

A bill to put a Moratorium on Foreclosures & Evictions

[HF 1886](#) & [SF 1521](#)

“Foreclosure Moratorium, Neighborhood Stabilization & Tenant Protection Bill”

A vote for the bill to put a Moratorium on Foreclosures and stop foreclosure-related evictions is a vote to keep Minnesotans in their homes.

What this bill does: For Homeowners: The bill puts a two-year moratorium on foreclosures of owner-occupied properties. Homeowners are required to pay either their current payment or 41% of their income during the moratorium, whichever is less.

For Renters: The bill lets renters stay in their homes, paying a fair market rent (ie, their current rent) to the forecloser for 2 years after the bill takes effect.

Some common-sense reasons to pass this bill in 2012:

Save our homes.

Many banks are stonewalling as people try to make adjustments to their mortgages. The programs we hear about that are supposed to help people help only a small fraction; these programs need major reform at the federal level. We need something to make these banks come to the table and truly negotiate in good faith. Until the feds (or the state) can make those changes, we need a moratorium so people and banks have time to get together to work out a deal that benefits everyone. Homeowners pay up to 41% of their income as both parties work to come together for a new arrangement.

Protect innocent renters.

Renters need the option of keeping their existing tenancy in effect. Despite current laws, many renters don't even know their landlords are getting foreclosed on; they have been paying rent, assuming it was going to the mortgage. There are also cases where “landlords” take the security deposit and disappear! Let renters stay in their homes, paying a fair market rent to the forecloser.

Save our neighborhoods.

When houses (or apartments) go empty, everyone suffers. Housing values go down and there are health and safety issues. Empty houses turn into trashed houses. Lower property values mean less money for local governments. Stable neighborhoods are safer, healthier neighborhoods. Keep people housed, keep properties maintained, and even keep some money going to the lender.

For the state budget situation:

Because of the current economic crisis, home stability is more important than ever. Homeless families cost cities, counties and the state money. This is not just about homeowners losing their homes -- there is a trend of the unemployed taking refuge in the homes of friends and family, for the short or long-term. The bottom line is empty houses mean more money needed for city services, health care, social services...there are countless costs (both financial and social) that arise from foreclosure.