

Statement of Ms. Patricia Stringfield, homeowner, Washington, DC, before the Domestic Policy Subcommittee of the House Oversight and Government Reform Committee

February 25, 2010

Good afternoon, my name is Patricia Stringfield; I am a resident of the District of Columbia and have come here before you today to tell you about my situation. I am a single mother who has worked her entire life to make sure that my son is well taken care of and that he had a stable home environment. In 1988, I purchased my home from my mother. I did so because I had grown up in the neighborhood and knew that it would provide me with a piece of mind. I purchased the home for \$66,000.

Over the years, I had refinanced a few times to cover some expenses, take advantage of lower interest rates, and to do some repairs, and cover college costs for my son. When things seemed like they were under control, my mother developed another medical condition, forcing her to no longer be able to work and I had to take over paying her bills. My mother had now been diagnosed with dementia and I am her primary caretaker. She receives Social Security income to cover her insurance and medicine but it left very little left over to cover for food and basic expenses.

When I contacted my lender, they told me that they would happily refinance my loan again to help me cover the increased balances on my credit cards and to pay off my son's loans. They suggested that I go to another lender to get a second mortgage as my home had plenty of equity in it that could help me pay for the bills. I followed their advice and took out a second mortgage.

This finally solidified my situation for a few years until the price of gas and oil rose sharply. I depend on my car to get to my job. Making ends meet became so difficult that I had to dip into my savings account until it was depleted. At this point I turned to taking out loans on my 401k until I was told that I was no longer allowed to do so.

Despite the financial stress, I was able to keep making mortgage payments for several months. However, I finally missed my first payment in September of 2008 as I ran out of ways to get extra income. I attempted to work with my lender several times but was not given any options for resolution. I had to turn to my neighbors to help me buy food for me and my mother.

I had missed a few payments and received warnings of foreclosure from my lender when I finally contacted the National Community Reinvestment Coalition (NCRC). NCRC was able to arrange a workout, only to later find out that the lender on my first mortgage was unable to find an

acceptable workout solution. This caused my lender on the second loan to not offer anything because the first was not modified.

As the days passed and the foreclosure sale date approached, I decided to move out of my home because my mother's doctor didn't think she could handle us being thrown out on the street. I moved out on Feb 22, 2009 into a rental apartment with my mother. We waited until NCRC got us a resolution; the lender canceled the foreclosure sale and I was put into a 3-month HAMP trial period. Because of the modification on the first loan, my second loan holder was able to reduce my monthly payments by \$100.

With this news, we returned to our home in April. The landlord, however, asked me for six months of rent, claiming I had broken the lease. NCRC then stepped in again and is engaged in negotiations with the landlord.

When I received the first trial period modification, I made two payments on it but was then sent another agreement to begin in June 2009 with a different payment amount. I made my payments for five months, only to be told that it was denied because of missing information. This was not the case as we had submitted all of the documents to them. NCRC tried several times to get them to reduce the amount I owed but was not successful even though my house is worth less now than the amount currently owed.

After they declined me again, my counselor at NCRC went back to the lender and asked them to review the file once more for the program. After several weeks of being told that I was in foreclosure again, I began to panic. I thought that we had already fixed everything back in April of 2009 but we were still in this back-and-forth. I do not understand how this works and have become frustrated to the point of crying almost every night. I have listened to everyone that has helped me and, through the hard work of so many people over at NCRC, I hope that this last modification trial period that I received last week, will be the final one and it will be approved. I have had four HAMP trial modification loans.

I hope that you can take my situation to heart and to understand that these issues face real people and that the decisions that you make affect us all. I don't understand how I can be told one month that we are OK and everything is on track to be modified, begin the trial period, and have it turned down because of what seems to be technicalities. It seems to me that if I owe more than what my house is worth, they could just reduce what I owe to the value of my home.

Thank you for your time today, I hope that you can provide some help to those homeowners like myself who are struggling to get by everyday but want to pay their bills and take pride in owning their homes. Thanks again for your time.

Good Afternoon.