

National Mortgage Settlement Housing Counseling Program



QUARTERLY

REPORT



California Housing Finance Agency

Quarterly Report **October 1 – December 31, 2025**

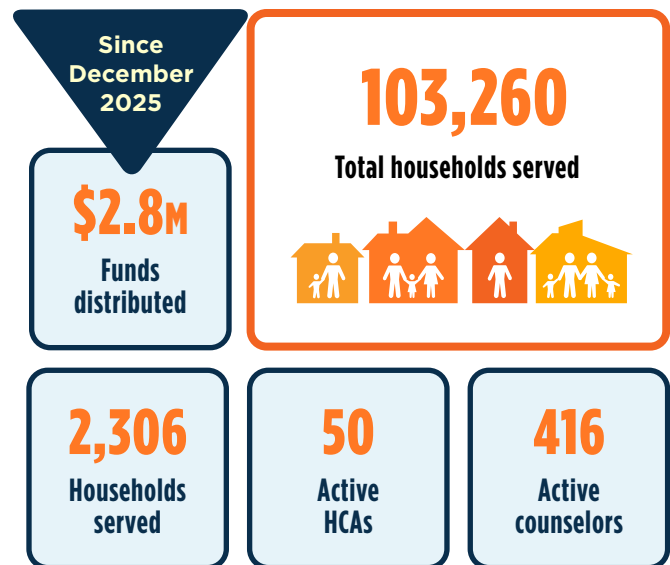
Introduction

California's Fiscal Year 2020-21 State Budget directed \$300 million in National Mortgage Settlement (NMS) funds to the California Housing Finance Agency (CalHFA) for housing counseling and mortgage assistance. Through its NMS Housing Counseling Program, CalHFA has allocated \$122.7 million for HUD-certified housing counselors throughout the state to provide free, confidential counseling services to California residents who are in danger of eviction or foreclosure.

NMS Housing Counseling Program details

CalHFA allocates NMS funds to participating housing counseling agencies (HCAs) through HUD-approved Intermediaries: UnidosUS and BALANCE. Additionally, HomeFree USA participated in the program, as an intermediary, through the second quarter of 2023. The HCAs are reimbursed \$750 for a client's first one-on-one counseling session, or up to \$750 worth of legal services.

An additional \$750 will be allowed if the same client returns for a second one-on-one session or a more in-depth level of counseling is needed (i.e. loan modification assistance).

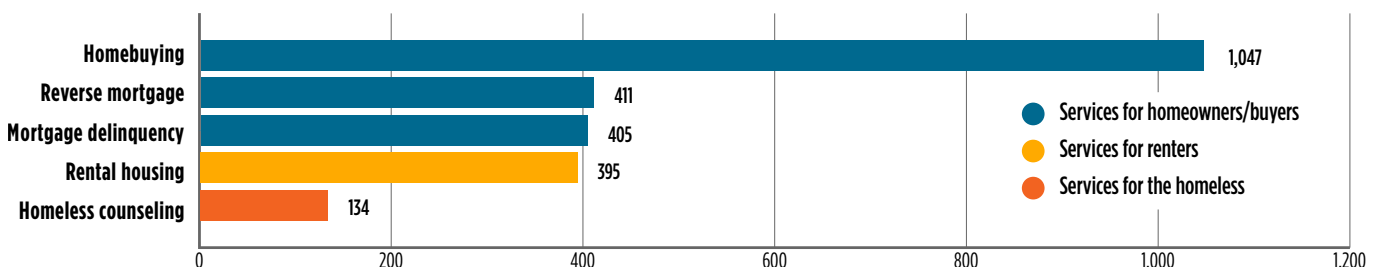


The maximum per household limit is \$1,500. Intermediaries and HCAs also received funds upfront to be used for oversight, program support and capacity building. The upfront investment into building capacity was designed to improve and extend the life of the counseling services by ensuring that agencies can modernize their technology to accommodate more virtual meetings, have adequate staffing with updated training to improve customer service and expand the availability of languages offered.

