



CT FAIR HOUSING CENTER

TESTIMONY OF JEFF GENTES IN SUPPORT OF FUNDING FOR THE CONNECTICUT FAIR HOUSING CENTER

Thank you for this opportunity to address the Committee. My name is Jeff Gentes. I am the Foreclosure Prevention Staff Attorney at the Connecticut Fair Housing Center. We are a private non-profit serving the entire state of Connecticut. We are here today to request that the \$227,500 in funding contained in the Governor's budget remain. Receiving this money is crucial to support the foreclosure prevention work which my colleagues and I perform.

The foreclosure crisis in Connecticut is getting worse. Connecticut foreclosures in December were 76% higher than a year before. Furthermore, the University of Connecticut's Connecticut Center for Economic Analysis recently predicted that job losses, which often precede mortgage defaults and foreclosure filings, will increase throughout this year and 2011.

This crisis of course costs homeowners. It also costs towns and taxpayers. Municipalities must spend more than \$19,000 in police, fire, and maintenance costs per foreclosure. Taxpayers experience a decline of 0.6% to 1.6% in their property value for each nearby foreclosure.

Many foreclosures can be prevented, but doing so means navigating a complicated and arcane judicial process, negotiating with mortgage servicers, keeping up with a constantly changing legal landscape, listening to those on the ground, and being on the ground. The Connecticut Fair Housing Center is the only organization in Connecticut offering free legal assistance to the thousands of homeowners facing foreclosure. We distribute materials; we teach classes; we counsel homeowners over the phone; we support the work of HUD-approved

housing counselors; we recruit, train, and support pro bono attorneys, law students, and paralegals; and we represent homeowners in court and in mediation.

In doing this work we do more than prevent foreclosures; we prevent the needless waste of money involved in each foreclosure. The Governor's budget includes funding of \$227,500 to support the Connecticut Fair Housing Center's efforts in both foreclosure prevention and fair housing work. Given the cost of each foreclosure on Connecticut's towns, that funding pays for itself if we only prevented 12 foreclosures each year. I can assure you that, each month, we help dozens of homeowners, directly through our clinics and counseling, and indirectly through homeowners' housing counselors and pro bono attorneys. The Center's funding is a smart investment in Connecticut's fiscal health.

Thank you for your time. I'm happy to answer any questions you may have.