

HOUSING COUNSELING SERIES, PART 2: Successfully Administering Counseling Assistance

Sponsored by the Florida Housing Finance
Corporation's Catalyst Program

Michael Chaney, Technical Advisor
Florida Housing Coalition

Catalyst Training Schedule



The Coalition is Florida's affordable housing training and technical assistance provider.

The Florida Housing Coalition is commonly acknowledged as the foremost authority in Florida on affordable housing, community development and related issues, as a clearinghouse for information, a provider of training and technical assistance, and an advocate at the state and national levels for people in need of affordable housing.

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AFFORDABLE HOUSING CATALYST PROGRAM

**Sponsored by the Florida Housing
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we make housing affordable™

THE FLORIDA HOUSING COALITION



Request a Site Visit on Housing Counseling assistance or more



- **Call (800) 677-4548**
- **Up to 6 hours of training in your office**
- **Discuss new and existing strategies**
- **Review of Files, Staffing, Procedures**

Two Audiences for Today's Webinar

- **SHIP staff learning about counseling**
- **Counseling agencies learning about SHIP**

Today's Presenters

- **Carrie Vitale, Vice President of the Tampa Bay CDC**
- **Mohan Lalwani, Program Manager at Credit Card Management Services**
- **Carolyn Norris, Executive Director of the Home Ownership Resource Center**

Review from Part 1: Offering SHIP Housing Education and Counseling



Recording from February 12:
<https://vimeo.com/255454825>

WHY?

Benefits of Pre-Purchase Counseling

There is evidence that pre-purchase counseling reduces the rate of first-time buyer delinquency by **29%**.

Estimated dollar benefit of
this reduction is **\$1,000** per loan.

SOURCE: Peter Zorn analysis of 38,000 Freddie Mac mortgages, 2000 to 2008.



SHIP Pays for Housing Counseling

- May pay with SHIP Program Funds—not Administrative Budget—when contracting for counseling services
- Upper limit for SHIP-funded Counseling dictated by set aside compliance
- Counseling does not comply with set-asides

Counseling Agency Partnership CASE STUDY

Tampa Bay CDC
Carrie Vitale

HANDOUTS

Sample Contract from Kissimmee

- Rapid Rehousing of Homeless persons
- Maintain Files, submit Monthly Reports

Pasco County Bid Specifications

- Classes: 7 hours long, # in certain locations, English and Spanish
- Foreclosure Prevention: Develop budget, Possibly defer SHIP loan repayment

Sub-Recipients Technical Bulletin



SHIP may partner with Counseling Agency

- SHIP pays a service delivery fee
- Counseling is a Program Delivery
Cost: agency offers services that
city/county staff often cannot

Counseling Agency Partnership CASE STUDY

**Home Ownership Resource Center
Carolyn Norris**

**What are the tasks involved with
providing SHIP-funded assistance**

16/17 SHIP Funds for Housing Counseling

- **Source: Foreclosure Counseling Program (FCP)**
- **Amount Available: \$10,000 - \$15,000**

FCP to SHIP recipients

\$ 3,000,000

Local Government	County Total	County Share/ City Share
ALACHUA	36,795	18,324
Gainesville		18,471
BAKER	10,000	10,000
BAY	25,145	19,945
Panama City		5,200
BRADFORD	10,000	10,000
BREVARD	79,900	44,240
Cocoa		2,605
Melbourne		11,322
Palm Bay		15,285
Titusville		6,448
BROWARD	259,310	55,440
Coconut Creek		8,039
Coral Springs		17,632

Local Government	County Total	County Share/ City Share
FRANKLIN	10,000	10,000
GADSDEN	10,000	10,000
GILCHRIST	10,000	10,000
GLADES	10,000	10,000
GULF	10,000	10,000
HAMILTON	10,000	10,000
HARDEE	10,000	10,000
HENDRY	10,000	10,000
HERNANDO	25,611	25,611
HIGHLANDS	14,893	14,893
HILLSBOROUGH	188,245	137,362
Tampa		50,883
HOLMES	10,000	10,000
INDIAN RIVER	20,951	20,951

Local Government	County Total
OKEECHOBEE	10,000
ORANGE	177,760
Orlando	
OSCEOLA	44,484
Kissimmee	
PALM BEACH	195,934
Boca Raton	
Boynton Beach	
Delray Beach	
West Palm Beach	
PASCO	69,648
PINELLAS	134,422
Clearwater	
Largo	

Annual Report: 16/17 Considerations

- **Special allocation of counseling funds**
 - Mostly provided January-June 2017 during 16/17 fiscal year.

