



FOR IMMEDIATE RELEASE
Thursday, June 11, 2009

Contact: Lisa Nuskowski
(313) 452-1046
Steve Tobocman
(313) 516-9681

National Day of Action to Fight Foreclosure Crisis

Broad coalition forms to protect Michigan's families and communities

Lansing – Hundreds of advocates, state legislators, local government leaders, nonprofit housing counselors and families rallied at events in Detroit, Lansing, and Grand Rapids today to draw attention to the impacts of the foreclosure crisis and voice support for legislation to protect Michigan's families. Coordinated by the Michigan Foreclosure Task Force and the National Community Reinvestment Coalition, these three Michigan rallies joined dozens of others across the country.

"Michigan still has a lot of work to do," said Lisa Nuskowski, Co-Director of the Michigan Foreclosure Task Force, a coalition of more than 160 nonprofit organizations and individuals. Citing the 90-day mandatory mediation law recently signed by Governor Granholm as an important first step, Nuskowski warned, "Without additional resources for nonprofit housing counselors and basic predatory lending protections, Michigan will continue to have the dubious distinction of being a leader in the foreclosure crisis."

Advocates point to last year's failure of anti-predatory lending legislation as a source of frustration. "Michigan was third in the nation in foreclosure BEFORE the bankruptcies of GM and Chrysler, and the Senate failed to even consider this bipartisan package of bills," said Steve Tobocman, a former State Representative and House Majority Floor Leader, now serving as the other Co-Director of the Michigan Foreclosure Task Force.

Noting the bipartisan support that anti-predatory lending legislation received by the Michigan House of Representatives in 2008, Carrie Guzman, an advocate with ACORN, called the Senate "negligent in their duty to protect Michigan's homeowners, neighborhoods, and local communities. We will take this fight to the State Capitol, to Wall Street, to Main Street, and to the neighborhoods where our legislators live, if need be," Guzman added.

In addition to predatory lending protections and more nonprofit housing counseling resources, the rally included cries for renter protections and a crackdown on foreclosure "rescue" scams. National NCRC board member and Michigan resident Maryellen Lewis pointed to federal anti-predatory lending laws for nationally-chartered banks and financial services companies, as well as modernization of the Community Reinvestment Act, as important tools to fighting the crisis.

In Detroit, Councilwoman JoAnn Watson worked with the Detroit Alliance for Fair Banking to highlight the state and national policy agenda, and pressed the Bank on Detroit initiative to assist more Detroiters in opening bank accounts and avoiding predatory financial services such as payday lending, refund anticipation loans, and check-cashing establishments. “Financial predators do not limit themselves to the home mortgage foreclosure crisis. Consumers must be aware that danger lurks in every corner and should always consider turning to trusted financial institutions,” noted Deborah L. Jones, the President and CEO of the Detroit Alliance for Fair Banking.

Residents in Grand Rapids gathered for a town hall meeting to hear the stories of personal loss and tragedy caused by the foreclosure crisis. “The crisis touches everyone. Each day in Kent County, ten families lose their homes. Half of these foreclosures have been in the City of Grand Rapids. In the Madison area, one out of four homes have gone into foreclosure and in John Ball Park, home burglaries have increased 400%,” noted Kym Spring, Coordinator of Foreclosure Response, a countywide initiative to connect residents with community resources and advocate for changes to stop foreclosures by working with nonprofits, local government, businesses and legal services. Spring added that, typical of West Michigan, responses from many of these entities have begun addressing this issue through efforts of prevention, intervention, stabilization and reinvestment in neighborhoods and communities. Estimates indicate that each foreclosure can result in an economic loss of nearly \$100,000 when one considered the impacts on the homeowner, lender, local government services, and declining property values in the neighborhood.

Advocates noted that future events would depend on the response to their calls for action. Additional information can be found at www.cedam.info/foreclsoure.htm and www.ncrc.org.