

**The Emergency Program
to
Reduce Home Foreclosures**



**Report to the General Assembly
May 2011**

Executive Summary

The Emergency Program to Reduce Home Foreclosures Act (the “Act”),¹ requires the North Carolina Commissioner of Banks (“Commissioner”) to report to the General Assembly (“NCGA”) annually, no later than May 1st on the status of home foreclosures until the funds reserved under the program are disbursed. The Act established a two-year emergency program to address rising foreclosures among “subprime” residential mortgage loans and authorized the Commissioner to establish the State Home Foreclosure Prevention Project (the “SHFPP” or “Program”).

The Program was scheduled to expire on October 31, 2010; however, in August 2010, the General Assembly extended the Program through May 31, 2013, and expanded its scope to most residential mortgage loans. This expansion reflected the increase in foreclosures among “prime loans” due to the impact of overall poor economic conditions and the rate of default on all loans. The amended law² also established the State Home Foreclosure Prevention Trust (the “Trust”), administered by the North Carolina Office of the Commissioner of Banks (“NCCOB”) and funded by a one-time \$75.00 filing fee charged to the mortgage servicer when the servicer provides notice of intent to foreclose. NCCOB is required to allocate funds within statutorily imposed limits from the Trust to cover the Program’s administrative costs, as well as to make grants or provide reimbursement to housing counseling agencies and non-profit legal services providers who assist homeowners facing foreclosure or who are in danger of defaulting on a home loan.

Through March 2011, the Trust received \$8.17 million in revenues. NCCOB allocated \$1.6 million for grants to 37 HUD-approved housing counseling organizations and \$700,000 for grants to five non-profit legal services providers. Through March 2011, a total of \$1.81 million has been spent, including \$1.05 million in disbursements for grants. As of March 31, 2011, the Trust had a balance of \$6.35 million. Below are key Program highlights to date:

- **More than 20,000 homeowners have received free foreclosure prevention counseling.** The 37 HUD-approved housing counseling agencies have assisted homeowners in all 100 counties in North Carolina.
- **More than 300 households have received free legal assistance.** The five non-profit Legal Services Providers have provided legal services to households at risk of foreclosure.
- **NCCOB has mailed more than 500,000 letters to homeowners in addition to telephone outreach to inform homeowners of State resources to help them avoid foreclosure; and more than 40,000 homeowners have called the toll-free hotline**

¹ Sess. L. 2008-226

² Sess. L. 2010-168

provided by the Program. A call center redirects these calls to housing counselors or the NCCOB. In addition to assisting homeowners working with counselors, the NCCOB has also handled over 2600 consumer complaints related to homeowners at risk of foreclosure since the Program began.

- **More than 5,700 foreclosures have been prevented.** NCCOB is being conservative with this figure, but believes the total number of foreclosures prevented is higher. Details regarding reporting of statistics are discussed in this report. The economic impact of this Program is significant. Investors have avoided more than \$350 million in losses that would have occurred if these homes had been foreclosed. Surrounding neighbors have avoided more than \$40 million in lost property values by the successful prevention of foreclosures.

NCCOB and its partners continue to work together to improve the effectiveness of the Program's outreach and referral efforts. NCCOB is also preparing for the potential transfer of a portion of the Program to the North Carolina Housing Finance Agency ("NCHFA") pursuant to House Bill 484, Session 2011, by meeting with NCHFA staff to discuss the current Program and ways for both agencies to work together to further enhance foreclosure prevention services.

I. Legislative Background

In July 2008, the NCGA enacted the Emergency Foreclosure Act as a result of finding a substantial increase in mortgage foreclosures due to the delinquencies among “subprime”³ mortgages. The Act authorized the Commissioner to establish the Program to seek solutions to avoid foreclosures for subprime loans. In addition, the Act required those servicing “subprime loans” to commence notification to homeowners and the State at least 45 days prior to the institution of a Power of Sale foreclosure proceeding under Article 9A of Chapter 45 of the General Statutes. The Commissioner is notified by a filing with the Administrative Office of the Courts through a pre-foreclosure database maintained by NCCOB. The Commissioner was required to make grants to nonprofit housing counseling agencies from funds available to NCCOB toward the development of the Program. Due to the emergency nature of the Act and its limited focus on subprime loans, it was originally set to expire on October 31, 2010.