Types of services

The HCAs provide counseling services grouped into these categories: services for the homeless, rental housing, mortgage delinquency, reverse mortgage, and

homebuying (pre- and post-purchase). The chart below shows how many clients received counseling in each of these categories during the fourth quarter of 2025:



Fund disbursement summary

Allocated funds	Total funds allocated	Funds disbursed 10/1 – 12/31/2025	Total funds disbursed
Counseling services	\$ 147,725,000	\$ 2,797,600	\$ 110,058,003
One-time grants	\$ 600,000	\$ -	\$ 200,000
Marketing and coordination set-aside	\$ 2,500,000	\$ 327,526	\$ 1,077,495
Administrative fees	\$ 15,000,000	\$ -	\$ 6,575,000
Total	\$ 165,825,000	\$ 3,125,126	\$ 117,910,498

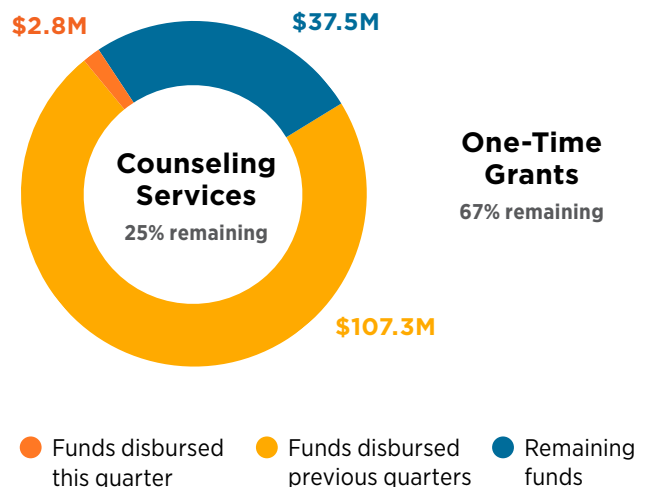
NMS fund allocations & disbursements

To begin the program in 2020, an allocation of \$50 million was approved by the CalHFA Board of Directors to fund the National Mortgage Settlement (NMS) Housing Counseling Program.

Subsequently, the Board approved additional requests to increase funding to the program. In October of 2021 the Board approved \$23.5 million, \$18 million in July of 2022, up to \$50 million in May of 2023 and and \$25 million in April 2025 to continue the program through December of 2027. In total, up to \$166.5 million has been approved for the counseling program, and currently \$147.7 million has been allocated to HUD-Approved Intermediaries.

Of the allocated funds, 89% has been designated for counseling services and capacity building, 1% for one-time grants to nonparticipating HCAs, 5% for a marketing and coordination set-aside to ensure reach to disadvantaged, underserved, and ethnically diverse communities, and, per legislation, the remaining 5% to CalHFA for program

administrative fees. The unique investment into building capacity was designed to improve and extend the life of the counseling services in California by ensuring that agencies can modernize their technology to accommodate more virtual meetings, have adequate staffing with updated training to improve customer service and expand the availability of languages offered.

