

# Comics and causes collide in foreclosure resistance poster

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Know Your City is a civic engagement group that wants you to — well — know your city.

But not in the conventional, boring pamphlet sort of way.

Formerly the Dill Pickle Club, the nonprofit seeks to educate the public through tours, colorful lectures, publications and other programs.

Now it has a message for distressed homeowners facing foreclosure: "Don't Move Out!" And Know Your City is also trying a new way to communicate this message: a comic.

As Oregon continues to struggle with the fallout of the housing collapse, and as legislative efforts have produced limited success in addressing the crisis, Know Your City saw an opportunity to educate. The organization has partnered with the economic justice group We Are Oregon to produce a fold-out poster that tells the story in graphic format of how the housing bubble collapsed, how the banks and the government have failed to solve the problem and what homeowners are doing to resist.

"I think it's a really engaging way to tell a story," says Marc Moscato, Executive Director of Know Your City. "People are drawn to comics, whether it's the Sunday funnies or something more heavy. It draws people in it by combining images and words,

and it's not this giant dissertation."

With funding from Sappi Fine Paper's Ideas That Matter grant program, the two organizations have produced a two-sided poster in English and Spanish that tells the stories of homeowners resisting foreclosure interwoven with the public policy aspects of the housing collapse.

For the poster, We Are Oregon provided much of the content from working with distressed homeowners. For the visual component, KYC recruited Jesse Reklaw, the creator of the nationally syndicated comic strip "Slow Wave" and the author of several graphic novels.

"It's hard to make something that large and detailed without getting lost in it, so it was helpful to work out the small panels first, then think of an overall composition and reading order," said Reklaw, who wanted the poster to speak to individuals, in foreclosure or not, and draw them in to learn more.

The comic begins in fall of 2008 when banks began failing from risky behavior. It then goes on to tell the three real-life stories of homeowners facing foreclosure and the challenges they face, including the billions of dollars in lost wealth homeowners across the country have experienced. The poster also delves into how banks make gestures to help homeowners, but are eagerly taking steps to foreclose and sell the property. The conclusion of the comic urges distressed homeowners to not move, and, instead, to resist eviction, like Alicia Jackson, a homeowner facing eviction who has had several public incidents where she has refused to move out of her Northeast Portland home.

"All the spirit and the language is from the families, and we inserted the stuff about the big banks and the systemic failures," said Kari Koch, spokesperson for We Are Oregon. "From our point of view, this project was about telling the stories of families and

encouraging others."

Both organizations began distributing the comic in December of last year. Moscato's group sent copies of it to local social service providers, in addition to then-Housing Commissioner Nick Fish. Koch said her organization uses it for educational purposes and to encourage other homeowners to resist eviction.

And organizations like Koch's still have plenty of work. Because although there is some positive news in the housing market — prices are returning to pre-crash levels — some homeowners are still struggling with lingering effects of the housing bust.

In Oregon, 5.2 percent of all homes are 90 days in delinquency, with about 4 percent for the Portland area, which is lower than the national average of 6.1 percent. Statewide, distressed sales made up 22.9 percent of total sales, a nearly 30 percent increase from last year. That number was 22.6 percent for the Portland area, also up by nearly 30 percent from last year. Nationally, that number was 21.8 percent.

Last year, foreclosure activity dropped dramatically across the state, according to numbers from RealtyTrac, a company that tracks foreclosure activity. Between June and July of 2012, foreclosures dropped from 1,669 to 961.

The reason for this drop was because of a court ruling that undermined a mechanism real estate companies relied on for transfers, as well as a new foreclosure mediation program going into effect that banks avoided, said Daren Blomquist, vice president at RealtyTrac.

The Oregon Legislature recently passed a bill meant to improve bank engagement in the foreclosure mediation program. But legislators may have left another big loophole in the program.

Last year, lawmakers set up the program aimed at keeping people in their homes following a landmark \$25 billion settlement between 49 state attorneys general and the country's five largest loan services over charges that the financial institutions launched a wave of dubious foreclosures across the country. Oregon used \$7.6 million of its \$30 million share of the money to set up a program meant to help troubled homeowners and their lenders strike a deal and stave off foreclosure. The program required any homeowner faced with a non-judicial foreclosure (a foreclosure without court supervision) to request mediation with his or her lender.

Officials at the Oregon Justice Department, which oversees the program, expected it to produce thousands of modified mortgages. According to numbers from the department, the program produced a total of 14 mortgages that were modified through mediation out of 341 requests for mediation. Two of these mortgages involved a short sale, which often involves the homeowner losing money.

The bill aimed at reforming the mortgage mediation program has passed both houses of the Oregon Legislature. The legislation adds the mediation requirements for judicial foreclosures and also gives the Oregon Department of Justice the authority to crack down on lenders that thumb their nose at the law.



Angela Martin, executive director of Economic Fairness Oregon, says the bill has a big loophole that could undermine its effectiveness.

"The balance is often striking a line that excludes the good financial service providers from regulation while capturing the bad financial regulators," said Martin.

According to Martin, the bill was written in a way that attempts to give smaller banks and credit unions a break from the bill's requirements, presumably because they are conducting fewer foreclosures and because borrowers are more likely to be able to work out an agreement without going through the red tape associated with larger banks.

Under the bill, financial institutions that launched fewer than 175 foreclosures in the prior year are exempt from the mediation requirements.

The bill doesn't keep pace with changes in the market, Martin says. Financial institutions often sell each other debt, so in a short period of time a company that owned few or no mortgages could acquire a large portfolio but be exempt from mediation requirements.

For example, Martin points out that in March, Quicken Loans Inc. announced that it purchased about \$34 billion in mortgage servicing rights from Ally Bank, an online bank. Ocwen Financial Corp. purchased another \$5 billion of mortgage service rights.

Martin said that a financial institution that's newer or doesn't have much of presence in Oregon could suddenly hold a large volume of mortgages in the state but still be exempt from foreclosure mediation requirements because a year ago they initiated no foreclosures.

"What is a small mortgage servicer yesterday is now a top 10," she said.

Koch questions the overall effectiveness of the program to begin with.

"This is just about mediation, it doesn't require the banks to do anything," she said. "Essentially, from our perspective, this is toothless. It doesn't offer any immediate solutions."

More information about Know Your City and the foreclosure resistance poster is available at [knowyourcity.org](http://knowyourcity.org).

We Are Oregon was created by Oregon's SEIU Locals 49 and 503, to broaden the fight on issues that affect working-class Oregonians beyond the workplace, and into the communities hit hardest by the economic crisis.

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KARI KOCH  
WE ARE OREGON