

FORECLOSURE CRISIS, BUILDING A COMMUNITY RESPONSE PROGRAM

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HOUSING HAWAII

HOUSING HAWAII

Housing Hawaii is a non-profit 501(c)(3) corporation that was created to advocate for affordable rental and for sale housing in Hawaii. The coalition is an effort by Hawaii's public and private sectors to highlight the housing crisis affecting our state. Membership includes representatives from the non-profit development community, private developers, government officials, housing and homeless service providers, self-help housing developers, labor, and business leaders.

Mission:

Focusing on advocacy, education and facilitating housing development, our coalition is dedicated to creating and preserving affordable housing by:

- Educating the public and our elected officials.
- Working to increase the number of affordable housing and workforce housing units, including special needs housing.
- Identifying the barriers to affordable housing and working to address them (regulatory reform).
- Supporting economic development that promotes healthy and sustainable communities.
- Empowering the housing goals of our members.
- Coordinating the exchange of information to promote advocacy for affordable and workforce housing.

Goals:

- To increase and preserve the number of affordable homes in Hawaii.
- To increase the number of affordable home owners in Hawaii.
- To increase the number of affordable rental homes and renters in Hawaii.

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RECENT ACTIVITY IN HAWAII'S FORECLOSURE MARKET

- Up until September 2008 Hawaii was ranked about 43rd amongst the states for highest foreclosure rates.
- In September 2008 Hawaii's foreclosure rate increased 340% over September 2007.
- In February 2009 foreclosures jumped again with a 275.5% increase over February 2008, and Hawaii's national rank jumped to the 27th highest foreclosure rate in the nation.
- Hawaii foreclosures soared a record 503% in March 2009 over March 2008.

2009 Monthly Foreclosures:

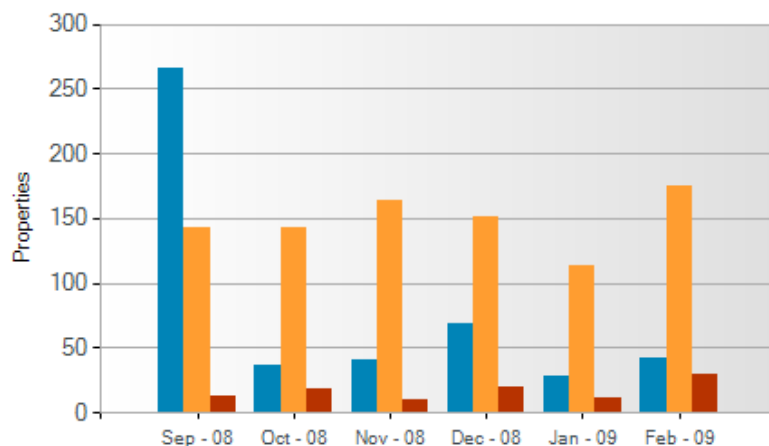
Month	Total	Change	Month	Total	Change
March	724	+503.0%	February	537	+275.5%
January	337	+174.0%			

2008 Monthly Foreclosures:

Month	Total	Change	Month	Total	Change	Month	Total	Change
December	499	+283.8%	August	336	+131.7%	April	216	+227.3%
November	393	+247.8%	July	229	+169.4%	March	120	+84.6%
October	395	+201.5%	June	134	+18.7%	February	143	+142.4%
September	594	+340.0%	May	164	+27.1%	Source: RealtyTrac		