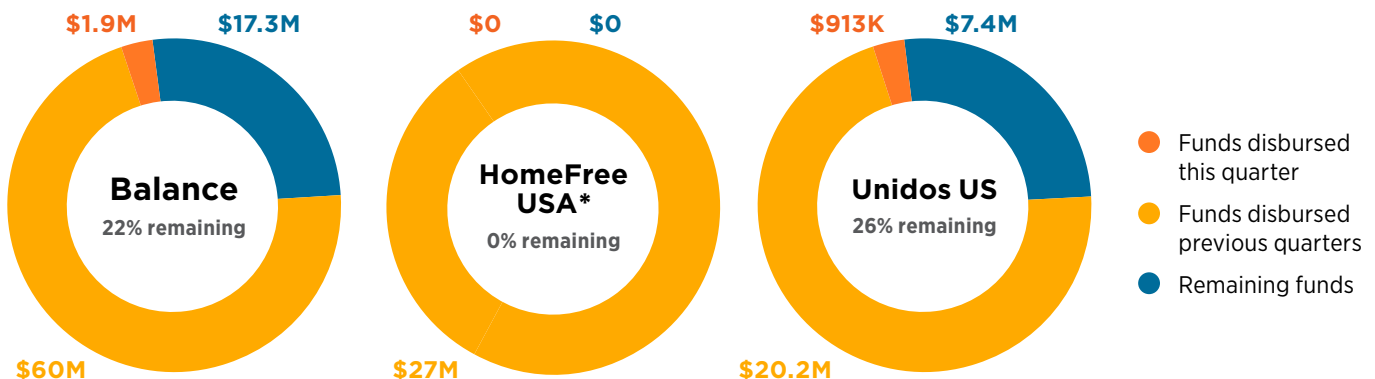


NMS counseling services fund by intermediary

In the fourth quarter of 2025, \$2.8 million was distributed among the two Intermediaries for a combination of counseling fees and oversight fees, bringing the total disbursement to \$110 million in funds to date as of December 31, 2025.

NMS Intermediary	Total funds allocated	Funds disbursed for 10/1 - 12/31/2025	Total funds disbursed
Balance			
Counseling fees	\$ 64,361,508	\$ 1,191,350	\$ 48,829,508
Capacity building	\$ 4,943,329	\$ -	\$ 4,943,329
Oversight fees	\$ 9,900,691	\$ 693,125	\$ 8,125,691
Balance total	\$ 79,205,528	\$ 1,884,475	\$ 61,898,529
HomeFree USA			
Counseling fees	\$ 33,951,358	\$ -	\$ 22,811,250
Capacity building	\$ 3,300,281	\$ -	\$ 1,457,460
Oversight fees	\$ 2,750,234	\$ -	\$ 2,750,234
HomeFree USA total	\$ 40,001,873	\$ -	\$ 27,018,944
Unidos US			
Counseling fees	\$ 23,187,759	\$ 648,750	\$ 16,965,000
Capacity building	\$ 1,765,140	\$ -	\$ 1,335,830
Oversight fees	\$ 3,564,700	\$ 264,375	\$ 2,839,700
Unidos US total	\$ 28,517,599	\$ 913,125	\$ 21,140,530
Total	\$ 147,725,000	\$ 2,797,600	\$ 110,058,003

