



## **Coalition Expanding Foreclosure Prevention Work to Nine Counties Through V4A Poverty Reduction Initiative**

The Community Foreclosure Coalition of Jackson, Lenawee & Hillsdale is expanding its foreclosure prevention/intervention efforts from three counties to nine. The six additional counties include Clinton, Eaton, Ingham, Livingston, Shiawassee and Washtenaw. The 9-county region constitutes Region 7 of a statewide Poverty Reduction initiative dubbed Voices for Action (V4A). Leadership for V4A regional initiatives around the state is a partnership between the Michigan Department of Human Services (MDHS) and the Michigan Community Action Agency Association (MCAAA).

This statewide poverty reduction initiative focuses on three strategic areas: 1) Asset Building 2) Workforce Development and 3) Benefit Access. With a modest grant from DHS, each of the nine V4A regions throughout the state are developing and implementing their own plans around this framework. The Foreclosure Prevention/Intervention efforts that are the focus of Region 7 fall squarely within V4A's strategic focus on Asset Building.

Neeta Delaney, Director of the Community Foreclosure Coalition (Jackson, Lenawee & Hillsdale) is devoting part of her time through the end of September to lead this effort. Thanks to the grant from MDHS, she is being assisted by V4A Communication Coordinator Fred Parker who started in his new role Monday, July 26<sup>th</sup>. Fred had worked for CAA for the past year as a HUD & MSHDA certified Foreclosure Prevention counselor and in that role has been very active in the tri-county Community Foreclosure Coalition (Jackson, Lenawee & Hillsdale) He previously worked as a commercial lending officer with National City Bank. He brings both these areas of expertise to his role in the 9-county expansion.

Over the next couple months Neeta and Fred will be collecting data, mapping counseling resources and meeting with and convening key stakeholders and potential partners to get a read on the status of each county's foreclosure prevention efforts. At the end of September, they will have worked with each county to identify specific priorities that need to be addressed in order to strengthen and bridge foreclosure prevention/intervention efforts at both the county and regional level. The Kellogg Foundation has announced a grant to provide additional funding to help move each V4A regions plan forward. That funding will be available beginning in October 2010.

## **Congressman Schauer Delivers Coalition's Ideas on Housing Finance Reform to HUD & Treasury**

In April, The Obama Administration put out a nationwide call for input into how we might reform the housing finance industry going forward. The administration asked for input around seven specific focus areas. That input was due July 21st. Luckily the coalition's public policy committee had already been hard at work getting their ideas on paper well before finding out about the deadline. With a few last minute refinements, we were able to work with Congressman Mark Schauer's office to get our white paper entitled "Main Street America's Foreclosure Crisis: Call for a Game-Changing Solution in to both HUD and U.S. Treasury. We are truly appreciative of Congressman Schauer and his regional staff for their support and quick action on this. We also want to recognize coalition members Dale Moretz, Bill Jors, Ron Ellison and Kate Martin for their hard work and ideas, all of which provided the foundation for our white paper. You can download the Game-changer white paper from the Library section of the coalition's website at [www.jlhcf.org](http://www.jlhcf.org).

## Free Community Info Session— Thinking About Walking Away from Your Mortgage? Think Twice!

In the past several months, there has been a new twist to the foreclosure crisis and the Community Foreclosure Coalition of Jackson, Lenawee & Hillsdale is responding. Wednesday, August 24<sup>th</sup> from 6:30PM – 8:30PM, the coalition, in partnership with Community Action Agency and the Jackson District Library, will host a free community forum entitled: **Thinking of Walking Away from Your Mortgage? Think Twice!** The forum will be held at the Carnegie Branch of the Library at 153 W. Michigan Ave. in downtown Jackson. The new twist that prompted this session is a growing tide of homeowners who *have* the ability to keep up with their mortgage loan payments but are choosing to “walk away” instead because they believe it is in their best interest. This is not just a local phenomenon but a national trend that is getting national attention.

