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## State of the Union: As Homeowners Go, So Goes the Economy

Washington, DC -- The National Community Reinvestment Coalition (NCRC), the nation's preeminent advocacy group for fair lending and housing, commends President Obama's call to resuscitate the housing market expected in his annual State of the Union speech. John Taylor, NCRC President and CEO, said:

"The weakness of the market since the 2008 crash continues to weigh down the economy. President Obama is right to make this a central concern of his administration, for without a healthy housing market there can be no full economic recovery.

"The White House has told reporters, for instance, that the President plans to address a crucial problem: foreclosures. If we are unable to stop homes from losing equity or value then we are putting off any meaningful national economic recovery. The administration will use incentives and mandates to get banks and mortgage investors to refinance some homeowners' mortgages and reduce some borrowers' loan balances.

"Whatever the Administration does in the area of preventing foreclosures, it must be done on a scale that has a national and substantial impact. Previous efforts through HAMP and HARP have had neither a national nor a substantial impact. This is not a time for limited solutions that offer pyrrhic victories.

"There are some people who oppose helping overextended homeowners, many of whom face foreclosure through no fault of their own but because of layoffs. Removing the drag on the economy will benefit every voter by the jobs created, and the wealth preserved and recovered in the form of home equity. This benefit far outweighs any possible hazards.

"We hope the President continues to stick to his guns on housing during this election year. We are at a crucial juncture."

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*The National Community Reinvestment Coalition is an association of more than 600 community-based organizations that promote access to basic banking services, including credit and savings, to create and sustain affordable housing, job development and vibrant communities for America's working families. Find out more at: [www.ncrc.org](http://www.ncrc.org)*