



AMERICA

Working Together for Strong Communities

Reflections on the State of Homeownership

In the time of
COVID

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NeighborWorks® America

Who We Are:

- A congressionally chartered non-profit headquartered in Washington, DC.
- Recognized leader in the affordable housing and community development field with a 40-year track record of investment and support.

The NeighborWorks network comprises 240 affiliate non-profits across the country. Representing all 50 states including Puerto Rico and Hawaii. Affiliates are held to some of the highest standards in the industry.

What We Do...

Investing to Create Strong Communities



Operating Grants to support the work of our affiliates



Technical assistance to enhance agency capacity



Training and Certification for Housing and Community Development Professionals

Our Impact!

FY 2019



- ⬆️ **26,244** New homeowners
- ⬆️ **155,225** Households received homebuyer education (HBE)
- ⬆️ **13,410** Customers received financial coaching
- ⬆️ Nearly 50% of new customers created were minorities – higher than national the national average.

National Homeownership Programs and Lending at NeighborWorks® America

Housing Counseling

National HUD Intermediary –
largest network of HUD
approved agencies

Financial Capability

Financial education and
coaching strategies that
support and compliment pre-
purchase homeownership
services



Lending and CDFIs

Network comprised of 107
non-profit lenders and over
80 CDFIs

Neighborhood LIFT –
partnership with Wells Fargo
Foundation – provides DPA in
select markets.

COVID-19 and Homeownership Organizations



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Conditions Vary Across the Country



- Some geographies have seen a boom in homeownership – interest rates are low but so is inventory.
- Homebuyer education workshops are at capacity
- In other places, homeownership has stalled.





What made the difference?

- Organizations with previous disaster experience
- Agencies that maximized technology.
- Those that had a disaster plan in place.

What's Working

- Engaging with customers virtually.
- Allowing staff to work remotely. (costs savings)
- Staying operationally flexible.
- Exploring new ways to stay engaged with staff.
- Peer to peer sharing
- Availability of resources to support community needs.

What Continues to be a Challenge

- Engaging with customers virtually.
- Availability of resources
- Uncertainty makes it difficult to effectively plan
- Staff working from home and related capacity issues

Rental Counseling

- A growing line of business in many organizations
- Building staff capacity to provide services
- Availability of relief funding
- Many are young or lower skilled workers who were disproportionately in jobs for which they cannot work from home or require substantial face-to-face contact

More Than Half of Low-Income Families Have Had Trouble Paying for Housing



Share of low-income families reporting difficulty paying for housing

URBAN INSTITUTE

Source: Rapid Assessment of Pandemic Impact on Development - Early Childhood Survey, weeks 9 (June 1-4), 11 (June 15-19), and 16 (July 20-23).

Notes: Results are weighted using "race alone or in combination with one or more races" among families with children ages 5 and younger in the 2018 American Community Survey demographic files. Low-income families reported earning less than 150 percent of the federal poverty level in 2019, before the pandemic.

Should we expect another foreclosure crisis??



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Lessons Learned from Previous Financial/Foreclosure Crisis

Then vs Now

THEN

Contributing Factors were different.

- (1) homeownership by any means necessary environment
- (2) exotic mortgages (interest only, risky adjustables, no docs, etc.)
- (3) Inflated property values
- (4) higher interest rates than currently
- (5) The homeownership industry was not prepared



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Lessons Learned from Previous Financial Crisis Then vs Now

NOW

- (1) The economy - employment related challenges
- (2) Mortgage products are for the most part sound
- (3) Housing Counseling agencies have prior experience
- (4) Renters as well as homeowners are being impacted
- (5) Cares ACT – provided some early intervention



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What we know right now

- Will there be a dramatic rise in foreclosure rates??
 - Recent research suggests that the rate of COVID related foreclosures may not be as severe as it was with the previous crisis—but still too early to confirm.
- National Foreclosure Mitigation Counseling Program (NFMC) resources have not been identified.
- NeighborWorks organizations are cautiously ramping up:
 - introducing on-line foreclosure counseling.
 - Conditions vary across the country

What can organizations do now to help?

