

Testimony of

Tania Harrigan

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My name is Tania Harrigan and I am a member of the Philadelphia Unemployment Project (PUP). I live in South Philadelphia and have been in my home for 8 years. I refinanced my mortgage because I needed renovations after we bought the house. I got the new mortgage from Citi at a 9.75% interest rate. The broker came to my house to do the closing.

Our trouble began when my husband got laid off. We got behind on our mortgage payments and filed for bankruptcy. We could not afford our bankruptcy and it got dismissed. Our house was listed for Sheriff Sale. We came to PUP and heard about the Foreclosure Diversion Pilot Program. I came to the court with Pamela Kennebrew, housing counselor for PUP and a deal got worked out with the mortgage company in the court room before a Conciliation Conference was needed. They modified my loan and the interest rate was lowered from 9.75% to 7%. My mortgage payment was reduced from \$437.00 to \$411.00. They also waived \$6,500 in fees. The arrears were put back into a new 30 year fixed mortgage.

Our house would have been sold at Sheriff Sale on November 4, 2008 but now I have a loan that we can afford. Also the mortgage company has a performing loan that will bring them steady income. I really appreciate this Diversion program and Judge Rizzo for leading it. I thank God that I still have my home.

One other thing, some of our other members have mortgages with Countywide. We understand that 11 states won a law suit against Countrywide that will require them to modify loans and provide up to \$8.7 billion to assist homeowners. Pennsylvania is not included in those 11 states but press reports say that other states can sign on the suit. Countrywide is the second largest mortgage company in Philadelphia and Senator Specter, we would like you to help get Pennsylvania to be made part of the suit, so that our people can benefit.

Thank you for allowing me to testify today.