



A healthy community begins at home

May 6, 2013

House Committee on Consumer Protection & Government Efficiency
900 Court Street NE
Salem OR 97301

Dear Chair Holvey, Vice-Chair Lively, Vice-Chair Richardson, and Members of the Committee:

We at REACH believe that a healthy community begins at home, and that we must do more to help homeowners avoid foreclosure. We are therefore supportive of **SB-558A**, which has the potential to positively impact thousands of Oregonians and their communities.

We urge you to look carefully at the **exemption, which must be carefully targeted so that thousands of homeowners don't get shut out.** The exemption is intended to carve out small credit unions and community banks. If the exemption is too broad, thousands of homeowners struggling to work with difficult national servicers will be shut out of the mediation program. A fair and robust foreclosure resolution process is one of the best ways to speed up foreclosure timelines, avoid any potential backlog in the courts, and create positive outcomes for homeowners, lenders, and investors.

Currently, there are approximately 1,300 foreclosures a month. Thousands of Oregon homeowners are further at risk. The most recent numbers indicate that 1 out of 13 mortgages are a month or more behind (LPS, Jan. 2013); 132,000 are underwater (CoreLogic, Jan 2013); and far too many Oregonians continue to struggle in communications with their lender.

Housing is not only a basic need; it gives people the opportunity to succeed in life and be contributing citizens. Senate Bill 558 is important to Oregon's economic recovery and the long-term vitality of our state.

Thank you,

A handwritten signature in blue ink, appearing to read "Kathy Knipp", is written over a faint, larger version of the same signature.

Kathy Knipp
Interim Executive Director