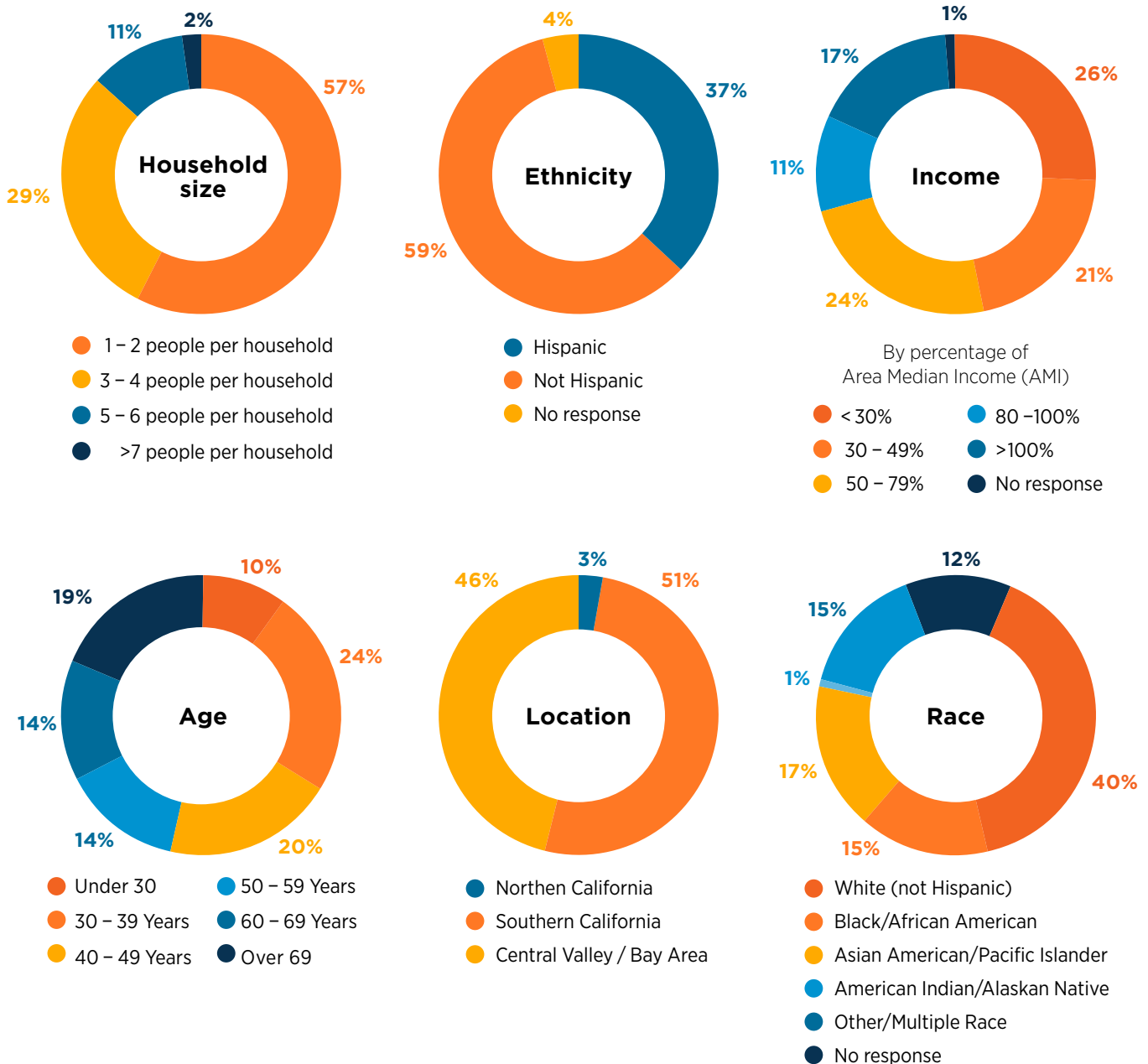
NOTE: Amounts are rounded to the nearest dollar.



*HomeFree USA exited the NMS Counseling Program in October 2023.

Demographic data

To help CalHFA ensure that assistance is equitable and effective, HCAs are required to track demographic data, income levels, location and household size for each client. The charts below provide data on households that received counseling in the fourth quarter of 2025:



Note: Charts may not add up to 100% due to rounding.

HCA recipients of NMS counseling funds

In the fourth quarter of 2025, NMS funds were disbursed to the following HCAs as reimbursement for one-on-one counseling sessions.

A-1 Community Housing Services	Neighborhood Housing Services of Los Angeles County	Korean Resource Center
Asian Incorporated	Neighborworks Orange County	Mission Economic Development Agency (MEDA)
Consumer Credit Counseling Service of San Francisco, DBA Balance	Project Sentinel	New Economics for Women
Community Housing Counsel of Fresno	San Francisco LGBT Community Center	Orange County Community Housing Corporation
Credit.org	Shalom Center	Self-Help Enterprises
Fair Housing Foundation	The Carolyn E. Wylie Center	Urban League of San Diego County
Greenpath Financial Wellness	Centro Familiar Nueva Esperanza	UnidosUS Counseling Connection
HomeOwnership OC	Coachella Valley Housing Coalition	USA Homeownership Foundation DBA Veterans Association of Real Estate Professionals (VAREP)
Inland Fair Housing and Mediation Board	East LA Community Corporation	Visionary Home Builders of California, Inc.
Money Management International	ECHO Housing	
Neighborhood Housing Service of the Inland Empire	Fresno Interdominational Refugee Ministries	
Neighborworks Home Ownership Center Sacramento Region	Greater Sacramento Urban League	