

# Oregon Housing and Community Services

**January 2022 Legislative Days  
Program Updates**



# Homeowner Protections and Resources

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# Federal Foreclosure Protections

Presenter: Alex Cheng, Deputy Administrator  
Division of Financial Regulation



Department of Consumer  
and Business Services

# Changes in Mortgage Industry Since 2008

- Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
- Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE Act)
- Mortgage servicer industry reforms



# Federal Foreclosure Protections

## Forbearance plans under the CARES Act

- Federally backed mortgages eligible for COVID hardship forbearance (HUD/FHA, VA, USDA, Fannie Mae, and Freddie Mac loans)
- Forbearance options may be available for private loans; contact your servicer



# Federal Foreclosure Protections

## Protections for borrowers exiting forbearance

- Deferred payments
- Loan modification
- Loss mitigation requirements

# Where to Find Help

**Contact your mortgage servicer**

**Consumer Financial Protection Bureau**

855-411-2372 (toll-free)

<https://www.consumerfinance.gov/complaint/>

**DCBS Division of Financial Regulation**

888-877-4894 (toll-free)

<https://dfr.oregon.gov/help/complaints-licenses/Pages/file-complaint.aspx>

**HUD-approved housing counselor**

<https://www.consumerfinance.gov/find-a-housing-counselor/>



Department of Consumer  
and Business Services

# Homeownership Assistance Fund (HAF) Overview

- U.S. Treasury allocated roughly \$90 million to Oregon under the American Rescue Plan Act's Homeowner Assistance Fund (HAF).
- A homeowner may receive up to \$60,000 in assistance for past due mortgage payments, property taxes, HOA dues and other costs.
- HAF will rollout using a phase-in approach to ensure homeowners most impacted and vulnerable to foreclosure are served first.





# HAF: A Program of Last Resort

- Homeowners may have better, permanent resolution options through their mortgage servicer. US Treasury and Oregon HAF ask that homeowners evaluate all viable workout alternatives **first** before applying for HAF assistance.
- With the total allocation, Oregon will be able to assist a limited number of homeowners: approx. 15-20% of those in need (~1,200-2,000 homeowners\*).



\*1,200 estimates assumes each homeowner receives the maximum level of assistance.

# A Phase-in Approach

**Phase 1 (open now):** Homeowners currently in active foreclosure or the most at-risk of foreclosure or displacement are eligible.

**Phase 2 (coming weeks):** Homeowners who did not receive a servicer workout option through the Oregon Foreclosure Avoidance (OFA) Program.

**Phase 3 (anticipated late March 2022):** Homeowners considered [socially disadvantaged as defined by U.S. Treasury](#) or within rural communities and/or those impacted by a natural disaster.

**Phase 4 (TBD):** All other eligible applicants can apply, pending funding availability.



# Lessons Learned: COVID Response Programs

- Engaged in [Stage Gate](#) process to ensure a quality, secure product from software vendor
- Established a call center and other customer service enhancements
- Phase-in approach to reach the most vulnerable homeowners first
- Partner engagement and training



