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CONTACT: Sue Walitsky, 202-224-4524 or
Susan Sullam, 410-962-4436
Feb. 15, 2008

SENATOR CARDIN DISCUSSES MORTGAGE CRISIS WITH MORE THAN TWO DOZEN MARYLAND HOUSING COUNSELORS

Senator Seeks Solutions to Mortgage Crisis

WASHINGTON – **U.S. Senator Benjamin L. Cardin** (D-MD), today held a conference call with more than two dozen Maryland housing counselors to hear about the extent of the housing crisis and its impact on Maryland families. Senator Cardin also announced that he has co-sponsored *The Foreclosure Prevention Act*, S. 2636, which is intended to help families avoid foreclosure.

“American families are hurting as this housing crisis has triggered our current economic crisis,” said Senator Cardin, a member of the Senate Budget Committee. “We have the highest foreclosure rates in years, billions have been lost in equity, property tax revenue is going down, and we have a credit crunch with families unable to find affordable mortgages.”

It is estimated that more than 2.2 million Americans who took out subprime mortgages between 1998 and 2006 are in jeopardy of losing their homes during the next two or three years. In Maryland, there has been a 39% increase in foreclosures in the last quarter.

In addition to announcing that he has co-sponsored the Senate measure, Senator Cardin also told the housing counselors that he favors expansion of revenue bond authority for state and local governments to help homeowners restructure their loans before foreclosure.

He said that the housing crisis is nationwide and statewide. “From Salisbury to Garrett County, Marylanders are anxious about keeping their homes. I want to make sure that the bills that move through Congress are tailored to deal with the problems we face throughout our state.”

He also thanked the housing counselors for their efforts to help Marylanders stay in their homes, but acknowledged that “we need to be more aggressive in reaching out to people and helping them avoid foreclosure.”

Senator Cardin also agreed with housing experts that we are primarily seeing three categories of homeowners who are in trouble:

- Those whose mortgages that have not adjusted yet, but will in the next year or two, making it difficult for them to make their payments;
- Those who are still in their homes, but delinquent on payments; and
- Those who have already abandoned their homes, leading to blighted neighborhoods.

“This is a tough problem, but it is one to which we must find a solution,” said Senator Cardin. “We cannot allow millions of Americans to lose their homes.”

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