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To:
Date: 6/18/2013 5:34:15 PM
Subject: HUD AWARDS \$40 MILLION IN HOUSING COUNSELING GRANTS

Dear All,
Please let me know if you have any questions.
Thanks!



HUD NEWS

U.S. Department of Housing and Urban Development – Shaun Donovan, Secretary
Office of Public Affairs, Washington, DC 20410

HUD No. 13-094

FOR RELEASE

Lemar Wooley

Tuesday

(202) 708 - 0685

June 18, 2013

<http://www.hud.gov/news/index.cfm>

HUD AWARDS \$40 MILLION IN HOUSING COUNSELING GRANTS

HUD funding critical to support hundreds of counseling agencies nationwide

WASHINGTON – As part of its continuing effort to assist families and individuals with their housing needs and to prevent future foreclosures, the U.S. Department of Housing and Urban Development (HUD) today announced more than \$40 million in housing counseling grants to 334 national, regional and local organizations. As a result of these grants and the additional funding they help leverage, more than 1.6 million households will have a greater opportunity to find housing, make more informed housing choices or keep their current homes. [See list of all counseling agencies awarded funding today.](#)

“Make no mistake: these grants will do a lot of good,” said HUD Secretary Shaun Donovan. “The HUD-approved counseling agencies this funding supports are crucial in helping families manage their money, navigate the homebuying process, and secure their financial futures. The evidence is clear that housing counseling works. These grants are a smart investment to help families and individuals find and keep housing which helps promote neighborhood stability in the long term.”

More than \$38 million in grant funds will directly support the housing counseling services provided by 27 national and regional organizations, 8 multi-state organizations, 22 State Housing Finance Agencies (SHFAs) and 277 local housing counseling agencies. In addition, HUD is awarding \$2 million to two national organizations to train housing counselors who will receive the instruction and certification necessary to

effectively assist families with their housing needs.

Working in consultation with housing counseling industry stakeholders, [HUD's new Office of Housing Counseling](#) substantially streamlined the application process for these grants. A number of procedural improvements were made to the application process and program requirements, which encourage the development of efficient and effective counseling programs and reduce the administrative burden on applicants.

HUD awards annual grants under the housing counseling program through a competitive process. Organizations that apply for grants must be HUD-approved and are subject to monitoring and oversight to maintain their HUD-approved status.

National and regional agencies distribute much of HUD's housing counseling grant funding to community-based organizations that assist low- and moderate-income families to improve their housing conditions. In addition, these larger organizations help improve the quality of housing counseling services and enhance coordination among counseling providers. [Read a summary of each grant, organized by state.](#)

[HUD studies](#) show the effectiveness of housing counseling. Last year, HUD released two reports on the impact of HUD-approved housing counseling for families who purchase their first homes and those struggling to prevent foreclosure. In both studies, HUD found housing counseling significantly improved the likelihood homeowners remained in their homes.

Grant recipients utilize funding to address the full range of families' housing counseling needs. This includes helping homebuyers and homeowners realistically evaluate their readiness for a home purchase, understand their financing and downpayment options, and navigate what can be an extremely confusing and difficult process. Grantees also help households find affordable rental housing and offer financial literacy training to individuals and families struggling to repair credit problems that restrict their housing options. In addition to providing counseling to homebuyers and renters, these organizations assist homeless persons in finding the transitional housing they need to move toward a permanent place to live. Finally, grantees also assist senior citizens seeking reverse mortgages or [Home Equity Conversion Mortgages](#) (HECM). These agencies provide counseling for the rapidly growing number of elderly homeowners who seek to convert equity in their homes into income that can be used to pay for home improvements, medical costs, and other living expenses.

Housing counseling agencies support fair housing by assisting borrowers in reviewing their loan documentation, to avoid potential mortgage scams, unreasonably high interest rates, inflated appraisals, unaffordable repayment terms, and other conditions that can result in a loss of equity, increased debt, default, and even foreclosure. Likewise, foreclosure prevention counseling helps homeowners facing delinquency or default employ strategies, including expense reduction, negotiation with lenders and loan servicers, and loss mitigation, to avoid foreclosure.

[HUD's new mobile app](#) allows smartphone and tablet users to locate housing counselors in their own area.

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HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes; utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination; and transform the way HUD does business. More information about HUD and its programs is available on the Internet at www.hud.gov and <http://espanol.hud.gov>. You can also follow HUD on twitter [@HUDnews](#), on Facebook at www.facebook.com/HUD, or sign up for news alerts on [HUD's Email List](#).

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