TESTIMONY OF ATTORNEY JEFF GENTES
IN SUPPORT OF H.B. 6351

Co-Chairs Duff and Tong, Members of the Committee, thank you for the opportunity to speak today. My name is Jeff Gentes, and I'm the Foreclosure Prevention Attorney for the Connecticut Fair Housing Center. I am here today to strongly support House Bill 6351. As an attorney who teaches homeowners how to represent themselves in foreclosure litigation and foreclosure mediation, I can assure you that House Bill 6351 would greatly help homeowners navigate the confusing world of foreclosure.

Connecticut has benefited greatly from the Foreclosure Mediation Program you created in 2008: more than 5,000 homeowners who've completed mediation have been able to keep their homes. At the Connecticut Fair Housing Center we run legal clinics for homeowners where we teach people how to use the Mediation Program to prevent foreclosure. Last year we taught over 1100 homeowners how to use the Program, and we distributed more than 6,000 copies of our manual on self-representation. We also provide individualized advice and assistance to homeowners referred by HUD/CHFA-approved housing counselors and the Department of Banking's Mortgage Foreclosure Assistance Hotline. We also represent homeowners in foreclosure and mediation, and in the past year appeared in nine judicial districts across the state.

About 90 percent of homeowners who participate in the Program are unrepresented. When speaking to these homeowners, one theme is constant – we must explain that, in addition to dealing with their mortgage servicer over the phone, mail, and fax machine, sometimes while working with a housing counselor, and in addition to participating in the Foreclosure Mediation

Program, homeowners must also deal with foreclosure litigation. Banks file interim motions and foreclosure motions during mediation, which only add confusion and costs, in the form of banks' attorneys' fees and homeowners' missed time from work, that hurt mediation's chances of success. Putting mediation first would allow homeowners to focus on mediation alone.

Connecticut's courts would benefit if we put mediation first. The Program you created not only saves homes – it also makes litigation unnecessary, as about 78% of mediation cases settle. By passing House Bill 6351, and by putting mediation first, we'd eliminate needless costs.

As proposed, House Bill 6351 would not delay cases in which the homeowner does not appear. It would only add a few weeks to cases in which a homeowner had participated in ultimately unsuccessful mediation. More importantly, it would improve the chances of success in mediation and allow both sides to reach a settlement that was mutually beneficial.

Over the past two years, we've learned from other states that used Connecticut's Foreclosure Mediation Program as a model for their own programs. Based on their experience, and my prior experience representing homeowners in New York, putting mediation first would reflect "best practices" in foreclosure cases, and increase the chances that a homeowner could save their home.

Thank you for your time and for your past support of the Foreclosure Mediation Program. On behalf of the unrepresented homeowners in mediation and those who will enter mediation as the crisis continues, I ask that you support House Bill 6351. I'm happy to answer any questions you may have.