylogo.org, and we invite anyone from the housing counseling agency we've talked to David about the Office getting involved in this as well, to help with the consumer education materials. SPCPS went from two years ago having basically none in the market, let me just say ext SPCPs. Sorry, our special purpose credit programs. These are programs that are directed to bipoc to minority populations. And they provide credit advantages so that it helps people get approved. It includes things like downpayment assistance and rate reductions. And they're specific to communities of color, and specifically advantages and is designed to close the wealth gaps. So they're really, really important programs. And we've gone from zero to about 50 lenders out there nationally that have these programs. So this new sort of availability of a different type of product that is far beyond low income, by the way, this is about your race and ethnicity and where you live. And I'm making sure that we integrate that into housing counseling education, and to homebuyer education, and provide a tool. So we're right now building a search tool that will help it's a database that will house all the certified programs, that search tool will be available to housing counselors, everyone can have an API to it, it'll be perpetually free to nonprofits and lenders. And, and the purpose of that would be to help you find these programs help the people you serve to find these programs and connect with those lenders to take advantage of them. So check out equitylogo.org. And if you'd like to get involved in the formation of the consumer education materials, just reach out and let us know.

**Richard Verrillo:** So my ask would just be if the Office of Housing Counseling, you guys have a document that outlines some fee structures and payment structures for pre purchase counseling, foreclosure prevention counseling, I would like to see rental counseling be in there, just because we are getting a lot more rental counseling calls in it, there is no good funding source for it. So we can use our HUD dollars philanthropic dollars. But outside of that, we need some other type of funding structure for these rental counseling sessions.

**Paul Yorkis:** I'll be real quick. I've shared with members of the committee, some documents, one of which is a proposed piece of legislation from Senator Elizabeth Warren, to set aside US Department of Agricultural rural housing funds, specifically for Indian tribes. And I thought it would be important for all of us to be aware of that. The second thing, going back to brokerage commissions. Unfortunately, the Veterans Administration has a policy, which I'm going to read very quickly fees or commissions, charged by a real estate agent or broker in connection with a VA loan may not be charged or paid for by the veteran purchaser. The policy is much longer than that, my hope is that we can take this up at a future meeting, because a veteran needs to be represented in a purchase just like any other buyer. And right now, that's prohibited for them to pay for that service. And the last thing is I've shared some documents from HUD regarding the determination of fair market rents. And the my hope that we can explore how fair market rents are currently being determined. As an example, the city of Boston, which is a pretty large place, the rent in Boston, fair market rent, and the rent in Medway, Massachusetts, where I live, but 14,000 people, the fair market rent is the same. And it doesn't make any sense to me. And in other communities, the difference is it is the at least $1,000 between different areas. So my hope is that at a future meeting we are how they are set. And if there is a better way to determine what a fair market rent is without penalizing smaller communities.

**David Berenbaum:** Interesting. We'll explore that perhaps we can have a representative from the appropriate office at HUD that works to establish those with other frankly, there's a lot of oversight in that space, but the share the approach and question and answers can be made. Thank you very much suggestion. Ibijoke.

**Ibijoke Akinbowale:** Thank you, I just want to use this as an opportunity to echo two sentiments from earlier and really make one comment. And first that's continued congratulation to Secretary Fudge on her retirement and kudos to the excellent leadership team that she's put together at HUD that will continue to usher in a standard of racial equity and housing. And then again, my sincere condolences to our colleague, Marcia Lewis, as well. But I just wanted to acknowledge that I think this in person meeting is the second of its kind. I know last time we were together, we talked about AAPI issues and housing. And so I really did if you cannot tell enjoyed our conversation today and our tour from yesterday, those of you that missed it a dog led the way we have to think about Habitat for Humanity crew from that for that. And so it's been an informative and fun, but it really has also been a call to the need to declutter what we know about communities of color and their housing issues because what we learned from our AAPI experiences, circles today certainly are not monolithic and just because, you know, can you use of color may experience greater barriers and attempts to accessing housing and homeownership and even maintaining it. It's critically important that we continue to create this kind of space and forum so that we can learn about the uniqueness of those barriers as it impacts the various communities. And so another charge here for me to OHC is really making sure that we're sharing this information with intermediaries and advocacy groups, to continue to learn a little bit more about these unique barriers that are sensitive to the racial demographics that we've been discussing, and how it may better inform those institutions and working with diverse segments of the population. So thank you again, for all that participated.

**Bill Sevilla:** I want to mention something that's old news, but may not be old to some of you. And it's a memo that Fannie Mae sent to the three credit bureaus back in 2021, in which they asked the Bureau's to start tracking payment, mistakes, not how much someone paid, but were they paying the minimum or over, because at some point, those who pay more would be given a boost in their credit scores. Now, if it's become a norm, I haven't seen I have to read up on it. But I bring it up, because it's good to know, we tell all of our clients pay more, even if it's just $2, because it's a computer that's picking up your payment minimum, or a little bit more, and it could make a difference to qualifying for a loan someday.

