



We believe that all Oregonians need a safe, stable, and affordable place to call home. Today, Oregonians in all corners of the state continue to struggle with foreclosure, and being delinquent on their mortgage payments.

The Oregon Foreclosure Avoidance program has been an incredibly successful program and effort. It was first created via bipartisan legislation in 2011, and modified in 2012. **The Oregon Foreclosure Avoidance Program provides homeowners the opportunity to meet directly and mediate with their lender, and also provides that homeowners are supported by a network of foreclosure counselors to help homeowners prepare for mediation.**

The mediation program has been funded through fees paid by both lenders and homeowners. Since 2012, the foreclosure counseling portion of the program has been funded by the Legislature through the general fund, and administered by Oregon Housing and Community Services.

We continue to have a network of counseling agencies across the state who meet with homeowners, analyze their financial situation, discuss options, and attend the meetings between lenders and homeowners. Counselors provide neutral, third-party support to help homeowners as they navigate a system that provides limited information to homeowners. For people who access counseling, the success rates are remarkable – over 70% of people make an agreement with their lender to stay in their home. Counseling, plus mediation, is the key to helping homeowners remain stable in their homes and avoid foreclosure in a sustainable, long term way.

Oregonians need access to an ongoing foreclosure counseling program in Oregon. Today, there are still far too many families experiencing being behind or in default on their mortgages, and these families need access to counselors. Other states have recently acted to permanently fund foreclosure counseling programs.

Counseling agencies are operating across Oregon. Counseling agencies are closely tracking outcomes, and report that counseling has successfully:

- Increased the number of homeowners avoiding foreclosure;
- Decreased the time it takes to finalize each workout agreement.

It is important to all parties to a foreclosure (lenders and borrowers) that homeowners have access to trained counseling services before and during the foreclosure process. Counseling helps homeowners better understand their options, navigate a complex process, and access to counseling results in better outcomes.

Funding for foreclosure counseling in 2019-21 at \$1.24 million would maintain access to counseling across Oregon, would help to maintain the geographic reach of the network and would maintain expertise within the network. Oregon homeowners who are at risk of foreclosure need access to this critical resource. **The Legislature should fund foreclosure counseling for the 2019-21 biennium.**