

July 2010 E-newsletter

July News and Updates- Home Foreclosure Legal Aid Project

Welcome new volunteers!

Thank you, everyone, for your interest and your efforts in helping homeowners at risk of foreclosure.

TRAINING OPPORTUNITIES

Save the Date! September 15-16 in Seattle—Free Consumer Law Training

The National Consumer Law Center, Northwest Justice Project, and Columbia Legal Services are sponsoring a free, two-day, consumer law training in Seattle (exact location TBA) on September 15-16, 2010 for legal services advocates and Home Foreclosure Legal Aid Project (HFLAP) pro bono volunteers. The training, featuring NCLC and Washington state practitioners, will cover foreclosure-related litigation topics and include a debt collection litigation boot camp designed to give advocates the tools they need to respond to the flood of debt collection litigation our clients are facing. The list of topics/agenda for the training is attached. We hope you can join us! Registration information and other training details will be sent later. If you are interested in attending, please send an email to hflap@nwjustice.org and include "NCLC Training" in the subject line. Let us know if you plan to attend day one, day two, or both.

ADVOCACY RESOURCES

[Fannie Mae Adopts New Rules for Pre-Mod Income Verification](#)

A general practice of servicers today is to consider borrowers for a standard Fannie Mae mortgage modification based solely on the homeowners' verbal statement of their financial information. But that's about to change. The GSE has issued new servicing guidelines stating that effective July 15, 2010, all servicers must verify the borrower's income, liabilities, and monthly expenses to determine that a financial hardship does exist, before a loan modification can be offered. You can find the FNMA announcement, "Updates to the Requirements for Evaluating Borrowers for Fannie Mae's Standard Mortgage Modification," at <https://www.efanniemae.com/sf/guides/ssg/annltrs/pdf/2010/svc1008.pdf>.

Financial Reform Bill Becomes Law

Bill Summary:

http://banking.senate.gov/public/files/070110_Dodd_Frank_Wall_Street_Reform_comprehensive_summary_Final.pdf

Full Text:

http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_bills&docid=f:h4173enr.txt.pdf

FORECLOSURES IN THE NEWS

Report: 70% of Modifications in May Were Non-HAMP

Mortgage servicers completed 112,088 loan modifications through their own proprietary programs in May, according to a report released this week by HOPE NOW. That compares to 47,724 new permanent modifications under the government's Home Affordable Modification Program (HAMP) during the same month. Altogether, just over 159,000 mortgage modifications were completed in May, as well as 213,000 other workouts, such as repayment and forbearance plans.

Mortgage Relief for Unemployed Secures Place in Financial Reform

The landmark financial reform legislation approved by House and Senate leaders includes a provision which offers a remedy to the growing number of unemployed homeowners who are facing foreclosure. The amendment provides \$1 billion to ensure homeowners who've lost their jobs don't lapse on mortgage payments. Qualified homeowners will be able to borrow up to \$50,000 to assist them with monthly payments, provided they have "a reasonable prospect" of resuming mortgage payments within 24 months.

The Industry Laughs at Legal Aid's Single Case Strategy

http://foreclosurebuzz.org/2010/06/27/the-industry-laughs-at-legalaid-single-case-strategy/?utm_source=feedburner&utm_medium=email&utm_campaign=Feed%3A+ForeclosureBuzz+%28Foreclosure+Buzz%29

Not So Neighborly Associations Foreclosing On Homes

<http://www.npr.org/templates/story/story.php?storyId=128078864&ft=1&f=1003>

Texas Mortgage Firm Survives and Thrives Despite Repeat Sanctions

<http://www.propublica.org/article/texas-allied-home-mortgage-capital-thrives-despite-sanctions>

Bank of America's Servicer Sued In Texas For Abusing Homeowners with Misinformation, Misdirection

<http://foreclosurebuzz.org/2010/07/02/bank-of-americas-servicer-sued-for-abusing-homeowners/>

A look at state foreclosure rates from Jan.-June

http://seattletimes.nwsourc.com/html/businesstechnology/2012364569_apusforeclosureratesglance.html

Homes lost to foreclosure on track for 1M in 2010

http://seattletimes.nwsourc.com/html/businesstechnology/2012368158_apusforeclosurerates.html

Relief effort fails many at risk of foreclosure

http://seattletimes.nwsourc.com/html/businesstechnology/2012399769_apuseconomy.html

Watchdog attacks US mortgage aid scheme

<http://www.ft.com/cms/s/0/80960e92-9473-11df-be4d-00144feab49a.html>

40% Leave Obama Mortgage-Aid Program

<http://www.time.com/time/business/article/0,8599,2005229,00.html>

HOUSEKEEPING

Can't Find That Old E-Newsletter with Some Helpful Information?

No worries! All of our e-newsletters are archived at <http://www.mywsba.org/default.aspx?tabid=199>

Working on a Case and Need Some Feedback or Assistance?

If you're actively volunteering with the project you should have been added to our WA Foreclosure Prevention Advocate list serve. Don't forget to use it! Experts, mentors and other volunteers are standing by to exchange ideas and advocacy strategies. Unsure if you're on this list serve? contact Aline at alinec@wsba.org.

Please Check Your Email Spam Filter!

Please make sure you are receiving email from Lili Sotelo and Colleen Mold, our Home Foreclosure Legal Aid Project legal team; their emails are colleenm@nwjustice.org, lilis@nwjustice.org and hflap@nwjustice.org. Almost all attorneys should have gotten a chance to accept at least one case. Anyone who has not received a request for case acceptance should contact Aline at alinec@wsba.org as soon as possible.

Really Eager to Get a Case?

Have you been really eager to get a case but feel like you haven't been quick enough on the draw when our legal team sends out volunteer opportunities? Have you been unable to handle a matter that's been offered but are still really interested in getting a case? If so, please email hflap@nwjustice.org and also let us know if you'd be willing to take matters in neighboring counties or statewide.

Too Busy Right Now to Take a Case?

If you are not currently able or believe that you will not be able to accept cases through the Home Foreclosure Project for the next six months, please take a moment to let us know so that we can remove you from our volunteer list. Please contact Aline at (206) 727-8204 or alinec@wsba.org. You can always rejoin us when your schedule opens up.

Questions, Comments and Feedback: We want to hear from you!

Please contact Aline at alinec@wsba.org or at (206) 727-8204.

Thanks again for doing your part to put an end to the foreclosure crisis and helping Washington state homeowners!