**Lawrence Batiste:** Yes, I would just say that it's a good time for us as real estate professionals, counselors, as well as lenders to get together and be able to focus on what the issues are, and be able to pass that knowledge on to the black and brown community, making a focus not just an effort, but a focus to do so. Because during this time, as we're going through this transition, or assumptions in regards to the suit, and everything, people, these are the people that are going to be steered up. These are the people that are going to be confused, and going to have questions, we need to be the professionals ready to answer the questions that they need. And that's how we can make a difference right now.

**David Berenbaum:** Very good, thank you strong words and appropriate words, Daniel Garcia,

**Daniel Garcia:** I just really appreciate the all the things that we've done over the past week, the discussions we've had today, I love the fact that we're shining a light on the Latino population, the work that's being done for people of my color, we're a powerful force within our country. So I think it's very important to show what we can do, as you can see, you know, nearly 50% of us are homeowners now we have buying power. But you know, it's I just I just love the fact that we were able to kind of shine a light on that. One thing I will ask, just because it's been brought up several times about real estate agents and lenders not working with down payment of EMS, mainly because they don't know how to do it. So maybe we could start with a discussion with other organizations and our Rene rib about creating a national training program specific to real estate agents on how to work with clients that have downpayment assistance for lenders on not only sales loan officers, but operations on how to underwrite those types of mortgages. What are FHA has guidelines on downpayment assistance programs, Fannie Mae, Freddie Mac, they all have their own guidelines for that. So that's something I think.

**David Berenbaum:** You know, that's an exciting idea. And Jerry Mayer's here, who is the director of our Office of Outreach and capacity building, really our training division, Jerry to toss out an idea that perhaps this is a collaborative effort that we could bring in the other trade associations and do a larger training with all of our members. I think that's a very good suggestion. And we'll put that as an action item among other items that were raised.

**Sherri Eckles:** I just want to thank everyone so much for the excellent information. It was really informative. It was great to meet all people that are on the ground, providing services and making a difference lives every day. This wasn't part of my original thinking. But I'll piggyback on what Daniel said, in New York, the New York Mortgage Bankers Association, this past Well, it's been two years now almost, we launched an affordable Friday education series where webinars every third Friday of the month, and we're training lenders and real estate professionals on the tools that are available to help low and moderate income and diverse borrowers to get into homeownership situation. So we've done trainings on downpayment assistance programs on community land Trust's how to access that funding in the lending world, how to apply it in different mortgage programs, and things like that. So we would love to, I would love to reach out to you, Jerry, to talk about kind of some of the speakers, we've already engaged in some of the great content we've already put out into the world. And let's face it has, frankly, not been viewed by nearly as many people as it should be. So an opportunity to get a broader audience for this supporting content, I think is really important. So in terms of my other comment, I just want to say, I know a couple of groups mentioned as one of their focuses, and it wasn't something that you spoke about today, advocacy. And one of the things I've been most impressed by and this will be my fourth meeting. So it'll be the end of my first year and being on this advisory council is that the Office of Homeownership Counseling and the leadership of David and Secretary Fudge and all of the people that have been engaged. This is not a group that just has these meetings to check a box. They take action items, there's actual incorporation of the policies and recommendations from all the groups that everybody hears from. And I think it's really important that we focus on that advocacy to get the funding where it needs to be to get all the groups the resources that they need, so that when rental assistance counseling can be funded and other important things. There's just not you know, everybody, I know it's difficult because we're all so engaged in our day to day activities, but to take the time to reach out to your legislators and speak about the importance of inclusive zoning, funding preservation of existing affordable housing, funding the Office of Housing Counseling and getting that number back up to 87.5 million, and different things like that. I just can't say enough about how we should all be making sure we're taking the time to do that.

**Public Comment – David Berenbaum & Virginia Holman**

**Summary**: Ms. Holman started the Public Comment Portion of the meeting by explaining the rules and procedures.

**Virginia Holman opened the floor for public comment**: Thank you very much, David. This is a very important part of our meeting where we ask the public to give us comments relative to what we discussed or just any other housing counseling topic. Just to give you a little guidance on how the process is going to work. You're going to be able to make your comments either through Zoom, the facilitator will call on you if you registered to speak, but this meeting we will be using the raised hand tool in Zoom. The facilitator will open your line, but then you must unmute your microphone yourself. If you are in person, please approach the podium and make your statement. We'd like you to introduce yourself by providing your name and your organization and an important thing to note is that there is a two-minute limit on your individual comments. As I said earlier, restrict your comments to the topics that we discussed today or just general housing counseling issues. Another important fact is the members of the advisory committee will not respond to your comments or questions during the meeting. They will, however, consider them at a later date during future deliberations. Thank you.

