

# Tens of thousands of distressed homeowners line up for assistance in Los Angeles

Tom Carter  
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Over the weekend, the Neighborhood Assistance Corporation of America hosted a “mortgage modification” event in Los Angeles, California, where homeowners facing financial difficulty or foreclosure could meet with housing counselors and bank representatives. As many as 30,000 people attended the event, dubbed “Save the Dream,” at the downtown Los Angeles Convention Center.

Workers desperate to save their homes waited around the clock in long lines just for a chance to negotiate a slightly lower monthly payment. For most of those in attendance, the event was their only hope for preventing foreclosure. NACA is holding dozens of similar events around the country.

The turnout overwhelmed the organizers. On 11:30 a.m. Saturday morning, *World Socialist Web Site* reporters encountered workers who were expecting to wait until as late as 9:00 p.m. for an opportunity to meet with a counselor.

An anxious and restless mood prevailed. Those in attendance were given numbered cards and forms to fill out. In between being processed through the several stages of the event, thousands of workers could be seen waiting for hours at tables in the dining area, leaning against the walls, and sitting in folding chairs that had been brought from home.

One worker said that the threat of losing his home made him “sick to his stomach.”

The vast numbers of homeowners who attended event, and the often heartbreaking stories they told the WSWs, are indications of the rising levels of social misery and hardship now facing hundreds of millions in

the US. Following decades of declining wages and living standards, workers now find themselves in the midst of an unprecedented world economic catastrophe, with no help from the government.

Many are beginning to draw their own conclusions. Nearly everyone interviewed by the WSWs expressed anger that the banks are permitted to drive so many households to desperation solely for profit. Moreover, they expressed a growing frustration that the Obama administration is using revenue from taxes to further enrich the banks, while at the same time doing nothing to alleviate widespread financial distress in the working class.

The WSWs encountered no confidence in either of the two big business parties—the Republicans and Democrats—and many workers took and read leaflets explaining the program of the Socialist Equality Party.

Roy arrived at the NACA event on Saturday and was told to return on Monday. He owns a house in San Bernardino and makes \$13 an hour as a forklift driver. Like many homeowners in the US, he is “underwater,” meaning that he owes more on his home loan than the value of the house, due to the sharp drop in housing prices. He owes \$215,000, and his house is currently valued at \$54,000.

“Obama sold us out,” Roy said. “The same people buying up foreclosed homes, the same people that created the fake boom, inflated prices knowing a collapse was coming are now making money. Instead of bailing out the banks, there should have been low interest rate loans to home owners.”

“Obama is a great car salesman,” Roy added, referring to the empty promises and deceit of Obama’s 2008 presidential campaign. “In the end the banks still

got what they wanted.”

Edna attended the NACA event with her husband. Like Roy, she arrived on Saturday and was told to leave and come back.

Edna and her husband came to the US from Honduras with \$20 and two infant children. She runs a private preschool, but the economic crisis has devastated the business, and now she fears that she will lose her home.

“We both voted for Obama,” she said, adding, “He has done nothing for immigrants, and economics—well, just look.” The WSWs asked whether she would vote for him again. Edna shook her head no. At the same time, she simply laughed at the idea of voting for a Republican.

Eugene and his wife Vera arrived at the Convention Center at 5:00 a.m. Saturday and got into the line that had formed the night before.

The couple bought their house in Los Angeles close to twenty years ago, but illness in the family required them to take out a mortgage. When Vera became disabled, they were no longer able to make the payments. The loan is now accruing interest faster than the family can pay it off.

“I think it all stems from greed in the finance industry,” Eugene said. “The interest rate is too high. The interest rate keeps going up and nobody wants to step back.”

“Everybody wants to progress,” he added. “But some years ago the progress ceased to happen across the board. The only thing that’s progressing in my world and in the average middle class person’s world—lower middle class especially—is the cost of living keeps progressing, but the salary doesn’t.”

“The guy at the top is the only one getting by. He keeps gaining, he feels and has felt that way for 20 or 30 years now—maybe before that but that’s when I started noticing it. He makes doggone sure that he gains something every year. His salary keeps going up.”

Handed an SEP leaflet, Eugene said, “Forget about nationalities and races. Tell it like it is. It’s all about the haves and the have-nots.”

Ira lives in Signal Hill, about 20 miles southwest of Los Angeles. Faced with recent and dramatic reductions in his salary, he now confronts the

possibility of foreclosure. He attended the NACA event without knowing whether he even qualified for assistance.

Asked about the effect of the election of Obama, Ira said, “I don’t think anything has changed. It’s gotten worse.”

Carolyn was sharply critical of the bank bailouts, presided over by President Obama and his predecessor, George W. Bush.

“My tax money went to Bank of America so they could give me an unaffordable mortgage.”



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