- Partnerships with HUD Counseling Agencies
- Outreach to customers before they become delinquent
- Sharing information on available options
- Ensure staff are adequately trained



Ongoing Challenges for Homeownership

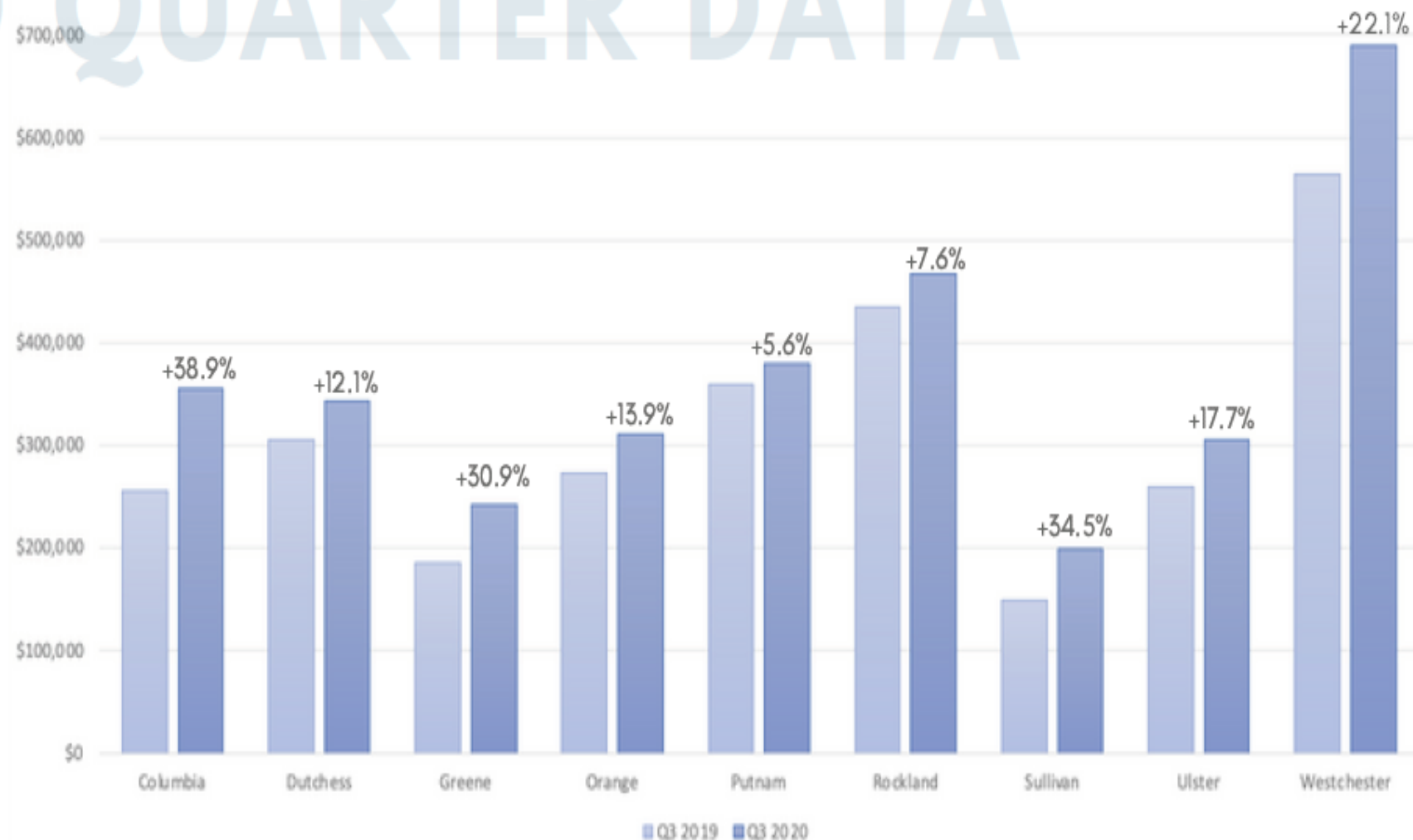
- Debt burdened consumers
 - student loan debt
 - credit card debt
- Lack of Affordable Housing
- Need for greater subsidies



