



**NeighborImpact**

Supporting People, Strengthening Communities.

April 4, 2019

Senate Committee on Housing  
Oregon State Legislature  
900 Court Street NE  
Salem, OR 97301

Dear Chair Fagan, Vice-Chair Heard, and Members of the Committee:

I am writing to you on behalf of NeighborImpact and the communities we work in to request the Committee's support for the amendment to SB820 and amendments related to foreclosure counseling.

Since 1985, NeighborImpact has served Crook, Deschutes and Jefferson counties and the Confederated Tribes of Warm Springs in Central Oregon. Our organization is considered the largest nonprofit in our region on a client-served basis, serving an estimated 55,000 residents annually. NeighborImpact programs support people in our community who need it the most as well people who need a temporary boost. In fact, our programs benefit 1 in 4 residents of Central Oregon, and we are the region's leading provider of housing and homeless services, energy assistance, emergency food, childcare provider resources, early childhood education services and self-help programs for the working poor.

Our HomeSource program assists individuals and families in becoming homeowners and sustaining home ownership. We are the Regional Housing Counseling Center for Central Oregon as designated by Oregon Housing and Community Services (OHCS) and through it we offer homeownership programs and foreclosure avoidance.

The Oregon Foreclosure Avoidance (OFA) program helps families gain information and knowledge when facing foreclosure. Counselors help families maintain their homes and their stability. We have been part of this program since its inception, and since 2014 we have helped 181 number of citizens to remained house and/or exit with dignity.

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2303 SW First Street Redmond, OR 97756 • tel 541.548.2380 • fax 541.548.6013 • [www.neighborimpact.org](http://www.neighborimpact.org).

United Way  
of Deschutes County



If you require accommodation for impairment, disability, language barrier, etc., please contact NeighborImpact at 541-548-2380 or email: [reception@neighborimpact.org](mailto:reception@neighborimpact.org)

As a reminder, the OFA program is a fee-for-service program. The small fee (\$150 or \$50 in hardship cases) only covers a small portion of the mediation cost, and the entirety of it goes to pay the mediator, with none of it supported the housing counseling agencies who walk alongside the client through the mediation process. The funding request to the legislature essential to ensure that agencies across the state continue to provide counseling services for homeowners entering the state's foreclosure mediation program.

In Central Oregon, foreclosure continues to be a significant issue. The average number of individuals facing imminent foreclosure each month averages 35 individuals. With the housing crisis at its current level, losing a home means homelessness. There is no downsizing; there are no rentals for less, these are not options for citizens that have medical or other debt. The majority of the constituents seeking services are seniors. In this time of extreme concern about homelessness, OFA is an important homeless- prevention program serving the most vulnerable populations. We also anticipate that as Mortgage Payment Assistance and other TARP funded, Oregon Housing Stability Initiative programs, are set to sunset in early 2020 the number of individuals needing OFA services will increase. Over the last biennium many of them were diverted and/or assisted via Home Rescue program. This will not be the case moving forward.

Providing a highly trained and certified counselor gives constituents a broader understanding of their situation, their options and it makes the foreclosure process understandable and manageable. Having a housing counselor attend mediation conferences has provided great results for all parties involved. Historically, more than 70 percent of clients who receive counseling and complete mediation reach an agreement with their lender.

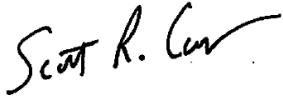
Below is the story of one of our clients, a not atypical individual using and benefitting from foreclosure prevention services:

*Faye thought her home was paid off in 2014. However, when she began to receive foreclosure notices in the mail a few years later, she was understandably alarmed. Faye, a widow from Redmond, had worked hard to pay off her house—making extra payments and committing fully to this goal. Since she was approaching retirement, she planned to rely on this major asset for financial stability in her later years. With her home and finances in jeopardy, Faye didn't know what to do. Through the OFA program she got in contact with NeighborImpact. Homeownership counselor Victoria Vale was able to find out what was actually going on. In 2008, Faye and her husband had put a second mortgage on their home, with the idea that they would build another house. Unfortunately, the building plans fell through, and the couple subsequently declared bankruptcy. Victoria soon discovered that this second mortgage, a home equity line of credit, was not in fact paid off and had not been eliminated during the bankruptcy. Instead, as soon as Faye paid off the first mortgage, the second mortgage had a right to the property. With Victoria as her counselor during the resolution conference, Faye was able to stay in her home. While she was still responsible for paying off the second mortgage, she was very grateful. She even worked with Victoria to budget for her mortgage payments in the future. With the help of HomeSource of NeighborImpact, Faye no longer had to fear losing the asset she had worked so hard to obtain.*

As this story demonstrates, it is not just about the number of clients that are being helped by this program; it is about the meaningful and life-changing effect of those participating on it.

We urge your support for amendment to SB820 and the requested \$1.24 million for the 19-21 biennium. This will fund foreclosure counseling across the state. Thank you for your commitment to ensuring that Oregon families facing foreclosure receive the best possible services, and thank you very much for your time, and for your continued service to our state

Sincerely

A handwritten signature in black ink that reads "Scott R. Cooper". The signature is written in a cursive, flowing style.

Scott Cooper  
Executive Director, NeighborImpact