



## Keynote Address from Secretary Shaun Donovan

**H**UD Secretary Shaun Donovan, in his keynote address, praised the Florida Housing Coalition and its members across the state working to help homeowners in foreclosure, and highlighted the substantial assistance provided by the federal government and now the Attorney General bank settlement for Florida homeowners. He explained the threat of sequestration and made the following comments about pending housing proposals:

*President Obama is pushing Congress to act on four legislative proposals that will help ensure every responsible borrower has the opportunity to refinance and rebuild equity.*

*The first, Senator Feinstein's Expanding Refinancing Opportunities Act, would provide homeowners whose loans are not guaranteed by the government access to simple, low-cost refinancing.*

*The second, developed by Senators Menendez and Boxer, would allow us to clear the remaining barriers to refinancing for homeowners with loans backed by Fannie and Freddie.*

*To ensure more families can refinance with a better deal, the Responsible Homeowner Refinancing Act creates competition between lenders and removes other hurdles like unnecessary appraisals, which will help lower the cost of refinancing for consumers.*

*We also need to ensure homeowners can rebuild equity.*

*Indeed, of all the eye-popping statistics we've seen during these past few years, perhaps the most striking is that Latino families lost two-thirds of their median household wealth between 2005 and 2009.*

*To me, that's an absolute tragedy -- particularly given how many of these families were just starting to enter the middle class after decades of hard work.*

*After all, savings in our homes is the single biggest source of how we send our kids to college. It's how entrepreneurs get the capital they need to start a small business—and how people save for their retirements.*

*That's why Senator Merkley's Rebuilding Equity Act is so important—helping underwater homeowners apply savings from refinancing to rebuild equity in their homes.*

*If they do, the majority of those families could get back above water in five years or less. That's not only good for them—it's also good for our economy.*

*And it's why this Administration supports the Project Rebuild Act introduced by Senator Jack Reed, which would create as many as 50,000 jobs in communities across Florida—providing a boost to our hard-hit construction industry.*

*Just as importantly, Project Rebuild would help stabilize home values in the hardest-hit places.*

*This audience knows that the second a single foreclosure sign goes up on your block, your home value drops by as much as \$10,000. Well, in places like Florida, you see whole neighborhoods with those signs.*

*But with tools like HUD's Neighborhood Stabilization Program, we've been pushing back.*

*Not only is NSP on track to create nearly 90,000 jobs and address 95,000 vacant properties across the country, in hard-hit places like Hernando County, Florida, it's helping families like Sandy and Socorro Beiro move in to once-foreclosed homes.*

*Several of you here today are NSP partners. Thank you for your work. You have been innovators when it comes to Neighborhood Stabilization—and with some two dozen Community Land Trusts, I understand the Coalition is looking for ways to use deed restricted properties in the NSP process. We think it's a good idea as well and are working on policy changes that will make it possible.*

*But the reason we need Project Rebuild is that the efforts you've been taking on don't just create jobs and transform neighborhoods -- they also boost home values. Indeed, recent data shows that three-quarters of places that received targeted investments through the first two rounds of NSP showed increased home prices.*

*Project Rebuild would build on all this progress—presenting a real opportunity for so many of the nonprofit partners here in this audience to take the work they've already done through NSP to the next level. [HNN](#)*