

Testimony of Douglas Coleman

Before the District of Columbia Council Committee on Housing and Community Development: Condominium Owner Bill of Rights Amendment Act of 2015

December 7, 2015

As a condominium owner and resident of Ward 5, I support the Condominium Owner Bill of Rights Amendment Act of 2015. In particular, I support requiring mediation before a condominium association may foreclose.

I am submitting this testimony because I believe this bill can help people like me. I have experienced first-hand the joy of owning my own home. But I later realized that I had been given a bad loan. I tried repeatedly, but failed, to modify my mortgage once it became clear that I could not keep up with the payments. My efforts were frustrated by miscommunications and missing paperwork. There were times when I was unsure about where I would live and how that might impact my family. I have shared custody of my 10 year old daughter and worried about how the loss of my home could impact my time with her.

I believe this bill can help people like me because it requires mediation. I have seen first-hand how face-to-face meetings can prevent a foreclosure and allow a homeowner, like myself, to resume making payments. My home would have been lost if my condominium association had pushed forward with a foreclosure auction, rather than accepting my payments once I was able to begin making them again.

By way of background, I believe I was the victim of a predatory interest-only loan given to me by subprime lender. After paying the mortgage on my home for the first year and a half that I lived there, I fell behind in 2008 when my expenses unexpectedly increased significantly. Knowing that I couldn't afford my current monthly payments, I tried to get a loan modification.

To make matters worse, my 80-year-old father was diagnosed with cancer. I had to travel back and forth to his home in New York so that I could take him to his cancer treatments. Unfortunately, my employer was not very accommodating about giving me leave to care for my father. As a result, I had to resign from the federal job that I had held for 23 years in order to provide the care that my father needed until he was declared in remission. This was a three year process, and the constant travel back and forth to New York without regular income caused me to fall further behind on both my mortgage and my condominium fees.

Recently, my situation changed for the better. My father's health improved, which allowed me to get back to work. Because of the mediation requirement for mortgage foreclosures, I was able to get a loan modification almost a year ago and I have been able to make my mortgage payments. With the help of lawyers from Legal Aid, I was able to get my condominium association to talk with me. I am so grateful that we were able to reach an agreement with my condominium association to accept a large lump-sum payment toward my

past-due condo fees and to take my monthly payments going forward, rather than foreclosing on my home.

I am asking the Council to pass this bill to give other homeowners like myself the opportunity to talk with their condominium association in mediation where a trained mediator can help everyone consider all of the options. I had a Legal Aid lawyer who helped make this happen. Mediation allowed me to stay in my home and to make affordable monthly payments toward my mortgage and my condominium fees. Without an opportunity to meet with the lender and the association, I believe that I would have lost my home and with it my access to affordable housing in the District. I hope the Council makes mediation possible for all of the other homeowners who are not able to get a lawyer.