



Sheila O'Sullivan
Executive Director

It's all about fairness, you understand!

As we prepare to move into our third year of operation, it is clear that the need for our work is greater than ever. Abusive debt collection activities are on the rise. Student loan defaults are looking like the next national crisis. We are facing the interest rate re-setting of countless mortgage modifications completed just after the housing crisis started, once again driving up the need for additional modifications.

The Northwest Consumer

Law Center is here to provide low- and middle-income consumers the counsel and representation they need to prevail against the big banks and corporate interests who just don't play by the rules. It's all about fairness and ensuring that Washington State consumers have access to justice.

However, we need your support so we can continue to be strong and effective advocates for consumers. A gift of any size will go a long way toward our sustainability.

Won't you please consider a tax-deductible gift to NWCLC now? Thank you for being a Champion for Consumers!

Recent NWCLC Education & Outreach Events

Jul. 29: Financial Scams, by Staff Attorneys Katy Box and Nathan Quigley, at Wallingford Community Senior Center

Oct. 3: The Relationship Between Bankruptcy and Residential Mortgages (CLE), by Exec. Dir. Sheila O'Sullivan, at WA State Dept. of Financial Institutions

Oct. 14: Best Practices in Foreclosure Mediations and Changes to the Foreclosure Fairness Act (CLE) by Sheila O'Sullivan & Board Member Mary Anderson, at King County Dispute Resolution Center

Oct. 16-17: Bankruptcy, Foreclosure, Ethics, Student Loans and more, by Executive Director, Sheila O'Sullivan, at Washington East/West Bankruptcy Judges Conference

Not too Late for Plan B

Another Tale of a Consumer Victory

Sariah Jackson* and her husband Jorge* had fallen behind on their mortgage after Jorge was diagnosed with a chronic and debilitating illness. **Their house went into foreclosure, and Sariah received bad advice that filing for bankruptcy was the only way they could save the home where their large family had lived for 30 years. But there was a much better option.**



Fortunately Sariah and Jorge came to NWCLC. They had no other debt besides the mortgage, a small income, and the right to a loan modification under the federal HAMP program. We helped Sariah dismiss her bankruptcy case and began her application for a loan modification.

Month after month the mortgage lender claimed to lose their documents, but finally the Jacksons were approved for a loan modification that drastically reduced their mortgage payment. Now, the Jacksons can stay in their home, and Jorge can concentrate on getting well.

** Names have been changed to protect the privacy of our clients.*

NWCLC Consumer **HOT** Tip: Reverse Mortgages - Haste Makes Waste

If you're a senior, a reverse mortgage could allow you to use your home equity to provide a steady stream of income and pay off debts while remaining in your home, but you should not make this decision lightly - or too quickly.

To qualify for a reverse mortgage loan, a homeowner must be at least 62 years old. According to a recent survey, homeowners that are between 62 and 64 years old now represent 20 percent of prospective reverse mortgage borrowers.** With the current life expectancy for Americans at almost 80 years, **those contemplating a reverse mortgage should consider the benefits of waiting until they are older to tap into their home's equity.**



Nathan A. Quigley
Staff Attorney

Generally, waiting until later in life to take out a reverse mortgage enables a homeowner to borrow more. Also, the earlier a homeowner takes out a reverse mortgage loan, the more likely they run out of money later in life.

You should also avoid being too eager with your spending. If a younger borrower takes the lump sum payment option and spends all the loan proceeds, he or she might not have the resources later in life to pay for necessary expenses. Even for older borrowers, it is very important to use the loan for urgent financial needs, not discretionary spending.

Learn more about reverse mortgages at www.consumer.ftc.gov/articles/0192-reverse-mortgages.

** MetLife Mature Market Institute

Top 5 Reasons **You** Should Support Affordable Legal Help for Consumers

5. It's not a right. If you're charged with a crime, you have a right to an attorney, and the court can provide one to defend you. But if you get scammed out of your life savings, the court won't provide an attorney to fight to get it back. Shouldn't there be help somewhere?

4. It actually saves taxpayer dollars. U.S. Attorney General Eric Holder reports that civil legal aid provides a critical reinvestment in communities. It saves taxpayers dollars by keeping families together, protecting patients' health, increasing access to public benefits, reducing domestic violence, and offering indigent citizens a way out of poverty.

3. The need is enormous. State and national studies say **80%** of the serious civil legal needs

of low-income people go unmet. In the most recent two decades, as the number of people in poverty has increased, funding for civil legal aid has **declined almost 60%**.

2. Consumer law violations are rampant and costly. According to the U.S. Federal Trade Commission (FTC), in 2013 American consumers reported losing over **\$1.6 billion** to fraud.

1. You or someone you care about might need it. Consumers reported over **2.1 million** violations to the FTC in 2013, a number which has been climbing steadily since 2001. You could be next. Maybe you and all your friends and loved ones can afford \$350 per hour for a good attorney now, but will that always be so?



Foreclosure Rescue Scams

KOMO 4 News covers this serious threat to homeowners with help from Staff Attorney Katy Box and NWCLC client Tom Mahoney.



Lender Lockouts

Staff Attorney Audrey Udashen and NWCLC client Robyn Cox spoke with Chris Ingalls of KING 5 News about this increasing problem.

To watch these videos and more:

- 1) go to nwclc.org
- 2) click "Learning Center"
- 3) click "NWCLC In The Media"



Smart Solutions Saved My Home

*A Tale of a Consumer Victory in His Own Words by Walton S.**

I was doing fine until I lost my job in 2011. I had a little money saved and so was keeping up with things but my mortgage rate was high and I knew if I could get it down I would have a better chance of keeping my house. I had heard about the HAMP program and thought I could apply for a loan modification. But I had no income at the time, so I wasn't eligible. Soon the Bank started the foreclosure process. They encouraged me to do a short sale, but I said "Hell no, I'm not moving."

Then I heard about Northwest Consumer Law Center and found my lawyer, Audrey.

I was getting ready to use the last of my savings to catch up on the mortgage, or maybe filing for bankruptcy, but none of that would have saved the house in the long run since I still wasn't able to find work. By then I was approaching 62 and Audrey suggested I consider filing for Social Security. That did the trick. **Now I had an income and Audrey was able to secure a loan modification from the bank.** This reduced my mortgage to an affordable payment.

Audrey has been my hero during this process. There is no doubt that her intervention convinced the bank to approve my home modification loan.

Too many Washington consumers have nowhere to turn for legal help. You can change that.



Use the enclosed envelope or visit www.nwclc.org to make a donation and support consumer rights.

What a Night for Consumer Rights!



NWCLC's first major event on October 2nd drew a large, vibrant crowd of consumer champions, leaving no doubt that justice for consumers matters.

Photos by Janovetz Photography



In her welcoming remarks, King County Superior Court Judge Kimberley Prochnau said that NWCLC helps ensure fairness, making for more "good days" behind the bench.



Guest Speaker Attorney General Bob Ferguson commended NWCLC's "short, but impressive" history working with his office to protect consumers against powerful interests who don't play by the rules.



NWCLC client Hannah Ngethe, with help from her daughter Winnie Lyons, bravely shared her moving story. A hardworking homeowner in her 70's, Hannah was about to lose her home because her lender refused to follow the rules for loan modification. We fought for Hannah's rights for over two years and finally saved her home.

More photos available at  www.facebook.com/NorthwestConsumerLawCenter

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once again
to our event
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