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Media Advisory

FOR IMMEDIATE RELEASE

Vice Chairman Hood Urges Credit Union Industry to Increase Homeownership among the Underserved

June 7, 2007, Alexandria, VA - National Credit Union Administration (NCUA) Vice Chairman Rodney E. Hood delivered the keynote address during the Opening Session of the 33rd Serving the Underserved Conference hosted by the National Federation of Community Development Credit Unions, (NFCDCU) in New Orleans, LA. Promoting June as Homeownership Month, Hood outlined a few simple steps credit unions can take to help serve the underserved and ensure home buyers remain home owners.

The Vice Chairman opened his speech to the Federation by applauding Cliff Rosenthal, Executive Director of the NFCDCU, and his colleagues for their proactive stance in demonstrating the "People Helping People" philosophy as evidenced by their leadership in convening such a conference.

Hood went on to say: "The credit union system's affordable mortgage products and homebuyer education classes have helped make homeownership a reality for more Americans than ever before." However, while the national rate of homeownership is at a record high, homeownership among low-to-moderate income families and minorities remains a constant struggle. With that in mind, Hood stated that "from an economic standpoint, lifting homeownership rates for all Americans has never been more important. Owning a home is the foundation of wealth creation for families and is their quickest path to self-sufficiency."

The connection between homeownership and building strong communities has become increasingly clear. "I am passionate about economic empowerment for all Americans, and for all communities. I believe that homeownership - not just buying a home, but staying in the home - is the key to building wealth and creating strong, viable, and sustainable communities," said Mr. Hood.

During his trip, Mr. Hood also made time to visit the NeighborWorks America Homeownership Center and met with the Manager, Ron Usner, as well as the NeighborWorks America Louisiana State Representative, James Ross. He

congratulated the local NeighborWorks organizations for their work not only in rebuilding the city, but in building strong communities. The NeighborWorks America organization and Operation Hope are shining examples of how the credit union industry can partner with local groups and amplify the effect of people helping people.

Affirming the fact that there are a plethora of products and services and designed to create homeownership opportunities, the Vice Chairman stressed the importance of remaining vigilant about closing the gap between “traditional” homebuyers and those who live in underserved communities. “We must provide them with the tools and resources necessary to stay in their homes,” said Mr. Hood. To that end, the Vice Chairman stated: “The answer, I believe, lies in our ability to take our message directly to the communities and educate our members about homeownership, including pre-purchase and post-purchase counseling.”

The Vice Chairman went on to outline three strategies to help ensure we do everything in our power to effectively serve the underserved:

- use quantifiable data in order to be results focused. “To thoroughly know your members, it requires that you assess your member’s demographics and specific needs in the home buying experience, including home buyer education,” said Hood;
- create strategic partnerships with community stakeholders, such as realtors, builders, city officials, and results oriented non-profits; and
- conduct outreach programs to connect with prospective member-owners in underserved communities. “The programs I know that are most effective require face to face counseling, as opposed to self study or telephone counseling,” said Hood.

The National Credit Union Administration is the independent federal agency that regulates, charters and supervises federal credit unions. NCUA, with the backing of the full faith and credit of the U.S. government, also operates and manages the National Credit Union Share Insurance Fund (NCUSIF), insuring the deposits of over 85 million account holders in all federal credit unions and the majority of state-chartered credit unions.