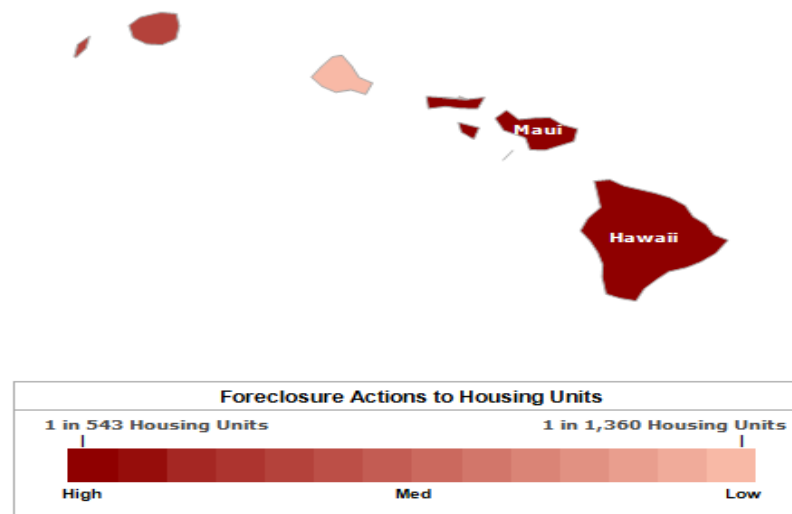
FORECLOSURE ACTIVITY BY MONTH

Pre-Foreclosure ■ Auction ■ REO ■

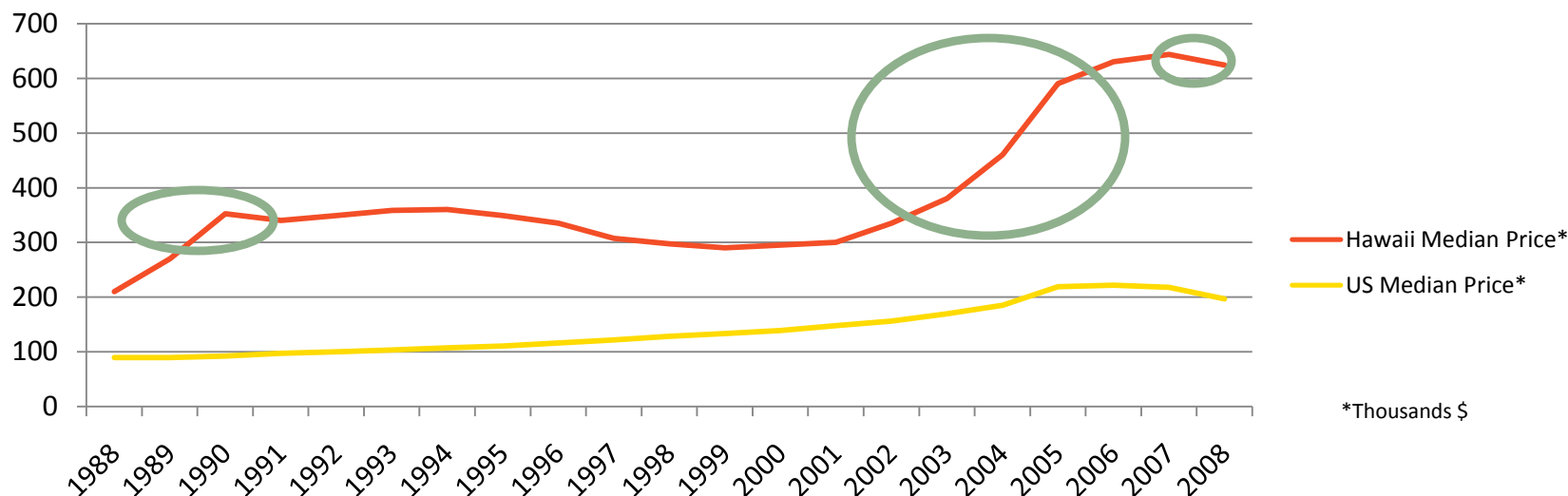


Data Sources: Honolulu Advertiser, Honolulu Star-Bulletin, Realty Trac

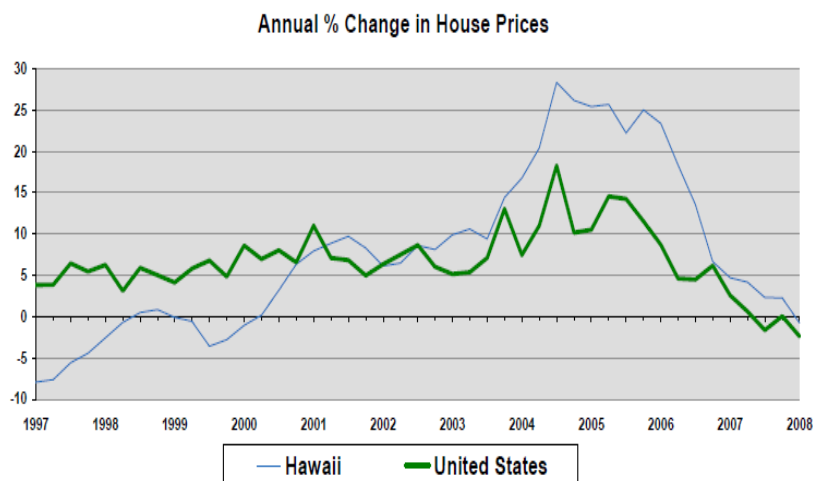
FEBRUARY 2009 FORECLOSURE HEAT RATE MAP



Hawaii and US Median Home Price Comparison 1988-2008



Percentage Change in Home Price 1997-2008



Source: Freddie Mac's Conventional Mortgage Home Price Index

Housing Market Decline to Date

Change in Hawaii homeownership rate (ranked 49 th in nation)	-2.7%
Change in home prices (3Q 2008 vs. 3Q 2007)	-5.4%
Change in home sales (3Q 2008 compared to 3Q 2007)	-25.7%
Decline in housing contribution to state economy (local and state tax base) 2005-2008	\$1.02 billion

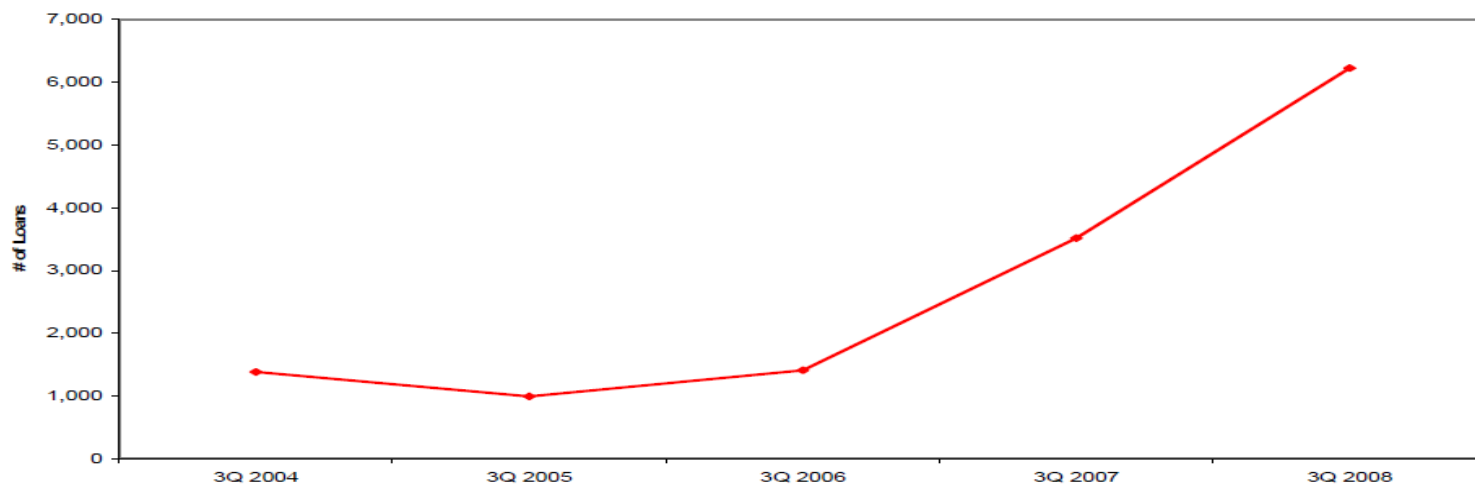
Data Sources: Freddie Mac, Honolulu Board of Realtors, Center for Responsible Lending



- Softening of Real Estate Market
- High Cost Lending Mechanisms
- Unemployment
- Drop in Tourism and Tourism Employment
- Homeowners Use of Equity in Home to Refinance
- Reduction in Second-Home Buyers and Investor Buyers
- Lack of Homeownership Training Programs
- High Cost of Homes