# Questions?



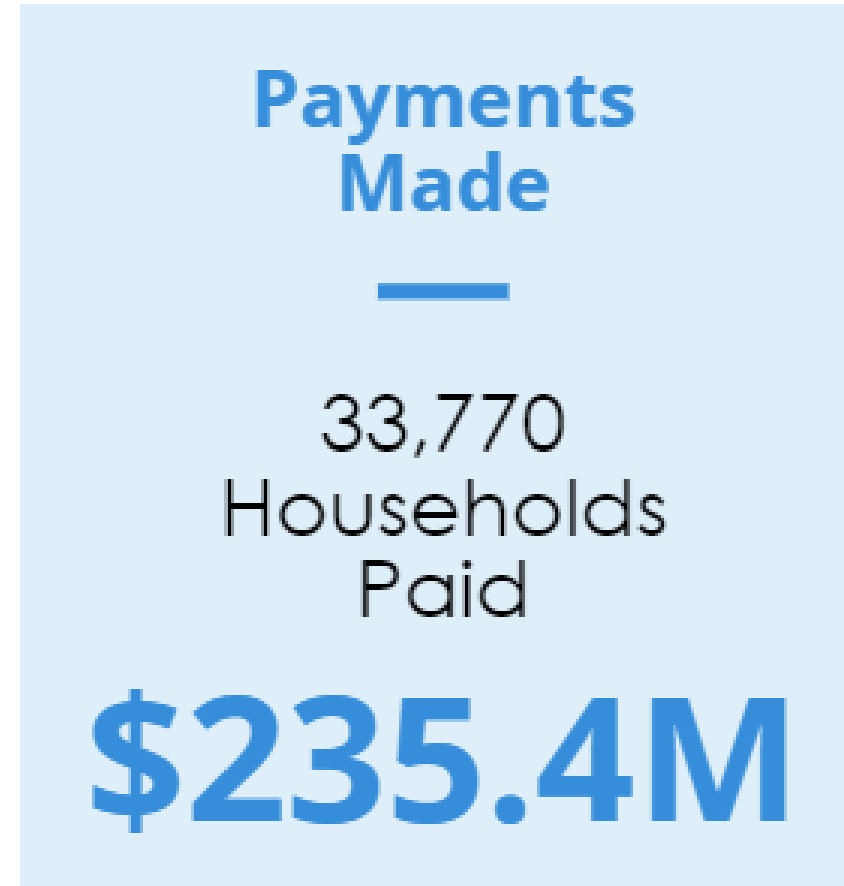
# Oregon Emergency Rental Assistance Program (OERAP) January 2022 Update

