COVID-19 & Mortgage Resets

Breaking Out the Foreclosure Toolkit

Strengthening Resilient Communities

October 15, 2020
QUESTIONS ARE STRONGLY ENCOURAGED!

If you have a question for the speaker, either type it out in the general chat or send a chat message saying you have a question you’d like to ask, and a facilitator will call on you.

If you have a question specifically for the Housing Action team, go to your chat box and send it privately to “Q&A”.
Wanda Collins
Capacity Building Specialist
Housing Action Illinois
wanda@housingactionil.org

- 1 of 3 Capacity Building Specialists
- Nearly 20 years of experience in the mortgage/housing industry--from loan origination to housing counseling.
AGENDA

COVID-19: Breaking Out the Foreclosure Toolkit

Overview
Housing Action Illinois

Guest Speaker
Congresswoman Robin Kelly
2nd District, Illinois

Foreclosure – Then and Now

Presenters
• Deborah Smith, CEDA, Chicago, IL
• Laura Olvera, CPAH, Chicago, IL

Q & A
Housing Action Illinois

Leading the movement to expand affordable housing & end homelessness in Illinois for 30+ years!
We bring together 130+ member organizations that believe in an Illinois where everyone has a stable, affordable place to call home.
We mobilize members & allies to **advocate for investments & policies** to:
- Help end homelessness
- Create affordable rental housing
- Promote sustainable homeownership

By providing **training, consulting, & resources**, we help housing organizations better serve our communities
- **HUD Housing Counseling Intermediary**
- **AmeriCorps VISTA Network**

We **build awareness & activate change** by sharing information & stories with policymakers, nonprofits, & media
- **Annual conference**
- **Working groups & publications**
Congresswoman
Robin Kelly
2\textsuperscript{nd} District, IL
The Foreclosure Crisis
2008

- Exotic loan products
- Sub-prime lending
- Unemployment
- High debt
The Foreclosure Crisis
2008

• U.S. foreclosure filings spiked more than 81%
• More than 3.1 million foreclosure filings issued
• 861,664 properties lost to foreclosure

Sources: CNN Money 1/15/09; RealtyTrac 7/16/20
In the early months of the crisis, housing counselors faced:

- Identifying servicer requirements
- Inconsistent underwriting
- Understanding workout plans
The Foreclosure Crisis - Protections

- Making Home Affordable
  - Hope Loan Port
  - RMA
- Consumer Finance Protection Bureau (CFPB)
- Hardest Hit Fund
- Home Ownership and Equity Protection Act (HOEPA)
COVID-19
2020

- U.S. foreclosure filings, down 44% from 2019
- Total of 165,530 foreclosure filings issued
- 2,504 properties lost to foreclosure

Sources: CNN Money 1/15/09; RealtyTrac 7/16/20
COVID-19 Protections

CARES Act

• Began March 18, 2020
• Extends through at least December 31, 2020

Forbearance Request - Up to 180 days

• Can receive extension for another 180 days, up to 360 days
• No additional fees, penalties or interest
Today’s Presenters
Deborah Smith
Community and Economic Development Association
Chicago, IL

• HUD-Certified Counselor! 🏆

• 20+ years in housing industry, 10 years in housing counseling.

• Provides foreclosure prevention, pre-purchase, rental, and financial management counseling.

• “I love what I do, and I’m passionate about helping others.”
The Foreclosure Toolkit
CEDA

• Cook County Foreclosure Mediation Program
  o 30 – 40 clients per week

• Illinois Hardest Hit Program – 2014

• 2020 - Illinois Housing Development Authority
  o Emergency Rental Assistance
  o Emergency Mortgage Assistance
Laura Olvera
Community Partners for Affordable Housing
Chicago, IL

- HUD-Certified Counselor! 🏆
- Currently Director of Counseling & Education; 16 years in the industry
- Provides foreclosure prevention, pre-and post-purchase education and counseling.
- Has assisted over 1,000 families!
The Foreclosure Toolkit
CPAH

• 2008 – 2012: 2 counselors, 105 clients served/year

• 2013: Lake County Foreclosure Mediation Program
  o FC workshops: English & Spanish, 2-3x /week
  o 2 counselors hired

• 2013 – 2017: 173 clients served/year
  o Myth debunking
  o HOPE Loan Portal

• 2020 - Emergency Mortgage Assistance - IHDA
What happens after December 31\textsuperscript{st}? 

- CARES Act extension? 
- Forbearance to modification reviews? 
- Increase in foreclosures? 

Housing counselors will need to roll up their sleeves again to assist vulnerable homeowners!
Q & A

Please write your questions in the chat!
RESOURCES

consumerfinance.gov/housing
Explains FC moratorium & FB plans; eligibility requirements; help for renters too.

consumerfinance.gov/coronavirus
Includes all things finance – credit cards, student loans, scams.

hudexchange.info/programs/housing-counseling/

housingactionil.org
THANK YOU

Contact Us:
intermediary@housingactionil.org