

MEDIA RELEASE

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CRT, Urban League Receive \$2 Million Grant for New Foreclosure Prevention Effort

Bank Settlements from Housing Crash Pave Way for Ten Housing Counselors Statewide

HARTFORD—In the years since the recent housing bubble burst of 2008, bank settlements and new legislative efforts are putting new tools in place to help homeowners nationwide who are struggling with their mortgages. Just recently in Connecticut, the Community Renewal Team (CRT) and its partner agency Urban League of Southern Connecticut (ULSC) were awarded a \$2.1 million grant to provide free foreclosure prevention and related housing counseling services to individuals and families for three years.

Together, the two agencies will add 10 specialized housing counselors spread out statewide. The new funds administered by the Department of Economic Development (DECD) came directly from settlement claims against five national loan servicers for alleged misconduct.

The grant bolsters CRT's established and successful eviction and foreclosure efforts that rely heavily on face-to-face interaction with participants. CRT Housing and Urban Development-certified counselors help the homeowner determine strengths, needs and effective interventions. Depending on the individual case, effective strategies for keeping homeowners stable in their homes may include housing mediation and mortgage modification with lenders.

The new grant also provides alternatives to the one-on-one counseling through group workshops, clinics, lender outreach events and telephone counseling. Addressing language barriers for some homeowners, counseling will also be available in both English and Spanish where appropriate.

This type of counseling addresses the consequences of default and foreclosure, budgeting and credit counseling, obtaining re-certification for a mortgage subsidy, and establishing reinstatement plans. It will also include helping customers affected by predatory lending by providing necessary referrals.

The DECD funding is pursuant to the national foreclosure settlement and related Consent Judgments entered by the *United States, et al v. Bank of America, et al*, case in settlement of claims against five national loan servicers for alleged misconduct related to their servicing of single family residential mortgages and related foreclosure practices.

Since the housing crash of September 2008, 4.2 million foreclosures have been filed nationwide. In the last 12 months, there have been 3,712 completed foreclosures in Connecticut.

Approximately 1.1 million homes were in some stage of foreclosure in the U.S. as of March 2013 compared to 1.5 million in March 2012 according to the Corelogic National Foreclosure Report released in March 2013.

CRT's existing Eviction and Foreclosure Prevention Program (EFPP) aims to help individuals and families who think they may be losing their homes. Specialists also help tenants learn about their rights in the eviction process. In certain cases, rental arrearage and past-due utility bills can be paid off depending on the homeowner's situation.

For more information call (860) 560-5881 or visit the CRT Website at www.crtct.org and click on "Money Management."

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In its 50th anniversary year, Community Renewal Team, Inc. is the designated Community Action Agency for Middlesex and Hartford Counties and is the largest non-profit provider of human services in Connecticut. The agency's mission is Preparing Our Community to Meet Life's Challenges. The mission is achieved each day by helping people and families change their lives and create their own opportunities in becoming self-reliant while making sure basic needs are met. CRT's programs include Head Start, Meals on Wheels, energy assistance, supportive housing and shelters, and many others, serving people in more than 60 cities and towns in both our core catchment area and throughout Connecticut. Visit the NEW www.crtct.org. CRT invites the community to celebrate 50 years of changing lives at the Hartford Marriott Downtown on May 15, 2013. Details on sponsorships and tickets available on the CRT website.