



From the desk of  
Rep. Nancy Nathanson  
*N. Nathanson*

## Mediation for Homeowners in Judicial and Non-Judicial Foreclosure

### YES on SB 558A

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NEDCO (Neighborhood Economic Development Corporation) respectfully urges your support of SB 558A, which would ensure that struggling homeowners have the opportunity for mediation in front of a neutral third party prior to the initiation of a foreclosure, regardless of whether the lender chooses the judicial or non-judicial process.

- **SB558A is designed to prevent foreclosures whenever possible, and when a foreclosure is unavoidable, to allow for a timely and intentional transition from the home.** With the community-wide cost of every foreclosure in the tens of thousands, this program is crucial to the economic recovery of Oregon families.
- **SB 558A was developed with careful input from foreclosure counseling agencies such as NEDCO, to maximize participation and positive outcomes:**
  - Streamlines the process for homeowner participation;
  - Facilitates access to foreclosure counselors to help homeowners understand their options and prepare for mediation;
  - Provides for adequate and timely exchange of relevant paperwork, so that the negotiation can reach a meaningful resolution;
  - Ensures bank compliance by providing enforcement authority.
- **SB 558A covers the largest banks while exempting Oregon's small local banks and credit unions.** More work may be needed to ensure access for homeowners with large national independent servicers, but SB 558A provides a solid start.
- **Pre-foreclosure mediation ensures that homeowners have access to reasonable alternatives *before* either the strict timelines and legal fees of a judicial foreclosure, or the quagmire of a non-judicial foreclosure.**

SB 558A will ensure that more Oregonians facing foreclosure have access to solid information and a real opportunity to work with their servicer to avoid foreclosure.

**We urge your Aye vote.**

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