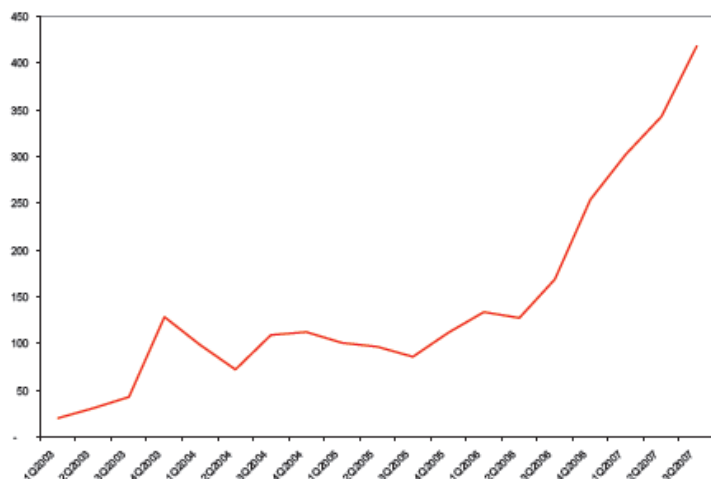
LOANS WITH TWO OR MORE PAYMENTS PAST DUE IN HAWAII

Loans With Two or More Payments Past Due in Hawaii



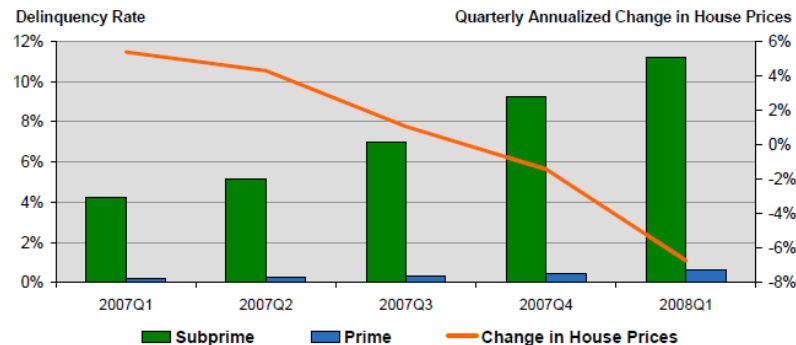
SUBPRIME FORECLOSURES HAWAII

State Subprime Foreclosure Starts (2003-2007)



MORTGAGE DELINQUENCIES AND DECLINING HOME PRICES

Serious mortgage delinquencies are rising among prime and subprime borrowers in Hawaii and are exacerbated by declining house prices



CHARACTERISTICS OF NONPRIME MORTGAGES BY YEAR HAWAII



Data Sources: Freddie Mac



“That’s not My problem . . .”

REALLY???



WHAT DOES IT HAVE TO DO WITH ME?

PROJECTED FORECLOSURE IMPACT IN HAWAII

Projected new foreclosures in 2009	5,600
Projected homes lost through foreclosure over next four years	18,600
SPILLOVER IMPACT:	
Surrounding homes suffering price declines caused by nearby foreclosures	167,942 homes
Decrease in home values and local/state tax base	\$4.16 billion
Average decrease in home value per unit	\$24,768

SUMMARY OF HAWAII foreclosure MARKET

THE FACTS: The ripple effects of the foreclosure crisis

- 1 in 29 homeowners is projected to experience foreclosure on their home as a result of their high-cost loan
- 19 percent of all loans made in 2005-2006 were subprime
- 54 percent of all homeowners will likely feel the ripple effects of foreclosures from subprime loans
- Affected homeowners are expected to lose **\$24,768** on average from property values
- **\$4.16 billion** is projected to be lost from the combined state and local tax base

WHAT HAS BEEN DONE TO DATE

THE RESPONSE: Preserving a piece of the dream

GOALS	ACTIONS	STATUS*
Avoiding foreclosure	State-funded refinance program	<input type="checkbox"/>
	Loan modification	<input type="checkbox"/>
	Preventing rescue scams/ Mortgage fraud	<input checked="" type="checkbox"/>
	Counseling available	<input type="checkbox"/>
Using all your tools	Task force	<input type="checkbox"/>
Pre-empting high-cost lending	High-cost lending laws	<input type="checkbox"/>
	Aligns mortgage broker to consumer interests	<input type="checkbox"/>

■ = action taken □ = no action taken

*As of October 1, 2008



HAWAII #27

THE FACTS: The ripple effects of the foreclosure crisis

- 1 in 29 homeowners is projected to experience foreclosure on their home as a result of their high-cost loan
- 19 percent of all loans made in 2005-2006 were subprime
- 54 percent of all homeowners will likely feel the ripple effects of foreclosures from subprime loans
- Affected homeowners are expected to lose \$24,768 on average from property values
- \$4.16 billion is projected to be lost from the combined state and local tax base

Note: The percentage of subprime loans has increased significantly since 2005-2006.

NEVADA #1

THE FACTS: The ripple effects of the foreclosure crisis

- 1 in 11 homeowners is projected to experience foreclosure on their home as a result of their high-cost loan
- 29 percent of all loans made in 2005-2006 were subprime
- 77 percent of all homeowners will likely feel the ripple effects of foreclosures from subprime loans
- Affected homeowners are expected to lose \$11,730 on average in property values
- \$6.5 billion is projected to be lost from the combined state and local tax base

ARIZONA #2

THE FACTS: The ripple effects of the foreclosure crisis

- 1 in 18 homeowners is projected to experience foreclosure on their home as a result of their high-cost loan
- 28 percent of all loans made in 2005-2006 were subprime
- 63 percent of all homeowners will likely feel the ripple effects of foreclosures from subprime loans
- Affected homeowners are expected to lose \$7,231 on average from property values
- \$8.7 billion is projected to be lost from the combined state and local tax base

CALIFORNIA #3

THE FACTS: The ripple effects of the foreclosure crisis

- 1 in 20 homeowners is projected to experience foreclosure on their home as a result of their high-cost loan
- 24 percent of all loans made in 2005-2006 were subprime
- 64 percent of all homeowners will likely feel the ripple effects of foreclosures from subprime loans
- Affected homeowners are expected to lose \$14,282 on average in property value
- \$107 billion is projected to be lost from the combined state and local tax base