The Amended Act made three principle changes to the Program: (i) extending the Program through May 31, 2013; (ii) expanding the scope of loans covered from “subprime loans” to “home loans”;⁴ and (iii) establishing the Trust to fund administrative costs, housing counseling and legal services for homeowners at risk of foreclosure. The extension and the expanded scope address the increasing impact of unemployment and overall economic hardships on the foreclosure crisis. The Trust is funded by a one-time \$75.00 filing fee charged to servicers for each loan filed in the pre-foreclosure database.

II. Infrastructure/Partnership Updates

A. Basic Operation of the State Home Foreclosure Prevention Project

Servicers are required to provide basic information including name and address of the homeowner, as well as optional information which can help the SHFPP reach homeowners and identify areas of need. The SHFPP uses this contact information to then send outreach letters or to call the homeowner informing them of resources available to avoid foreclosure. Homeowners can also obtain information at www.ncforeclosurehelp.org.

³ Under the Act’s original provisions, “subprime” loans were defined as “home loans” originated between January 1, 2005 and December 30, 2007 which would have been covered by the “rate spread loan” statute passed in 2007, generally covering residential mortgages with an “annual percentage rate” of 8%. See Session Law 2007-352 s. 10. A subsequent Act removed the direct reference to the “rate spread loan” statute due to amendments to that statute, but did not change the application of the definition. See Session Law 2009-457, s. 3.

⁴ The Amended Act switched all references to “subprime loans” to “Home Loans,” a term originally defined in the Act. The term generally covers all mortgages originated to a natural person for a family, household or personal purpose and where the borrower intends to use the secured property as their principal residence. Loans that exceed Fannie Mae’s conforming loan limits, as well as specific types of mortgages (Equity Lines of Credit, reverse mortgage, and construction mortgages) are excluded from the definition.

Homeowners who contact the SHFPP are referred to an available housing counseling agency that is located nearest to the homeowner. The counseling agency then arranges with the homeowner for a foreclosure prevention counseling session with a HUD-approved housing counselor. At this session, the homeowner and the counselor work together to develop a strategy to avoid foreclosure based upon the homeowner's desires and financial situation. The homeowner (with assistance as needed and available from the housing counselor) then attempts to negotiate a resolution with their servicer. At all steps along the way, SHFPP staff work with homeowners, counselors and servicers to facilitate resolutions. If the homeowner has a legal issue or has been served with foreclosure papers, referrals to legal service providers are available to the homeowner directly or through a referral from a housing counselor.

B. Pre-Foreclosure Database

NCCOB developed the pre-foreclosure database in 2008 in accordance with the Act. The database was developed to allow servicers to file pre-foreclosure notices and allow multiple partners to update the database with case-level information regarding efforts to avoid foreclosure. The database continues to be enhanced by NCCOB technology staff.

Most recently, the database was modified to provide for a system of billing, tracking and collecting payment of the \$75.00 fee servicers are required to pay pursuant to the Amended Act. This system bills servicers on a monthly basis and provides automatic and manual identification of duplicate filings to reduce compliance burdens on servicers. In addition, the database serves as the primary data-gathering tool for monitoring of performance of grant requirements by counseling agencies.

C. Partnership Updates

a. Call Center

A critical component of the SHFPP is the initial point of contact for homeowners. SHFPP's initial letter and website direct homeowners to call a toll-free hotline and speak with an individual. Upon calling this number, phone support staff then seeks to connect the homeowner directly with a counseling agency.⁵ The call center also provides assistance with outgoing calls to homeowners to encourage them to take action; provides reminder phone calls to homeowners who have scheduled an appointment with certain counselors; and administers follow-up surveys with homeowners to measure outcome and customer satisfaction.

⁵ In March of this year, NCCOB terminated its agreement with ConnectInc. Shortly thereafter, NCCOB secured the services of Alliance Credit Counseling, who is also one of NCCOB's housing counseling partners to assume the Call Center role.

b. Housing Counseling Partners

In October 2008, NCCOB selected 23 housing counseling agencies as partners in the SHFFP. Upon enactment of the Amended Act, NCCOB took applications from existing partners and other housing counseling agencies for grants to provide housing counseling services in the 2010-2011 Fiscal Year. Pursuant to the Amended Act's requirements, NCCOB selected 37 counseling agencies to receive a combined total of \$1.6 million in capacity building and sustaining grants based upon each agency's commitment to provide a certain number of foreclosure prevention counseling sessions each month. In addition to providing services, counseling agencies are required to update the pre-foreclosure database on an ongoing basis to help NCCOB staff monitor counselor performance and assist counselors and homeowners with difficult cases.

