



Connecticut
Fair Housing Center

**TESTIMONY OF ATTY. PAMELA HELLER IN SUPPORT OF HOUSE BILL 5565:
AN ACT CONCERNING REVERSE MORTGAGE TRANSACTIONS**

Thank you for the opportunity to address the committee. My name is Pamela Heller, and I'm a foreclosure prevention attorney with the Connecticut Fair Housing Center. I am writing today in support of House Bill No. 5566: AN ACT CONCERNING REVERSE MORTGAGE TRANSACTIONS. As an attorney who represents and speaks every year to hundreds of homeowners facing foreclosure, I am convinced of the need to protect seniors from the potential risks of a reverse mortgage where only one spouse is the obligated borrower.

The Connecticut Fair Housing Center is the only nonprofit in Connecticut providing representation and advocacy for homeowners facing foreclosure. Through intakes and clinics, we have reached homeowners in 164 towns since 2010, and in 2012, we provided individual advice and representation to over 900 homeowners and outreach and education on foreclosure to close to 1000 more. We also work with the state's CHFA-approved housing counselors, the Department of Banking's Mortgage Foreclosure Assistance Hotline, and the Judicial Branch's foreclosure mediators by providing training, support, and a referral outlet for difficult cases.

For many seniors, a reverse mortgage affords them the opportunity to stay in their home. But it comes with risks. We and our partners have assisted increasing numbers of seniors facing foreclosure on a reverse mortgage, including non-borrower spouses who lost the borrower spouse to a nursing home or death. The non-borrower spouse then faces foreclosure, without any of the protections that sometimes apply to traditional mortgages

The stress and grief associated with losing one's spouse should not be compounded by facing foreclosure and eviction. House Bill 5565 would help prevent this compounding by prohibiting creditors from creating this situation. We unequivocally support this proposal, and we recommend that you also consider an additional requirement of counseling from a HUD-approved housing counselor for borrowers who choose to leave one spouse off the mortgage.

Thank you for your time. Please do not hesitate to contact me at (860) 560-8197 with any questions you may have.