



Coalition on Homelessness
and Housing in Ohio
COHHIO



For Immediate Release

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COLUMBUS - Ohio was dealt multiple blows in the foreclosure ring this week with news that foreclosure filings rose again in 2009; and that the state was excluded from the latest Obama Administration's five-state \$1.5 billion foreclosure relief plan. Today's announcement by the president that TARP (Troubled Asset Relief Program) money would be used to help five states that have been hardest hit by foreclosures was met with outrage by foreclosure reform advocates.

"Fourteen years of record foreclosure numbers – almost 90,000 last year alone, and we're excluded from federal help? Washington is throwing Ohio on the trash heap," said Bill Faith, executive director of the Coalition on Homelessness and Housing in Ohio (COHHIO).

States reaping an average of \$300 million each include Arizona, California, Florida, Michigan and Nevada. According to the latest Home Affordable Modification Program (HAMP) report, the administration drew the line on which states to fund by using states' 60+ days-or-more delinquency rates. States chosen were higher than 12.5 percent.

Ohio's 4th quarter delinquency rate, according to today's report by the Mortgage Bankers Association, is 11.5 percent.

"One percentage point is the difference between whether we get \$300 million or not," said Paul Bellamy of the Cuyahoga County Foreclosure Prevention Project. "I guess 14 years of record setting numbers doesn't count for anything."

Faith said he and others are reaching out to Ohio elected officials to help protest the exclusion of Ohio in the states helped by the new plan. "The federal HAMP program designed to prevent foreclosures is a major bust," he said. "The \$75 billion program has operated for the past year and has helped only 116,000 homeowners nationally and a mere 2,529 homeowners in Ohio get a permanent modification to their mortgage. No wonder Ohio had 90,000 homeowners foreclosed on last year." Faith cited a Feb. 17 press release from the U.S. Department of Treasury.

Meanwhile, homeowner prevention counseling, which is a proven strategy to reduce foreclosures, said Faith, has been cut nationally by two-thirds. "Counseling dollars went from \$180 million last year to \$65 million this year."

Mark Seifert agreed. Seifert is executive director of Cleveland ESOP (Empowering and Strengthening Ohio's People), one of the largest HUD-approved homeowner foreclosure counseling agencies in the state. "Foreclosure prevention counseling is the one tool we have proven over and over again works to get homeowners out of foreclosure and back into their homes. Yet, while big banks continue to get TARP subsidies, foreclosure counseling is the one tool the Obama Administration refuses to fund," Seifert said.

Foreclosure numbers released from two sources this week indicate Ohio still in a world of foreclosure pain. According to fourth quarter 2009 Mortgage Bankers Association data released today, 15.7 percent of all mortgage holders in Ohio are either in foreclosure or past due in their payments by at least 30 days. That's up from 13 percent from the first quarter, 14.3 percent from the second quarter, and 15.3 percent in the third quarter 2009.

Ohio Supreme Court foreclosure filings also were released this week. Ohio set another record in 2009 with 89,053 foreclosure filings, a 3.8 percent increase over 2008. While three-fourths (65) of Ohio's 88 counties posted increases, more than a third (34) had double digit increases.

Faith is urging the Obama Administration to increase the allocation and help the other states, such as Ohio that are suffering significant damage from the foreclosure crisis. "Obama is trying to stabilize the five hardest hit states in an effort to improve foreclosure numbers nationally. That certainly won't help Ohio, and it won't help the nation in the long run."

To view the February 17 HAMP report, click here: [HAMP Report](#)