c. Mortgage Servicers

Over the entirety of the Program, 378 servicers have submitted notices to the pre-foreclosure database. Mortgage servicers have adapted their procedures to comply with the pre-foreclosure requirements and several have taken significant affirmative steps to enhance relationships directly with housing counselors and legal service providers. In general, servicers have strengthened their loss mitigation efforts in response to the crisis and to the federal Making Home Affordable Program. The servicer's role in both processing loss mitigation requests as well as overseeing the foreclosure process itself makes their performance critical to the success of SHFFP to avoid unnecessary foreclosures.

d. Legal Services Providers

Pursuant to the Amended Act, NCCOB has established a grant contract providing \$700,000 in the current fiscal year to non-profit legal service providers to provide legal assistance and representation of homeowners at risk of foreclosure. Under the grant agreement, Legal Aid of North Carolina serves as grantee, along with four subgrantees: Pisgah Legal Services, Legal Services of the Southern Piedmont, Land Loss Prevention Project and Financial Protection Law Center. Combined, these organizations provide legal services to every county in the state and the ability to handle a wide range of needs of homeowners facing foreclosure – from brief advice to full representation in a consumer bankruptcy. As part of the grant agreement, these organizations have increased their income eligibility limits to provide service to homeowners of still modest means often unable to access paid legal services due to cost.

e. North Carolina Housing Finance Agency

NCCOB continues to partner with NCHFA, which administers the North Carolina Foreclosure Prevention Fund and supports foreclosure prevention counseling by participating HUD-approved counseling organizations through a National Foreclosure Mitigation Grant. In 2010, NCHFA created the North Carolina Foreclosure Prevention Fund in response to an opportunity to use up to \$482.8

million from the U.S. Treasury 's Hardest Hit Fund for foreclosure prevention activities in North Carolina. The State was eligible to apply for the funds because of the large percentage of the population living in counties with high unemployment rates. NCHFA's program is using Treasury funds to help workers who have lost their jobs through no fault of their own to keep their homes while they seek or retrain for new employment. It also assists homeowners seeking employment after a temporary hardship, such as divorce, serious illness or the death of a co-signer on the mortgage. The effort provides homeowners at risk of foreclosure with one-time, short-term or long-term loans (up to three years) to make their mortgage payments or to reduce their payments to an affordable level. The North Carolina Foreclosure Prevention operates through a network of housing counseling organizations, which are paid for their services.

D. NCCOB Staffing and Administrative Cost

The Amended Act authorized the use of the greater of \$2.2 million or 30% of Trust revenues per fiscal year on administrative costs of the operation of the SHFPP. Through March 31, 2011, NCCOB had expended \$761,475.15 in administrative costs. NCCOB has 12 time-limited or temporary positions and a full-time director specifically established for the SHFPP. Operating costs include office space costs for SHFPP staff, postage for the letters mailed to homeowners, and costs associated with the call center.

III. Goals and Outcomes

A. Goals

a. Increase Homeowner Action

The SHFPP's primary aim is to reach homeowners at risk of foreclosure as early as possible and connect them with a housing counselor who can assist them. At the outset of the SHFPP, research indicated that many foreclosures occurred without any communication from the homeowner to their servicer. In addition, housing counselors and servicers also indicated that where there was contact, it often came very late in the process at a point where significant charges related to the foreclosure process had been incurred, making reinstatement or other resolution less attainable for the homeowner. The SHFPP attempts to increase homeowner responsiveness through its outreach letters and phone calls as well as by assisting counseling agencies in building community recognition of the value of their services.

b. Improve Communication Between Homeowners, Counselors, and Mortgage Servicers

Avoiding foreclosures on delinquent loans requires significant documentation and communication between the servicer and a homeowner and/or housing counselor. At various points in the process, miscommunication can disrupt efforts to avoid foreclosure. The SHFPP uses its interaction with counselors and

servicers and tracking tools within the pre-foreclosure database to help promote and restore effective communication between the parties.

