



**Office of the Mayor
City of Los Angeles**

ANTONIO R. VILLARAIGOSA

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MAYOR VILLARAIGOSA, INDYMAC BANK ANNOUNCE FORECLOSURE PREVENTION EFFORT

Mayor unveils steps to keep LA residents in their homes, assist homeowners at-risk of foreclosure, and revitalize local neighborhoods

VAN NUYS – Mayor Antonio Villaraigosa joined IndyMac Federal Bank, the Federal Deposit Insurance Corporation (FDIC) and Los Angeles Neighborhood Services (LANHS) today to announce a far-reaching effort to prevent foreclosures, assist residents at-risk of losing their homes and revitalize neighborhoods throughout the City.

“LA residents need government and banks to lend a helping hand, not a faulty mortgage, to keep families in their homes and restore the foundation of economic stability,” Mayor Villaraigosa said. “As City leaders, it is our responsibility to improve the quality of life in every neighborhood, and the steps we are taking this week mark a critical juncture in our effort to beat back the housing crisis and make the dream of homeownership a reality for all Angelenos.”

Facing a widespread housing crisis and seeking out ways to help residents stay in their homes, the Mayor is partnering with IndyMac for the bank’s first “Home Preservation Day” set for Saturday, November 22, 2008, from 10:00 AM to 3:00 PM at the Marvin Braude Constituent Services Center at the Van Nuys City Hall. At this event, at-risk IndyMac customers will have the opportunity to speak with bank representatives face-to-face and learn about the possibility of modifying their loans and avoiding foreclosure.

This is part of a series of innovative, proactive tools employed by the FDIC to reduce the number of unnecessary foreclosures and make monthly housing payments more affordable for average Americans.

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On top of IndyMac's activities, Mayor Villaraigosa outlined the City's ongoing efforts to offer local residents the tools to stay in their homes. These include:

- *The Los Angeles Foreclosure Response Network*, which brings foreclosure prevention resources to six WorkSource Centers around the City. Located in and around communities hardest hit by the housing crisis, participating centers will provide basic information about available services, foreclosure counseling and foreclosure prevention clinics, the first of which is scheduled for December 10 in Van Nuys.
- *The Neighborhood Council Foreclosure Action Network*, an initiative to train Neighborhood Councils to identify blight from vacated homes, learn how to report any foreclosure-related issues to City authorities, and help them maintain and monitor nuisance properties. As part of this effort, the Department of Building and Safety will hold workshops to teach Neighborhood Council members how to identify and accurately report blight conditions in their communities.
- *The Neighborhood Stabilization Program*, which uses more than \$30 million from the federal Neighborhood Stabilization Fund to acquire, rehabilitate and resell foreclosed properties to qualifying first-time homebuyers; and provide loans to help low- and moderate-income buyers purchase foreclosed homes in targeted areas.

These programs and strategies are key parts of "Housing That Works," the Mayor's five-year plan to expand the number of homes available to LA's middle class families. Keeping struggling Angelenos in their homes at affordable prices is a central component of the Mayor's broader housing strategy and a crucial piece of LA's push to keep workers and the economy afloat during these tough times.

Los Angeles has seen a dramatic increase in foreclosures over the past two years. In all of 2007, there were approximately 4,600 foreclosures in the City, but in the first two quarters of 2008 alone, LA has seen nearly 5,800 residences lost to foreclosure. Foreclosures of single-family homes have been heavily concentrated in the San Fernando Valley, with more than 60 percent occurring in Valley neighborhoods. In addition, the City has seen an increase in the number rental properties and multi-family residences facing foreclosure, many of which are found in South LA.