**Laura Ponce:** Hello, this is Laura Ponce. First of all, I want to thank the panel just for all the information. I think it's been a very informative session. I appreciate the time and attention that's been brought to all the different issues related. I'm the executive director from Project Bravo, that community action program that serves the county of El Paso. We're also one of two HUD certified housing counseling agencies that serving a city of over 800,000 people. And so I'm also a board member of UnidosUS and the Affiliate Council Chair. And so first of all, just my comments, just kind of in general about funding, and just really the need for HUD to look at their funding and see if we can find ways to make reporting simpler, easier. You know, I think that one of the biggest challenges that I have, as an executive director of a HUD certified housing counseling agency, is making sure that my staff understands the reimbursement process. And so that takes a lot of training and a lot of expertise. It's very difficult when we have any turnover, because there's so our HUD program reports and funding reports are just very different from reports that I that our organization makes for other different departments of the federal government. And so I think that we really need to look at that and make sure that we simplify it and also support organizations administratively to be able to keep these programs. I think that the reason why we're only one of two HUD certified housing counseling agencies is that it just got too hard to be a HUD certified housing counseling agency. And so that's just one of one of my comments in general about HUD although that, you know, we do appreciate our partnership, we do appreciate the support. I think the other thing has to do with timing. I think that from my understanding of just kind of how the HUD funding works, we're always kind of working backwards when we, you know, in the way that we receive our funding, so we have to work with an intermediary which for us has a really great partnership with UnidosUS, but we always seem to be kind of working in this space where we're having to look back to see what you know what activity, you know, funding becomes available and having to look back to see others activity that can be charged to HUD grants, because of the timing of when the funding goes out. And so I think that kind of those two things just make this a really complicated funding source. And I think that simplifying, it will encourage more agencies to participate, making the funding more stable. So that, you know, we could use utilize more of this, these funds for administrative support, and support of our staff who some of them will be HUD certified. Some of them will be, would you call it becoming or training and so just all of the complicated regulations just make it very challenging to be able to, to fully support a HUD certified housing counseling agency. And I think that's all that I have for my comments.

**Elizabeth Alonzo-Villarreal**: Good afternoon, and thank you. My name is Elizabeth Alonzo Villarreal. I am the CEO of NeighborWorks Laredo in Laredo, Texas, and we are a HUD certified counseling agency. Thank you. This has been very informative. And for comments that I know my colleague Patricia made comments on this on affordability. So there are policies in place as Mr. Sevilla mentioned, that worked many years ago, I'm talking about the 80% AMI qualification for downpayment assistance. As you know, the housing costs have raised so we're looking at and this is in every part of the United States, the home prices are just getting so high to where folks that are at 80% AMI are just not going to qualify even with the downpayment assistance programs. And we're very happy that we have the city of Laredo here too, that we partner with for the downpayment assistance programs. But we would really like to start the conversation of possibly increasing it to like Patricia had mentioned 100 -120%, we still need to also help the folks that are 80% and below and that's going to come through layering through other partnerships, but there is opportunities for folks at the 100-120 AMI to be homeowners. So they're missing that opportunity. So that is something that I just wanted to bring up that you know, many are being left behind, because they don't qualify. And yes, they might purchase, but not with the downpayment assistance program. And as you know, you know, becoming a homeowner, there's a lot of responsibilities and we really advocate for homebuyer education, we were even discussing that everybody, especially FHA should be mandated to take a homebuyer education because back in 97, we were homeless, we became homeowners, fortunately, but there was so many struggles along the years that we thought that now that I worked for a an organization that has HUD counseling, we should have gotten there, we should have started to you know, and luckily, we didn't lose our home. But these are just things that we need to partner more with the realtors, the builders, lenders so that we can have more opportunities for everyone, especially those that are just at the margin that they don't qualify for DPA. But that's a conversation that I would like to see that the AMI be increased, thank you.

**Unknown:** I had an opportunity to meet your guys yesterday won't get her a site visit with Our Casas. But still, advocacy, as you said earlier, is a big thing for me right now, mainly was our people that are in loss mitigation foreclosure, because the lenders are getting back to their old, not good ways of dealing with people, we're getting complaints that they're not supplying translators for non English speaking, Latinos, we're seeing people being denied even a loss mitigation application and being forced to do it over the phone. And then when the client calls to ask on a certain point of the loss mitigation, they say, We never talked to you. But there's no paper trail to prove otherwise. So they're doing that as well. So I've been trying to advocate to the point where hoping to get the city state government to let people know not to wait to the last minute because these mortgage companies are telling them to talk to a housing counselor. But they're telling them to talk to us after they've exhausted the process of loss mitigation. When they've already been denied, then they tend to call us not from the Jumpstart when they first call that they're going to they're late on their payments. That's when the mortgage company should be better. So I would hope that this body would advocate and put some pressure on these mortgage companies and and we've done that I've done the same thing with CFPB. Okay, we recently had a Zoom meeting with 17 counselors from throughout the United States. And we talked to some of the CFPB staff because we had seen this coming before the COVID Relief Act expired. We knew that was coming. I normally in a quarter we'll see maybe seven loss mitigation clients. This second quarter, I've already seen 13. Okay, so it's affecting, it's affecting. So I would ask this, this body to impress her on say, wherever police's these mortgage companies to start making sure that they're following policies that were created under the RESPA of our regular new RESPA regulations back in 2008. Okay, thank you. Thank you.