Add to 16/17 Annual Report

- **ENCUMBER: 16/17 Counseling Funds:**
may be encumbered by contract w/ HUD counseling agency
- **EXPEND: Deadline is June 30, 2019**

Types of Housing Counseling



- Pre-Purchase
- Post-Purchase
- Foreclosure prevention
- Rental housing counseling
- Homeless Counseling



Homebuyer Counseling

- Offer classes and one-on-one counseling.
- Involve lenders, home inspectors, Realtors, insurance staff, and more

Topics for Pre-Purchase Education

Key Topics	Client Outcome
Assessing Homeownership Readiness	
Pros and cons of homeownership	Understand the benefits and responsibilities of homeownership
Overview of the home purchase process	Conduct self-assessment of homeownership readiness
Housing affordability	Calculate housing affordability
4 C's of credit	Understand how lenders determine mortgage readiness

Source: National Industry Standards for Homeownership Education & Counseling



Financial Management Counseling

Financial Management

Financial management education:

- Including “Provide... skills and knowledge necessary to ameliorate the risk of re-default or avoid problems in the future.”

Financial coaching:

- One-on-one assistance

Extended financial management:

- including post-modification assistance such as “engage with the lender or servicer to discuss specific issues related to the permanent modification.”

–Quotes from *FCP Revised Procedures Feb 2015*

Financial Management CASE STUDY

Tampa Bay CDC

Carrie Vitale

- Provide an overview of the CDC's financial counseling program.
 - Is it funded by SHIP?



Foreclosure Prevention

SHIP Foreclosure Prevention Resources

SHIP Counseling: Classes and one-on-one counseling. Communicate and Negotiate with lender

SHIP Foreclosure Prevention Strategy:

- Pays past due amounts:
 - Delinquent mortgage payments (principal, interest, taxes and insurance),
 - Attorney's fees,
 - Late fees and other customary fees

SHIP helps Homeowners with Hardships

- Recovered from temporary hardship
- Can maintain housing payments
- Sample Text
 - “There must be a reasonable prospect that the applicant will be able to resume full mortgage payments to the primary lender.”
 - “The applicant must show their ability to continue to maintain their mortgage payments after assistance is given.”

Foreclosure Prevention Counseling CASE STUDY

Credit Card Management Services

Mohan Lalwani

- Overview of how a counselor provides foreclosure prevention counseling
- Hardest Hit closed January 31, 2018.
What else funds your foreclosure work?



Post-Purchase Counseling

Post-Purchase Counseling CASE STUDIES

Home Ownership Resource Center

Carolyn Norris

and

Credit Card Management Services

Mohan Lalwani

- **Why is this important?**
- **What topics are addressed?**

Post-Purchase Topics

- **Budgeting**
- **Energy Efficient Home Maintenance**
- **Storm Shutters, Gutters, Drainage Control**
- **Selecting and Managing Home Improvement Contractors**
- **Home Warranties and Insurance**
- **Exterior and Interior Pest Control**
- **Preventing a Foreclosure**



Rental Housing Counseling

Helping Renters

- **Find the Right Place: Near transport. Near services or job. Rentals with subsidy**
- **Upfront: tenant responsibilities, Insurance for Renters**
- **Application Obstacles: Criminal Records, Leaving before lease is up.**
- **Details about the Rental Lease**
- **The Eviction Process – Avoid Eviction Action plan**



Housing Stability Counseling

SHIP “Housing Stability Counseling” for Homeless recipients

- For recipients of SHIP Rental Subsidies
- Counseling links household with services to promote housing stability
 - Employment
 - Benefits (e.g., disability income, food stamps)
- Mediating between landlord and tenant

Questions & Answers

Please complete Evaluation