FLORIDA #4

THE FACTS: The ripple effects of the foreclosure crisis

- 1 in 26 homeowners is projected to experience foreclosure on their home as a result of their high-cost loan
- 32 percent of all loans made in 2005-2006 were subprime
- 54 percent of all homeowners will likely feel the ripple effects of foreclosures from subprime loans
- Affected homeowners are expected to lose \$9,777 on average in property value
- \$35.9 billion is projected to be lost from the combined state and local tax base

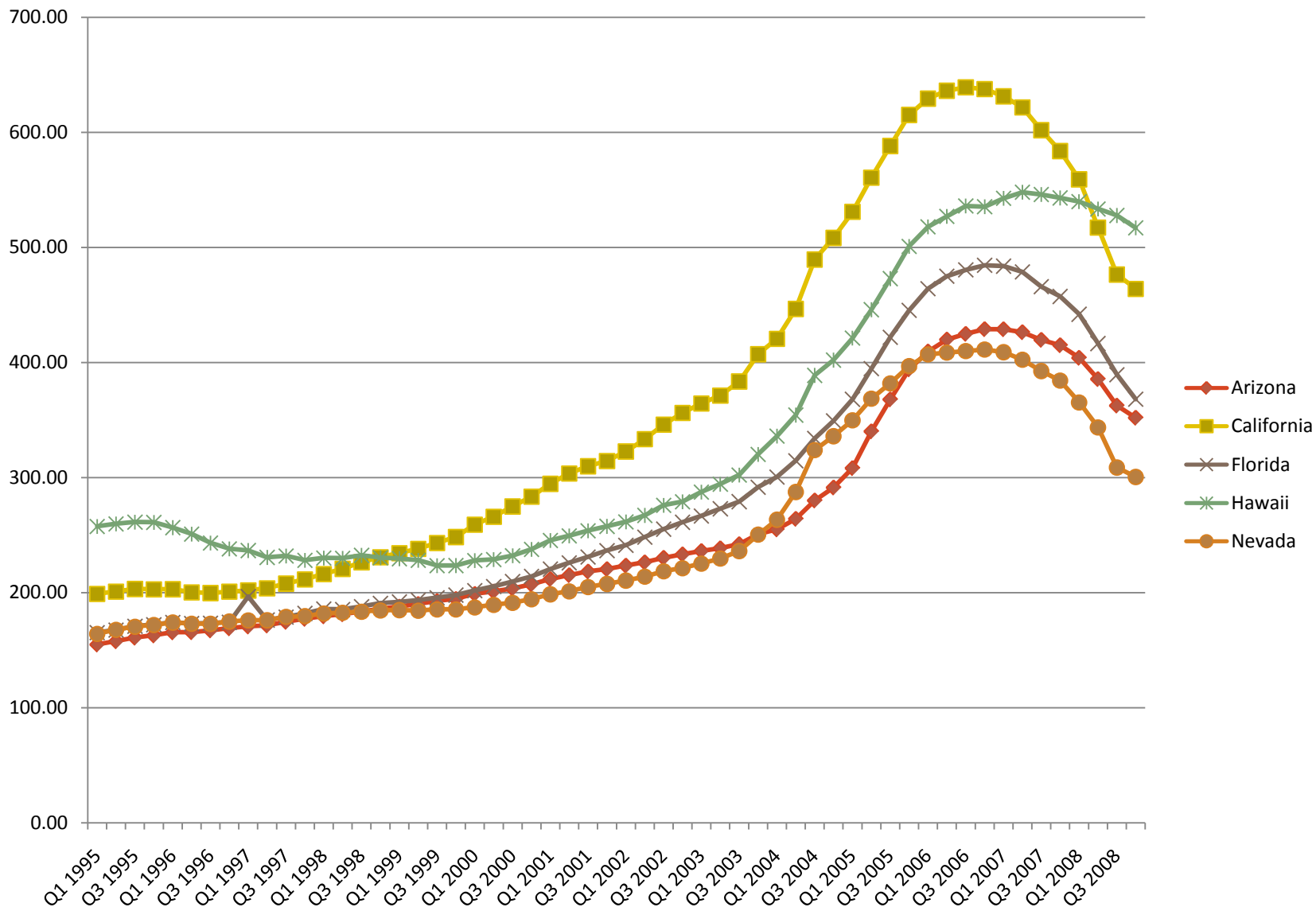


HOUSE PRICE APPRECIATION – RESORT STATES

STATE	RANK	1-YR	QTR	5-YR
Hawaii	5	0.27	0.79	56.61
Arizona	48	-20.56	-9.13	20.23
Florida	49	-23.96	-7.72	8.07
California	50	-25.52	-6.97	-8.19
Nevada	51	-28.24	-10.91	-2.76