**Lupe Torres:** Good afternoon. My name is Louie Torres here in San Antonio, Texas. And I want to thank you all so very much for coming to San Antonio. And having this wonderful meeting, I did not even know that you all existed. So I thank you for existing and, and doing such great work in the whole country on behalf of HUD and all these other speakers that spoke today, these nonprofit organizations. I currently serve as the Chairman of the Bexar County Housing Authority. And within that structure, the housing authorities have a program that's funded by HUD called The Family self sufficiency program. And what it does is identifies families who live in through the section eight choice vouchers. And they set for those of families and many of them are women head of household who want to be first time homebuyers. They get into the program, and they go through a series of housing counseling, credit, all everything that they need to know to become first time homebuyers. And for within five years, they built an escrow. So if they're working, or if their rent goes up, for whatever reasons, they take that amount of rent that would have gone up, and it's put in escrow. And then when they're ready to buy their house, that money is used as a first time down payment. And we have had an extremely successful program, where some of them have even acquired up to $30,000, to use for their down payment. And so I wanted to encourage some of the nonprofit's they're doing an excellent service in their communities to engage or to contact their housing authorities. Now, some may not have the program, but many of them do. Here in San Antonio, we are the smaller housing authority where the county, but the city is much larger, and I believe they have one. And we have had great success with these women, these families to obtain their houses. And so far, not a single one has defaulted. And some years back when the Congress designated that banks should have two public interest directors, I was very honored to be to serve as one of the first public interest directors for the Federal Home Loan Bank Board. Well, they were not very happy to have two of us advocates out here. And the reason those public interest directors were created beat was because of the redlining that banks were doing in section of several zip codes for income neighborhoods. And as a result, they had to also start a housing advisory committee that still exist. And it's chosen in various ways. And these are people that are nonprofit directors or people in the nonprofit world who serve on that housing advisory. So I want again, thank you very much. And for y'all to look into the housing authorities what they've come under HUD, to see about that family self sufficiency. Thank you very much.

**Next Steps and Adjournment- David Berenbaum**

**Summary**: So allow me just an opportunity to say a few closing remarks again, thank you to everyone from the community and from around the country, who participated in this very significant discussion about the needs of the Latino community and our Latino neighbors to really fulfill their housing journey, where so, whether it be rental, homeownership, aging in place rehousing to really, really have a comfortable and affordable place to live. We have a lot of work ahead of us, but we are committed to taking that journey, together with all of you to the members of the committee. Thank you. Cause I know how attentive you have been. I know how interested in the issue you are, I'll share with you that our upcoming meetings are going to be equally significant. Our next meeting in June will be reaching out to you, for some scheduling will be a virtual meeting and our meeting in September will be another, I believe, deep dive discussion. Looking at how housing counseling organizations work with members of the armed forces. Their families as well as veterans, stay tuned for more information on that issue. There are a host of issues that have emerged in our various meetings on that point. And I think that's an area of extensive opportunity to expand the role of housing, counseling with our sister and brother of Federal agencies, as well as on a community level. On an administrative note, I do have to note that it's hard to believe. but it is for many of you approaching your 3 year term limits you. You were appointed for a 3 year term. We have 9 members in September whose terms technically end. We also have another 2 members where it ends in January. I want to share with you first. You are the A Team. I wish everyone could continue to serve because you bring a wealth of wisdom and knowledge. But we will be announcing the nomination process for the new cohort of Housing Counseling Advisory Committee members likely to be in May. That's a working date. Right now I want to share with you that you will have the opportunity to reapply if you are interested to continuing to serve. But of course we always want to like any healthy organization, also bringing people with new thinking, new backgrounds and different ideas. But I just wanted to give you a little heads up that this process is beginning. The other aspect of it is, we will expect that rolling terms will be rolled into the next group or cohort that comes in, and you'll remember, for the majority of you the reason you were all appointed at the same time is because during the last administration the committee did not meet and was downsized. I'm not making any political statement about that. We want this to be a strong and active board serving the community, and of course, the Office of Housing Counseling. And on that note I would like to thank all of you wish you safe travels, and we are adjourned.

**Meeting Adjourned.**

**End of Webinar**