

Sarah Poriss
Attorney at Law, LLC
www.sarahporiss.com

645 Farmington Ave., 3rd Fl.
Hartford, CT 06105

Ph (860) 233-0336
Toll Free Fax (866) 424-4880

RE: Proposed Bills 5163 and 5164

Public Hearing – February 7, 2019

My name is Sarah Poriss and I respectfully submit this testimony in SUPPORT of **Proposed bills No. 5163 and 5164– An Act Concerning Deficiency Judgments and Crumbling Foundations and An Act Prohibiting the Lender of a Home Equity Loan From Seeking a Deficiency Judgment Against Certain Borrowers**

I am a solo attorney and I work exclusively with clients who are in foreclosure and have many clients who have crumbling foundations.

Among the many concerns of homeowners with crumbling foundations is, if they stop paying their mortgages, whether their lenders will pursue them for deficiency judgments. They also wonder how they will move on with their lives if they let their homes go to foreclosure since non-payment of a mortgage negatively impacts their credit scores.

A majority of my counseling of homeowners with crumbling foundations is around protection of the few assets they have left—their retirement savings if they have any, their wages, their children’s education accounts and their credit scores. This bill should pass so that homeowners with crumbling foundations can stop fearing further harm to their finances by way of deficiency judgments, and they can be assured their decision to walk away from their home will not reflect in their credit scores. This bill will make the lives of the families who have already lost everything just a little easier and allow them to recover a little bit faster from the financial disaster that is a crumbling foundation.

A typical homeowner paying a mortgage on a property with a crumbling foundation engages in an exercise in futility—they no longer earn any equity with their payments because there is no equity to be had in these properties. This is extremely unfair; the Legislature and the State are working to develop other remedies but not every homeowner will be able to benefit from that help all at the same time. In the mean time, homeowners not receiving assistance or waiting for assistance have lives to lead- their families are growing, or they are downsizing, or they are retiring, and they should be able to move on from their home without the fear of being pursued for a deficiency. No one chose to have a crumbling foundation and this bill would remove the burden of further financial consequences and allow them to make the decision about their homes that is right for them.

Unless there is assurance that homeowners with a crumbling foundation will not be pursued for deficiencies and their credit scores left unaffected, then it is sure that those victimized will continue to bear 100% of the cost of the crumbling foundation crisis.

THANK YOU FOR YOUR SUPPORT OF PROPOSED BILLS 5163 AND 5164.