

An Ode to a Pro

By Peter Bell, President of NRMLA

GOVERNMENT SERVES ALL BEST, INCLUDING individual citizens and businesses that deal with it, when those operating it have had the opportunity to work with the matters they become responsible for prior to serving as government officials. The knowledge, experience and insight brought into government by those who have successfully partnered with it previously is invaluable.

While there is certainly a value to lifetime career officials whose dedication and commitment over many years brings an important continuity and institutional memory to policy deliberations, the balance with practical experience brought by those cycling in from other careers where they have been program users and administrators, or business partners with the government, is essential.

As we go to press on this issue, we have just learned that HUD Assistant Secretary for Housing/Federal Housing Commissioner Carol Galante will be departing government service this fall. Carol is a shining example of an individual who got to know HUD by being a senior executive in a company that dealt regularly with the Department's programs and then decided to serve a stint in public service, helping to modernize those programs and improve their management. While her particular area of knowledge from her prior work was in multifamily housing, Carol's skills and management acumen have been similarly directed at HECM and other program areas, leaving us with a much stronger reverse mortgage program today in both its financial performance and political support.

After moving cross country from San Francisco in March 2009 to join the Obama Administration as Deputy Assistant Secretary for Multifamily Housing, then ascend-

ing into the role as Acting Assistant Secretary for Housing/FHA Commissioner in July 2011 and finally being confirmed in that role in January 2013, Carol will be returning to the Bay area to assume a new academic position at UC Berkeley, an appointed chair that no one is more entitled to occupy than she.



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Carol will become the I. Donald Turner Distinguished Professor in Affordable Housing and Urban Policy at University of California, Berkeley, director of the Berkeley Program on Housing & Urban Policy and co-chair of the Fisher Center for Real Estate Policy. Prior to joining Secretary Donovan's team at HUD, Carol was CEO at BRIDGE Housing, a very sophisticated Bay-area nonprofit developer of affordable housing, where she worked for an impressive 22 years. Carol became CEO of BRIDGE in 1996 after its founding leader, Don Turner, perished in an airplane crash in Bosnia while accompanying Commerce Secretary Ron Brown on a US trade mission. Carol had been an operational executive at BRIDGE at the time and stepped into the CEO's role after this tragedy, carrying on Turner's tradition of building high quality affordable and mixed-income housing. The fact that she has been named to this chair is a tribute to both Don and Carol for their extraordinary leadership in housing and community development. How perfect an appointment!

I wanted to celebrate Carol in my column because I think it's important to recognize that government always

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American Pacific Reverse Mortgage Group in Roseville, California, not far from Sacramento.

“She was wonderful,” says Mary Anne. “Michel was there for everything. She absolutely held my hand the entire way through.”

Michel returns the compliment. “She is a darling woman, and De is such an amazing man.” Michel came from the forward mortgage sphere and did her first HECM in 2005. As of March 2011, she has been working exclusively in reverse mortgages. “I love it,” she confesses. “I’ve found my niche in the world.”

When Mary Anne first came to her, Michel recalls, “She told me what she needed and we went through all of the possibilities. I gave her the choices, the pros and cons of each, then she got to decide.”

Among Mary Anne’s considerations was De’s personality. “He is a very cautious person. He has always been very loyal and loving. And he was usually happiest staying home and doing things around the house, letting my mom go out and do whatever she wanted. He would refer to her as ‘Mrs. Go.’ Sometimes I would call, De would answer, I’d ask for Mom and he would say, ‘Mrs. Go is gone.’”

From everything he had read and heard, De’s initial impression of reverse mortgages was negative, so it took some doing for him to come around to the idea that this was the right solution for him. “De has hearing problems,” Mary Anne explains. “So my brother and I accompanied him to counseling. Between Michel, the counseling, his reading and what I found out, I think he realized it wasn’t the danger he thought it was,” and his opinion turned around.

As they were going through it, the HECM process seemed long and drawn out to De and his children. But in looking back, Mary Anne feels that it went “very smoothly.”

“The appraisers came out and told us exactly what to do with the home so it would achieve the highest value. They were great. And I’m also happy with who we have servicing the loan.”

And for Michel, the loan settlement is not the end of the relationship. She stays in contact with her clients and talks to many of them frequently. “My clients just don’t go away, and I love that.”

Now, at ninety-eight, “De is doing really well,” Mary Anne reports. “He is starting to recover from the loss of my mother.” He has excellent care around-the-clock, seven days a week, all of it paid for with proceeds from the HECM loan.

“We go down there whenever we can. Eileen lives closest so she gets to see him most often. And he is always

The house has incredible sentimental value for the grandkids. All of them are emotionally attached to it, as are my brother, two sisters and I.

so happy to see the grandchildren. I know that my mother wanted him to be taken care of, and that’s what we’re doing.”

Again, Michel McKnight agrees. “There couldn’t be any more satisfying career a person could have than to make such a difference in the life of a senior.” **RM**

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functions better when those serving in it bring a dose of reality from experience outside. The reverse mortgage industry could benefit from having talent inside of HUD that is familiar with whom we serve and how we operate. The Department, after a few years of a hiring freeze, has been given the green light to fill approximately 1,000 new positions. For those seeking a new opportunity, this might be an interesting option to explore.

Having served at the interface of government and the business sector for nearly 40 years now, I’ve had many friends from both sides. While those in the private sector generally find better working conditions and richer perks, those in the public sector earn a type of reward that cannot be matched. The satisfaction gained from helping build a better society cannot be measured in financial terms, but it surely has deep intrinsic value that we should all appreciate.

My deep appreciation to Carol for her energetic, thoughtful and successful public service. **RM**