December 9, 2025

The Honorable Cindy Hyde-Smith
Chair
Subcommittee on Transportation, Housing, and Urban Development & Related Agencies
Senate Appropriations Committee
Washington, D.C. 2051

The Honorable Steve Womack
Chair
Subcommittee on Transportation, Housing and Urban Development, & Related Agencies
House Appropriations Committee
Washington, D.C. 20515

The Honorable Kristen Gillibrand
Ranking Member
Subcommittee on Transportation, Housing, and Urban Development & Related Agencies
Senate Appropriations Committee
Washington, D.C. 20515

The Honorable Jim Clyburn
Ranking Member
Subcommittee on Transportation, Housing and Urban Development, & Related Agencies
House Appropriations Committee
Washington, D.C. 20515

Dear Chair Hyde-Smith, Ranking Member Gillibrand, Chair Womack, and Ranking Member Clyburn:

As organizations representing professionals in the real estate and housing finance industry, we appreciate the tangible value that HUD-approved housing counseling agencies deliver to consumers, businesses, and financial markets. With NAR research finding that first-time buyers now represent a record-low 21% of the market and the median age of first-time buyers rising, federal support for pathways to successful homeownership is more critical than ever.

Housing counselors teach homebuyers budgeting, credit readiness, debt management, and responsible borrowing. These skills are essential for consumers entering homeownership for the first time. When consumers begin the homebuying process prepared, the path to homeownership is smoother: applications are stronger, processing times are shorter, and buyers are better positioned to sustain homeownership. This means fewer loan denials, fewer early delinquencies, and stronger loan performance — benefits shared by lenders, real estate professionals, and taxpayers alike.

Housing counseling also benefits existing homeowners, especially those facing financial hardship. Federal research shows that homeowners who work with a housing counselor are more likely to achieve success under a loan modification, the modification is generally more affordable, and the homeowner is less likely to lose their home to foreclosure. A single foreclosure costs Fannie Mae or Freddie Mac an average of $72,000.[1] Every successful counselor intervention contributes to market stability, by keeping families in their homes and neighborhoods intact.

Finally, housing counseling also plays an important role as the nation ages. Certified counselors provide required guidance for HECM reverse mortgages and help older homeowners understand options to safely age in place. More than 45,000 older households received counseling services this year.

For Americans to continue to realize these benefits, the nation needs a well-functioning HUD Office of Housing Counseling. The Office conducts oversight, reviews performance, administers funding, and maintains the national counselor certification exam to advance program quality—activities required by Congress. Adequate staffing levels enable HUD to carry out these activities, to help counseling agencies deliver consistent, high-quality services to the public.

Housing counseling is a practical, cost-effective investment in the stability of our markets, our communities, and the families we serve.

Sincerely,

Housing Policy Council
Mortgage Bankers Association
National Association of REALTORS®

CC: The Honorable Susan Collins, Chair, Committee on Appropriations, U.S. Senate

The Honorable Patty Murray, Ranking Member, Committee on Appropriations, U.S. Senate

The Honorable Tom Cole, Chair, Committee on Appropriations, U.S. House of Representatives

The Honorable Rosa DeLauro, Ranking Member, Committee on Appropriations, U.S. House of Representatives

---

[1] "Quantifying the Savings from the GSEs' Home Retention Programs," Kanav Bhagat, June 2025.