

Senators:

My name is Karen Pierce Cooper, and I'm Housing Resource Lead here at the Southern Oregon Housing Resource Center at ACCESS, the HUD certified housing counseling agency that services Jackson and Josephine Counties. One of our largest areas of focus right now is assisting area homeowners with foreclosure prevention. I am unable to attend the public hearing on SB 558 Wednesday, but wish to share with you what we are facing here in Southern Oregon with the foreclosure and economic crisis. Our area has been one of the hardest hit in the State of Oregon, with job loss and with foreclosure. It is well known that the lenders foreclosing on our homeowners facing financial hardship have been less than cooperative in working toward mutually beneficial alternatives to foreclosure. We held high hopes for SB 1552 and the Foreclosure Avoidance Mediation Program (FAMP) being the vehicle to reduce foreclosures in our area. With the Niday ruling shortly after the rolling out of FAMP, we experienced an immediate halt to non-judicial foreclosures in the two counties our agency services, and the shift to the judicial foreclosure process.

Although this shift by lenders to utilizing the judicial foreclosure process has occurred, it has not resulted in a lower rate of foreclosure. In fact, foreclosure filings have increased dramatically instead, in spite of improved unemployment rates (see attached filings prepared for FAMP May 2012 and spreadsheet reflecting filings July 2012-January, 2013). When comparing these annualized foreclosure filings, foreclosures have increased 74% in Jackson/Josephine Counties.

The number of homeowners seeking our mortgage counseling services has declined. We believe they have given up the hope of finding a solution. Those receiving judicial foreclosure summons and complaints more often than not are packing their bags and moving on, believing any chance of working out an alternative followed the process server down their driveway. They don't have the money to pay their mortgage, how are they going to hire an attorney? Why would they, when they know they owe the money? But, the reality is if these homeowners come to us, many **do** reach mutually beneficial agreements with their lenders and they **do** avoid foreclosure.

Senators, we need you to help us get these homeowners to us, and give them the hope they can get help to take on this complicated task of avoiding foreclosure, to understand their options so they may make educated decisions. The Foreclosure Counseling Outcome Study published by HUD in May 2012 (http://www.huduser.org/portal/publications/hsgfin/foreclosure_counseling.html) reports "69 percent of counselees obtained a mortgage remedy" – please close the bypass door the lenders have flooded out through our judicial foreclosure system by passing SB 558, giving these homeowners the opportunity to seek a solution, and help us work to stabilize our communities. Having been through other economic crises in my 30 years working in real estate/finance, I sincerely believe it is going to take extraordinary measures to turn this crisis around. I implore you to take the steps to make it possible.

Respectfully,

Karen Pierce Cooper
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"Helping People Help Themselves" since 1976

Recorded Deed of Trust Assignments 2012

Assignments of Deeds of Trust

Jan '13	Feb '13	Mar '13	Apr '13	May '12	June '12	July '12	Aug '12	Sep '12	Oct '12	Nov '12	Dec '12
208						227	263	206	333	420	290

Non-Judicial F/C Filings Jackson County

3				103	125	90	10	4	7	2	3
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Judicial F/C Filings Jackson County

35 Missing#1				?	?	?	45	25	43	43	51
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Non-Judicial F/C Filings Josephine County

13					20	4		3	8	4	6
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Judicial F/C Filings Josephine County

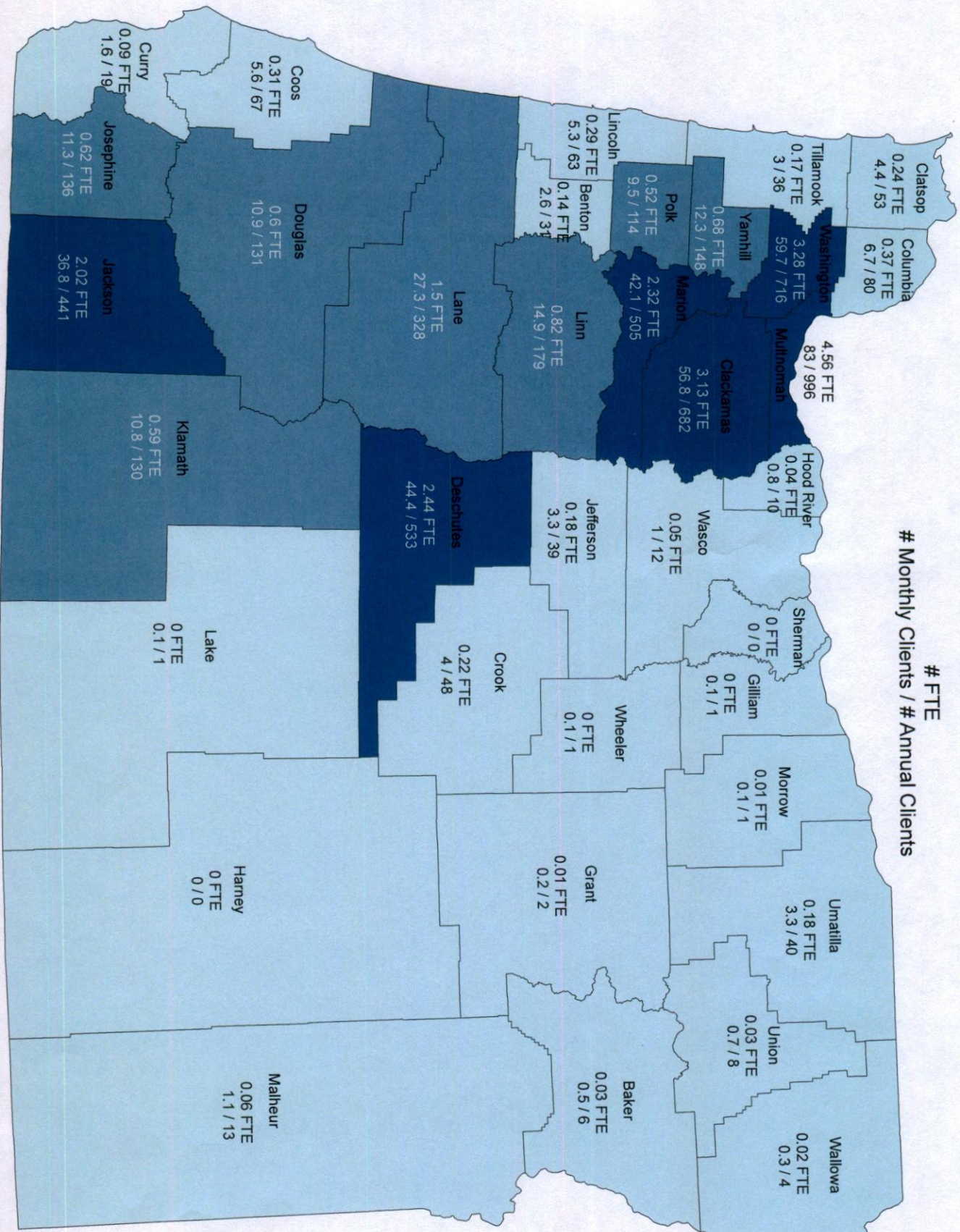
34						15		10	8	20	17
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With increase in Assignment of TDs, servicers setting up to swing back to non-judicial filings? Will the swing take place faster if Oregon Legislators include Judicial filings in FAMP?

(Total Jackson County 589/9 mos = 65.44 mo x 12 = 785/yr annualized)

(Total Josephine County 162/9 mos = 18 mo x 12 mos = 216/yr annualized)

Estimated # of Foreclosure Counselor FTE & Clients



FTE
Monthly Clients / # Annual Clients

