

From: Mayer, Jerrold H

Sent: Tuesday, January 29, 2013 9:54 AM

To: 'SF-HOUSING-COUNSELING-L@hudlist.hud.gov'

Subject: Two Notices for HUD Approved Housing Counseling Agencies: 1st Quarter 9902 Reporting, & Home Equity Conversion Mortgage (HECM) Counseling Protocol Compliance:

Two Notices for HUD Approved Housing Counseling Agencies:

1. First Quarter 9902 Reporting:

Reminder: The deadline for submitting the FY13 Quarter 1 9902 report is January 31st. 1st Quarter is October 1st through December 31st. HUD will immediately begin the process of reviewing and validating the data once the submission deadline has passed. If you have not yet begun preparations to submit your 1st quarter 9902 report, please do so immediately.

As you prepare your submissions, please keep the following in mind:

- Ensure that you are selecting FY13 Quarter 1 as your submission.
- The total numbers reported for sections, 3, 4, and 5 should be equal. The totals reported for sum of section 6 and 7 should be the same as the totals for 3, 4, and 5. Remember, 3=4=5=6+7.
- Once a submission has been made, please log into HCS to ensure that the data appears in the system and is correct. If your agency has an active HUD grant, please ensure the HUD activity column is populated.

AND

2. Home Equity Conversion Mortgage (HECM) Counseling Protocol Compliance:

This message is a reminder to all HUD approved housing counseling agencies that provide reverse mortgage counseling of the importance of the requirements of the HECM counseling protocol found in HUD Handbook 7610.1 REV-5, Appendix 4. Your adherence to the procedures outlined in the protocol insures that all client(s) receive thorough counseling on the following topics: how reverse mortgages work; the implications of reverse mortgages; how they may be beneficial to the client's individual situation, and, possible alternatives to reverse mortgages.

Counseling Session: In structuring an individual counseling session for client(s), counselors must plan for sufficient time to meet all requirements of the HECM Protocol. Generally, a counselor should plan on a session of no less than one to one and one half hours in duration. More time may be needed for telephone counseling sessions. This time estimate does not include client intake and session preparation time. The HECM

counseling certificate form HUD-92902 must accurately reflect only the time spent in the actual session.

FIT and BCU: All reverse mortgage counseling sessions must include a “Financial Interview Tool” (FIT) analysis. In addition, the “Benefits Check Up” tool (BCU) must be used for all clients who are at or below 200% of the Federal Poverty Level. Moreover, BCU must be offered to all clients and conducted if requested. HUD monitoring of FIT and BCU rates, as compared with the number of HECM certificates issued, reveals under-utilization of these tools and possible noncompliance with programmatic requirements.

Counselor Steering: Counselors are reminded of the prohibition on lender steering as noted in HUD Handbook 7610.1 REV 5, Chapter 4, paragraph 4-10 and Section A.7 of the HECM protocol. HUD Handbook 7610.1, REV 5 Chapter 4, paragraph 4-10 states the following: “Housing counseling agencies are not permitted to promote, represent, recommend or speak for any specific lender. The clearest way to avoid steering is by not presuming that a client wants to contact a lender unless the client specifically asks for help in finding a lender. If a client does initiate a request for help in finding a lender, then counselors should tell them about HUD’s current lender list or give them a copy of it. This ensures that only clients who expressly request help in finding a lender will be given information about contacting lenders, and that the information they receive will be a list provided by HUD rather than by a counselor or agency”. A link to the HUD lender page is provided here: <http://www.hud.gov/ll/code/llslcrit.cfm>

Lender Steering: Handbook 7610.1 Rev-5, Chapter 4, Paragraph 4-11, also addresses lender steering. Specifically the referenced handbook states “the lender may not steer, direct, recommend or otherwise encourage a client to seek the services of any one particular counselor or counseling agency. Lenders are required to give every client a list of HECM counseling providers that includes the national intermediaries providing telephone counseling and five agencies in the local area and/or state of the client with at least one of the local agencies located within a reasonable driving distance for face-to-face counseling”. Counseling agencies and counselors who are aware of lenders engaged in this prohibited practice must advise HUD at: housing.counseling@hud.gov your office of Housing Counseling point of contact. Agencies and counselors determined to be participating in this practice may be subject to appropriate sanctions as determined by HUD. A link to the referenced HUD Handbook 7610.1 Rev-5 is provided below. Please refer to Chapter 4 and Appendix 4 of the handbook for specific guidance on HECM counseling: <http://www.hud.gov/offices/adm/hudclips/handbooks/hsg/7610.1/76101HSGH.pdf>

Bulk subscriptions:

Some housing counselors have asked, "How do I sign up my entire agency staff for housing counseling listserv updates?" It is easy... Just list your staff email addresses like this:

aaa@xyz.com
bbb@xyz.com
ccc@xyz.com

You can send in one email address or your entire agency. Email your list to:
jerrold.h.mayer@hud.gov

If you have a housing counseling industry friend who you want to subscribe to this listserv, there are 3 other ways to sign up: 1. send them this link: http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/hcc/ohc_listserv they can sign up for the listserv there; or 2: forward them this email; or 3: Visit: <http://www.usa.gov> and subscribe at: <http://apps.gsa.gov/FirstGovCommonSubscriptionService.php> To unsubscribe - go to: <http://portal.hud.gov/portal/page/portal/HUD/subscribe/maillinglist> and click on "Housing Counseling" and follow the unsubscribe instructions on that page.

Some useful links for housing counselors:

HUD Housing Counseling: www.hud.gov/housingcounseling

Events & Training Calendar:
http://portal.hud.gov/hudportal/HUD?mode=disppage&id=OHC_TRAINING

Contracting Opportunities:
http://portal.hud.gov/portal/page/portal/HUD/program_offices/cpo

Career Opportunities: <http://www.usajobs.gov>

Grant Opportunities:
http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/grants/fund_savail

Presidentially Declared Disaster Areas:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/nsc/disaster

Foreclosure Assistance:
http://portal.hud.gov/hudportal/HUD?src=/i_want_to/talk_to_a_housing_counselor

Making Home Affordable: <http://www.makinghomeaffordable.gov/pages/default.aspx>

This list will often provide training opportunities and event announcements for non-profit and local government HUD Housing Counseling partners. HUD does not endorse the organizations sponsoring linked websites, and we do not endorse the views they express or the products/services they or their community/business partners offer. For more information on HUD's web policies please visit:
<http://www.hud.gov/assist/webpolicies.cfm>

Thank you!!!!