



Member Organizations

211 Info

AFSCME Local #3135

Bienestar

CASA of Oregon

Central City Concern

City of Eugene

City of Gresham

City of Portland

City of Tigard

Clackamas County

Clackamas Housing Action Network

Coalition for a Livable Future

Community Action Partnership of Oregon

Community Action Team, Inc.

Community Alliance of Tenants

Community Housing Fund

Community Partners for Affordable Housing

Ecumenical Ministries of Oregon

Enterprise Community Partners

Fair Housing Council of Oregon

Farmworker Housing Development Corp.

Habitat for Humanity of Oregon

Hacienda CDC

Homeless Families Coalition

Housing Advocacy Group of Washington Co.

Housing Development Center

Human Solutions

Impact Northwest

JOIN

Lane County Legal Aid and Advocacy Center

League of Women Voters of Oregon

Lincoln County

Metro

NAYA Family Center

Neighborhood Economic Development Corp.

Neighborhood Partnerships

NeighborWorks Umpqua

Network for Oregon Affordable Housing

Northwest Housing Alternatives

Northwest Pilot Project

Oregon Action

Oregon Food Bank

Oregon Housing Authorities

Oregon Opportunity Network

Partners for a Hunger-Free Oregon

Portland Community Reinvestment Initiatives, Inc.

Proud Ground

Raphael House

REACH CDC

Rose CDC

St. Vincent DePaul of Lane County

Shelter Care

Sisters Of The Road

Street Roots

Transition Projects, Inc.

Washington County

Willamette Neighborhood Housing Services

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HB 3389

Foreclosure Prevention Testimony to House Committee on Rules

Members of the House Committee on Rules

900 Court Street, NE, Room 453

Salem, OR 97301

Chair Garrett, Vice-Chairs Hicks and Hoyle, Members of the Committee:

I am writing to express support for HB 3389 with the proposed –4 amendments, which would require that affidavits involved in sales to non-profits not ban a family from remaining in their home as either a renter or buyer. This would ensure that short sales through the state's Loan Refinancing Assistance Pilot Project (LRAPP) remain a viable option to prevent foreclosures.

The Housing Alliance is a coalition of organizations serving all parts of Oregon. We are concerned about the availability of safe, decent and affordable housing for all Oregon residents. While we are particularly focused on advocacy on behalf of Oregonians who have limited incomes, we also know that there is a continuum of housing needs in our communities. Homeownership opportunities for households with modest incomes are an essential piece of the housing continuum. Homeownership still provides the best pathway to household financial resilience and to building a better future for families and communities.

LRAPP is a proven approach to preventing foreclosures. It's currently available in Deschutes, Jackson, Josephine, Crook and Jefferson counties to families who have substantial negative equity in their home. To qualify, a family has to have experienced hardship and be in danger of foreclosure, but have enough income to afford a mortgage at the current value of the home.

Unfortunately, most eligible Oregonians cannot benefit from the program because of the industry standard "Arm's Length Affidavit" that accompanies most short sales. These affidavits were developed to combat fraud and are now standard paperwork for most government owned short sales and many privately owned loans. One of the provisions of the affidavit bans the family from staying in the home for more than 90 days as a renter or buyer, which prevents families from benefitting from the LRAPP.

HB 3389 addresses this by ensuring that if a short sale to a non-profit is otherwise approved, it cannot be declined due to the affidavit form. All other fraud prevention measures would remain in place.

Housing is the foundation of our communities. HB 3389, with the proposed –4 amendments, helps our neighbors and families ensure housing stability which ensures the best possible outcomes for all of Oregon.

Thank you for your service on behalf of Oregon communities.

Janet Byrd
On Behalf of the Housing Alliance