



FOR WHAT IT'S WORTH – HAPPY HOLIDAYS!

For What It's Worth (FWIW) is a service for members of the Oklahoma Homebuyer Education Association. We welcome your responses or other information you would like to share with us. Send items to Tricia Auberle at HomebuyerEd@okacaa.org

HUD-approved Housing Counseling. Have you commented on the proposed regulations related to certifying housing counselors at HUD-approved agencies? Much of what is in the regulations is mandated by Dodd-Frank or the Consumer Protection Act, so HUD cannot make changes. That makes it even more important that you comment so HUD has evidence they can take back to Congress that some things need to be amended. Among the problems: there is to be only one source for training (optional) and testing (required) and certification costs are put on the counselor, not the agency. The reasoning is that the individual acquires a certified and saleable skill, much like a CPA or a nurse. While the agency may be relieved of paying for training only to have an employee leave and have to pay for another's training, the agency may be facing salary increases or incentives for certification. And while a single source for training may increase consistency, it impacts both availability and cost. You can comment until December 12th at www.regulations.gov.

The National Community Reinvestment Coalition is offering training to 300-400 housing counselors in Phoenix, AZ at the Sheraton Crescent Hotel from Monday, January 6th through Friday, January 10th, 2014. The training is FREE to housing counselors associated with HUD-approved counseling agencies and a limited number of scholarships are available for travel or lodging to HUD-approved agencies. The curriculum includes fourteen counseling certification courses. Information is available at <http://www.eventbrite.com/e/phoenix-arizona-hud-housing-counseling-training-academy-tickets-8588776261>

Frequently missed question on the OHEA certification exam. If a homeowner sells his house in a pre-foreclosure sale for \$2,000 less than he owes and the bank agrees not to require he pay the \$2,000

- a) The homeowner may have to pay a 50% capital gains tax on the amount forgiven
- b) The homeowner does not have any tax liability because of the loss of his home
- c) The homeowner must file a special form with the IRS to determine tax liability
- d) The homeowner may have to claim the amount forgiven as taxable income, depending on when the loss occurred, and should check with a tax professional.

A recent **national housing survey** conducted by NeighborWorks found that five years after the housing bubble burst 88% of people say that owning a home is a major element of the American Dream. More than four out of five surveyed who were under 30 said buying a home is a complicated process, but only five percent of people seek advice from housing counselors. Most (39%) seek advice from family and friends who own, 17% consult the internet, 16% approach real estate professionals, and 9% approach lenders. The study speculates the most likely reason nonprofit counselors are not utilized is lack of awareness.

Answer: D is the correct answer. Cancelled mortgage debt was exempt from taxation for a period of time after the 2008 crash, but that exemption may have expired. Homeowners need to check with a tax professional.