

News Release



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Loan Refinancing Program for Underwater Borrowers Expands

Contact:

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Oregon Housing and Community Services (OHCS) and the Oregon Homeownership Stabilization Initiative (OHSI) are pleased to announce the expansion of the Loan Refinancing Assistance Pilot Project (LRAPP).

LRAPP is designed for homeowners who have suffered financial hardship and have substantial negative equity in their homes, but could afford a payment at the current value of their home. LRAPP has been operating in Crook, Deschutes, Jackson, Jefferson, and Josephine counties since 2011. These counties experienced the highest rates of negative equity and were extremely hard hit by the foreclosure crisis.

“For homeowners who continue to be underwater, meaning they owe more than their home is worth, this program can help them get back on their feet,” said Margaret Van Vliet, Director of Oregon Housing and Community Services. “In some communities, more than 1 in 10 homeowners are still underwater on their mortgage. LRAPP is an innovative, one-of-a-kind refinance program to help people avoid foreclosure.”

On December 2, 2015, OHSI will open LRAPP to homeowners in 17 additional counties in the eastern, central, and southern portions of Oregon including: Baker, Coos, Curry, Douglas, Gilliam, Grant, Harney, Klamath, Lake, Malheur, Morrow, Sherman, Umatilla, Union, Wallowa, Wasco, and Wheeler counties. In January and February, OHSI will open LRAPP to homeowners in additional counties. The full opening schedule can be found [here](#).

OHSI anticipates opening 50 application slots every two weeks for eligible homeowners in those counties. Homeowners can take an eligibility quiz on the OHSI website here: <http://www.oregonhomeownerhelp.org/en/homeowner-education-program/lrapp-program>.

Homeowners who may qualify for LRAPP include:

- Homeowners with significant negative equity in their homes;
- Homeowners who may be behind on their mortgage payments;
- Homeowners who could afford their mortgage at the amount their home is currently worth; and
- Homeowners whose incomes are at or below 150 percent of the state’s median income (details are included in the eligibility quiz.)



All prequalified applications are subject to available funding at the time of closing or December 31, 2016 (the program close date). Participants are not guaranteed funding upon submitting an application. U.S. Treasury is expected to approve this program change on November 24, 2015.

Homeowners with questions about LRAPP can read more on the OHSI website or take an eligibility quiz: <http://www.oregonhomeownerhelp.org/en/homeowner-education-program/lrapp-program>.

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