HOUSING PRICE INDEX 1995-2008 SELECT STATES



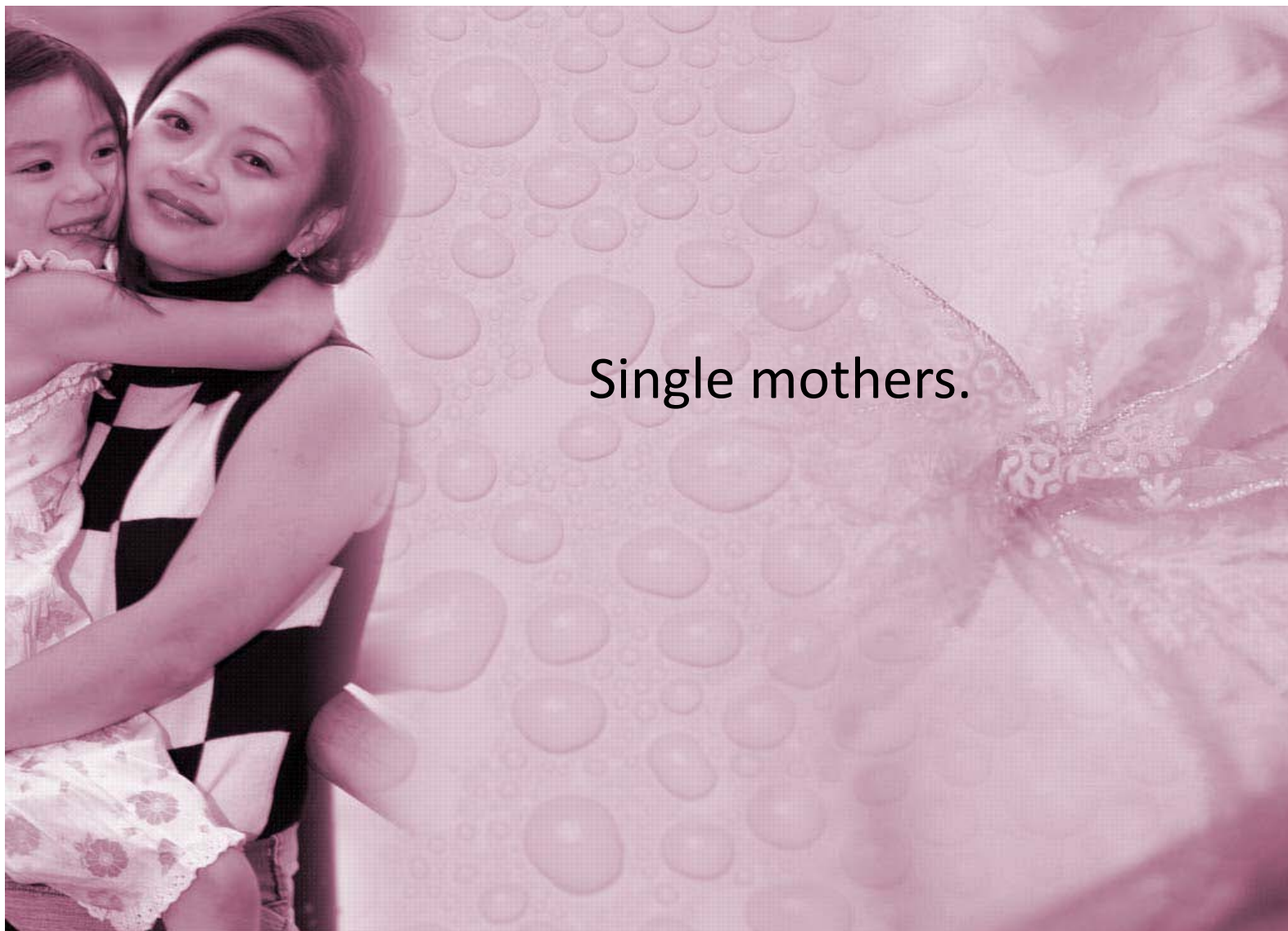
Data Sources: Federal Housing Finance Agency



PERCENT CHANGE IN HOUSE PRICES Period Ending December 2008

MSA	National Ranking	1-YR	Qtr	5-YR
Merced, CA	292	-49.50	-16.29	-33.34
Vallejo-Fairfield, CA	289	-34.38	-5.32	-14.92
Riverside-San Bernardino-Ontario, CA	288	-34.32	-7.36	2.96
Cape Coral-Fort Myers, FL	287	-32.93	-10.92	-1.71
Naples-Marco Island, FL	286	-32.87	-13.70	6.85
Las Vegas-Paradise, NV	285	-32.60	-9.49	6.28
Punta Gorda, FL	283	-29.72	-14.27	-4.91
Ft. Lauderdale-Pompano Bch.-Deerfield Bch., FL	279	-25.95	-6.28	16.61
San Francisco-San Mateo-Redwood City, CA	230	-25.89	-1.23	25.98
Bradenton-Sarasota-Venice, FL	278	-25.36	-7.40	-6.35
Miami-Miami Beach-Kendall, FL (MSAD)	276	-24.15	-8.52	34.25
Sacramento-Arden-Arcade-Roseville, CA	275	-22.09	-2.80	-2.85
West Palm Beach-Boca Raton-Boynton Beach, FL (MSAD)	273	-21.20	-1.77	17.78
Palm Bay-Melbourne-Titusville, FL	272	-21.06	-4.79	17.37
Oxnard-Thousand Oaks-Ventura, CA	271	-20.62	-3.28	8.23
Napa, CA	269	-20.11	-7.25	2.78
Deltona-Daytona Beach-Ormond Beach, FL	268	-19.84	-3.96	27.35
Los Angeles-Long Beach-Glendale, CA (MSAD)	267	-19.77	-3.48	30.02
Oakland-Fremont-Hayward, CA (MSAD)	266	-19.26	-2.15	6.39
Phoenix-Mesa-Scottsdale, AZ	265	-18.85	-4.14	37.44
Tampa-St. Petersburg-Clearwater, FL	264	-18.82	-5.39	24.68
Santa Rosa-Petaluma, CA	263	-18.25	-2.29	1.76
Santa Ana-Anaheim-Irvine, CA (MSAD)	262	-18.22	-2.92	18.93
San Diego-Carlsbad-San Marcos, CA	261	-18.03	-2.30	4.27
Orlando-Kissimmee, FL	260	-17.95	-4.71	36.45
Lake Havasu City-Kingman, AZ	256	-15.99	-1.83	31.26
Santa Barbara-Santa Maria-Goleta, CA	255	-15.78	-0.98	2.14
Lakeland-Winter Haven, FL	254	-15.68	-7.73	41.54
Fort Walton Beach-Crestview-Destin, FL	253	-15.56	-3.50	34.17
Reno-Sparks, NV	252	-15.50	-1.91	21.17
Prescott, AZ	247	-13.16	-3.73	42.95
San Luis Obispo-Paso Roble, CA	246	-13.11	-4.06	13.37
Santa Cruz-Watsonville, CA	245	-12.76	-2.06	18.00
San Jose-Sunnyvale-Santa Clara, CA	243	-11.41	-1.97	22.83
Tucson, AZ	242	-11.28	-2.24	38.52
Jacksonville, FL	238	-9.98	-3.23	35.93
Panama City-Lynn Haven-Panama City Beach, FL	235	-9.07	-0.95	43.04
Pensacola-Ferry Pass-Brent, FL	234	-9.03	-4.58	31.50
Tallahassee, FL	212	-5.72	-3.80	40.20
Honolulu, HI	167	-3.27	-1.89	65.22
Average		-19.22	-4.62	19.94

