

*Introduces Bipartisan Bill to Aid Homeowners Facing Foreclosure*

*July 19, 2012*

*Washington, D.C.* – Today, Congressman Jerry McNerney (D-Stockton) introduced the Fast Help For Homeowners (FHFH) Act, H.R. 6153, to help speed up the short sale process, a necessary step to addressing the housing crisis. McNerney’s bill was met with broad bipartisan support and industry endorsements.

“For far too long, the housing downturn has challenged our region. My bill is one commonsense step we can take to help shore up the housing market and provide much-needed relief for homeowners. Our region has been ground zero for the housing crisis, and I am committed to fighting for folks in our communities who have been hit hard,” said McNerney.

The Fast Help For Homeowners Act requires a second mortgage lender of a federal mortgage loan to review and make a decision on a short sale agreement within 45 days. If the lender does not make a decision within that time frame, the short sale will be deemed approved on the 46th day.

A short sale is a mortgage sales transaction in which the seller’s lender agrees to accept a payment for less than the loan’s remaining balance. In the event of a foreclosure, the second mortgage is subordinate to the first mortgage, and the lender of the first mortgage receives payment first. When a homeowner initiates a short sale request, some second mortgage lenders use stonewalling tactics to delay a payment to the first mortgage lender.

“A strong housing market is a crucial part of getting our economy back on track. The housing crisis has affected homeowners, communities, and small business owners. Struggling homeowners have heard a lot of talk about addressing the issue and want to see real action, and my bill will do just that,” said McNerney.

Short sales can help both lenders and homeowners. Often, it is far less costly for a lender to negotiate a short sale agreement than go through the foreclosure process. A short sale is also less damaging to a homeowner's credit score than a foreclosure.

The Fast Help For Homeowners Act has broad industry support, receiving the endorsements of the: National Association of Realtors; California Association of Realtors; Central Valley Association of Realtors; NeighborWorks Home Ownership Center, Sacramento Region; California Association of Real Estate Brokers (CAREB); and Stockton NID Housing Counseling Agency.

"The National Association of REALTORS applauds Congressman McNerney for his efforts to improve the short sale process and provide distressed homeowners an alternative to foreclosure. NAR stands ready to collaborate with Congressman McNerney and Congress to enact legislation that will help homeowners stave off foreclosure." – Maurice "Moe" Veissi, President of the National Association of REALTORS.

"C.A.R. applauds Congressman McNerney for introducing this common-sense piece of legislation. California REALTORS® support the FHFH Act because it will require subordinate lien holders to respond to short sale offers in a fair and reasonable amount of time, ensuring distressed properties are brought to market and aiding in the recovery of the general economy." – LeFrancis Arnold, President of the California Association of Realtors.

"I want to thank Congressman McNerney for his leadership and support in accelerating short sales so that we can have a faster recovery in the housing market. I work with people every day who are struggling in today's market and I know how critical it is that we speed up this process." – Pam Canada, CEO of the NeighborWorks Home Ownership Center, Sacramento Region.

"Thank you, Congressman McNerney, for listening to the needs of our local community and introducing the FHFH Act to speed up the short sale process. I counsel homeowners who have waited for months to secure a short sale to no resolve, and this bill is a positive development in the right direction." – Anita Jones-Cayenne, President of CAREB.

"I know firsthand the frustration that many people experience trying to secure a short sale and

how slow the process can be dealing with multiple lenders. The Fast Help For Homeowners Act is critical to reducing the amount of time it takes to respond to a short sale agreement and I appreciate Congressman McNerney for introducing this bill.” – Christine Lynch, President of the Central Valley Association of Realtors.

The Fast Help For Homeowners Act has broad bipartisan support and is cosponsored by Reps. Dennis Cardoza (D-Calif.), Tom Rooney (R-Fla.), George Miller (D-Calif.), Jim Costa (D-Calif.), Barbara Lee (D-Calif.), and Richard Nugent (R-Fla.).