



SENATE MAJORITY OFFICE

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Legislature approves funds to help struggling homeowners avoid foreclosure *Emergency Board approves \$659,300 to ensure access to housing counselors*

SALEM — The Oregon Legislature’s Emergency Board approved a request for funding this morning that will meet increased demand for housing counseling services for struggling homeowners in the Oregon Foreclosure Avoidance (OFA) Program. Due to higher than expected demand, the Emergency Board approved an additional \$659,300 for non-profit community-based housing counselors, administered through Oregon Housing and Community Services (OHCS), to meet the needs of homeowners facing foreclosure this biennium.

“Southern Oregon has been especially hard hit by the foreclosure crisis. Housing counseling is a crucial service that helps working families who are struggling to stay in their homes,” said Deputy Majority Leader Alan Bates (D-Medford), a member of the Emergency Board and the co-chair of the Emergency Board Subcommittee on Human Services. “These added counseling services are critical to helping Oregonians finally make their way through this crisis.”

Through Senate Bill 1552 in 2012 and Senate Bill 558 in 2013, the Oregon Legislature created the Foreclosure Avoidance Program, which requires lenders to meet with homeowners in the presence of a neutral third party before a lender can proceed with a foreclosure sale. Foreclosure rates in Oregon, while improving, continue to plague homeowners as well as communities. In June of 2014, CoreLogic estimated that more than 41,000 Oregonians are underwater on their mortgage, and more than 23,000 Oregonians are at least 90 days delinquent on their mortgage payments. The OFA Program has substantially increased the number of homeowners who have successfully worked out a resolution with their lender, and decreased the time it takes to finalize each case.

“Since Senate Bill 558 went into effect last fall, the Foreclosure Avoidance Program has been flooded with requests for face-to-face meetings between lenders and homeowners,” said Senate Majority Leader Diane Rosenbaum (D-Portland). “Ensuring access to housing counselors is crucial to helping homeowners understand their options and navigate the paperwork and negotiation required to avoid a foreclosure.”

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