**Margaret Salazar**, Executive Director



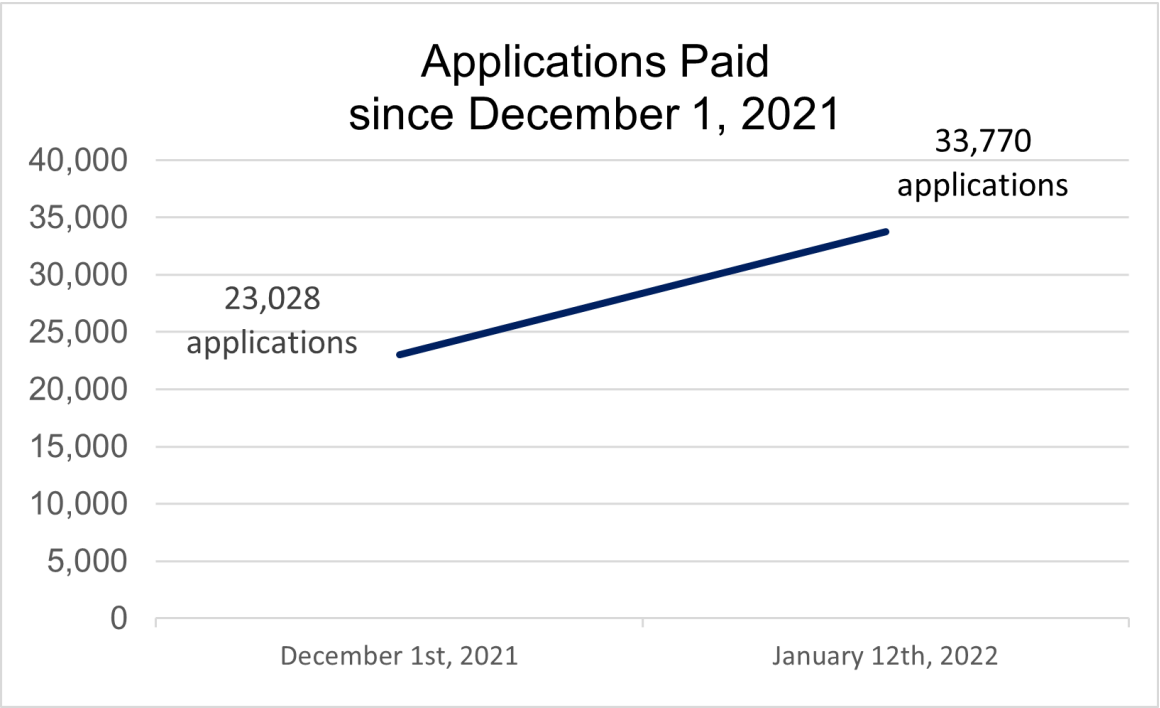
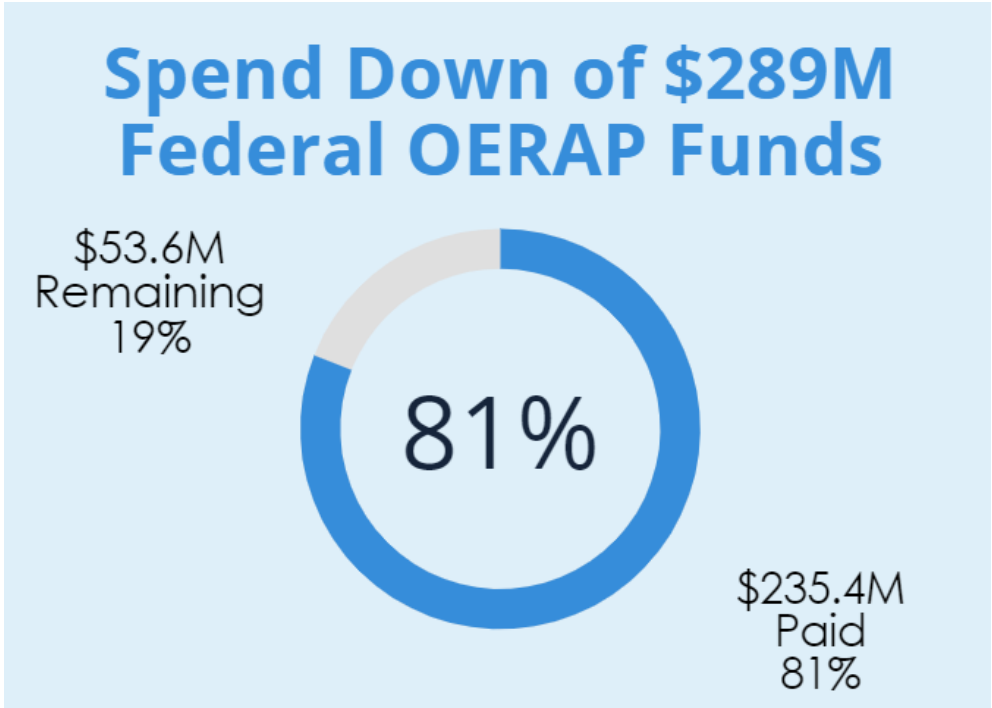
# OERAP By the Numbers

- OHCS 3<sup>rd</sup> party processing vendor PPL **doubled** their output between November (\$21.8M paid) and December (\$46.1M paid)
- ERA1 and ERA2 waves of funding will be fully spent down by the end of March.
- Nearly 34,000 households have been served since program launch in May.
- OHCS remains a top performer nationally. As of Monday, Oregon ranks 6<sup>th</sup>.



As of 1/12/22

# Progress Made Since Application Pause



- **23,155** applications paid 5/19/21 - 12/1/21 (28 weeks)
- **10,615** applications paid 12/1/21 - 1/12/22 (6 weeks)

# Oregon Reallocation Award from US Treasury

- OHCS will receive ~\$1.16M in additional rental assistance resources, less than 1% requested.
- Only 4 other states and DC have been awarded additional funds.
- There is potential for additional reallocated funds; the timeline and amounts are to be determined.





