

May 2010 E-newsletter

Home Foreclosure Legal Aid Project May News & Updates

Welcome New Volunteers!

NEW & INTERESTING VOLUNTEER OPPORTUNITIES

Attorney David Leen is about to get a motion arguing that there is no cause of action for wrongful foreclosure and is looking for some extra research and writing help. If interested, please contact him at david@leenandosullivan.com or (206) 325-6022.

TRAINING OPPORTUNITIES

Thursday, May 27, 2010 1:00 PM - 2:30 PM CDT

Credit Scoring and the Un-scored: Alternative Data Reporting

<https://www2.gotomeeting.com/register/497928043>

FREE Webinar hosted by the Shriver Center. This webinar will discuss the reporting of alternative credit data, the type of data that is currently reported and to whom, and the impact of such reporting on low and moderate income families. Speakers will discuss the impact that credit scores have on individuals and families; the current research on the impact of alternative data reporting based on firms that already report both on-time and late payment, including full data reporting of NICOR and DTE customers; current gas and electric utility credit and collection data from states around the country; the National Credit Reporting Association's perspective, and proposed legislative amendments to the Fair Credit Reporting Act.

June 4-6, 2010, in Wenatchee, WA

Access to Justice & Bar Leaders Conference

Go to <http://www.wsba.org/atj/> to view list of presentations, panels, CLEs and registration. Home Foreclosure Legal Aid Project volunteers and staff will be presenting on recent legal developments and foreclosure prevention strategies.

NEWS AND ADVOCACY TIPS FROM THE PRO BONO FRONTLINES

Recent Success Stories: Permanent Modifications and Cancelled Trustee's Sales

By Fiona Cox, Home Foreclosure Legal Aid Project Pro Bono Attorney

Mrs. X's case was assigned to me a week before the trustee's sale was scheduled to go through (that was in August last year). On that Friday, we were able to get a three-month forbearance and in the meantime, she applied for a modification of her loan. The trustee's sale was cancelled as a result of the forbearance agreement. Two months into the forbearance she was granted a trial modification that the forbearance payments were credited towards, so that she had one remaining payment in her trial modification. When the modification period ended, she continued to make the same payments even though it was another two months before she received a permanent modification packet. In May, her mortgage was permanently modified.

The Y family's case was presented to us as a case where the bank could not provide a Cambodian translator and therefore could not work with the client. Fortunately, there were adult children who were able to translate. The parents were scheduled for a trustee's sale only several weeks away. When we looked at their income, it became obvious that the family had not been informed to include all of the income from the working adults - there were five working adults in the household - in their HAMP application. They resubmitted their HAMP application and were granted a permanent modification. Their trustee's sale was cancelled as a result of the modification.

It Doesn't Hurt to Ask

by Lisa M. von Biela, Home Foreclosure Legal Aid Project Pro Bono Attorney

We recently took a post-foreclosure case where the client was facing eviction and had no legal defenses. The lender, a small, local credit union, was within its rights in pursuing the eviction. After speaking with the client, I contacted opposing counsel to see what I could negotiate.

Opposing counsel intimated that the credit union was most interested in getting the client out of the house quickly and was not interested in spending any more money on the case. It appeared his firm did not handle foreclosure cases in much volume. I had to explain what "cash for keys" was. He pointed out the credit union was on a small budget, and that the best he could likely do was perhaps to provide a few more days' time in the house and a stipulated judgment.

I mulled this over and conferred with Lili Sotelo. I was concerned, as a new attorney, that if I asked for much more than what he implied I could get in this case, that I might not be taken seriously. However, if I didn't ask for more than he mentioned, perhaps I was not getting the most possible for my client.

I called him back and asked for a "cash for keys" arrangement. I told him what the typical cash and time parameters were for such arrangements. He took this to his client. I did not hold out much hope, but felt that I at least put a position out, and could likely negotiate some added time in the house, if nothing else.

In the end, he came back with an offer of \$500 and an additional month in the home. We also negotiated that the judgment for attorney fees, costs, and daily rent be waived. If the client moves out by the appropriate date, then the action will be dismissed. In the final document, he returned with an added term: an additional \$500 if the client could move out a couple of weeks earlier.

While this wasn't a huge amount of cash, it was more than we expected to be offered, and is going to be of some help to the client. In these post-foreclosure cases, when there is no legal remedy specifically available, I have found that listening to the other side's needs and concerns, as well as presenting my client's situation in a polite, yet very personal way, helps in negotiating a benefit my client would not have otherwise received.

ADVOCACY RESOURCES

The Congressional Oversight Panel released its April oversight report, ***Evaluating Progress of TARP Foreclosure Mitigation Programs***. The Panel commended recent changes to the mortgage modification program designed to reach more homeowners, but found that Treasury is still struggling to get its foreclosure programs off the ground even as the crisis continues unabated. For the complete press release, go to <http://cop.senate.gov/press/releases/release-041410-aprilforeclosure.cfm>.

For the complete Congressional Oversight Panel report, ***Evaluating Progress on TARP Foreclosure Mitigation Programs: April Oversight Report***, go to <http://cop.senate.gov/documents/cop-041410-report.pdf>

FORECLOSURES IN THE NEWS

Judge Bashes Bank in Foreclosure Case

<http://online.wsj.com/article/SB1000142405270230349130457518894397777722.html?KEYWORDS=amir+efrati>

Eye on Loan Modifications

<http://www.propublica.org/ion/loan-mods>

Eye on Bailout

<http://bailout.propublica.org/programs/6-making-home-affordable>

Disorganization at Banks Causing Mistaken Foreclosures

<http://www.propublica.org/feature/disorganization-at-banks-causing-mistaken-foreclosures-050410>

The Other Foreclosure Menace

http://www.huffingtonpost.com/2010/05/18/the-other-foreclosure-men_n_579936.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!