



Janet Murguia, President

**National Office**  
Raul Yzaguirre Building  
1126 16th Street, N.W.  
Washington, DC 20036  
Phone: 202.785.1670  
Fax: 202.776.1792  
www.nclr.org

July 7, 2005

Appropriations Committee  
U.S. Senate  
Washington, DC 20510

Dear Committee Members:

On behalf of the National Council of La Raza (NCLR) and the undersigned NCLR Homeownership Network (NHN) organizations, I urge you to increase funding for the Department of Housing and Urban Development's (HUD) Housing Counseling Program to \$45 million. As the largest national constituency-based Latino civil rights organization in the U.S., NCLR is dedicated to increasing Latino families' opportunities to build wealth and accumulate assets. As housing counseling providers, NHN organizations are working hard every day to connect low-income families with homeownership opportunities. NCLR and NHN organizations are committed to closing the 28 percentage-point homeownership gap that exists between Whites and Hispanics. Moreover, homeownership counseling is a critical tool to help the President meet his goal of 5.5 million new minority homeowners by the end of the decade.

Through NHN, more than 2,500 low- and moderate-income families become homeowners annually; the vast majority of these families are first-time buyers and many are the first in their family to own a home. In the midst of a changing and expanding marketplace, community-based housing counseling agencies are the first point of contact for Latino and immigrant families looking for trustworthy information about the homebuying process. Counseling agencies educate families, connect them with downpayment assistance, and prepare them for the responsibilities of becoming homeowners, which helps them avoid predatory lenders and ensures that they are able to maintain their home past the point of purchase. NHN counsels more than 20,000 families in 19 states annually; this would be impossible without continued support from the HUD Housing Counseling Program.

NCLR appreciates the support that Congress has continued to show this program, as funding levels have increased over the years in attempt to meet demand. However, the current funding level still falls short, and the Administration's proposed budget aims to cut funding. NCLR estimates that there are more than a million Hispanic families who are mortgage ready but unaware of their homebuying options or too confused by the process to proceed. Housing counselors are inundated with more clients than they are able to serve, and many other communities have no housing counseling services at all. We understand the constraints on the current budget, but a modest funding increase from \$41.7 million to \$45 million is necessary to

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support and expand the efforts of existing and new housing counseling agencies and intermediaries.

NCLR and the undersigned organizations urge you to affirm your support for Hispanic homeownership and HUD's Housing Counseling Program by increasing the funding level to \$45 million. We look forward to working with you on this and other important homeownership issues. Please contact Janis Bowdler, Housing Policy Analyst, at (202) 776-1748 should you have any questions.

Sincerely,



Janet Murguia  
President and CEO

On behalf of:

Asociación de Puertorriqueños en Marcha (Philadelphia, PA)  
Asociación Campesina Lazaro Cardenas (Stockton, CA)  
Chicanos Por La Casa (Tucson and Phoenix, AZ)  
Community Housing Resources of Arizona (Phoenix, AZ)  
Conexion Americas (Nashville, TN)  
Dalton-Whitfield Community Development (Dalton, GA)  
Del Norte (Denver, CO)  
El Centro, Inc (Kansas City, KS)  
El Centro de la Raza (Seattle, WA)  
HBC Services, (Waukesha, WI)  
Homes on the Hill (Columbus, OH)  
Housing America Corporation (Yuma and Sumerton, AZ)  
Housing For Mesa (Mesa, AZ)  
Housing For Nevada (Las Vegas, NV)  
Hispanic Committee of Virginia (Falls Church, VA)  
Latin American Coalition (Charlotte, NC)  
Latino Community Development Agency (Oklahoma City, OK)  
Midland Community Development Corporation (Midland, TX)  
Montebello Housing Development Corporation (Montebello, CA)  
New Economics for Women (Los Angeles, CA)  
The Resurrection Project (Chicago, IL)  
Tejano Center for Community Concerns (Houston, TX)  
Spanish American Committee (Cleveland, OH)  
Watts/Century Latino (Los Angeles, CA)  
YWCA Consumer Credit Counseling Service (El Paso, TX)