



125 LINCOLN STREET, 5TH FLOOR, BOSTON, MA 02111-2503
Phone: (617) 859-0400 | Toll Free: (800) 272-0990 (MA Only)
www.mbhp.org

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On Wednesday, May 20, President Obama signed legislation that, effective immediately, provides assistance and protections for property owners facing foreclosure and for tenants who live in properties undergoing foreclosure.

The Helping Families Save Their Homes Act and the Fraud Enforcement and Recovery Act will help significantly MBHP's Foreclosure Prevention and Tenancy Preservation Initiative efforts, providing the tools needed to help people – property owners and renters alike – remain in their homes.

Key components of the federal legislation include:

For tenants: provisions to protect renters living in foreclosed homes.

- When a rental property is foreclosed upon, tenants must receive a 90-day pre- eviction notice.
- Tenants have the right to remain in their homes for the terms of their leases; however if the new owner will live in the home, leases can be terminated subject to the 90-day notice.

For property owners:

- Improvements to the Hope for Homeowners program, which include help for homeowners to increase the equity they own in their homes, the easing of restrictions on refinancing eligibility, and the allowing for more refinancing of "underwater" mortgages.
- Modifications to FHA and federally guaranteed farm loans that facilitate cost-neutral loan modifications that will help responsible borrowers secure refinancing.
- Measures to restore and increase the flow of credit.
- The right of homeowners to know who owns their mortgages. Borrowers must be informed whenever their loans are sold or transferred, so that they always know who owns their loans.

Systemic changes:

- New resources for homeless Americans. More than \$2 million was appropriated to address the costs of homelessness of individuals, families, neighborhoods and communities. Additionally, the legislation consolidates homelessness programs to improve effectiveness and streamline administration, with a particular focus on families with children.
- A strengthening of the capacity to fight, prevent and deter fraud.
- Resources to keep markets free and fair.
- The formation of a commission to investigate the financial practices that led to the current foreclosure crisis to prevent future crises.

For more information on the legislation, visit the National Low Income Housing Coalition at www.nlihc.org.

If you are a property owner or tenant in MBHP's 30-community region and are in or at risk of foreclosure and need assistance or more information about the new federal laws, contact the MBHP Foreclosure Prevention and Tenancy Preservation Hotline at (617) 425-6687.

everyone deserves a place to call home