



FOR IMMEDIATE RELEASE

**MINNESOTA FORECLOSURE PARTNERS COUNCIL MEMBERS
CELEBRATE THE 25,000 FORECLOSURES PREVENTED AND ADDITIONAL
4,000+ FAMILIES AND PROPERTIES ASSISTED SINCE 2007**

SAINT PAUL, MINN. (June 7, 2011) – Members from the Minnesota Foreclosure Partners Council and other community leaders came together today at a beautifully renovated home in Frogtown to celebrate the more than 25,000 foreclosures prevented and additional 4,000+ families and properties assisted since the Council formed in 2007.

“These 25,000 prevented foreclosures are proof that the unique collaboration between public and private housing organizations, cities and communities throughout Minnesota is truly effective, and Saint Paul is committed to supporting the effort,” said Saint Paul Mayor Chris Coleman.

The Minnesota Foreclosure Partners Council was formed to provide a rapid, coordinated response to the mortgage foreclosure crisis that has been devastating families and communities statewide. In 2005, Minnesotans experienced 6,472 foreclosures. Since 2005, more than 100,000 foreclosures have occurred throughout Minnesota, with nearly one in every 20 Minnesota households having experienced a foreclosure. Although the causes of foreclosures may have changed since the crisis began, the impacts of the foreclosures remain unchanged: existing public and private resources are overwhelmed; thousands of families and children are displaced; and vacant and boarded structures depress surrounding property values.

“The mortgage foreclosure crisis has had a profound impact on families and communities throughout the state. While the problem persists, and much work remains to be done, it is critical to pause and celebrate the major successes we have achieved collectively to date—including preventing more than 25,000 foreclosures and the additional 4,000+ families and properties assisted,” said President Tom Fulton of the Family Housing Fund. “The members of the Partners Council will use this momentum and solid foundation to continue to invest in demonstrated solutions and we welcome and need others to join us.”

The Foreclosure Partners Council members established three main recovery goals, with a five-year plan for 2007 to 2012, including: 1) Prevent Foreclosures; 2) Deliver and Expand Access to New Mortgages; and 3) Acquire, Hold, or Rehabilitate Foreclosed and Abandoned Properties. Since 2007, **25,430 foreclosures** have been prevented, **1,956 additional families** have been assisted with down payments or new mortgages, and **2,191 properties** have been acquired or rehabilitated for resale.

“The mortgage foreclosure issue still exists as a critical problem in the Twin Cities, the suburban communities, and in parts of Greater Minnesota that is destabilizing families and neighborhoods and can only be addressed through an aggressive public/private response,” said Minnesota Housing Commissioner Mary Tingerthal. “This broad based, truly coordinated partnership is unique in the country and I commend the Minnesota Foreclosure Partners Council members on their commitment to help revitalize neighborhoods and boost affordable housing opportunities throughout the state. Minnesota Housing remains a strong and committed partner.”

One of the main successes has been the number of foreclosures that have been prevented—helping to keep families in their homes and/or keeping properties from being abandoned and boarded. The ability to sustain this level of prevention success is being threatened by severe funding constraints and cuts at the federal and state levels. In response, a sustainability plan has been created that will require about \$5.5 million. This will ensure that Minnesota homeowners continue to have access to free, non-biased foreclosure avoidance services. At the present time, funding has been obtained for about \$3.6 million, leaving us a gap of just under \$2 million.

“Personalized, non-biased counseling on the foreclosure process and options to avoid foreclosure from a nonprofit housing counselor continues to be the best resource for struggling homeowners,” stated Julie Gugin, executive director of the Minnesota Home Ownership Center. “While we have worked to implement system-wide cost saving measures to assure availability of counseling services, without additional funding, homeowners could face increased wait times and diminished service at a time when the demand for services remains extremely high.”

The press event was held at a newly renovated four-bedroom, two-bath home located in the Frogtown neighborhood. The home was renovated by Dayton’s Bluff NHS and improvements to the home totaled \$75,000. The home was only on the market for two days before a homebuyer was identified.

To learn more about the work of the Minnesota Foreclosure Partners Council and to view its Coordinated Plan to Address Foreclosures, please visit www.mnforeclosurerecovery.org or www.fhfund.org.

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About the Minnesota Foreclosure Partners Council

The goal of the Minnesota Foreclosure Partners Council in Minnesota is to identify, fund, and implement coordinated statewide policies and programs that effectively address the impact of the recent surge in mortgage foreclosures on families, neighborhoods, and communities. Members and other partners take specific, innovative, and collaborative actions including changes in policies and practices and the provision of resources.

Partners Required for Success

Minnesota Foreclosure Partners Council

Chairs

Cecile Bedor, City of Saint Paul

Warren Hanson, Greater Minnesota Housing Fund

Members

- Cities of Brooklyn Park, Minneapolis, Moorhead, and Saint Paul
- Counties of Dakota, Hennepin, and Ramsey
- Dayton's Bluff Neighborhood Housing Services
- Family Housing Fund
- Fannie Mae
- Greater Metropolitan Housing Corporation
- Greater Minnesota Housing Fund
- Housing and Redevelopment Authorities of Woodbury, Anoka County, and Saint Cloud
- Housing Link
- League of Minnesota Cities
- Local Initiatives Support Corporation of Duluth and the Twin Cities
- Metropolitan Consortium of Community Developers
- Minnesota Home Ownership Center
- Minnesota Housing
- State of Minnesota Commerce Department and Housing Finance Agency
- Three Rivers Community Action
- University of Minnesota—Center for Urban and Regional Affairs

Other Key Partners

- Banks
- Community and neighborhood organizations
- Elected and public officials
- Federal and local housing agencies
- Foundations and private donors
- Housing policy researchers and advocates
- Legal assistance providers
- Local governments
- Mortgage brokers
- Mortgage lenders and servicers
- Realtors
- Trustees of mortgage backed securities