



AG STRANGE AWARDS MORTGAGE SETTLEMENT FUNDS

(MONTGOMERY) – Attorney General Luther Strange today announced the six recipients of nearly \$4 million that his office is awarding through the National Mortgage Settlement Funding Program. The money is being distributed to governmental entities or charitable organizations for projects to mitigate and prevent ill effects of the foreclosure process for Alabama consumers.

Legal Services Alabama will receive \$1,119,730 for its Alabama Foreclosure Assistance Project to provide free civil legal representation to up to 6,000 low-income families facing foreclosure or other mortgage-related issues. "Legal Services Alabama is uniquely positioned to help reduce Alabama's foreclosure rate by representing homeowners in all 67 Alabama counties who are facing foreclosure," said Attorney General Strange. "Legal Services Alabama will not only assist distressed homeowners fighting foreclosure, but will also provide housing counseling, pre-foreclosure counseling, and foreclosure mediation. This comprehensive approach will give vulnerable homeowners the knowledge and support they need to safeguard their homes."

Gateway will receive \$1,095,356 to provide financial counseling, pre-and post-purchase housing counseling, foreclosure prevention, reverse mortgage counseling, and consumer outreach. "Gateway has an extensive history of working with state agencies, including the Alabama Department of Human Resources, the Alabama Department of Mental Health, and the Alabama Department of Education," said Attorney General Strange. "Gateway's successful history in consumer credit counseling and housing counseling will benefit homeowners in every county facing the foreclosure crisis. By providing housing counseling and directly engaging lenders to prevent foreclosure, Gateway will have a lasting impact on the entire state."

The Woodlawn Foundation, Inc., will receive \$500,000 for its homeowner rehabilitation program to provide rehabilitation services to existing homeowners who are potentially facing foreclosure. "The Woodlawn Homeowner Rehabilitation Program is an ambitious, innovative program designed to assist moderate to low-income homeowners in the historic Woodlawn community by providing needed physical improvements to residences that are at-risk or could become at-risk of foreclosure," said the Attorney General. "These improvements will increase homeowner equity, lower overall housing costs, and prevent future foreclosures in the deserving Woodlawn community."



The Alabama Center for Dispute Resolution will receive \$500,000 for its Alabama Statewide Foreclosure Prevention Mediation Program to train mediators throughout the state in foreclosure mediation and provide about 300 to 500 foreclosure mediations. "The Center has a history of establishing mediation programs in courts throughout the state, as well as educating mediators in the specifics of various areas of law," said Attorney General Strange. "Mediation can be a powerful tool in avoiding foreclosure by bringing both the homeowner and lender to an agreement. The Alabama Statewide Foreclosure Prevention Mediation Program will have a lasting impact by helping homeowners throughout the state avoid foreclosure while educating mediators in foreclosure law and process."

The Women's Fund of Greater Birmingham will receive \$440,000 for its Stepping In to Homeownership project, a three-phase plan that includes a public awareness campaign a matched financing program and a collaborative effort with other organizations to provide housing and workforce development services. "The Women's Fund has a history of working with this Office and previously used other settlement funds to develop and implement an innovative program to reduce domestic violence," said Attorney General Strange. "Its proposed project, Stepping In to Homeownership, is another innovative program designed to help low-income women and their children avoid foreclosure or to become homeowners, to proceed other education and job placement, and obtain long-term financial security. Women and children in Blount, Jefferson, St. Clair, Shelby, and Walker counties will receive much-needed support from this comprehensive program."

The University of Alabama School of Law will receive \$210,870 for a Foreclosure Relief Project, based upon its similar project for tornado relief, which will provide legal services free of charge while teaching six to 10 law students each semester. "The Tornado Relief Assistance Program that the University of Alabama School of Law created after the April 2011 tornadoes demonstrates the Law School's success in aiding low-income and rural communities during a time of crisis," said the Attorney General. "Likewise, The Foreclosure Relief Project will have a lasting impact by helping homeowners in Bibb, Fayette, Greene, Hale, Lamar, Pickens and Tuscaloosa counties avoid foreclosure while educating future lawyers."

These funds were made available by Attorney General Strange's participation in last year's \$25 billion joint federal-state agreement with the nation's five largest mortgage servicers over foreclosure abuses and fraud, and unacceptable nationwide mortgage servicing practices.