

Community Connection



Of Northeast Oregon, Inc.
Baker, Grant, Union and Wallowa Counties

Community Action Agency
Aging and Disability Resource Connection (ADRC)
Area Agency on Aging (Dist. 13)
Housing Counseling Agency
Public Transit Provider
Youth Programs

March 1, 2021

Dear Chair Holvey, Vice-Chair Bonham, Vice-Chair Grayber and Members of the Committee:

Re: Written Testimony in Favor of HB 2009

I am a HUD-Certified Housing Counselor for Community Connection of Northeast Oregon, Inc., who provides mortgage default counseling for residents in Baker, Grant, Union, and Wallowa counties, a 13,000 square mile service area of 57,000 residents in northeast Oregon. Our agency's mission *is to advocate for and assist senior citizens, children, low-income persons, and persons with disabilities in attaining basic human needs and in becoming more self-sufficient. This will be accomplished by providing direct client services; stimulating a more efficient use of existing resources; broadening the available resource base; and providing decent, safe, sanitary and affordable housing for low and moderate income persons.*

It is critical that the foreclosure moratorium be extended, allowing homeowners who have suffered extreme financial hardship due to the pandemic an opportunity to recover and save their homes from foreclosure. As we have seen from the economic shutdown of businesses this past year, people are struggling financially and emotionally to cope with decisions they did not make for themselves. People losing their homes to foreclosure because of this financial impact would take this hardship to a whole new level. We will have millions of people homeless, without the ability to recover and without resources to help them survive this pandemic-induced catastrophe.

As a mortgage default counselor, I have spoken with clients who are terrified of losing their homes to foreclosure. They were told by their lenders when requesting a forbearance, that when it expired the forbearance amount would be put at the end of their loan. Now that their forbearances have come due, lenders are back-peddling on their previous statements and calling the amounts due, which in many cases amounts to several thousand dollars.

One of the resources to help homeowners impacted by the pandemic has been the state's LPA and MPAU programs (Hardest Hit Funds for COVID-related financial impact). These programs will pay mortgage arrearages for eligible applicants and possibly limited mortgage payments to help homeowners get back on their feet. These programs have been extremely slow in processing and lenders are not necessarily willing to wait for a determination before proceeding with foreclosure. An extension in the moratorium will give Oregon Housing and

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Stabilization Initiative, the fiduciary agency managing these programs, the time they need to process the many applications that have been submitted to help homeowners with mortgage assistance.

Additionally, the pandemic has impacted landlords disproportionately. Renters who have not paid rent for almost a year have put landlords with mortgages in an untenable position. Landlords have not been able to evict for nonpayment of rent, yet mortgages on those properties are still due. Landlords are still required to provide services to their tenants (i.e. maintenance, utilities, etc.) without the income they rely on to pay for these services. The extension to the foreclosure moratorium will give small landlords with residential mortgages the time they need to access available resources to save their properties from foreclosure.

This bill will also offer homeowners protection through the Oregon Foreclosure Avoidance program by reducing the number of exempt lenders that are able to avoid the mediation process of attempting workout solutions, allowing homeowners the ability to save their properties from foreclosure. This program has been instrumental and critical in bringing lenders and homeowners together to discuss and explain options available so homeowners can retain ownership of their homes.

I urge you to vote in favor of HB 2009. The passage of this bill will provide stability for homeowners who have been impacted by the pandemic. Especially during this pandemic, it is so critical to have a safe and stable place to call home – to work from, to rest in and recover from or isolate from COVID in, and to support our children in attending remote school in.

Thank you for your consideration of my urgent plea.

Sincerely,



Debbie MacBaker
Housing Resource Center Manager

