



NEIGHBORHOOD ASSISTANCE CORPORATION OF AMERICA  
WWW.NACA.COM

**Bruce Marks**  
Chief Executive Officer

**Headquarters:**  
Boston, MA  
(888) 297-5568

**OFFICES:**

- **Atlanta, GA**  
(404) 377-4545
- **Augusta, GA**  
(706) 855-7464
- **Baltimore, MD**  
(410) 783-0465
- **Birmingham, AL**  
(205) 942-8111
- **Boston, MA**  
(617) 250-6244
- **Buffalo, NY**  
(716) 834-NACA
- **Charleston, SC**  
(843) 556-0497
- **Charlotte, NC**  
(704) 536-7676
- **Chicago, IL**  
(773) 723-NACA
- **Columbia, SC**  
(803) 255-0223
- **Dallas & Ft. Worth, TX**  
(972) 283-1171
- **Houston, TX**  
(713) 706-3400
- **Jackson, MS**  
(601) 922-4008
- **Jacksonville, FL**  
(904) 306-9272
- **Kansas City, MO**  
(816) 531-NACA
- **Lawrence, MA**  
(978) 687-3993
- **Los Angeles, CA**  
(310) 412-2600
- **Memphis, TN**  
(901) 348-0115
- **Milwaukee, WI**  
(414) 442-NACA
- **New Haven, CT**  
(203) 562-6220
- **New Orleans, LA**  
(504) 482-3000
- **New York, NY**  
(212) 704-9974
- **Newark, NJ**  
(973) 679-2601
- **Oakland, CA**  
(510) 652-6622
- **Raleigh, NC**  
(919) 855-8484
- **Sacramento, CA**  
(916) 427-8000
- **San Antonio, TX**  
(210) 826-2828
- **Springfield, MA**  
(413) 788-6220
- **St. Louis, MO**  
(314) 645-8333
- **Tampa, FL**  
(813) 287-5051
- **Washington, D.C.**  
(202) 328-6333

FOR IMMEDIATE RELEASE:  
Press Release – March 19, 2008

**Contact:**

Darren Duarte, Director of Communications & Public Affairs  
Work: 617-250-6222 x 208 cell: 617-501-0721, [dduarte@naca.com](mailto:dduarte@naca.com)

**NACA & HOMEOWNERS PROTEST BAILOUT OF BEAR STEARNS**

(Jamaica Plain, MA) It is unconscionable that while the Federal Reserve and the Bush administration commit billions of taxpayer dollars to the very institutions who created and profited from the mortgage crisis, they promote false promises to the millions of homeowners on the verge of foreclosure. The Neighborhood Assistance Corporation of America (NACA) representing hundreds of thousands of at-risk homeowners will organize against this taxpayer BAILOUT of Bear Stearns and JPMorgan/Chase that takes the concept of corporate welfare to new heights. Hundreds of homeowners will confront this corporate bailout with demonstrations and actions on Wednesday, March 26, 2008 to vent their frustrations and demand equity in this mortgage crisis.

Bear Stearns was instrumental in providing the funding for the largest predatory lenders such as New Century and many others. They were one of the major investment firms that created this homeowner deception scheme by funding unaffordable mortgage products (i.e. defective products), bundling them into securitized mortgage packages, and marketing them to investors world-wide. Moreover, investment bankers including Bear Stearns have paid themselves billions of dollars in bonuses, salaries and other compensation in the furtherance of this scheme.

President Bush, Secretary Paulson and Federal Reserve Chairman Bernanke continue to promote false hope for homeowners on the verge of foreclosure while railing against bailouts for hardworking homeowners. The Hope Now initiative provided such false hope. After President Bush announced the Hope hotline number 30% of the calls were abandoned because callers waited over an hour. When homeowners do get through they are not provided with real long-term solutions. The administration's "Project Lifeline" is another publicity stunt that relies on the "good faith" of the same lenders/servicers who created this mortgage crisis. "It is clear that the Federal Reserve and the Administration continue to blame homeowners facing hard financial difficulties in making payments on mortgages that were structured to fail, while using billions of taxpayer dollars to bailout the same predators who created this mortgage crisis and have hugely profited from it," says Bruce Marks, NACA CEO. "The Federal Reserve's orchestration of JPMorgan/Chase's takeover of Bear Stearns with taxpayer dollars is an outrage," continues Bruce Marks. "Not only did they get a fire sale price, but the American taxpayer is now responsible for \$30 Billion of their unaffordable and defective mortgages. To further this outrage, JPMorgan/Chase refuses to commit to long-term solutions for the mortgages they service."