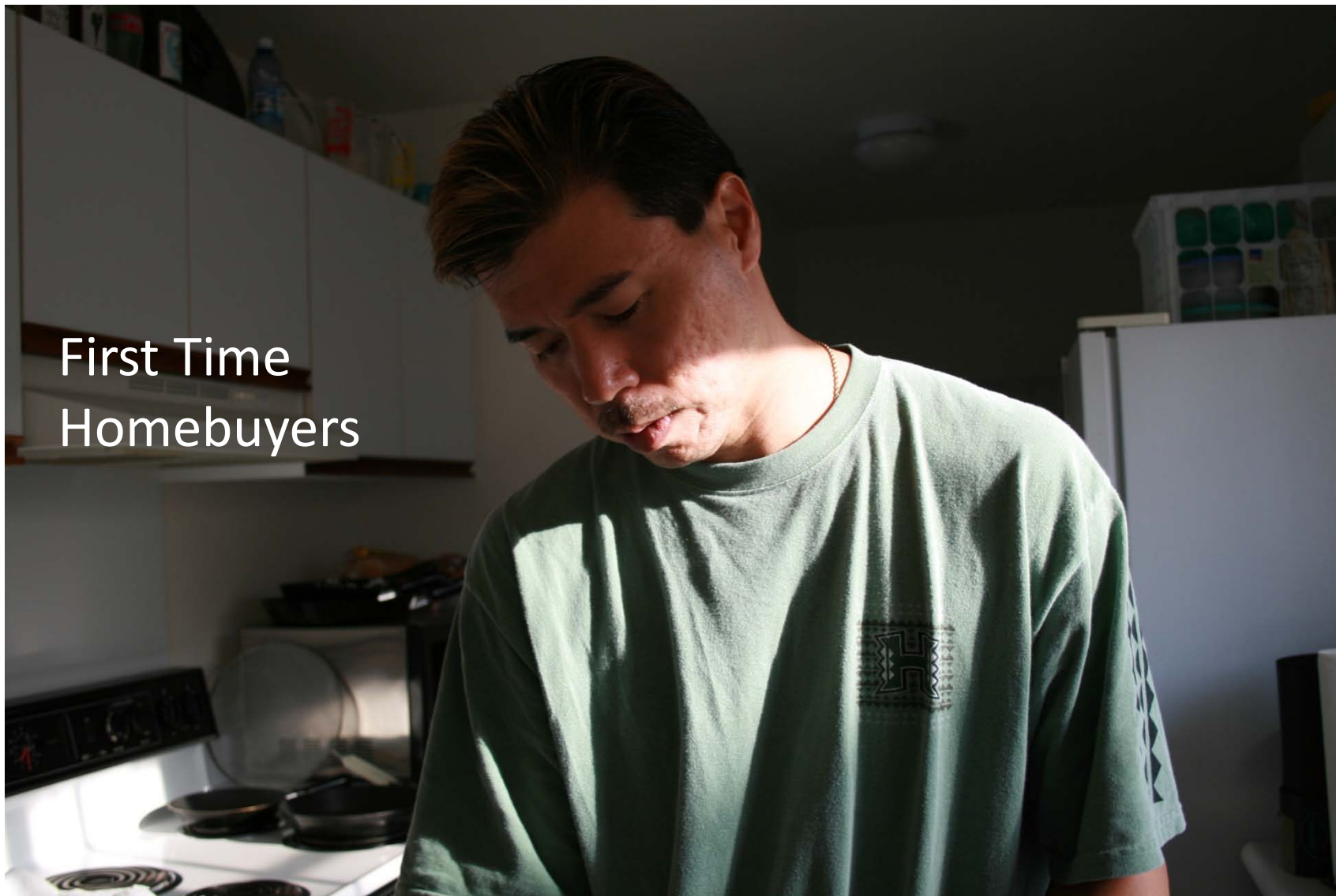




Rental Tenants



First Time Homebuyers



In July 2008 Housing Hawaii and the Federal Reserve Bank of San Francisco sponsored a conference on Homeownership Preservation. There were approximately forty attendees representing the public government agencies, regulatory programs, financial institutions, community based organizations, non-profit organizations, and realtors.

The discussion portion of the agenda produced the following recommendations by attendees:

- ☐ Prevent more foreclosures – Advertise: Financial Counseling, Financial Education, Refinance and Loan Modification (including principal reduction)
- ☐ Ensure that servicers maintain properties
- ☐ Return REO properties into productive use (NSP funds)
- ☐ Promote access to credit repair, financial education
- ☐ Establish a foreclosure website similar to other states
- ☐ Increase the number of foreclosure counselors
- ☐ Workshops with lender/servicer loss mitigation staff

A series of workshops to provide additional resources and information on homeownership preservation were held in each county in October 2008.

Build on the momentum of the meetings held in 2008, maximize new federal resources that afford an opportunity to respond to the foreclosure crisis, and develop a coordinated community response to foreclosures in Hawaii.

KEY ELEMENTS:

- ☐ Organize at State and County Levels ↔ Identify Stakeholders Involved in Foreclosure Aspects.
- ☐ Strengthen State and Local Policy Environment
- ☐ Gather and Use Information Effectively
- ☐ Minimize Spillover Effects of Vacant Foreclosed Properties
- ☐ Facilitate Reuse of Properties Efficiently While Advancing Community Priorities
- ☐ Develop a Public Service Announcement Campaign Through Strong Public-Private Partnerships
- ☐ Political Leadership
- ☐ Employ Prepurchase Counseling
- ☐ Employ Pre-refinance Counseling
- ☐ Offer Workshops to Existing Borrowers in Targeted Areas

ORGANIZE AT STATE AND COUNTY LEVELS AND IDENTIFY STAKEHOLDERS INVOLVED IN FORECLOSURE ASPECTS

State Agencies:

- Department of Commerce and Consumer Affairs
- Department of Hawaiian Homelands
- Hawaii Housing Finance and Development Corporation
- Department of Business Economic Development and Tourism
- Department of Labor and Industrial Relations & Workforce Development Council
- State Office on Aging
- Department of Human Services
- State Office of Planning

County Agencies:

