

\$125,000 given to legal aid for foreclosure help



Pierce & Associates P.C., Codilis & Associates P.C., Attorneys' Title Guaranty Fund Inc. (ATG) and the Law Bulletin Publishing Co. recently made donations to The Chicago Bar Foundation (CBF) totaling \$125,000 to support several pro bono and legal aid organizations that are working to help the growing number of people facing foreclosure. In the photo (from left to right) are CBF Executive Director Robert A. Glaves; Denis B. Pierce of Pierce & Associates; Ernest J. Codilis Jr. and Gregory J. Moody of Codilis & Associates; CBA 2nd Vice President and ATG Board Member Aurora A. Austriaco; ATG President and CEO Peter J. Birnbaum; Sandy Macfarland, CEO of Law Bulletin Publishing Co.; and ATG Senior Vice President Henry L. Shulruff.

By Maria Kantzavelos
Law Bulletin staff writer

Four legal aid organizations that have focused much of their work on addressing the needs of a growing number of Cook County homeowners grappling with mortgage foreclosure issues have received grants totaling \$125,000 toward that effort — thanks to a recent gift to the Chicago Bar Foundation.

The donation to the CBF, which distributed the funds to the legal aid groups this week, includes \$50,000 from the law firm of Pierce & Associates P.C. in Chicago; and \$25,000 each from Codilis & Associates P.C. in Burr Ridge, Attorneys' Title Guaranty Fund Inc. (ATG) and the Law Bulletin Publishing Co.

CBF Executive Director Robert A. Glaves said the private contributions have allowed the bar foundation to award the following grants:

- \$25,000 to the Center for Conflict Resolution,
- \$25,000 to the Chicago Legal Clinic,
- \$25,000 to Chicago Volunteer Legal Services and
- \$50,000 to the Legal Assistance Foundation of Metropolitan Chicago.

The grants come at a critical time for the legal aid groups, which have been offering free legal assistance to waves of homeowners facing foreclosure, Glaves said.

In 2010, Cook County recorded 50,889 foreclosure filings in the Chancery Division, compared to 47,049 foreclosure filings in 2009.

Into this year, the foreclosure tide does not appear to be ebbing.

“With the number of new foreclosures continuing to rise, the foreclosure crisis is far from over,” Glaves said. “These funds will help these four organizations meet the growing demand.”

Glaves said the organizations expect to use the funds to support programs that assist homeowners with foreclosure prevention, legal advice, mediation and representation through the court process.

The CBF is one of the partner organizations working with the Cook County Circuit Court’s mediation program that was launched last spring. The program gives homeowners in foreclosure access to housing counseling, legal assistance and, in appropriate cases, an opportunity to resolve the case out of court through mediation.

As part of the program, attorneys and mediators from the Center for Conflict Resolution, the Chicago Legal Clinic and Chicago Volunteer Legal Services have been providing access to free legal assistance to homeowners who have received a summons to appear in court.

“The foreclosure mediation program at the court has proven to be very successful, but it can’t help everybody just yet,” Glaves said. “(The additional funding) will help the organizations working with the court to be able to do more.”

The \$50,000 boost to the Legal Assistance Foundation of Metropolitan Chicago comes at a particularly pressing time for the agency. LAF, which is the largest provider of free civil legal services to poor and disadvantaged people in Cook County, has lost more than \$400,000 in funding for its foreclosure work due to a large grant that ended in 2010 and another that will end in June, LAF Executive Director Diana C. White said.

Glaves said the CBF awarded the largest grant to LAF to support the organization’s efforts to reach borrowers earlier in the foreclosure process to help them avoid foreclosure when possible.

“We’ll use it to keep staff who are doing foreclosure defense work, but they’ll also do outreach and education,” White said.

LAF’s foreclosure work includes legal representation of victims of predatory lending, real estate fraud and other scams who are in danger of foreclosure or whose homes are already in the foreclosure process.

The project also includes efforts to educate homeowners who are behind on their mortgages about their rights as a homeowner, with an emphasis on foreclosure prevention and avoiding scams, which is where the donation is targeted, Graves said.

“These efforts will help borrowers avoid falling prey to foreclosure scams, better understand their options prior to a foreclosure filing and possibly reach a fair resolution with their lenders earlier in the process,” White said in a news release issued by the CBF.

The donations to the CBF to support the foreclosure work of the legal aid organizations come from the ATG, which is a title insurance company, two law firms that represent lenders and handle a large percentage of the mortgage foreclosure cases in Cook County, and a publishing company that has seen the relentless wave of foreclosure cases in the pages of the Public Notices section of its Chicago Daily Law Bulletin, Graves said.

“All of them are seeing firsthand the increases in foreclosure filings and the impact that’s having on both the courts and, more importantly, the many people who are going through the process, and they wanted to help,” Graves said.

The two law firms, as well as the ATG, made donations to the CBF toward the same effort last year, when their gifts to support legal aid groups assisting people facing foreclosure totaled \$100,000.

“With the growing number of mortgage foreclosures, there are a lot of people out there that find the system extremely complicated and difficult to deal with, and it’s important that they have legal representation,” Ernest J. Codilis Jr. of Codilis & Associates said this week in a prepared statement. “While it’s difficult for our firm to do pro bono work representing individuals because of conflicts of interest, what we can do is give the financial resources to help these organizations so that more people will have access to the legal system.”

ATG President Peter J. Birnbaum said the donation complements his organization’s involvement in Fix Your Mortgage programs, a pro bono effort entering its third year in 2011 in which volunteer lawyers are trained to help homeowners having trouble making mortgage payments to start the process of modifying their loans.

“We believe, from doing these events and from other experiences in this process, that if we can get to these borrowers earlier in the process, let’s say when they’re three months in default, that we have a better chance of saving that homeowner,” Birnbaum said. “We’re encouraging the not-for-profits to deploy the assets toward earlier intervention.”

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