



## **SOUTHEAST**

community development corporation

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**Testimony to the Senate Judicial Proceedings Committee  
SB599 Real Property - Filing Fee for Residential Mortgage Foreclosure - Increase  
Position: Favorable**

February 6, 2025

The Honorable Senator William Smith, Chair  
Senate Judicial Proceedings Committee  
2 East, Miller Senate Office Building  
Annapolis, Maryland 21401  
cc: Members, Judicial Proceedings Committee

Honorable Chair Smith and Members of the Judicial Proceedings Committee:

The Southeast Community Development Corporation (Southeast CDC) is a 50-year-old nonprofit in Baltimore. Southeast CDC is dedicated to growing and supporting a thriving, socioeconomically and racially diverse Southeast Baltimore where residents share in the success and improvement of their communities.

We are a HUD-approved housing counseling agency. Last year we served over 600 neighbors (67% of whom have low and/or moderate incomes) with first-time homebuyer counseling, foreclosure prevention counseling, post purchase counseling and rental counseling. During and since the foreclosure crisis and the Great Recession, we have helped hundreds of clients prevent foreclosure.

SB 566 would increase the filing fee for residential foreclosures. The fees fund the Maryland Housing Counseling Fund. The fund pays for housing counseling, legal services as well as foreclosure mediation – and Southeast CDC receives a grant from this fund.

Housing counseling legal aid nonprofits continue to serve our neighbors but are faced with decreasing funding. Raising the foreclosure filing fee is the best way to ensure that, in an uncertain economy, with uncertain federal funding, there are resources for nonprofits to continue to help vulnerable Marylanders who are facing the possible loss of their home.

**Here is a recent client story that illustrates how our HUD-certified Housing Counselors help:**

In April 2024, Ms. TE called our office in a crisis situation. She had received a letter from Wells Fargo stating that her mother's property had a sell date for next week and that the mortgage payments were behind \$25,000. We immediately scheduled her for an appointment and began formulating a plan to help her. In the housing counseling session, we learned that TE's mother had died 6 months earlier and

the widower (her stepfather) had stopped making mortgage payments without notifying the family. When they finally learned that the mortgage was behind, he was long gone, and the family could not contact him.

Our Housing Counselor held a joint phone call with Wells Fargo and TE. He convinced them to delay the sale and review all available loss mitigation options. This gave TE and her sister enough time to discuss their options. They eventually pieced together the \$25,000 needed to cure the delinquency and keep the home. TE's sister ended up moving in and assuming ownership.

Our Housing Counselor's work was key to saving the home from foreclosure sale and preserving the transfer of wealth to the next generation of this family.

**We support SB 566 and urge a favorable report.**

Sincerely,

A handwritten signature in black ink, appearing to read "Karen DeCamp". The signature is written in a cursive, flowing style.

**Karen DeCamp**  
Director of Homeownership and Family Success