On June 23<sup>rd</sup> 2010, mortgage giant Fannie Mae announced policy changes that it hopes will help stem this tide of strategic “walk-aways”. Under the new policies, homeowners who have the capacity to pay but choose to default run the risk of legal action. Additionally, those seeking a Fannie Mae backed mortgage in the future will have to wait seven years from the date of foreclosure before receiving one. “We’re taking these steps to highlight the importance of working with your servicer,” said Terence Edwards, executive vice president for credit portfolio management. “Walking away from a mortgage is bad for borrowers and bad for communities and our approach is meant to deter the disturbing trend toward strategic defaulting.”

Community Foreclosure Coalition Director Neeta Delaney is convinced that most homeowners who have the ability to stay in their homes but are considering walking away, do not have all the facts. “Most people don’t understand that there are implications that need to be considered in advance of such a decision including taxes, credit, possible legal action, etc.”

The purpose of the community forum on August 24<sup>th</sup> is to educate people so they can make an informed decision. A panel of experts will include representatives from both Fannie Mae and the IRS, a bankruptcy attorney, local lender and a certified foreclosure counselor. There will be an opportunity to ask questions and arrange for individual follow up for homeowners who need additional help.

***Most people  
Just don't  
have good  
information  
about the  
implications  
of walking  
away.***

**-Neeta Delaney,  
Director—  
Community  
Foreclosure  
Coalition Director**

## Jackson & Lenawee Realtors Partner with Coalition

Real Estate Professionals have much at stake with the current foreclosure crisis and its impact on the housing market *and* they are stepping up to be part of the solution. Through a new partnership with the Community Foreclosure Coalition both the Jackson Area Association of Realtors and the Lenawee County Association of Realtors have approved Short Sale Referral Agreements jointly drafted by their respective associations and the area’s HUD & MSHDA certified foreclosure counselors. These agreements will ensure that when a certified foreclosure counselor is working with a client for whom a short sale appears to be the best option, that counselors will have a list of qualified area realtors to whom they can make referrals. Realtors on the Coalition's Short Sale Referral list have documented that they have completed the National Association of Realtors Foreclosure Resource Certification and have also committed to sharing with their clients information about the unbiased, free, local HUD & MSHDA certified counseling resources available to them.

## Counselor Profile: Tim Klink

"Instead of helping people buy, build or refinance their dreams, I would utilize my skills and knowledge to counsel people (as a foreclosure counselor) keeping their dream alive or sadly abandoning their dream." This is a quote from Tim Klink, Community Action Agency's new Foreclosure Intervention Counselor here in Jackson, Michigan. Tim comes to Community Action Agency by the way of the mortgage origination world, where he wrote mortgages for the past thirteen years. Prior to joining Community Action Agency Tim was a Mortgage Officer/Branch Manager for Chelsea State Bank in Chelsea Michigan. Tim was a leader at his former institution where he developed new banking products, increased revenue and help lead the bank in doing quality mortgage originations. "I took great pride in educating people about the financing terms and conditions of obtaining their mortgage," says Tim. Originating mortgages wasn't just a way to generate revenue for Tim, it was an opportunity to educate and empower homeowners as they realized their dream of homeownership. This was a responsibility that Tim took very serious, even as the market changed and lending standards became more loose.

As a result of the 2008 banking crisis, Tim found himself looking for other opportunities. Tim decided to take his mortgage career to the next level, by furthering his education and becoming a licensed mortgage broker. While working to obtain his broker's license Tim decided to utilize his carpentry



skills to assist homeowners that were looking to maintain their home. It seems no matter where Tim found himself employed, albeit working for a bank or for himself, he still found a way to help people realize or maintain their dream of homeownership. Now Tim is sitting on the other side of the desk, instead of writing mortgages he is utilizing his experience to help people maintain their home if possible as a Foreclosure Intervention Counselor. Tim is a great addition to the Community Action Agency's team; he will be able to use his passion for helping people, his experience and knowledge to help fight foreclosure here in Jackson. Welcome Tim!