B. Outcomes

a. Pre-foreclosure Notices Filed for “Home Loans”

From the start of the Program through to date, more than 500,000 filings were submitted to the database as “subprime” (under the Act), or “home loans” (under the Amended Act). However, servicers often submit loans more than once into the system. More than half of these filings have been matched as duplicate filings for the same loan. Based on these links, the database indicates more than 200,000 unique loans were submitted under the statute through to date, with more than 80,000 of these submitted since the “home loan” definition went into effect. The number of filings appears to be trending down, most likely because servicers have now initially submitted many “home loans” that were not previously covered under the “subprime” definition.

b. Outreach to Homeowners

The SHFPP sends a letter to homeowners for each filing submitted into the database in compliance with the Program. The letter is sent on NCCOB’s letterhead, encouraging the homeowner to take action, and provides general information about free housing counseling resources available to homeowners as well NCHFA’s Mortgage Payment Program assistance. The letter advises homeowners to call a toll-free number through which they are put in contact with the call center. To date, more than 500,000 letters had been sent, with more than 200,000 of those sent since November 1, 2010.⁶ To date, more than 40,000 homeowners have spoken with the SHFPP call center.

While still relatively new, the expanded scope of the Amended Act appears to have significantly increased the Program’s reach. The number of homeowners contacting the SHFPP call center has increased by nearly 80% compared to that experienced under the prior law. In addition, counselors continue to report an increase in the number of homeowners seeking assistance as a direct result of the SHFPP outreach efforts.

A critical benefit of the SHFPP program has been its ability to encourage homeowners to take action prior to initiation of court foreclosure proceedings. Prior to the law’s implementation in 2008, counselors and legal advocates indicated that a major frustration was the failure of homeowners to seek assistance prior to being served with court papers, or even prior to a foreclosure sale actually taking place. This delay significantly compromises the homeowner’s ability to resolve their delinquency due to additional fees incurred by the

⁶ This number is less than total filings into the database because the database limits the number of letters which can be sent to a borrower within thirty days to two.

servicer in carrying out the foreclosure process, which adds to the homeowner's arrearage, and the shortened timeframe for carrying out loss mitigation negotiations. SHFPP outreach provides homeowners with information on available resources five to six weeks in advance of any court proceedings being initiated.

c. Housing Counseling Impact

The primary aim of the SHFPP's outreach is to refer homeowners to foreclosure prevention counseling. After discussing their situation with a trained housing counselor, a homeowner can then identify the best set of options given their specific financial needs. Homeowners who elect to take steps to avoid a foreclosure can also obtain an extension of the "pre-foreclosure period" created by the statute. To date, more than 20,000 initial housing counseling have been conducted, over one-third of these have occurred since November 1, 2010. More than 3,000 homeowners have obtained a 30-day extension, including more than 1,000 since November 1, 2010.

Challenges remain in determining the ultimate outcome for every homeowner assisted through the SHFPP. Not every homeowner who meets with a counselor will require further assistance after determining their loss mitigation strategy. SHFPP attempts to reach these homeowners through the call center's outgoing feedback surveys. However, not every homeowner responds to these outgoing calls. Nonetheless, through to date, the SHFPP database indicated more than 5,700 foreclosures were prevented through the efforts of the SHFPP.

The economic impact of the total number of preventing foreclosures is significant. In addition to direct benefits to the homeowner assisted, prevention of foreclosure yields significant benefits to investors in mortgage backed securities, neighboring property values and communities as a whole. NCCOB estimates that the combined economic value of the foreclosures prevented thus far through the Program at more than \$400 million. This includes an estimate of more than \$40 million⁷ in preserved value of neighboring properties, over \$360 million.⁸

d. Legal Services Impact

While housing counselors provide the bulk of the direct homeowner assistance in SHFPP, the role of attorneys in assisting those homeowners facing legal proceedings as well as handling difficult loss mitigation counseling is crucial.

⁷ NCCOB used an estimate of \$7200 per foreclosure prevented to calculate preserved value of properties. This figure is a conservative estimate compared to other available estimates.

⁸ When a property goes through foreclosure, investors typically lose a significant percentage of the loan value ("loss severity"), due to foreclosure costs and lower resale prices of foreclosed properties. One recent industry report identified current loss severity rates for prime loans at 44%. NCCOB calculated the estimated loss to investors by multiplying this loss severity by an average loan amount of \$144,000.