The government can provide real solutions for homeowners at risk of foreclosure without a bailout while holding those who created the crisis responsible. The Homeowner Stabilization Initiative requires the Federal Reserve and Bush Administration to issue a "safety and soundness" directive to all mortgage servicers as follows:

- 1) Immediately stop all the resets and roll back the previous ones to the interest rates homeowners were initially qualified for;
- 2) Stop all foreclosures until real long-term solutions have been initiated by the servicers and/or presented to the investors. The primary long-term solution would be a loan restructure that reduces the interest rate to a mortgage payment the homeowner can afford for the remaining term of the loan.

The Homeowner Stabilization Initiative relies on Main Street not Wall Street. It provides for the "stability of the financial system" as stated by Secretary Paulson. It is not a taxpayer bailout of the predators. By halting foreclosures and restructuring mortgages into conventional affordable terms, this initiative directly impacts the country's financial stability since homes would not be abandoned, the tax base of cities and towns would not be eroded, and consumer confidence would be restored.

NACA continues its advocacy against some of the nation's largest lenders who refuse to restructure loans with affordable long-term payments. The focus is now on JPMorgan/Chase and GMAC with others to be targeted soon. The Federal Reserve and Bush Administration need to disclose the total amount that taxpayers are paying to the very institutions and investors who are primarily responsible for this unprecedented mortgage crisis. Bear Stearns, JPMorgan/Chase and others orchestrated this homeownership deception scheme. NACA will be leading actions and demonstrations to stop this huge corporate bailout and force the politicians, the Federal Reserve and Bush Administration to utilize their power and authority to protect the millions of homeowners at risk of foreclosure.

About the Neighborhood Assistance Corporation of America ([www.naca.com](http://www.naca.com))

NACA, a national non-profit community advocacy and homeownership organization established in 1988, has been the lead organization in the fight to identify, expose, and oppose predatory lending and exploitive lending practices. NACA first exposed Fleet Bank's lending abuses in 1991, followed by numerous other campaigns against companies that victimize low- and moderate-income people pursuing the dream of homeownership.

NACA provides the best purchase product to who the industry considers "subprime borrowers" requiring no down payment, no closing costs, no points, no fees, no perfect credit at a below interest rate currently 5% 30 year fixed. NACA homeowners have the best payment record and are now considered prime borrowers. NACA has \$10 Billion committed to this mortgage with more than 35 offices across the country providing working people with an unmatched program and national model for doing mortgage lending the right way.

NACA has also established the national model for providing homeowners at risk of foreclosure with long-term solutions through its Home Save Program. NACA has committed One Billion dollars to refinance homeowners on the best terms available and has gotten some of the nation's largest lenders to rewrite unaffordable loans based to what the borrower can afford. NACA was able to negotiate a legal binding agreement with the country's largest mortgage lender/servicer, Countrywide Financial, for NACA to restructure many of Countrywide's loans into a long-term affordable mortgage payment. Many homeowners have been able to restructure their mortgages with fixed interest rates of 5% and sometimes less. Other major lenders/servicers are doing the same. The NACA solution has been established as the national standard.

NACA's program and advocacy have been featured in the national and local media nationwide. The Boston Globe has chosen Bruce Marks, founder and CEO of the Neighborhood Assistance Corporation of America (NACA), as its 2007 Bostonian of the Year. This is a tremendous recognition for the effectiveness of NACA in its advocacy and in providing real affordable homeownership solutions for working people.

[http://www.boston.com/bostonglobe/magazine/articles/2007/12/30/guarding\\_the\\_house/](http://www.boston.com/bostonglobe/magazine/articles/2007/12/30/guarding_the_house/)