

National Housing Resource Center

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NCRP: What is NHRC and how is it addressing the affordable housing crisis in the country?

NHRC: Each year, the nonprofit housing counseling community provides vital services to 1.3 million housing consumers: first-time homebuyers, homeowners in foreclosure, renters, elderly borrowers and people re-establishing their credit. Two thirds of housing counseling clients are low and moderate income and two thirds are people of color. The NHRC mobilizes this housing counseling community as frontline advocates on affordable housing and credit issues. NHRC works on:

- Improving access to credit for underserved borrowers.
- Pressing for affordable mortgage modifications during the foreclosure crisis and on what will replace the Home Affordable Modification Program.
- Leveraging millions in mortgage settlement funds to help homeowners in foreclosure.
- Integrating high-value housing counseling programs into mortgage origination and servicing processes.
- Improving language access for consumers not fluent in English.
- Working with the White House, federal agencies, regulators and Congress.

NHRC is spearheading a coalition of civil rights and housing advocacy groups on language preference to let people who are not fluent in English choose which language they use to communicate with their lenders. If we hardwire language preference into the mortgage process, we can preempt some of the miscommunication and fraud inflicted on borrowers with limited English proficiency.

NHRC works with leading student debt advocates to train hundreds of housing counselors on federal student loan repayment plans. These underused plans are highly affordable for many borrowers. The public service option provides for complete loan forgiveness for people working for nonprofits and government after 10 years. This is an incentive for people working for nonprofits to stay in the field.

NCRP: How can public policy advocacy impact the racial and ethnic wealth gap in the United States?

NHRC: To address the racial and ethnic wealth gap in the United States, we have to address how people build wealth. Homeownership is a critical tool for building wealth, and it has the unique benefit of being an investment in which you can live. However, only 46 percent of African American and 47.5 percent of Latino families are homeowners, compared to 74 percent of white families. Communities of color have lost homeownership share because of predatory lending and the economic downturn. Advocacy and housing counseling can help reduce barriers for underserved borrowers, such as:

- Overreliance on high credit score minimums, hurting people from low-wealth communities.
- Recognition of the actual incomes in many lower income households, including boarder income, informal self-employment and income pooling.
- The need for substantial downpayment assistance.

A deep integration of housing counseling as a trusted advisor into the mortgage origination and servicing processes will help increase the number of successful home-

buyers and keep them in their homes even in a financial downturn.

NCRP: What roles have foundations played in helping NHRC's work?

NHRC: Open Society Foundations (OSF) funded our work to expand the value of the National Mortgage Settlements. Working jointly with the National Consumer Law Center, we were able to train 1,000 housing counselors across the country on tougher settlement standards, get better resolutions for homeowners and identify cases where the mortgage servicers were not following the rules. Because of the OSF advocacy commitment, we were able to join with Americans for Financial Reform and housing advocates on stronger enforcement, more settlement funds flowing to help homeowners, stronger mortgage servicing rules and better treatment of non-English speakers.

NCRP: What tips would you offer foundations interested in becoming more effective supporters of work like yours?

NHRC: To speak candidly among friends, there is a major lack of funding for housing advocacy in the foundation world today. Foundations need to support the real value of stable homeownership in terms of wealth building, neighborhood stability and community development. There is no comparable wealth-building tool out there and certainly none that has the multiplier effect of stable, affordable homeownership on the homeowning family and the communities they live in. Support is needed for the homeownership advocacy work of local community organizations, housing advocates and housing counseling organizations. ■

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