



**25th Anniversary of Homebuyers Clubs:
The Successful Pursuit of the American Dream**

**Hosted by
NeighborWorks® America and MANNA®**

Remarks by

*The Honorable Christiane Gigi Hyland
Board Member
National Credit Union Administration*

at

**The National Press Club
Washington, DC
Thursday, February 23, 2011**

It is a true honor to be with you here today to celebrate this prestigious, 25th anniversary of Homebuyers Clubs.

Since childhood, we have all heard the resounding, decisive statement from our parents, our grandparents and others that owning your own home is a major part of the American Dream. However, our country continues to feel the effects of the recent financial crisis – a crisis that shook the housing market to its very roots and revealed the weaknesses in consumer education and preparation for home ownership. Some may ask why we should continue to care about homeownership?

I'll tell you why. First, homeownership remains a goal for many Americans — according to the National Association of Realtor's 2011 *National Housing Pulse Survey* released in June 2011, 72% of renters say homeownership is a top priority for them. People want to own their own home. That reality hasn't diminished despite the financial crisis.

Second, as the crisis demonstrates, objective pre-purchase homeowner education and counseling — conducted before a family begins shopping for a home or a loan — is the buyer's best defense against delinquency and foreclosure.

Homebuyers receiving upfront homeownership counseling and assistance from their local NeighborWorks organization—like Manna— learn how to access responsible financing products and learn how to manage budgets, credit, and home maintenance. As homeowners, these families and individuals find themselves facing foreclosure with far less frequency than other homeowners. Manna's Homebuyers Club track record is solid proof of this. Since its inception, more than 1,000 families have "graduated" -- purchased a home -- from Manna's Homebuyers Club.

Homeownership remains a central tenet of NeighborWorks America's strategy to strengthen communities and develop family and community assets. Approximately 96% of the

organizations in the NeighborWorks network maintain a homeownership line of business, and these NeighborWorks organizations have continued to be strong producers of new successful homeowners. The proof? In FY 2011, the NeighborWorks network created 13,800 new homeowners.

Long-term homeownership can provide crucial economic security to individuals and families. In the short term, it provides stability and protects residents from unexpected rent increases they might experience as renters. In the long term, homeownership also serves as an asset building strategy—not through quick appreciation in home prices, but through monthly payments applied to principal pay-down as opposed to rent.

We must continue to advocate the value and importance of homeownership partnered with objective pre-purchase homeownership education and counseling like Manna's Homebuyers Club. In closing, I want to personally congratulate the homebuyers who are in attendance here today. You are the living proof that homeownership is still vitally important and that it can be achieved and sustained through pre-purchase education and counseling.

Congratulations and thank you for listening.