MEDIAN SALES PRICE

3RD QUARTER DATA

	Q3 2019	Q3 2020	% Change
Columbia	\$255,500	\$355,000	38.9%
Dutchess	\$305,900	\$343,000	12.1%
Greene	\$185,000	\$242,200	30.9%
Orange	\$272,950	\$311,000	13.9%
Putnam	\$360,000	\$380,000	5.6%
Rockland	\$435,000	\$468,000	7.6%
Sullivan	\$148,450	\$199,600	34.5%
Ulster	\$260,000	\$306,000	17.7%
Westchester	\$565,000	\$690,000	22.1%



Homeownership in Communities of Color

Bridging the Gap



Hudson Valley Loan Originations

HMDA by County (2019)	Percent of Loans Originated			
	Not Hispanic or Latino	Hispanic or Latino	White	Black or African American
Columbia	60.1%	51.5%	60.0%	54.8%
Dutchess	58.4%	50.1%	58.5%	53.1%
Greene	59.9%	45.3%	59.7%	47.8%
Orange	58.8%	50.7%	59.4%	53.7%
Putnam	57.6%	53.8%	58.0%	59.8%
Rockland	60.5%	51.4%	61.7%	50.9%
Sullivan	50.4%	41.1%	50.8%	40.9%
Ulster	59.9%	47.3%	60.1%	51.6%
Westchester	60.3%	53.2%	60.8%	51.6%
Hudson Valley	59.3%	51.6%	59.7%	52.2%

HMDA by County (2019)	Application Denied			
	Not Hispanic or Latino	Hispanic or Latino	White	Black or African American
Columbia	20.8%	33.3%	20.7%	32.3%
Dutchess	21.3%	33.7%	21.6%	26.5%
Greene	19.9%	34.0%	20.0%	26.1%
Orange	21.9%	28.3%	21.4%	25.9%
Putnam	22.1%	27.8%	22.4%	16.3%
Rockland	20.7%	28.8%	20.1%	26.0%
Sullivan	28.6%	41.1%	28.8%	35.5%
Ulster	21.6%	32.9%	21.5%	29.3%
Westchester	19.5%	25.8%	19.2%	26.0%
Hudson Valley	20.9%	28.3%	20.8%	26.2%

Engaging Communities of Color

- In some communities, homeownership may not be the assumption it is in white households:
- May be viewed as something not within reach
- Foreclosure crisis added to apprehensions about owning vs renting. Renting can be viewed as a safer option.

