

Submitted by:

The Honorable Libby Schaaf
Mayor of Oakland, California

**RESOLUTION URGING THE SALE OF SEVERELY DELINQUENT MORTGAGES
TO NON-PROFITS FOR FORECLOSURE PREVENTION AND AFFORDABLE
HOUSING STRATEGIES**

WHEREAS, since the beginning of the housing crisis in 2007, more than four million families have lost their homes to foreclosure, which has caused state and local governments to face crippling budget crises; and

WHEREAS, hundreds of thousands of homeowners are still caught-up in predatory mortgages that will become unaffordable in the coming years; and

WHEREAS, the foreclosure crisis has disproportionately harmed communities of color and caused an enormous erosion of wealth for African Americans and Latinos; and

WHEREAS, foreclosures have a negative social and economic impact on the affected families, neighborhoods, and our city as a whole; and

WHEREAS, HUD, Fannie Mae and Freddie Mac, and at times some of the major banks, are selling off pools of delinquent mortgages, most often to private equity firms, hedge funds, and other Wall Street entities; and

WHEREAS, certain non-profits have raised the necessary capital to compete in this market purchasing pools of delinquent mortgages for the purpose of saving homes from foreclosure and creating affordable housing; and

WHEREAS, there are non-profits that have a track record of success, and have the capital to expand, but need help getting access to more of the delinquent mortgages on the market; now therefore, be it

RESOLVED, that the US Conference of Mayors wishes to support this effort by using its position and authority to help prevail upon major owners/managers of delinquent mortgages – including a number of major banks, Fannie Mae, Freddie Mac and HUD – to sell them to qualified non-profits that have the funding and infrastructure to purchase, service, and hold the mortgages, and a track record doing so.

Project Cost: None

Sponsor: Libby Schaaf, Mayor of Oakland, CA

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