

April 24, 2008

The Honorable Barney Frank
Chairman
House Financial Services Committee
2129 Rayburn House Office Building
Washington, DC 20515

The Honorable Spencer Bachus
Ranking Member
House Financial Services Committee
B371a Rayburn House Office Building
Washington, DC 20515

Dear Chairman Frank and Ranking Member Bachus:

As you consider H.R. 5830, the “FHA Housing Stabilization and Homeownership Retention Act,” we urge you to support provisions that promote in-person housing counseling and early counseling intervention with families at risk of foreclosure. We also ask that you focus on those provisions that strengthen relationships between housing counseling agencies and servicers. Together, as national housing counseling intermediaries and consumer organizations, we represent hundreds of community-based housing counseling agencies across the country, as well as the interests of homeowners facing default and foreclosure.

We respectfully request that you support Congressman Joe Baca’s amendment which will help borrowers in default and foreclosure by promoting sophisticated outreach to them by counseling agencies and providing more in-depth service through in-person counseling—measures that will help save homes. Inconsistent and improper notice in the foreclosure process negatively impacts borrowers – particularly Hispanic, African American, lower income, and elderly borrowers. Providing early default notice, assistance, and counseling through the foreclosure process will increase loan modifications and decrease foreclosures.

We urge you to support Congressman Baca’s amendment and any other amendment that promotes better outreach to borrowers in default and foreclosure. If you have any questions, please contact Graciela Aponte, National Council of La Raza, at (202) 776-1578 or gaponte@nclr.org.

Sincerely,

ACORN
Black Leadership Forum
Center for Responsible Lending
Consumer Action
HomeFree-USA
Lawyers’ Committee for Civil Rights Under Law
Mission of Peace National Corporation
Mon Valley Initiative
National Association of Consumer Advocates (NACA)
National Association of Real Estate Brokers–Investment Division, Inc., Housing Counseling Agency
National Consumer Law Center (on behalf of its low-income clients)
National Council of La Raza
National Fair Housing Alliance
Seedco (Structured Employment Economic Development Corp)