

You're Invited

The Equal Justice Illinois Campaign invites you to join us in honoring State Representative Patricia Lindner (R-50th District) at our Champion of Justice Award reception on Monday, April 28 in Chicago.

The reception will take place at Brasserie Jo, located at 59 W. Hubbard Street, from 5:30 p.m. to 7:30 p.m. Cocktails and hors d'oeuvres will be served. Valet parking is available.

We hope you will join us for this special evening. Please RSVP to Vlad Dovijarov at 312-938-2908 or via email at vlad@lhf.org

**EQUAL JUSTICE
ILLINOIS CAMPAIGN**
180 N. Stetson Ave.
Suite 820
Chicago, IL 60601

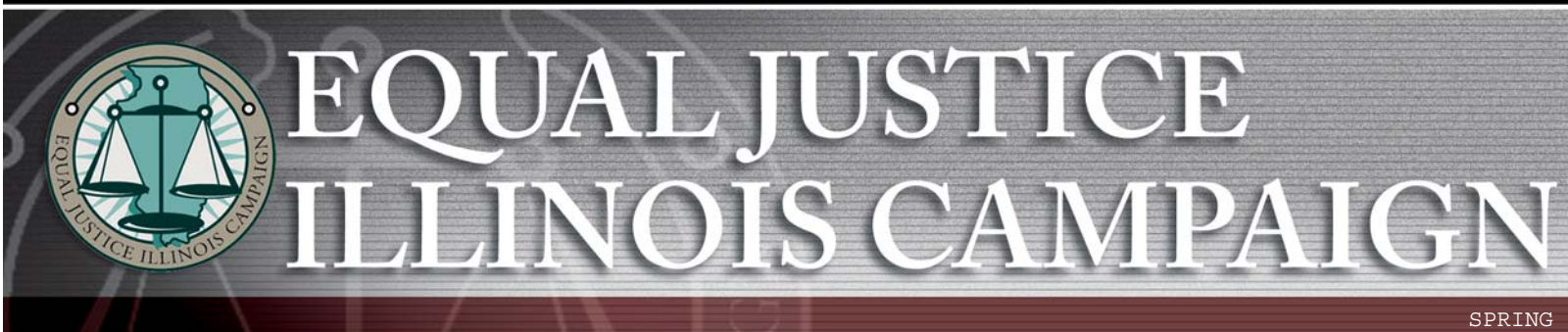


IEJF HAS MOVED

The Illinois Equal Justice Foundation has a new address, phone and fax number. Our new contact information is:

180 N. Stetson Ave.
Suite 820
Chicago, IL 60601

Phone: (312) 938-2381
Fax: (312) 938-3091



SPRING

ILLINOIS LEGAL AID ATTORNEYS SERVE AS LAST LINE OF DEFENSE IN MORTGAGE FORECLOSURE CRISIS

Nettie McGee never imagined she would end up in a mortgage foreclosure crisis. Her troubles began when the Sheriff arrived at her house to tell her that her backyard was being sold for \$5000 in unpaid taxes. Apparently, two tax bills were issued to Nettie: one for her house and one for her backyard. But because the tax bills for her backyard were being sent to a different address, Nettie was never aware of them, and they went unpaid.

Nettie did not have the extra \$5000, so she contacted a mortgage broker whose ad she had seen on television. A week later, she went to his office to sign over 40 pages of papers, thinking she was getting a fixed-rate refinancing loan to pay the tax bill and make repairs. The broker never told her otherwise.

After two years of dutifully making her payments, Nettie received a letter notifying her that the interest rate on her loan would increase by 3 percent. That resulted in \$200 more per month - \$200 that Nettie didn't have. This year, Nettie discovered that her interest rate could "reset" again, up to a maximum of 13.75 percent. Nettie had nowhere to turn, so she came to the Legal Assistance Foundation of Metropolitan Chicago (LAF) for aid.

With the assistance of her LAF attorney, Michelle Weinberg, Nettie was determined to fight for her home. They negotiated with the lender and enlisted the media to tell her story. Nettie's story was covered by ABC's World News Tonight, Good Morning America and the Chicago Tribune. Nettie was also recently invited to Washington, DC by Senator Dick Durbin to testify to the Senate Judiciary Committee about how she became entangled in the mortgage foreclosure crisis.

Nettie told the senators, "I'll lose the home I waited my whole life to own if I can't get my original interest rate back."

As a result of Nettie and LAF's efforts, the lender finally agreed to restore Nettie's original rate and to not make another rate adjustment for 30 years. Nettie is now able to make her payments and, most importantly, save her home.

