

HOUSING Special Edition



Mortgage Payments Become Financial Priority

Guarding against foreclosure

Homeowners are facing a mortgage crisis. The number of foreclosures nationwide has risen steadily in the past year and will continue to grow as more and more homeowners find themselves unable to keep up with their payments. One culprit is the adjustable-rate mortgages. As rates change, homeowners can be responsible for hundreds of dollars more each month tacked on to their payment.

When homeowners can't keep up with their payments, they risk losing their greatest asset — their home. And chances are, if many are struggling to cover the mortgage payment, other financial obligations such as car payments, household utilities and credit-card debt aren't getting any attention either. So what starts out as one missed or late payment can quickly turn into a financial disaster.

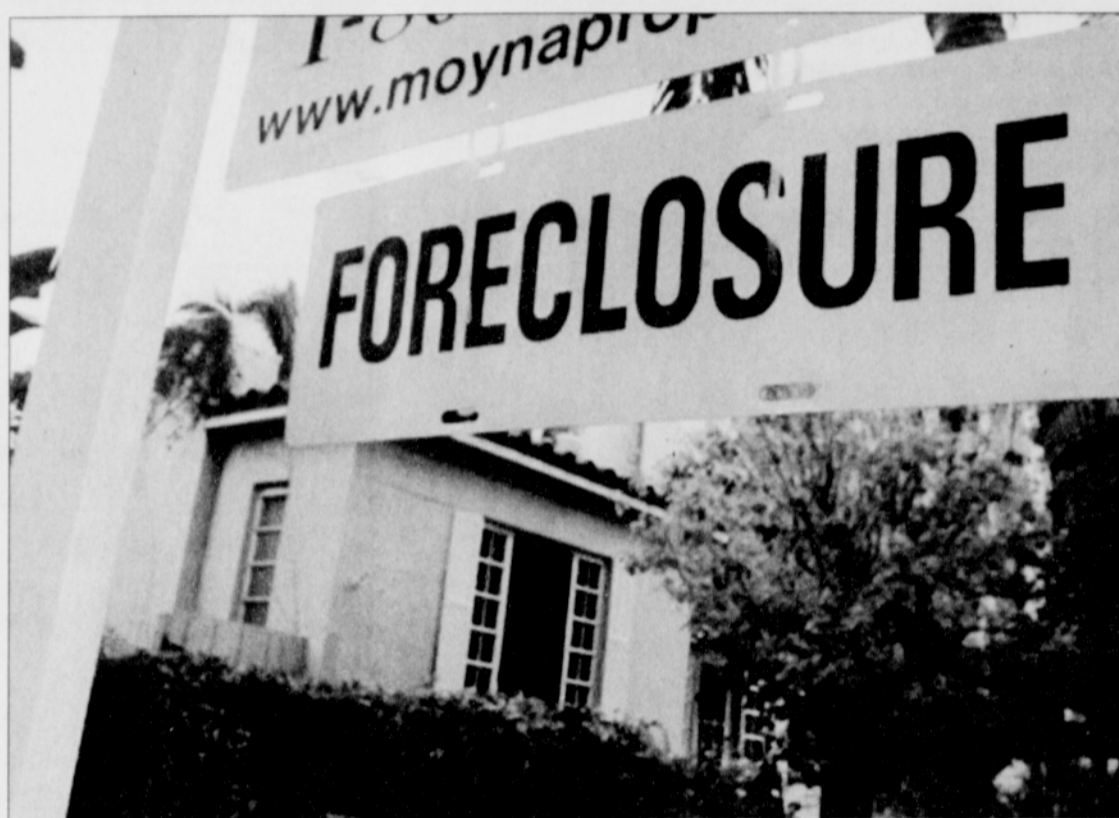
"As more and more homeowners struggle to meet their mortgage payments, it's more important than ever to understand that there are ways to protect your home," said Ann Estes, vice president of client

education at ClearPoint Financial Solutions. "Avoiding foreclosure is not impossible, but it does require the homeowner to be proactive, determined and honest about their financial obligations."

Foreclosure occurs when a property owner cannot make principal and/or interest payments on their mortgage loan, typically leading to the property being seized and sold. Generally, after months of non-payment, discussion of foreclosure will begin. At that time, the property owner then becomes responsible for any delinquent payments as well as the current payment due.

Generally after a half year of non-payment, foreclosure proceedings have been completed and the consumer has lost their home. When this happens, they are deemed an extreme credit risk, their score will drop dramatically, and the ability to obtain and maintain future good credit becomes very difficult.

"From a credit report and personal finance standpoint, foreclosure is the worst thing that can happen to an individual," said Estes.



Signs of struggling families and foreclosure are everywhere in this downturn economy.

"It is a major blow to a consumer's financial health and can carry more severe financial repercussions than even bankruptcy."

