



OFFICE OF THE GOVERNOR

NEWS

ROD R. BLAGOJEVICH – GOVERNOR

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Blagojevich Administration official joins forces with federal, state and city electives to host Homeowner Outreach Days

Events gain momentum as more lenders and banks participate to help hundreds of Illinois homeowners facing foreclosure

CHICAGO— On behalf of Governor Rod R. Blagojevich, Illinois Housing Development Authority (IHDA) Executive Director, DeShana L. Forney, today joined forces with federal, state and city elected officials to host Homeowner Outreach Days to help Illinois residents avoid losing their homes through foreclosure and to stabilize neighborhoods.

Recent surveys show that during the first 11 months of 2007, foreclosure filings were up 23 percent in Illinois and 28 percent in Chicago. According to RealtyTrac®, statewide foreclosure filings reached 80,918 in the first 11 months of 2007—an increase of 23 percent from 2006. In Chicago MSA, foreclosure filings reached 65,337 during the first 11 months—an increase of 28 percent from 2006. RealtyTrac® ranks Illinois among one of the top 10 states with the highest number of foreclosure filings. Other high foreclosure filing states include Nevada, California, Florida, Georgia, Arizona, Colorado, Ohio, Michigan, Texas and Indiana.

“The increase in foreclosures is taking a toll on hard working families, neighborhoods and local economies throughout the state,” said Gov. Blagojevich. “This important outreach effort will help families by providing them the information and counseling necessary to protect their properties and keep the American Dream of homeownership.”

IHDA and IDFPR are co-sponsoring the state-wide outreach days over the next two months with more events tentatively scheduled for early 2008. Each event will consist of four 30-minute workshops that will repeat throughout the day. The workshops will cover: alternatives to foreclosure and how the mortgage lending system works; foreclosure process and court procedure; what to expect in the workout process, (including how a loan is analyzed and what is a realistic outcome), and a comprehensive overview of so-called “rescue” schemes and some of the drawbacks of refinancing.

The State will also offer homeowners one-on-one counseling with lenders and loan servicers, as well as additional materials and advice from credit counselors and attorneys.

For more information about Illinois' Borrower Outreach Days, visit www.illinois.gov.

"Through this series of statewide Homeowner Outreach Days, Governor Blagojevich is leading the way in helping people avoid losing their homes through foreclosure," said Executive Director DeShana L. Forney. "The Outreach Days have been organized to target areas in Illinois where there is a known high foreclosure rate. Our strategy is to go directly into the communities and get help to the homeowners that need it the most."

Illinois Department of Financial and Professional Regulation Secretary, Dean Martinez, says, "The problems facing homeowners are not unique to our state. However, the solutions that will help Illinois families stay in their homes must include better education about the mortgage process, and the options available to families in financial trouble. These workshops should improve the odds that families in our state can stay in their homes."

U.S. Congressman Danny K. Davis (D-8th District), State Senator Ricky Hendon (D-5th District), State Representative LaShawn Ford (D-8th District) and Chicago Alderman Robert Fioretti (2nd Ward) participated in the Homeowner Outreach Day event held at Malcolm X College's Cultural Center in Chicago.

"I urge any homeowner who is threatened with foreclosure or who feels that they may not be able to keep up with payments because of an adjustment in their interest rates or a change in their economic status to make use of the resources being offered today at Malcolm X College. There are real options to foreclosure, come and find out how to keep your home secure," said Congressman Davis.

"While there is no one single solution to the housing crisis, the Governor's Homeowner Outreach Days offers a solution that can help people stay in their homes in these difficult times," said State Senator Hendon. "We should not penalize them for trying to keep a roof over their head and I encourage anyone who is in jeopardy of losing their homes to attend these statewide events."

State Representative Ford adds, "The Governor's Homeowner Outreach Days provide homeowners who are facing foreclosure with an opportunity to receive much needed one-on-one counseling with lenders and counselors. This is a national issue, which affects everyone from lenders to the homeowner to the entire community."

Homeowner Outreach Days are gaining momentum and interest as more lenders and banks participate in the statewide events including: Citi, Countrywide, Elite Mortgage Solutions Team, Fifth Third Bank, Harris Bank, Marquette Bank, Signature Mortgage, Richland Mortgage, Pinnacle Mortgage, Washington Mutual and Wells Fargo Financial.

The current foreclosure crisis is expected to continue through the next two years as many of the loans originated in recent years put homeowners in unaffordable positions, as adjustable rate mortgage products continue to reset, and as the consequences of loans made with little or no supporting documentation become evident.