- County Housing Department
- County Community Services Department
- County Planning/Permitting Department
- County Finance Department

Federal Agencies:

- US Department of Housing and Urban Development
- Cooperative Extension Service of the US Department of Agriculture

Private Sector Partners:

- Lenders and loan servicers
- Nonprofit legal services
- Nonprofit organizations that offer default counseling or housing rehabilitation assistance
- American Association of Retired Persons
- Consumer Credit Counseling Service agencies for debt-management counseling
- Sources of heating or utility cost assistance
- Sources of “rescue funds” or “catch-up funds” to help households recover from short-term income disruptions
- Sources of income tax assistance
- Sources of job training or placement programs
- Sources of property tax assistance



Private Sector Partners Continued:

- Mental Health Services and Family Counseling
- Substance abuse services
- Faith Based Organizations
- Real Estate Community
- Media Industry
- Landowners
- Developers
- Unions

STRENGTHEN STATE AND LOCAL POLICY ENVIRONMENT

Laws and regulations will determine the effectiveness of a foreclosure response plan. Creating a broad task force may assist in addressing all facets of the policy environment and changes that may be needed to implement the response plan effectively.

Statewide Task Force

Housing Hawaii

State Agencies

County Agencies

Financial/Business
Community

Habitat for
Humanity

Na Hale o
Maui CLT

Law
Community

Department
of Commerce
and Consumer
Affairs

Hawaii
Housing
Finance and
Development
Corporation

Department
of Hawaiian
Homelands

County Housing
Agencies

County Community
Services Agencies

Bank of Hawaii

Central Pacific
Bank

Business
Roundtable

GATHER AND USE INFORMATION EFFECTIVELY

Timely and reliable data collection provides:

Individual foreclosed homes data

- Targeted individual assistance
- Effective programs
- Highest needs

Cumulative Impact data

- Targeted community needs
- Allows allocation of resources tailored for maximum community benefit
- Various profiles of foreclosed population

Possible data sources:

- Utilize existing online sources
- Create shared database using key indicators

FACILITATE REUSE OF PROPERTIES

Coordinate and manage stabilization and revitalization efforts by facilitating the reuse of properties.

- Coordinate existing departmental resources at the State and local level
- Create a land bank dedicated to coordinating acquisition, rehabilitation/demolition, and reuse of properties
- Foreclose on delinquent property taxes
- Include affordable housing needs as a target in any reuse plan
- Consider renting to current occupants or providing other housing to foreclosed upon occupants in the reuse plan
- Identify financing options and sources for reuse properties

MINIMIZE SPILLOVER

167,942 homes & \$4.12 billion = spillover projections for HI

Spillover effects include: decrease in local property values, decrease in local property tax collections, increase in local crime, increase in police and fire presence/costs, and increase in social services recipients/costs.

Strategies include:

- Require or provide incentives for servicers to secure and maintain foreclosed properties
- Code enforcement
- Involve police and fire in monitoring targeted areas
- Expedite the rehabilitation of deteriorated properties
- Allow homes to be placed in receivership

PUBLIC SERVICE CAMPAIGN

- Consistent and direct messages
- Press conferences
- Media partnerships
- Government officials
- Advertise on TheBus
- Lending/Financial Institution partnerships
- Counseling agencies and local service providers
- Civic leadership
- Foreclosure and Homeownership information hotline and website



POLITICAL LEADERSHIP

- High level politicians help gain media attention to the subject and will greatly assist in public awareness efforts
- Public officials involvement will accelerate partnerships with the financial and business sector
- Public officials can draw attention to data and utilize that ability to implement strategies quickly

PREPURCHASE COUNSELING

- Require first-time homebuyer receiving assistance in buying a home to attend a class about the responsibilities of homeownership, including how to handle hardships, avoid problems when borrowing or refinancing, and information on available resources and services.

PRE-REFINANCE COUNSELING

- Require or encourage mediation or intervention services to avoid foreclosure:
 - Provide coaches to assist homeowners who are considering refinancing to develop a clear budget plan and learn about options if they fall behind in payments
 - Provide counselors to review the refinance loan package and provide objective advice to the homeowner on the cost of the loan
 - Educate borrowers on special features to look for in the refinance loan.
- Ensure communication and negotiation between parties
- Level the playing field for consumers
- Increase transparency and oversight to communication and modification efforts

WORKSHOPS FOR EXISTING BORROWERS

- Employers host or provide literature on homeownership and risks of foreclosure
- Provide method to deliver information on home maintenance, credit and budgeting, taxes and insurance, escrow accounts, financing home repairs or renovations, responsible budgeting, and available resources if a homeowner has difficulty paying the mortgage.



Prevention

- Organize at State and County Levels
- Identify Stakeholders
- Gather and Use Information Effectively

Stabilization

- Minimize Spillover
- Public Service Announcement Campaign
- Political Leadership
- Prepurchase and Pre-refinance Counseling
- Workshops to Existing Borrowers

Remarketing

- Gather and Use Information Effectively
- Minimize Spillover
- Facilitate Reuse of Properties While Advancing Community Priorities

MARYLAND Homeownership Preservation Task Force

- Released recommendations in 2007 that led to foreclosure prevention legislation
- The new laws:
 - Extend timeline for foreclosures from 15 to 150 days
 - Allow families to pay what they owe up until one day before the foreclosure sale
 - Criminalize mortgage fraud
 - Increase protections against predatory foreclosure rescue transactions
- The task force also developed the Bridge to HOPE program that provides short-term emergency loans to help families stay in the home while working on permanent solutions to mortgage affordability

OHIO Foreclosure Prevention Task Force

- Intensive meetings twice a month between April and September 2007
- Produced a report with 27 recommendations in the following categories:
 - Encourage borrowers to get help early
 - Expand housing counseling and intervention services
 - Work with lenders and servicers to maximize alternatives to foreclosure
 - Provide options for homeowners to refinance or restructure their mortgages
 - Improve Ohio's foreclosure process
 - Strengthen protections for homeowners
 - Help communities recover from the aftermath of foreclosures

COLORADO Foreclosure Prevention Task Force

- Consisted of government, industry, and non-profit groups
- Created a foreclosure hotline 2006 that provides
 - Education about options for preventing foreclosure
 - Assistance in negotiating with their lender
- Secured additional federal funding in 2008 to hire additional foreclosure counselors and expand the hotline services

