

MINNESOTA FORECLOSURE PARTNERS COUNCIL

GOAL

The goal of the Minnesota Foreclosure Partners Council is to 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.

PARTNERS

- City of Minneapolis, Tom Streit
- City of Saint Paul, Cecile Bedor (co-chair)
- Emerging Markets Homeownership Initiative, Shawn Huckleby
- Family Housing Fund, Tom Fulton
- Fannie Mae
- Greater Metropolitan Housing Corporation, Carolyn Olson
- Greater Minnesota Housing Fund, Warren Hanson (co-chair)
- Hennepin County, Jill Alverson
- HousingLink, Colleen O'Brien
- Metropolitan Consortium of Community Developers, Jim Roth
- Minnesota Home Ownership Center, Julie Gugin
- Minnesota Housing, Mike Haley
- Ramsey County, Denise Beigbeder
- Twin Cities LISC, Andriana Abariotes

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.
 - 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**
 - Assembled list of pre-purchase financial assistance programs for potential home owners.
 - Coordinating efforts with Congressional Black Caucus-sponsored home ownership event.
 - 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**
 - Employing early warning systems to identify home owners potentially heading toward foreclosure in order to make them aware of counseling services.
 - Hennepin County and the Family Housing Fund added \$400,000 to expand the foreclosure counseling capacity in Hennepin County.
 - Partnered with servicers to create dedicated call lines for counselors and distressed home owners.
 - 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.
 - Partnering with legal and community service providers to increase capacity to assist renters affected by foreclosure.
 - 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.
 - Working with mortgage industry to create financing mechanisms that could assist distressed home owners who cannot retain home ownership through the use of existing private products.
- **Remediation after Foreclosure**
 - Developed model properties to test usability of new boarding alternatives.
 - Exploring use of a pilot program to streamline communications and responsiveness of property management companies to cities' problem property and safety-based concerns.
 - Mortgage industry provided property management information to city staff to address problem properties more efficiently and cost-effectively.
 - 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.
 - 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.
 - 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.
 - Working with mortgage industry to increase property donations to community-based redevelopment entities and to create formal donation programs.
 - 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.
 - 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.

PROJECT CONTACT

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