However, given homeowners' limited financial resources when facing foreclosure, they are often unable to retain private counsel. The small number of attorneys skilled in foreclosure or loss mitigation representation as well as the time-intensive nature of such work has meant that the demand for these legal services related to foreclosure has greatly outstripped the supply. This gap often places counseling agencies in a difficult situation where foreclosure proceedings parallel loss mitigation efforts, as counselors cannot legally advise the homeowner about their legal rights. In addition, the income-eligibility limitations under which legal services organizations typically operate⁹ cause many households who have no means by which to retain a fee-charging attorney to be ineligible for assistance.

In implementing the Amended Act's provisions for legal services grants allocated from the Trust, NCCOB sought (i) to sustain and enhance the capacity of the legal services organizations; (ii) to provide direct referral resources for housing counseling agencies where homeowners are facing court proceedings and (iii) provide for increased income-eligibility provisions to allow a greater number of families in need to receive assistance through the SHFPP grants.

Through the SHFPP grants, Legal Aid and the four subgrantees collectively were able to preserve seven foreclosure attorney positions that would otherwise have been de-funded, and add four more attorney positions. Legal Aid expects to add an additional paralegal specialist and a new attorney position in the near future. The legal service providers, counseling agencies and NCCOB continue to work to develop an effective referral process that leverages the capacity of legal service providers. In addition to handling foreclosure prevention among those who seek their services, Legal Aid and the subgrantees will accept referrals both for complex or difficult negotiations as well as foreclosure defense or advice and representation in bankruptcy.

Thus far, Legal Aid and the subgrantees report that over 300 households have received assistance under the grant. Over 230 of these cases have been accepted for representation or extended review of the client's situation. Over 80 households have received brief service or advice. The average household income of those helped has been slightly less than 125% of federal poverty level. Given that this component of SHFPP has only been in place for seven months and that the matters referred to legal service providers involve extended negotiation or court proceedings taken several months to complete, an assessment of the full impact of the legal service providers is not possible. However, in the three cases involving extended representation that have been

⁹ Most funding sources limit who legal services organizations can represent to households with income equal or less than 125% of the federal poverty level; though for some funding sources and in certain circumstances households earning up to 200% can receive services.

closed, the foreclosure was prevented through a successful loan modification negotiation.

IV. Foreclosures

Impact on Overall Foreclosure Rate

NCCOB believes that the work of the SHFPP has succeeded in avoiding many unnecessary foreclosures. More importantly, the SHFPP's role in the monitoring and directing of housing counseling referrals and resources and as a neutral facilitator of improved communications remains critical to the state's foreclosure prevention efforts. As the demand for housing counseling resources have become greater, the SHFPP has been able to provide sustaining resources and management of the overall flow and direction of referrals. In addition, through its own staff and the call-center, SHFPP is able to provide various administrative capabilities that better leverage the skills of housing counselors to increase capacity. Finally, as noted below, while the environment for reaching favorable loss mitigation outcomes has improved with programs like the U.S. Treasury's HAMP and Hardest Hit Fund, the document-intensive nature and strict guidelines of these programs requires knowledge and standing in the eyes of both industry and housing counseling organizations.

Nonetheless, significant hurdles remain to fully addressing North Carolina's foreclosure crisis:

- **Unemployment** – As of February 2011, the unemployment rate in North Carolina stood at 9.7%, with the North Carolina Employment Security Commission figures indicating 100,000 more individuals were unemployed than in October 2008, immediately before the SHFPP began. The increase in North Carolina's unemployment rate appears to have been strongly correlated with mortgage default rates for all types of mortgages. The increasing number of unemployed homeowners has both increased the demand for loss mitigation and made successful resolutions more challenging. The North Carolina Prevention Fund's resources for homeowners who are facing economic difficulty through no fault of their own is a timely expansion of Housing Finance Agency's efforts with the previous Home Protection Program. NCCOB is optimistic that by coordinating with HFA to maximize referrals to this program, it can make a significant contribution to reducing foreclosure caused by temporary income disruptions.
- **Negative Equity** – While North Carolina has largely escaped the dramatic home price declines compared to other parts of the country, reports still indicate as many as one out of ten North Carolina homes are worth less than the outstanding balance of the mortgage on the home. Given the current instability and concern over home prices and the greater economy, this factor may continue to drive foreclosures as less homeowners can access equity, refinance or even sell their home to avoid foreclosure.