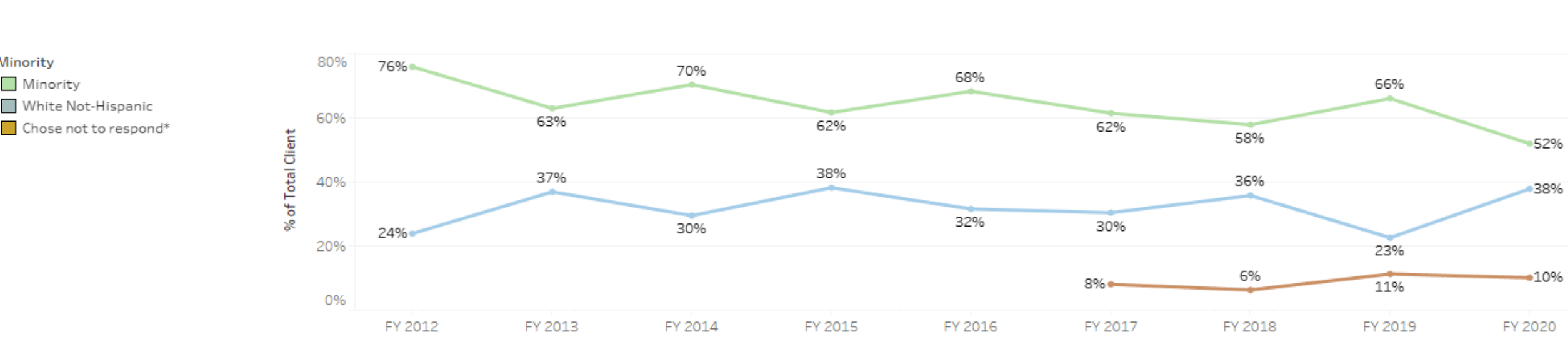
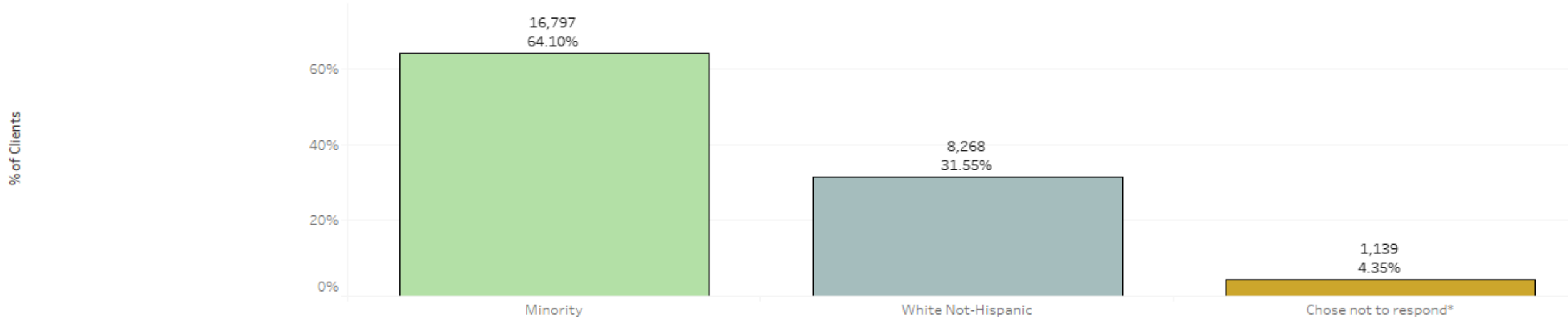


Engaging Communities of Color

- Down-payment & closing cost assistance programs provide essential support.
- Demystify the process & clarify long-standing misperceptions.
- The value of education & counseling.
- Removing barriers to mortgage readiness contributes to long-term homeownership success and sustainability.



Minority



Engaging Communities of Color



- What is the New Homeownership Value Proposition?
- Make sure marketing materials reach intended audiences
- Be open to exploring new partnerships.





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National Scam Alert Campaign

Made possible with support from
the Wells Fargo Foundation

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Lessons Learned

- Beginning in 2009, consumers were desperately looking for ways to save their homes. It created the perfect atmosphere for scammers to take money from unaware homeowners in exchange for empty promises.



Goal: To educate and inform consumers about housing related scams-where to report them; and where to go for trusted assistance.



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Strategies

- Consumer facing collateral
- Support for local marketing and outreach
- A resource driven website
- Leveraging social media
- Partnerships and collaborations





Partnership Opportunities

- Access to a marketing toolkit that includes a suite of resources for digital platforms
- Information in five languages: English, Spanish, Chinese, Korean, and Vietnamese
- Linkage to campaign messages at the campaign website
- Collaboration with other industry leaders on best practices

Start Here

NOT OK? THAT'S OK.

If you are a homeowner and are struggling to make your payments, please contact a HUD approved housing counselor for free advice on what to do next.

Call 800-569-4287

Find a Housing Counselor

To our mortgage industry partners, welcome to the COVID Help For Home campaign page. Thank you for joining us in getting the word out to struggling customers that help is available.

This campaign is targeted to reach two groups:

- Delinquent borrowers who have not requested forbearance assistance, and
- Borrowers who are nearing the end of their CARES Act forbearance period and are not in touch with their servicer

So what do you need to do to get started?

