

From: Jim Straub [<mailto:jimstraub1@msn.com>]
Sent: Wednesday, March 20, 2013 11:04 AM
To: Newell Channa
Subject: Senate Bill 558

March 20, 2013

RE: 2013 Oregon State Legislature - Senate Bill 558

I am writing on behalf of the Oregon Rental Housing Association (ORHA) in support of Oregon Senate Bill 558. The ORHA is in the business of supporting good law for the state of Oregon, and we believe SB 558 represents reasonable and sound legal protections for good landlords and tenants in our state. We would encourage all stakeholders to fully support the passage of SB 558.

We believe the dip in Oregon's foreclosure rate is temporary and can be largely attributed to lenders slowing foreclosure filings in response to the Oregon Court of Appeals decision to require all trust deed assignments be publicly recorded prior to a non-judicial foreclosure. As lenders adjusted their procedures, Oregon's foreclosure rate temporarily declined but is on the rise again. This means thousands of Oregon homeowners and their tenants are still at risk.

In fact, January 2013 figures indicate that one out of 13 Oregon mortgages are a month or more behind. 132,000 mortgages are underwater, and far too many Oregonians continue to struggle in communications with their lenders. SB 558 protects homeowners and tenants by creating a robust foreclosure resolution process, which is one of the best ways to speed up foreclosure timelines, avoid any potential backlog in the courts and create positive outcomes for both homeowners and investors who own the loans.

SB 558 does this by requiring large lenders to participate in a resolution conference with homeowners to discuss mutually beneficial alternatives to foreclosure. It also extends the mediation process to all lenders doing more than 100 foreclosures a year. With a strong network in Oregon of housing counselors and mediators who understand Oregon's foreclosure laws, SB 558 will be a strong benefit to Oregon's struggling homeowners. In fact, SB 558 is the only way to ensure that the benefit of the mediation program passed by this legislature reaches all borrowers in need.

SB 588 gives the state Attorney General explicit authority to take legal action against lenders who do not comply with the law, and it also simplifies and streamlines the administrative requirements for banks and homeowners making the process more efficient and less costly.

We at ORHA see every reason to fully support the passage of SB 588 and encourage all other stakeholders to do the same.

Sincerely,

Jim Straub, Legislative Director
Oregon Rental Housing Association
1462 Commercial St NE
Salem, OR 97301