- **Short-sale challenges** - One area of concern recently is servicer responsiveness and handling of “short-sales” where a mortgage holder, usually through the mortgage servicer, accepts an offer to purchase the home at a price less than the full loan amount but greater than the value of foreclosing on the home. Both housing counselors and realtors alike report frustration with the ability of servicers to provide a timely response to offers which leads to potential buyers looking elsewhere. Since a short-sale is generally a faster sale at a higher price than is realized through a sale of “real estate owned” property after foreclosure, failure to close short sales can further depress home values.
- **Servicer Staffing challenges** – While most servicers have significantly increased their staffing and focus on loss mitigation efforts, concerns still remain regarding the ability of servicers to properly and timely review all loss mitigation requests prior to foreclosure. It is becoming increasingly apparent that the current pay-structure for mortgage servicers may not support adequate staffing and technology to accomplish these tasks. The result for homeowners, counselors and even servicers is frustrating delays in the final approval of modifications or, worse, failures that contribute to unnecessary foreclosures. Recently, federal regulators entered into consent orders with major servicers that in part require a determination of adequate staffing levels as well as procedures to ensure loss mitigation is carried out more effectively. However, the ultimate effect of these orders is at this time unclear.
- **HAMP Challenges** – The U.S. Treasury’s HAMP program continues to have an underwhelming impact in terms of the number of homes saved, while nonetheless being the strongest anti-foreclosure program in the nation. HAMP is credited by most with creating incentives and a structure for loan modifications which result in lower monthly payments, which were not the norm prior to its implementation in the second quarter of 2009. This focus on reducing payments is believed to be behind the improved performance of more recent loan modifications. Nonetheless, HAMP only reaches a fraction of distressed loans and has been hindered by an inability of servicers to timely and appropriately establish permanent modifications. The result has been many homeowners entering into a temporary modification only to learn, many months later they are not eligible for a permanent modification or have been disqualified for other reasons beyond their control.
- **Counseling Capacity Strains** – Complicating counselor’s efforts is the growing complexity and document-intensive nature of the loss mitigation process. The time needed to conduct initial intake of homeowners, both to inform them about various programs which may be of assistance and to collect necessary financial information and the documents necessary to begin loss mitigation efforts, has increased according to housing counseling agencies. In addition, agencies report that the total amount of counselor time following up with homeowners and servicers to reach a successful resolution has increased. The benefit of this additional complexity in general has been more successful outcomes, as well as outcomes that benefit the homeowner more than previously were obtainable. However, the cost of providing counseling does appear to have increased, at a time when funding resources outside

of the SHFPP have been reduced or eliminated. This may result increased waiting periods prior to an available intake which may cause homeowners to turn elsewhere

- **Homeowner Follow-through** – Counselors continue to report that missed appointments continue to drain resources. A missed appointment wastes valuable counselor time and denies other homeowners the opportunity to see a homeowner in a more timely fashion. Some counseling agencies have begun providing initial group sessions in order to give homeowners a clearer understanding of the process and opportunity for initial document gathering. In addition, the SHFPP has worked with some counseling partners to provide appointment reminder phone calls in the hopes of identifying potential “no-shows.” However, given the reality of homeowner frustration or demoralization and counseling agency administrative and capacity limitations, this remains a problem the SHFPP is working to address. This factor also strengthens concerns regarding homeowner follow through after the initial intake, when the real work of completing a loss mitigation effort has only begun.

V. Conclusion

The Emergency Foreclosure Prevention Act and the Amended Act were enacted to reduce the rising foreclosure rate in North Carolina. NCCOB has made best efforts to implement the statute and deliver services according the General Assembly’s intention, developing a broad partnership with non-profit service providers, the mortgage industry, state agencies and the legal community. This partnership has been essential to building an infrastructure rapidly to reach and provide assistance to thousands of North Carolina families facing foreclosure.

While the Program has assisted a significant number of families avoid foreclosure, challenges remain as a result of unemployment and poor economic conditions. NCCOB and its partners will continue to work together to improve the effectiveness of the Program’s outreach and referral efforts. NCCOB is also preparing for the potential shift of the Program to the North Carolina Housing Finance Agency (“NCHFA”) pursuant to House Bill 484, Session 2011, by meeting with NCHFA staff to discuss the current Program and ways for both agencies to work together to further enhance foreclosure prevention services.