1. Create an account on this page – see the link at the top of the page
2. Sign off on a brief disclosure
3. Go to the download section and get started

For more technical instructions on [how to use these images](#), please see more details [here](#).

And if you have some general questions on this whole campaign and how it came together, we have some [FAQs](#) for you [here](#).

Thank you for your leadership for our industry! Let's go!

Welcome to Your COVID Mortgage Forbearance Toolkit Headquarters

Email Address *

Password *

Login

[Forgot Password?](#)

Don't Have An Account?

[Create One Now.](#)

Disclaimer: This site is intended for the use of Lenders, Loan Servicers, Non-profits and Government Agencies

Thanks for joining a united effort to help homeowners through this tough time.

In this toolkit, you'll find pre-designed resources to help you raise awareness about pandemic assistance available for your customers. We've included everything from emails to social media posts to direct mail, along with a few different executions of each so you can find a look that works for you and your brand. Everything here is free to use and distribute.

The licensed images and files for the campaign materials ("materials") are intended for use by mortgage servicers and housing counselors solely for the purpose of reaching borrowers who may need forbearance or other assistance. No other use of the materials is authorized or permitted, and the materials may not be altered except to add specific servicer or counselor contact information in the editable fields.

If you have any questions, please send an email to help@covidhelpforhome.org your email will be responded to as soon as possible.

Good luck! And thank you for joining this united effort to help homeowners through this tough time.

Resources

How-To Guide

Customers on forbearance, but need a conversation

Customers who are delinquent, but haven't asked for help

Emails	Download	[Preview]	Emails	Download	[Preview]
Direct Mail	Download	[Preview]	Direct Mail	Download	[Preview]
Social Media	Download	[Preview]	Social Media	Download	[Preview]
Billboard	Download	[Preview]	Billboard	Download	[Preview]

Powered by RiskSpan, Inc and Housing Finance Strategies, LLC

class. Some courses are available in more than one format or will be in the future.

Course	Format
HO001 Foreclosure Tune-up	Interactive Webinar
HO006 Avoiding Foreclosure: Building Competency in Housing Counseling	Interactive Webinar
HO016 HECM Default and Foreclosure	Interactive Webinar
HO023 Foreclosure Intervention Services During Disaster Recovery	Interactive Webinar
HO025 How to Start a Disaster Volunteer Program	Interactive Webinar
HO026 Helping Your Clients Save Money for Disasters	Interactive Webinar
HO029 Remote Homeownership Counseling amid the COVID-19 Crisis	Interactive Webinar
HO030 Counseling Solutions for Vulnerable Populations and Homelessness amid COVID-19	Interactive Webinar
HO031 Rental Counseling & Eviction Preventions Amid the COVID-19 Crisis	Interactive Webinar
HO036 Counseling Rural Clients on Eviction and Foreclosure Amidst COVID-19	Interactive Webinar
HO107el Foreclosure Process Overview for Housing Professionals	Self-Guided Online
HO109el Foreclosure Basics for Homeownership Counselors	Self-Guided Online, Faculty-Led Online 2-day in-person
HO218 Counseling the Homeless and Those at Risk of Becoming Homeless	1-day in-person
HO235 Navigating the Road to Housing Recovery: Training the Counselor	1-day in-person
HO236 Efficient Strategies and Techniques for Loss Mitigation Counseling: Analyzing and Sharing the Results	2-day in-person
HO247 Post-Purchase Education Methods	5-day in-person
HO274vc Rental Housing Counseling Certification: Part 1 *	Faculty-Led Online, 3-day in-person
	1-day in-person
HO307vc Advanced Foreclosure: Case Study Practicum	Faculty-Led Online

Final Thoughts



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MARSHAL

DEPUTY U.S. MARSHAL

norman rockwell

This work is critical to our community.

“We take on the issues people talk about but don’t always want to address...”

—Jonathan Drapkin, President and CEO
Hudson Valley Pattern for Progress

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Thank you!
Remain Safe!

Karen Hoskins [-khoskins@nw.org](mailto:khoskins@nw.org)
Vice President, Homeownership and Lending

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