

2601 *et seq.*) (RESPA), state and federal truth-in-lending laws, and how to identify and avoid predatory loans with oppressive terms and conditions; home maintenance; budgeting and money management; and credit counseling.

Counseling services can be adapted to reflect local circumstances, fit the pre- and ongoing post-purchase needs of the individual families, and fulfill specific requirements established by the PHA. The PHA has the discretion to require ongoing counseling for all or select participants in the homeownership option.

For example, agencies may provide on-going counseling on issues such as home improvement and rehabilitation. This could include educating the client about: Their loan and grant options; the loan and/or grant application processes; what housing codes and housing enforcement procedures apply for the intended activity; accessibility codes; visitability and universal design; non-discriminatory lending for persons who modify their dwellings to accommodate disabilities; how to identify and hire a construction contractor; how to specify and bid construction work; how to enter into construction contracts; and how to manage construction contracts, including actions to address the non-performance of contractors.

Additional ongoing counseling needs may include default counseling and loss mitigation strategies such as debt restructuring, establishing reinstatement plans, seeking loan forbearance, and managing household finances. Counselors can also help program participants that are victims of predatory lending, provide referrals to emergency and social service providers, and assist clients with locating alternative housing.

*All counseling must occur one-on-one. These grant funds may not be used for any type of group sessions or workshops.* Applications including group sessions as proposed activities will be evaluated only on proposed one-on-one counseling.

**Note:** For each activity you propose, you must be prepared to meet the needs of all individuals requesting services, including persons with disabilities, regardless of the complexity of the services involved. Additionally, services must be affirmatively marketed to persons with disabilities, including visual and hearing disabilities, as they would be to any other segment of the population not likely to apply for such services.

*Intermediaries and SHFAs* can directly provide the housing counseling services described above, or distribute and administer grant funds and provide technical assistance and other services

to affiliates, who are eligible to undertake any or all of the eligible housing counseling activities outlined above.

Intermediaries and SHFAs have wide discretion to decide how to allocate their HUD Housing counseling and leveraged funding among their affiliates, with the understanding that a written record must be kept documenting and justifying funding decisions. This record must be made available to affiliates and to HUD. Intermediaries and SHFAs must also execute sub-grant agreements with their affiliates that clearly delineate the mutual responsibilities for program management, including appropriate time frames for reporting results to HUD.

(C) *Eligible Applicants.* Eligible applicants are: (1) HUD-approved local housing counseling agencies (LHCAs); (2) HUD-approved national intermediaries; (3) HUD-approved regional intermediaries; and (4) state housing finance agencies (SHFAs.)

*HUD-approved LHCAs*—Under this NOFA, HUD-approved LHCAs may apply for and receive a grant under Category 1 or one sub-grant from an Intermediary or SHFA under Categories 2, 3 and 4, but not both. HUD-approved LHCAs that apply directly under Category 1 are prohibited from also applying for or receiving a sub-grant under Categories 2, 3 and 4 of this NOFA. HUD-approved LHCAs that receive a sub-grant through an intermediary or SHFA under the other Housing Counseling NOFA in this SuperNOFA may receive a sub-grant under this NOFA with the same intermediary or SHFA, or they may apply directly as an LHCA.

*HUD-approved national and regional intermediaries*—HUD-approved National and Regional Intermediaries may apply for a grant under Categories 2 and 3, respectively.

*SHFAs*—SHFAs may only apply for grants under Category 4. Eligible SHFAs are entities that satisfy the definition in 24 CFR 266.5 of a "Housing Finance Agency." SHFAs and eligible sub-grantees/affiliates do not need HUD-approval in order to receive these funds.

Eligible applicants under Categories 1–3 are private nonprofit and public organizations, including grass roots faith-based and other community-based organizations, that secure HUD-approval as an LHCA, or as a national or regional intermediary, as of the publication date of this SuperNOFA, and retain such approval through the term of any grant awarded. For information on securing HUD-approval visit HUD's Web site at <http://www.hud.gov/offices/hsg/sfh/hcc/hccprof13.cfm>.

Additionally, to be eligible to receive a grant directly from HUD under this Housing Counseling NOFA, all applicants (except SHFAs) must be (1) duly organized and existing as a nonprofit, (2) in good standing under the laws of the state of its organization, and (3) authorized to do business in the states where it proposes to provide counseling services. For example, applicable state licensing, corporate filing, and registering requirements must be satisfied.

An LHCA, national or regional intermediary, or SHFA may use branch offices to provide counseling funded through this NOFA. A branch office is an organizational and subordinate unit of the LHCA, intermediary, or SHFA, not separately incorporated or organized. LHCAs may maintain a main office and branch offices in no more than two states, which must be contiguous.

More typically, National and Regional Intermediaries and SHFAs provide sub-grants to separately incorporated or organized affiliates. Eligible sub-grantees are not required to be HUD-approved, although HUD-approved LHCAs may apply to an intermediary or SHFA as a sub-grantee. Intermediaries and SHFAs that award sub-grants to affiliates that are not HUD-approved must assure that said affiliates meet or exceed the standards, as specified in paragraph 2–1 of HUD Handbook 7610.1, Rev-4, CHG–1, for HUD-approved LHCAs. These organizations will be monitored by HUD, and intermediaries that do not ensure their affiliates' branches' compliance with HUD standards could be prohibited from participating in the program.

To be eligible for a sub-grant under categories 2, 3 or 4, affiliates must not have directly applied for or received a grant under Category 1 of this NOFA, or another sub-grant from an Intermediary or SHFA under Categories 2, 3 or 4 of this NOFA.

Additionally, to be eligible for a sub-grant, an affiliate must be (1) duly organized and existing as a nonprofit, (2) in good standing under the laws of the state of its organization, and (3) authorized to do business in the states where it proposes to provide counseling services. For example, applicable state licensing, corporate filing, and registering requirements must be met.

*Written Commitment to Partner.* To be eligible, applicants must also provide a written commitment to partner from one or more PHAs with which it has come to an agreement to provide housing counseling to participants of the PHA's Homeownership Voucher Program. Intermediaries and SHFAs proposing to make sub-grants to affiliates or branch