***Our regional coalition is actually taking leadership in changing important state & federal public policies.***

**Marsha Kreucher  
Pres. & CEO  
Community  
Action Agency**

## Proposed Homeowner Education Fund Fee "Gaining Traction"

The Coalition's Public Policy Committee is making progress with the proposed Homeowner Education Fund Fee Concept. The idea was the brainchild of coalition partner and local businessman Ron Ellison and is simple in concept . . .

- Levy an additional \$2 - \$4 fee on all documents recorded at County Registers of Deeds Offices except IRS, State Treasury, and County Treasurer tax liens and related documents.
- Use the revenue the fee generates to establish a Homeowner Education Fund at the County Level.
- Make grants from the fund to local HUD & MSHDA-certified Housing Agencies for the purpose of funding foreclosure prevention and other homeowner education counseling.
- A \$4 fee is estimated to generate approximately \$7 million per year (based on Remonumentation fee history)
- 10-year Sunset on the proposed law
- Registers of Deeds collect the fee and remit to County Treasurer
- County Registers of Deeds keep 1.5% to cover administrative costs.

So far, the Michigan Foreclosure Task Force (MFTF), Community Economic Development Association of Michigan (CEDAM) and State Rep. Martin Griffin are supporting the idea. The Michigan Association of Realtors will decide where they stand at the August 16th meeting of their Public Policy Committee but at this point, things look very positive. The Michigan Association of Register of Deeds has enthusiastically embraced the idea and will be helping add more detail as we get closer to being ready to work with our elected official on a draft bill. We will keep everyone posted.

## Become a Supporting Partner!

Since its launch last July, the Community Foreclosure Coalition (Jackson, Lenawee & Hillsdale) has grown to include over 70 supporting partner organizations! Each of these organizations has agreed to help us disseminate printed materials, line up speaking engagements and in general spread the word about what homeowners need to know, need to do and the resources available to help them avoid losing their home to foreclosure. If you are interested in becoming a Supporting Partner or want to help in any way, contact Neeta Delaney at [ndelaney@caajlh.org](mailto:ndelaney@caajlh.org) or a complete list of our Supporting Partners, **Visit [www.jlhcf.org](http://www.jlhcf.org).**

### Stay Connected!

Subscribe to this newsletter and have it automatically emailed to you monthly. Visit: **[www.jlhcf.org](http://www.jlhcf.org)**

### Tell Us Your Story!

If you have been impacted either directly or indirectly by the foreclosure crisis, tell us your story. Visit **[www.jlhcf.org](http://www.jlhcf.org)**

**June  
2010  
Sheriff  
Sales:**

**Jackson: 93  
Lenawee: 65  
Hillsdale: 29**

**Get up to Speed!  
Visit [www.jlhcf.org](http://www.jlhcf.org)**

**Your one-stop shop for regional  
foreclosure prevention information!**

## Spread the Word!! Tips to Avoid Foreclosure

1. Don't stick your head in the sand!
2. Open all your mail!
3. Contact your lender - let them know your situation.
4. Visit our website [www.jlhcf.org](http://www.jlhcf.org) to find out what you need to know and do to save your home
5. If you need help, Call a FREE legitimate foreclosure counselor and not a con-Artist!

In **Jackson County**, call: Community Action Agency (CAA) at (517) 788-6495 or (800) 491-0004 or Jackson Affordable Housing at (517) 788-4626

In **Hillsdale County**, call: CAA at (800) 750-9300

In **Lenawee County**, call: CAA at (800) 438-1845

## BEWARE of Scams!

- 1) Don't pay anyone money to help you save your home! The legitimate help is free!
- 2) Don't trust anyone who guarantees they can save your home!
- 3) Don't sign anything you don't understand.



FOUNDING PARTNER