



Office of Representative Heath Shuler

Representing North Carolina's Eleventh Congressional District

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Contact: Andrew Whalen, Communications Director
office: (202) 225-6401 / cell: (202) 731-5116

Rep. Shuler Helps Responsible North Carolinians Keep their Homes

Washington, D.C. – Thousands of responsible homeowners across Western North Carolina will be able to keep their homes thanks to legislation that passed the House of Representatives today and was supported by U.S. Representative Heath Shuler.

“This bill takes the necessary steps to help responsible homeowners who are suffering due to this historic economic downturn, while also not rewarding those who were greedy or dishonest,” said Shuler. “It will also begin to help stabilize the housing market and return our nation’s economy to solid ground.”

In the last quarter of 2008 home prices across the nation dropped an average of 18 percent and now more than 14 million homeowners owe more on their mortgage than their home is worth.

The Helping Families Save Their Homes Act, H.R. 1106, will help families facing foreclosure keep their homes by granting bankruptcy judges the ability to modify existing mortgages on primary residences through Chapter 13 bankruptcy. Bankruptcy judges are already allowed to modify the loan terms for vacation homes and investment properties.

“Declaring personal bankruptcy is a painful process and is not an easy way to escape debt. This bill requires homeowners to work in good faith to make their mortgage payments and keeps bankruptcy as the last option. But it does provide good, hard-working American families the opportunity to stay in their homes and get back on their feet,” Shuler continued.

The bill also makes commonsense changes to the Federal Housing Administration’s Hope for Homeowners program, reduces fees, and offers other incentives to encourage lenders to voluntarily modify loans.

“By reducing the number of foreclosures we also protect the property values of every home near it,” Shuler said. Studies have shown that each foreclosed home reduces nearby property values by as much as 9 percent.

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