Unfortunately, Nettie's story is not a unique one. According to a statement issued by Senator Durbin's office in December, nearly 50,000 families in Illinois are at risk of losing their homes to mortgage foreclosure.

"The number of mortgage foreclosure cases we have seen at LAF roughly triples the previous year's filings," said Weinberg.

This is consistent with what legal aid attorneys are seeing downstate as well.

"The number of foreclosures in most of our service territory counties are up," said Land of Lincoln Legal Assistance Foundation Homeownership Task Force Coordinator Clarissa Gaff. "We get more intakes than we can handle and cannot begin to litigate them all." Land of Lincoln is the primary legal aid provider in 65 central and southern Illinois counties.



Nettie McGee testifies before the Senate Judiciary Committee in Washington, DC about how she became entangled in the mortgage foreclosure crisis. Nettie and LAF attorney Michelle Weinberg were able to negotiate with her lender to restore her original rate and save her home [photo courtesy of LAF].

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ABOUT THE CAMPAIGN

The Equal Justice Illinois Campaign is a bi-partisan coalition of state leaders working to increase state funding of civil legal aid so that all Illinois residents - regardless of income - have access to the justice system. The Campaign is housed within the Illinois Equal Justice Foundation, the organization that distributes the state's annual funding for legal aid.

The legal aid system in Illinois currently operates near breaking point. There are less than 300 legal aid lawyers to help the more

than 1.2 million Illinois residents living in poverty. Out of the ten most populous states, Illinois ranks near the bottom when it comes to legal aid funding, spending \$3.5 million compared to the average of \$10.6 million.

As a result, the Equal Justice Illinois Campaign is calling on the state to do its share and increase funding for civil legal aid so that this critical safety net can be strengthened. For more information, visit www.equaljusticeillinois.org.

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MORTGAGE FORECLOSURE CRISIS

This increase in mortgage foreclosure cases comes at a time when the demand for legal assistance surpasses the number of cases legal aid organizations are able to handle. The time-consuming nature of these cases only heightens the problem.

“The legal work is substantial because these cases involve complicated litigation often with numerous defendants,” said Patricia Nelson, staff attorney for Chicago Volunteer Legal Services (CVLS). “Like any complicated litigation, they often take years to resolve.”

LAF, Land of Lincoln and CVLS are all funded in part by the Illinois Equal Justice Foundation.

There are a number of reasons for the rise in mortgage foreclosures. One problem is that borrowers are given loans regardless of their ability to pay. Other cases involve mortgage brokers falsifying applications, sometimes doubling or even tripling a borrower’s income, in order to make the borrower seem more qualified than they are.

Borrowers that do show concern about their ability to pay are often convinced by mortgage brokers that they can always refinance in six months or a year. They neglect to explain the high cost of repeated refinancing or prepayment penalties on the loans being paid off in

the refinancing. The Chicago Legal Clinic (CLC) estimates that they are seeing roughly four to five times as many of these cases as in past years. CLC operates an advice desk in Chancery Court at the Richard J. Daley Center in Chicago that provides pro se guidance on foreclosure to over 4,000 low-income people annually who cannot afford counsel to save their home. This project is funded by the IEJF as well.

The traps for borrowers are numerous, making the expertise and availability of legal aid attorneys vital to those caught up in the mortgage foreclosure crisis. However, the demand for assistance with mortgage foreclosure and predatory lending often exceeds legal aid attorneys’ capacity. Without legal aid, low-income Illinoisans may have nowhere else to turn for help in fighting predatory lenders.

“Our clients come in desperate to keep their houses,” said Gaff. “I had a client who was renting out rooms as a source of income and another who was pretty much surviving on rice and beans. Our clients want to keep their houses, and we try very hard to help make it happen.”

*“Our clients
come in
desperate to
keep their
houses”*

- Clarissa Gaff, Land of
Lincoln Legal
Assistance Foundation

EIGHT NEW LEGAL AID SELF-HELP CENTERS OPEN THROUGHOUT ILLINOIS

Eight new legal aid self-help centers opened around the state in 2007, thanks in large part to funding from the Illinois Equal Justice Foundation (IEJF). The new self-help centers opened in the following counties: Franklin, Jefferson, Kankakee, Macon, Madison, McLean, Wayne and Winnebago.

Together with the Illinois Coalition for Equal Justice, Illinois Legal Aid Online, local legal aid organizations and bar associations, the IEJF has been able to better meet the growing needs of pro se litigants through the creation of these self-help centers.