MASSACHUSETTS Division of Banks Mortgage Summit

- Two working groups were established at the summit
 - Regulatory issues and the foreclosure process
 - New fixed-rate financing program for struggling homeowners
 - Ban on predatory foreclosure rescue transactions
 - Education, outreach, and foreclosure intervention assistance
 - Increased funding for and promotion of foreclosure prevention counseling

MICHIGAN Land Banks

- Land bank acquires property through property tax foreclosure, non-profit organizations, government agencies, or through a purchase
- Land banks have flexibility in holding, demolishing, or transferring properties as needed to meet strategic goals of the counties
- Land banks use the process to sell properties for less than fair market value to non-profit developers of affordable housing



CHULA VISTA, CALIFORNIA Abandoned Residential Property Program

- Chula Vista increased mortgage lenders' responsibilities to secure and maintain properties that are pending foreclosure
- Mortgage lender must inspect homes in default
- Determine if property is vacant; if yes:
 - Exercise abandonment clause in mortgage contract
 - Register property with the city
 - Hire local company to inspect property weekly and correct all code violations
 - Post the local company's name and 24-hour contact number on the vacant property



MINNESOTA Foreclosure Partners Council

- Identify, fund, and implement coordinated policies and programs that effectively address the impact of the recent surge in mortgage foreclosures on families, neighborhoods, and communities
- Partners confront the practice and consequences of predatory and inappropriate lending by taking specific, innovative, and collaborative action including changes in policies and practices and the provision of resources
- **PROJECTS AND ACHIEVEMENTS AT THREE STAGES**
 - **All Stages**
 - Collected and analyzed statewide foreclosure data that uncovered challenges and opportunities to improve and streamline future data collection, as well as predictive and description data reports
 - Elected and community leaders are provided with information to disseminate to residents on the availability of home ownership counseling, training services, and legal assistance services.
 - Expanding data sharing relationships between cities and counties to improve collection and foreclosure prevention efforts
 - Minnesota Housing granted over \$1 million to Greater Minnesota Housing Fund, as the fiscal agent, for home owner and tenant counseling, research, and outreach throughout the State of Minnesota
 - State provided \$500,000 to Minnesota Homeownership Center and Urban League for targeted outreach to Minnesota's vulnerable home owners
 - Local governments are identifying and implementing internal activities to improve foreclosure prevention and remediation-related efforts and processes
 - Partnering to distribute information on the availability of home ownership training, pre-purchase counseling, and foreclosure prevention counseling and products via the media; community groups; referral networks; realtors; mortgage companies; public officials, and websites

MINNESOTA Foreclosure Partners Council Continued

- Piloting a Federal Reserve loan reporting data project to aid policy makers and program directors
- Producing a multi-language DVD that informs home owners and tenants of rights and obligations upon purchase of a home, during ownership, and when experiencing a foreclosure
- Redesigned Don't Borrow Trouble Minnesota messages and materials for dissemination to affected groups and referral agencies
- In partnerships with other stakeholders, developed legislative proposals for the 2008 session in the areas of: renters, data collection, funding, vacancies, and civil and criminal remedies

• Pre-Purchase Foreclosure Prevention

- o Assembled list of pre-purchase financial assistance programs for potential home owners
- o Coordinating efforts with Congressional Black Caucus-sponsored home ownership event
- o Educated realtors about the CityLiving Program, HomeStretch pre-purchase training, and the availability of counseling services throughout the home ownership experience

• Post-Purchase Foreclosure Prevention and Mitigation

- o Employing early warning systems to identify home owners potentially heading toward foreclosure in order to make them aware of counseling services
- o Hennepin County and the Family Housing Fund added \$400,000 to expand the foreclosure counseling capacity in Hennepin County
- o Partnered with servicers to create dedicated call lines for counselors and distressed home owners
- o Partnered with utility companies to alert home owners, who are delinquent on their utility bills or experiencing financial distress generally, of home ownership counseling services
- o Partnering with legal and community service providers to increase capacity to assist renters affected by foreclosure
- o Providing neighborhood-based workshops where borrowers can listen to general information, obtain legal assistance, and meet with their mortgage company or a counselor to address concerns
- o Working with mortgage industry to create financing mechanisms that could assist distressed homeowners who cannot retain home ownership through the use of existing private products

• Remediation after Foreclosure

- o Developed model properties to test usability of new boarding alternatives
- o Exploring use of a pilot program to streamline communications and responsiveness of property management companies to cities' problem property and safety-based concerns
- o Mortgage industry provided property management information to city staff to address problem properties more efficiently and cost-effectively.



MINNESOTA Foreclosure Partners Council Continued

- o Minnesota Housing provided \$1 million to the City of Minneapolis & Greater Metropolitan Housing Corporation and \$.5 million to the City of Saint Paul for affordability gap funds to support their foreclosure remediation initiatives
- o The City of Saint Paul approved \$17M for use in the Invest Saint Paul Initiative. These funds will be used for strategic acquisitions, rehabilitation of housing, restructuring of mortgages to avoid foreclosure and commercial improvements
- o The Family Housing Fund launched the Home Prosperity Fund with \$16 million of initial investment loans from Wells Fargo, US Bank, TCF Bank, Thrivent Financial, and Minnesota Housing for strategic acquisition and rehabilitation and programs to assist affordable sustainable home ownership
- o Working with mortgage industry to increase property donations to community-based redevelopment entities and to create formal donation programs
- o Working with mortgage industry, realtors, and government to intensify use of short sales, keys for cash, deeds in lieu of foreclosure, and restoration in lieu of demolition agreements to make more properties available for remediation and resale before vacancy and blight occur
- o Working with partners to create incentives for homeowners returning to or moving to highly impacted areas

PROJECT FUNDING

The project is generously funded by the Family Housing Fund. The Family Housing Fund is a nonprofit organization whose mission is to produce and preserve affordable housing for low- and moderate-income families in the Twin Cities metropolitan area.



DATA SOURCES:

Pacific Business Journal
Honolulu Advertiser
NeighborWorks America
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HousingPolicy.org
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