# Implementation of SB 891 (2021)

- As directed by the legislature in SB 891, OHCS is prioritizing applications received before the 12/1/21 pause
- Continuing to implement new notification requirements and program additions within SB 891 currently in effect
- Finishing system and application improvements that we've committed to stakeholders, tenants, and landlords
- Finalizing Eviction Prevention package investments



**New applications will be accepted starting  
Wednesday, January 26<sup>th</sup>**

# Historical Comparison for Rental Assistance

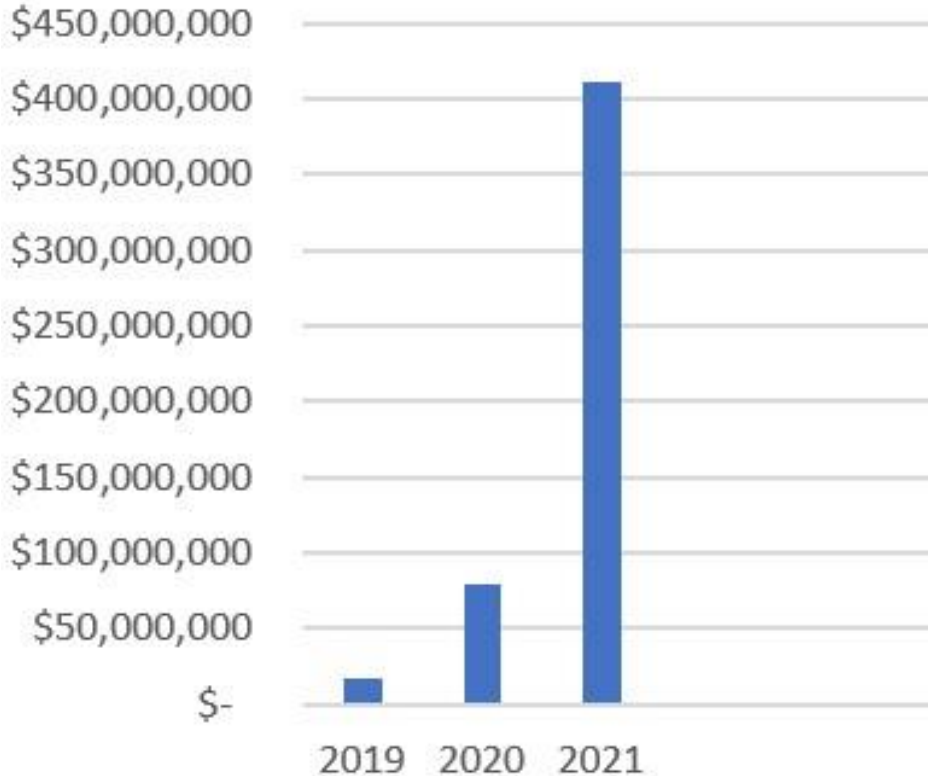
More than  
**\$411M\***

—  
Total Rental  
Assistance Paid in  
2021



\*Total includes 2021 rental assistance programs: Landlord Compensation Fund (LCF), STARR, and Oregon Emergency Rental Assistance Program (OERAP). \$411.6M is more than the total received for ERA1 and ERA2 allocations combined.

### Total Oregon Rental Assistance Paid



# Reflection: Challenges and Lessons Learned

- Ramifications of layering of state policy over complex federal program regulations
- Program scale and local politics challenges
- Lack of state emergency response infrastructure



# Questions?



# Reference Slides



# Overview of Oregon Emergency Rental Assistance Program (OERAP)

- Federal program established in December, \$204 million allocated to OHCS and \$282 million total (direct allocations to Tribal Governments, City of Portland & Lane, Marion, Multnomah, Clackamas & Washington Counties)
- Federal deadline to spend down funds: ERA Wave 1 September 2022, ERA Wave 2 September 2025. OHCS is significantly ahead of those timelines.
- Additional resources from ARPA; \$156 million and approx. \$222.5 million statewide (same jurisdictions)
- Centralized application to increase access (address concerns with 2020 rental assistance programs) and meet robust and rigorous reporting requirements, improve transparency
- The nation is building an emergency rental assistance program for the first time in history.



\$289 M in federal rental assistance resources  
+ an additional \$1.16M in reallocated funds