STATEMENT OF BETTIN STALLING, CHAIRMAN, COUNCIL ON COMMUNITY AFFAIRS, D.C. CHAPTER, FEDERAL BAR ASSOCIATION; ACCOMPANIED BY WESLEY S. WILLIAMS, VICE CHAIRMAN OF THE COUNCIL

Mr. STALLING. Thank you, Mr. Chairman. My name is Bettin Stalling. I am chairman of the Council on Community Affairs of the D.C. Chapter of the Federal Bar Association, and I might say briefly how the council became interested in this matter. The council is concerned primarily with S. 2592, and the reason for that concern is that all the cities today are concerned with riots.

Now, we have found in our concern with community affairs as to what causes riots that you get pretty quickly to housing, and housing, particularly if a person feels that he has been robbed and cheated, and then you do not need many of these in an area that is congested, before the rumor circulates, and if you get 200 or 300 of them a year, some regard that as an insignificant amount because we have 15,000 mortgages made a year. The fact of the matter is, it is a very significant amount. And then you add this year what happened last year and the year before and the first thing you know you have people that are very willing to listen to others who feel that they do not understand what is going on and it causes great community strife and stress and leads to unrest.

The council considers that individual home ownership is a beneficial and a stabilizing influence in the community; and a countervailing factor against blight and decay, with all its attendant evils.

It is a recognized fact once an individual becomes an owner of the property he lives in, he has a stake in his community. He is concerned with what goes on in his neighborhood, and he and the members of his family develop a greater sense of civic responsibility.

The council, concerned as it is with the welfare and safety of our city, strongly feels that the loss of one's home, by foreclosure, which sometimes means the loss of all a family may have, should not be permitted without the approval of a court, or without scrutiny by a duly authorized official.

The anxieties and disruptive effect of losing one's home and being dispossessed, with its stigma and frustration, creates unrest and bitterness, particularly where the owner has been victimized.

This adds to family and community strife, and to racial tensions. S. 2592, in our opinion, would afford the harassed homeowner an opportunity, in the first instance, to assert a legal defense and obtain relief, if appropriate and feasible, without incurring the additional expense of commencing a law suit after, or contemporaneously with the foreclosure proceedings.

The council's area of special concern is in the foreclosure of mortgages, deeds of trust, and other lien instruments on homes. While the foreclosure of investment properties held by corporate or sophisticated