

MEMORANDUM

TO: Members of the House of Representatives

FROM: Representative Tina Davis

DATE: March 16, 2011

SUBJECT: Request for Co-Sponsorship: Foreclosure Study

In the near future, I intend to introduce a resolution directing the Legislative Budget and Finance Committee to examine the causal factors of home foreclosure in the Commonwealth of Pennsylvania and make recommendations to the House of Representatives on best practices for mitigating foreclosures in the Commonwealth.

Section 412-C of the Housing Finance Agency Law (No. 621 of 1959) stipulates that the Pennsylvania Housing Finance Agency (PHFA) monitor foreclosure activity and trends in the Commonwealth by using data and information accumulated from notices and applications for emergency mortgage assistance. In 2005, at the request of PHFA and the Pennsylvania Department of Banking, The Reinvestment Fund (TRF) conducted a study of mortgage foreclosures in Pennsylvania and determined that a disproportionate number of foreclosed properties manifest a pattern of predatory lending.

The study that I propose will examine whether there has been an increase in home foreclosures since the 2006 study completed by TRF. Additionally, I would like the Legislative Budget & Finance Committee to examine demographics with respect to foreclosure and the functionality of current Pennsylvania statutes that have been enacted to help mitigate foreclosure. .

Please join me in co-sponsoring this important resolution. You may contact Debbie Brady at (717)782-4903 or via e-mail at Dbrady@pahouse.net. Thank you!