



Coalition on Homelessness  
and Housing in Ohio  
**COHHIO**

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## **Housing Advocates Urge Senate to Include Counseling Funds in Foreclosure Legislation**

COLUMBUS -- Housing advocates today call on the Ohio Senate to move quickly with legislation that would include funding for foreclosure counseling, an element advocates say is critical to stemming the tide of rising foreclosures. The “Counseling is the Key” press event includes Ohio Attorney General Richard Cordray, who will underscore the important role counselors play in foreclosure prevention; and individual homeowners who have been saved from foreclosure with the help of certified counselors.

“The world of mortgage servicing is daunting and complex,” said Attorney General Cordray. “Certified counselors are vital in helping homeowners navigate the system. Unfortunately, given the high volume of foreclosures, housing counseling agencies’ budgets are tight and resources short. My office alone, through the state’s Save the Dream program, has referred 18,000 Ohioans to counseling agencies throughout the state in just the past two years.”

“Foreclosure counseling offers a great ‘bang for the buck,’” added Inez Killingsworth, president of Empowering & Strengthening Ohio’s People (ESOP), the largest HUD-approved counseling agency in the state. “For about \$300, we can significantly increase the possibility of the homeowner keeping their home while reducing the bank’s risk of losing a stable funding stream. It’s a smart investment.”

The January 20 event at the Riffe Center is hosted by the Foreclosures in Ohio Cost US (FOCUS) Coalition, a statewide group of foreclosure prevention advocates who forecast a deepening housing crisis as foreclosure counseling dollars diminish at the federal level. Ironically, the federal program with the best track record of successful negotiations between homeowners and lenders, the National Foreclosure Mitigation Counseling Program, is being whittled from its original appropriations level of \$180 million to \$63 million in 2010. By the end of 1QTR 2010, program funding will be gone.

“Ohio’s foreclosure numbers continue to break records while federal counseling dollars to states are being cut by 70 percent in 2010,” said Bill Faith, executive director of the

Coalition on Homelessness and Housing in Ohio. “As the Senate begins hearings on multiple foreclosure related bills, funding for counseling must be a priority. It’s a proven strategy that makes all other foreclosure prevention and mitigation efforts more effective.”

As demand for foreclosure intervention increases and funding for these services declines, we all pay the price in declining home values, said Lou Tisler of the Neighborhood Housing Services of Greater Cleveland. “The devastating effect of inadequate funding to assist our homeowners will be continued foreclosures, continued displacement of homeowners and continued decline of housing prices,” Tisler said. “This will keep Ohio from experiencing any type of housing recovery in the near future.”

Homeowners from Cleveland, Cincinnati, Mansfield and Zanesville will offer testimonials in support of foreclosure counseling, including:

**Anita Gardner** is a Cleveland homeowner from the Mt. Pleasant neighborhood. Her lender was Countrywide. Her sons were paying the mortgage and got behind. She made arrangements with the bank to repay, and paid all the arrearage. Instead of taking her back to her original payment, Countrywide started collecting what they called “good faith money” from her. She went to a realty company who negotiated a payoff for the house. The bank refused to go forward with the agreement. Then, someone in her community referred her to ESOP. ESOP was able to negotiate on her behalf and as a direct result Countrywide gave her the house free and clear. Contact Jenelle Dame of ESOP for more information, 216-361-0718.

**Ronald Swopes**, from Zanesville, received a letter in October 2009 stating that he was eligible for the federal Home Affordable Modification Program (HAMP). He sent in the necessary paperwork for the three-month trial modification and the payment required on October 23, 2009. The Swopes successfully made each of their three monthly trial modification period payments. They’ve also received three phone calls and four letters from their lender concerning their “delinquent payments.” Mr. Swope said, “It’s not over yet, but having an organization like ESOP help us has made all the difference in the world.” Contact Jenelle Dame of ESOP for more information, 216-361-0718.

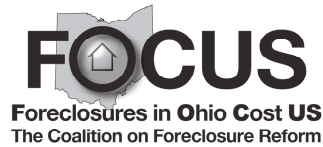
**Mary Bridges** of Cincinnati refinanced into an Adjustable Rate Mortgage that sent her monthly payments from \$800 to \$1500/month. Her husband died in March 2009. Soon after, Mary lost her job. With help from WIN (Working in Neighborhoods) Cincinnati, Mary was able to get a temporary loan modification of \$500/month. WIN is working to make it permanent. Contact Dave Scharfenberger at WIN for more information, 513-541-4109, ext. 105.

**Jim Ross** of Cleveland took over his mother’s property a few years ago, but fell behind in payments when health problems kept him from working. He sought resolution by going directly to the bank, JP Morgan Chase, who serviced the mortgage, but became angry and frustrated at the lack of options available to him to keep his home. It wasn’t until he met with ESOP counselors that he saw “the first glimmer of hope.” Ross was able to resolve his situation with his lender and remains in his home today. Contact Jenelle Dame of ESOP for more information, 216-361-0718.

**Vickie Schlupp** is a homeowner from Mansfield. When Ms. Schlupp came to ESOP, she was current on her loan, but was worried because unemployment was her main source of income. ESOP was able to secure an affordable 4 month forbearance plan without an upfront payment required. Ms. Schlupp is in her home today, and at the end of the forbearance, will be reviewed for permanent options through her lender. Ms. Schlupp states that “she would not have been able to do any of this on her own.” Contact Jenelle Dame of ESOP for more information, 216-361-0718.

**Andrea and Michael Canters** from Chillicothe began having difficulty with their mortgage when Andrea injured her back and became partially disabled. They immediately began contacting Wells Fargo to see if

there was anything that could be done to help their situation. This was to no avail. After getting behind in all of their bills they contacted ESOP for assistance. ESOP was able to negotiate with their lender, put them on a budget and walk them through applying for other assistance through Community Action (ie: Heap, PIPP, Benefit Bank ect.) Once their modification went through, their payments were much lower. Housing counseling saved this family with two small children from losing their home. The Canters are also able to stay on track with their bills. Contact Jenelle Dame of ESOP for more information, 216-361-0718.



*FOCUS groups include Empowering and Strengthening Ohio's People (ESOP), the Coalition on Homelessness and Housing in Ohio (COHHIO), the Neighborhood Housing Services of Greater Cleveland, Working In Neighborhoods (WIN) of Cincinnati, the Toledo Fair Housing Center, and the Homeownership Center of Greater Dayton, among others.*