

## ESOP Community News March, 2008



As the foreclosure crisis deepens, it is no wonder that many media sources are setting their sights on northeast Ohio, a region that has led the nation in foreclosures for some time. Similarly, it is no surprise that the media are coming to ESOP for information on the issues, as the organization has proven itself to be a frontrunner in counseling and advocacy for homeowners facing foreclosure.

ESOP has been flooded with visits from international reporters and film crews over the past several months, including Chinese, Japanese, Greek, French, British, Danish, Canadian, Russian, German, and Australian outlets. Coverage in the United States has been equally intense, as sources such as the New York Times, People Magazine, Business Week, Reuters, CNN, Bloomberg Television, and Voice of America have profiled ESOP and the foreclosure crisis in recent months as well.

The most notable—and perhaps most widely viewed to date—press coverage of ESOP's work came in a story released on March 1<sup>st</sup> by the Associated Press, detailing ESOP's unique tactics and work against Countrywide Home Loans over the past several years. The article, which appeared in numerous publications and blog entries across the nation, has resulted in an overwhelmingly positive response from homeowners, community leaders and nonprofit groups around the country who have expressed support for ESOP's mission and admiration of the organization's effectiveness in foreclosure prevention.

*“Kudos to ESOP! I am so glad to hear someone is attacking [the lending industry] in a vocal and news-relating way!”  
-Barbara,  
Seattle, WA*



However, the past several months at ESOP have been about far more than playing host to dozens of media outlets. Rather, raising awareness of issues surrounding the foreclosure crisis has been only a small fraction of ESOP's hard work in recent months, as the organization's efforts have actually centered on organizing, fundraising, and advocacy at the local, state, and national levels in ways that are unprecedented by any other community group in the region.

From a community organizing perspective, ESOP has begun several campaigns involving community residents to continue the fight against corrupt lenders and servicers. At the local level, ESOP recently kicked off a campaign against the well-known Cresthaven Development, a

contracting company doubling as a mortgage broker in the greater Cleveland area. ESOP has brought together a number of homeowners victimized by Cresthaven, and plans are underway to stop this company from exacerbating the depth of the foreclosure crisis.

*“I find it admirable what you and your non-profit group are doing for people in Ohio...I know what so many of those people are going through.”-Dani, TX*



On a wider scale, following a meeting of 20+ community residents, ESOP members have also begun organizing a campaign for a fair lending agreement with Wells Fargo Home Mortgage, one of the most notorious predatory and subprime lending companies in Cuyahoga County and across the nation. ESOP members have submitted a letter stating their demands to Wells Fargo CEO Richard Kovacevich, and anticipate a reply within the next week.

ESOP’s greatest organizing victory in recent months, however, came about on March 3<sup>rd</sup>, as ESOP staff met in Plano, Texas with executives from Countrywide Home Loans. This victory has resulted from a long and arduous campaign, which began years ago when ESOP leaders expressed increasing concerns about the corporation’s predatory tactics through the organization’s Hot Spot Card process. After organizing for a year and a half against this lending and

servicing giant, ESOP has finally brought Countrywide to the negotiating table to establish a fair lending agreement.

In addition to its organizing efforts, ESOP has expanded its resources widely over the past month, as Ohio Attorney General Marc Dann recently pledged his support of ESOP’s statewide expansion. The attorney general will meet personally with ESOP members in March to present \$25,000 to be used toward opening offices and training counselors throughout Ohio in ESOP’s intake and advocacy processes. Additionally, ESOP recently won sizeable grants from the Cleveland Foundation and others, which will also be used toward foreclosure prevention and intervention.

Finally, ESOP capped off the month of February by testifying before the chief policy advisors for the Clinton and Obama campaigns at a hearing hosted by Cleveland City Council. ESOP staff testified to the abusive lending practices of subprime lenders and brokers, and the wave of destruction the subprime crisis has left across the country. ESOP urged the democratic candidates to hold lenders accountable for the damage they have caused around the country, and to create funds for the rehab and demolition of abandoned homes.

*“I admire [ESOP’s] method of dealing with Corporate America. More of this should happen throughout the U.S...All of us should wake up. Thank you again.”  
-Elizabeth, Euclid,*

Thus, although press coverage may be the most obvious manifestation of ESOP’s work in the past several months, the fact is that there would be no press coverage at all if it were not for the unprecedented steps the organization has been taking in the world of foreclosure prevention. ESOP owes all of its success to its dedicated members, volunteers, and partners, and would not have nearly the level of accomplishment without their efforts. The foreclosure crisis in Ohio and across the nation is still in full swing, and ESOP needs all the support it can get.

For more information on supporting ESOP’s efforts, visit [www.esop-cleveland](http://www.esop-cleveland) or call us at 216-361-0718.