

## **Mortgage reforms address pressing needs of Oregonians**

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The current state of the national housing market, and perhaps more specifically the state of the national residential mortgage market, is certainly at the forefront of our collective attention as Oregonians. Whether it is the continual media coverage or from personal experience, most are aware of the recent slowing in the market and issues surrounding subprime mortgage loans.

Oregon has been fortunate; home values have held steady throughout the vast majority of the state, and the housing market has been a primary factor in keeping the Oregon economy stronger than our neighboring states. Where timber and agriculture once stood alone, the housing market of Oregon has become a foundational component of our economy. It is through the strength of our housing market that the recent economic downturn forecast in Salem pales in comparison to those in Sacramento, Olympia and Carson City.

While Oregon ranks amongst the lowest states in the nation in delinquency and foreclosure rates, the supplemental session of the Oregon Legislature provides an opportunity to protect Oregonians from the predatory practice of foreclosure rescue schemes. Our legislators must protect our most vulnerable friends and neighbors from scam artists seeking to prey on them during trying times with the ultimate goal of only a fast buck.

For those who were defrauded by unscrupulous actors, this session offers the opportunity to strengthen requirements and increase penalties on those who perpetrate fraudulent actions in the mortgage lending origination process. Language in a current proposal provides that bad actors who purposely or recklessly take advantage of the unwitting face fines, suspension or even a permanent bar from future employment in the industry.

The protections contained in HB 3630A and SB 1064A address the most pressing needs of Oregonians. Countless hours of hard work resulted in the concepts, with significant time spent by the legislature in further refinement. A broad cross section of Oregonians is participating in the Governor's work group addressing mortgage lending, and while the parties are diverse, the ultimate goal of protecting Oregon consumers is universal.

With the most pressing needs addressed, members of the work group remain committed to further addressing and bringing forth any additional protections that may be necessary. A responsible and carefully considered approach is imperative, so as not to inadvertently suppress responsible lending or to eliminate refinancing opportunities for those currently in need.

A rush to a legislative “fix” may actually end up harming those who most need assistance; is three weeks in a special session truly enough time to thoroughly examine the significant potential impacts on our state economy? Last minute amendments and secrecy run contrary to our concept of open government and certainly are not components of sound public policy.

Prompt action through the passage of HB 3630A and SB 1064A sends the critical message that Oregon is closed to rogue actors. It also conveys that our elected leaders will act in a timely, considered, comprehensive and bipartisan manner to ensure Oregonians are protected and that the foundation of our economy remains solid.