There are several warning signs

to determine if you are headed down a road from which you cannot return. Watch out if you are consistently paying on the grace period day or waiting until the end of the

month to make a payment by phone to avoid late charges, making mortgage payments 10 or more days late on a regular basis, or relying more and more on credit cards or cash

advances and payday loans for daily living expenses.

Be honest. Ask yourself, "Can I really afford my home?" If your monthly mortgage payment exceeds 25 to 30 percent of your income, it may be time to think about selling the house and getting out from under the loan.

Call the mortgage company. A phone call to the mortgage lender to explain your current hardship can go a long way. Your lender may be willing to work with you on a temporary basis until you get back on your feet financially by waiving late fees, accepting partial payments or extending your payment deadline. Mortgage companies would rather see homeowners retain the home than have to take the payments over themselves.

Seek professional assistance. Listen to an unbiased source. There are professional organizations out there which can assist you to understand the entirety of your situation. Check with the Better Business Bureau for a list of nonprofit credit-counseling organizations able to help to understand your options help you determine whether refinancing is necessary.

Gresham Inspects Rental Housing

Gresham has a new law requiring the inspection of rental housing units.

Violations found in one unit of a multi-unit complex will trigger additional inspections on the same property. Conditions that do not reach basic habitability standards will be given a higher priority and more severe sanctions if not addressed.

A complaint-driven component is part of the

new program with the highest possible protections for those reporting the violations.

The program is funded from an existing \$25 flat rate per unit rental license fee.

Gresham has started a database of rental condition complaints and created several tools on its website, which includes a tenant resource page and information on how to file complaints.

Hidden History Explored

Panel addresses housing discrimination

The Fair Housing Council of Oregon will explore Portland's hidden history of housing discrimination and find out the latest on fair housing challenges in Oregon today during a special event this month.

"Fasten Your Seat Belts-It's Been a Bumpy Ride," will feature a lively bus tour of locations of

discriminatory history, a panel of experts addressing housing discrimination today and a performance by the dynamic Sermonettes Gospel Singers.

The April event will be at the Ambridge Event Center in northeast Portland, from 8:30 a.m. until 2:30 p.m. Advance-registration is required by April 14. To obtain registration information, contact registration@fhco.org or Diane Hess at 503-412-6000.

The Fair Housing Council of Oregon is a nonprofit organization, which enforces federal, state and

local laws prohibiting housing discrimination. These laws protect renters and home buyers from discrimination based on race, color, religion, national origin, gender, familial status, disability, source of income, marital status, sexual orientation and age. The council also educates tenants, housing providers, advocates, governments and community groups about fair housing rights and responsibilities and responds to complaints from individuals who believe they have been discriminated against.

Metro Looks for Neighborhood Projects

Some public monies are available to help local neighborhoods in north Portland.

Metro's community grant program has been used to coordinate food-distribution programs, offer nutrition education and computer classes, operate healthcare clinics, a tool-lending library, and free concerts in local parks.

About \$60,000 is currently available for projects that benefit residents of Arbor Lodge, Cathedral Park, Kenton, Overlook, Portsmouth, St. Johns and University Park neighborhoods.

"We're not afraid to fund innovative and bold ideas," said Metro Councilor Rex Burkholder, who chairs a seven-member grant selection committee and whose district includes north and northwest Port-



Rex Burkholder

land. "We look for initiatives that reflect thoughtful research, help strengthen the community, involve residents and deliver results."

According to Burkholder, Metro's program also supports projects that build on the legacy of the community, its unique blend of needs and neighborhood activism. "Our funds help maintain a proud history," he said.

Metro offers first-time applicants help at a free grant-writing workshop from 7 to 9 p.m. Tuesday, April 15 at the Historic Kenton Firehouse, 8105 N. Brandon Ave.

The session will include tips and practical advice, time to network and more. Reservations are requested.

For more information, contact Karen Blauer at 503-797-1506 or e-mail blauerk@metro.dst.or.us.



Two, three and four bedroom floor plans ranging from \$196,000 to \$243,000. Located on NE Killingsworth and 64th.

Up to \$5,000 in closing cost assistance

All HOST Homes at Helensview include front yard landscaping, kitchen appliances, gas fireplaces, tankless water heaters, window blinds, designed for LEED certification, ten year limited warranty, insulated vinyl windows and much more.



HOST
Home Ownership
a Street at a Time



Alyssa Isenstein Krueger
www.hostdevelopment.com

503-724-6933
CCB# 71658



Portland Community Reinvestment Initiatives, Inc.

"Meeting the Affordable Housing Needs in the Community for 15 Years"



Our mission is "to preserve, expand and manage affordable housing in the City of Portland and provide access to and advocacy for services to our residents." For more than 15 years, PCRII has worked to expand housing opportunities for individuals and families living in this community. We currently own more than 730 units of affordable housing, primarily scattered site, single family homes. We rent one, two, three and four bedroom houses and apartments. For more information please call (503) 288-2923 or stop by our office located at 6329 NE Martin Luther King Jr. Blvd. Visit our website at www.pcrihome.org.