Self-help centers provide many services, including procedural information, forms and instructions, access to computers and legal research materials, and in-person assistance from staff trained to help pro se litigants navigate a complicated court system. These self-help centers provide much-needed assistance to Illinois’ most vulnerable: low-income families, the disabled, the elderly and working families.

The number of people in civil court forced to represent themselves increases every year. By better equipping pro se litigants, costly administrative delays are alleviated while increasing the efficiency of Illinois’ court system.



Former 17th Judicial Circuit Chief Judge Kathryn Zenoff (right) announces the opening of the Winnebago County Legal Self Help Center in May. Members of the legal aid community joining Justice Zenoff in the opening included (L-R) Kim Casey of the Winnebago County Bar Association, Barbara Nelson from the Community Foundation of Northern Illinois, Judge Rosemary Collins, Chair of the Family Law Section of the WCBA Joe Kosick, Joseph Dailing of the Illinois Coalition for Equal Justice and former Dean of the Northern Illinois University College of Law Leroy Pernell.

For more information on the eight new centers, please visit www.illinoislegalaids.org.

CAMPAIGN CALLS ON LEGISLATORS TO SUPPORT SB3028

Over the past year, the Equal Justice Illinois Campaign worked to increase the state appropriation for the Illinois Equal Justice Foundation to \$5 million, from the current level of \$3.5 million. Governor Blagojevich initially approved the extra \$1.5 million in his original budget before ultimately vetoing it along with many other worthwhile projects.

This year, the Campaign is asking legislators to support Senate Bill 3028 (sponsored by Senator Jeffrey Schoenberg (D), 9th District) which would increase funding for the IEJF to \$5 million. This additional funding will enable legal aid organizations across the state to help 20,000 additional families in crisis secure basic human needs like safe and habitable housing, jobs that pay a living wage, and protection from abusive relationships.

Although Illinois has made good progress in strengthening the legal aid safety net, a huge unmet need for legal services still exists. Of the ten most populous states, Illinois ranks near the bottom, spending \$3.5 million compared to the average of \$10.6 million. Increased funding is especially critical downstate where there are less than 100 attorneys to serve more than 400,000 low-income residents.

For more information and to contact your elected officials, please visit www.equaljusticeillinois.org.

SPOTLIGHT Veterans’ Rights Project

It is a sad fact that it has become all too common for service men and women to face financial difficulties upon returning home from the Middle East. Veterans in Illinois face an even harder time than others, as a federal inspector general’s report recently found: Illinois ranks last among all the states in veterans’ disability benefits.

However, problems with disability benefits are not the only hardships veterans face. One of the greatest areas of concern is consumer problems, such as high-rate financing schemes that can leave a family’s home in foreclosure.

As a result, the Legal Assistance Foundation of Metropolitan Chicago (LAF) launched its Veterans’ Rights Project (VRP) – the first project in Cook County specifically designed to assist the county’s service members, veterans and their families with a wide range of legal problems. The VRP will particularly target those who have served or are serving in the current wars in Afghanistan and Iraq.

“We envisioned the VRP would provide assistance to service members and veterans in prosecuting claims for disability and pension benefits,” said John Costello, the LAF staff attorney who leads the VRP. “However, it became apparent from talking to veterans that the civil legal issues confronting them and their families are of equal importance.”

In order to give service members, veterans and their families the kind of assistance they need, the Illinois Equal Justice Foundation needs additional funding to help LAF expand the VRP. Solving the consumer problems of military families can make the difference between living in a home or being homeless.

“Increased support of the VRP is critical to protect the people who dedicated their lives to protecting us,” said Costello.

EQUAL JUSTICE ILLINOIS CAMPAIGN BLUE-RIBBON COMMITTEE

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James Buda, *General Counsel*, Caterpillar Inc.

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Dennis Gannon, *President*, Chicago Federation of Labor

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Dallas Ingemunson, *Former Illinois Republican Party Chairman & Kendall County State’s Attorney*

James Jenkins, *General Counsel*, Deere & Company

Judge James Knecht, 4th District Appellate Court

Illinois State Rep. Patricia Lindner, 50th District

Attorney General Lisa Madigan, State of Illinois

Christine Ory, *President*, Illinois Equal Justice Foundation

Bishop Thomas J. Paprocki, Archdiocese of Chicago

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Illinois State Sen. Jeff Schoenberg, 9th District

Jerome Stermer, *President*, Voices for Illinois Children

David Stricklin, Stricklin & Associates

Judge Jane Waller, 19th Circuit Court

Judge James Wexstten, 5th District Appellate Court

Secretary of State Jesse White, State of Illinois