

FOR WHAT IT'S WORTH

For What It's Worth is a service for members of the Oklahoma Homebuyer Education Association. We welcome your response to the items reported or other information you would like to share with homebuyer education professionals. Send your responses to Tricia Auberle at HomebuyerEd@okacaa.org

Money for mortgage payment relief comes to Oklahoma. Do you have a client who is delinquent 90 days or more on mortgage payments? The Dodd-Frank Wall Street Reform and Consumer Protection Act included an Emergency Home Loan Program that provides help making past-due mortgage payments to persons who experience a drop in income of 15% or more resulting from involuntary unemployment, underemployment due to adverse economic conditions and/or a medical emergency. The relief covers past-due mortgage payments and a portion of the ongoing mortgage payment for up to 24 months of \$50,000. It is a forgivable loan over a five-year period.

The program rolls out July 7th and all funds must be committed by September 30th 2011. There are already 70 families interested, but at least 321 families can benefit. The program will be administered by Neighborhood Housing Services of Oklahoma City but funds are available throughout Oklahoma. Please contact them for assistance at 405-231-4663.

Homeowners foreclose on bank! In case you missed it, Yahoo News reported on a couple in Florida who purchased their \$165,000 home for cash. Although they never had a mortgage of any kind on the property the Bank of America initiated foreclosure proceedings against them. They hired an attorney and the Bank eventually abandoned the matter. However, they had a judgment for their attorney's fees that B of A did not pay. After five months of trying to collect, their attorney showed up at the local branch with sheriff's deputies and orders to remove furniture, computers and even cash from the tellers' drawers. Within the hour the bank produced a check for over \$5700 for the fees and court costs. Turnabout is fair play!

The Homebuyer Education Continuing Education Track at the Oklahoma State Housing and Energy Conference is starting to take shape. You will have the opportunity to earn credit hours towards your continued certification while being certified in FDIC Money Smart, learning what homebuyers should know about purchasing distressed properties, or discussing how internet-based homebuyer education affects what you do. OHEA members will receive a mailing about the conference in the coming weeks. In the meantime, mark your calendar for August 31 and September 1. We'll meet at the Embassy Suites in Norman.

Will upside-down homeowners walk away? The first post-purchase topic we discuss in OHEA Train the Trainer is that one of your responsibilities as a homeowner is to pay your mortgage. Recently, researchers surveyed homeowners to determine the likelihood they would walk away from their mortgage if they could afford the payment but were upside down (strategic default). It found that most people will not strategically default if the equity shortfall is 10% or less. Doubling the equity shortfall increases willingness to default by 10.4% on a house value of \$200-400,000 but only by 2.7% on a house value of \$100,000 – 200,000. You can find more on the study at http://insight.kellogg.northwestern.edu/index.php/Kellogg/print/walking_away/

2011 OHEA Calendar and Continuing Education/Professional Development Opportunities

August 16 & 17, HUD National Servicing Center *Early Delinquency Servicing Activities and HUD's Los Mitigation Training* is two days of classroom training after you complete an online module for a total of 13 CEUs. Register at HUD.gov.

August 30 – September 2, State Housing and Energy Conference at the Embassy Suites Hotel in Norman. Usually this track consists of seven 1.5-hour sessions provided by OHEA.

TBD: The Ninth Annual Homebuyer Education Conference will be held in the fall. We have not yet determined how many hours of continuing education this program will provide. Last year several OHEA members suggested we schedule the new Comprehensive Continuing Education class as a track at this conference. We welcome your thoughts on this concept.

November 14 – 18, OHEA 5-Day Train the Trainer at the Oklahoma Weatherization Training Center in Edmond. Registration information will be provided in a future issue of *For What It's Worth*.