

Hundreds attend Antioch event in effort to stem home foreclosures

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A grass-roots effort aimed at curbing the massive home foreclosures in East County, as well as across the nation, spurred nearly 1,000 people to show up at a town-hall meeting Monday night at an Antioch church.

The pitch was clear — government agencies and lenders should work together to make mortgages affordable by establishing a broad-based loan-modification plan that reduces payments to no more than 34 percent of a household's monthly income.

PICO National Network, in conjunction with Contra Costa Interfaith Supporting Community Organization, CCISCO, launched its national campaign, "Too Big to Fail," at Most Holy Rosary Parish, with hopes of gaining support in its quest to urge government agencies and lenders to develop a systematic approach to solve the national foreclosure problems.

"With more than 1,000 regional congregations and 1 million families working in 150 cities and towns, PICO is one of the largest grass-roots community efforts in the United States," PICO representative Gloria Cooper told attendees. "So you're connected to something big."

The meeting was the first in a series of PICO events designed to elicit support from local, state and federal officials and offer a platform at which to speak to bank representatives. Only Bank of America/Countrywide and Federal Deposit Insurance Corp. representatives attended the meeting. Wells Fargo and Citibank declined to send representatives.

Mike Gross, representing Bank of America/Countrywide, said the company is willing to work with PICO and CCISCO to address the crisis.

"It is just plain good business for Bank of America," he said.

According to PICO and CCISCO, case-by-case home-loan modifications are insufficient to deal with the millions of foreclosures taking place across the country.

"It's like throwing a bucket of water on a raging fire," said CCISCO member Rosario Frisse, who believes if something is not done soon, the country is in for another wave of foreclosures.

According to the Center for Responsible Lending, more than 1.2 million subprime homes have been lost to foreclosure already, and an additional 2.2 million subprime foreclosures

are expected by the end of next year. Along with these foreclosures, an estimated 40.6 million of the homes surrounding those foreclosures will or have realized a significant decline in value.

"Often times we hear about the numbers, but we never see the faces," Antioch Mayor Donald Freitas said as he scanned the standing room only crowd. "Here in the city of Antioch at the end of September, we had 3,829 foreclosures in this community. That's more than 10 percent of all the houses that this community has — more than 10 percent.

"From my perspective, any house that is foreclosed impacts the neighborhood, impacts the community," he said. "We have illegal activities occurring in these homes. Everything is dying. It brings the other property values down lower, and lower and lower. So when you ask, 'Will the city of Antioch stand up and help you?' The answer is, yes."

Catherine Kutsuris, director of the Contra Costa Department of Conservation and Development, echoed those sentiments.

"There are 10,000 homes in Contra Costa County that are owned by the banks. There are another 8,000 homes in Contra Costa County that are in one stage or another in foreclosure," Kutsuris said. "This is not an acceptable situation for us. This is something that affects us all."

Contra Costa County Supervisor Federal Glover focused on those who have already been displaced by foreclosures.

"We're finding our homeless population is changing because of what is happening in foreclosures and people that have found themselves in disarray because of the way that predatory lenders have done their business."

The latest report of the State Foreclosure Prevention Working Group, for the period from January through May, found that nearly eight out of 10 seriously delinquent homeowners were not on track for any modification.

According to the report, "the mortgage industry's failure to develop systematic approaches to prevent foreclosures has only spurred declines in property values and further increased expected losses on mortgage loan portfolios."

"It's like in medieval times, where the kings are in their castles and the subjects are outside trying to get a crust of bread," attendee Mary Rabon said. On Nov. 17, hundreds of PICO members plan to meet with federal officials in Washington, D.C., to convey that message.