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ATTORNEY GENERAL MADIGAN COMMITS \$70 MILLION TO HELP ILLINOIS HOMEOWNERS, COMMUNITIES HIT BY FORECLOSURE CRISIS

National Foreclosure Settlement Funding for Housing Counseling, Reinvestment Initiatives

Chicago — Attorney General Lisa Madigan today announced she has designated up to \$70 million of funding from the national foreclosure settlement for housing counseling services and relief efforts for Illinois communities fraught with vacant and abandoned properties that have been hardest hit by foreclosure.

"This settlement sought to help struggling families to save their homes and rebuild communities devastated by the housing crisis," Madigan said. "This grant funding will do both—help more people stay in their homes and invest in renewing our neighborhoods."

Madigan's announcement stems from her leading role in securing a \$25 billion national settlement in February with the nation's five largest bank mortgage servicers – Bank of America, JPMorgan Chase, Wells Fargo, Citibank and Ally Bank, formerly GMAC. The settlement addressed allegations of widespread "robo-signing" of foreclosure documents and other fraudulent practices while servicing loans of struggling homeowners.

U.S. Housing and Urban Development Secretary Shaun Donovan praised Attorney General Madigan's decision to dedicate the settlement funds to directly assist homeowners who are still struggling.

"Attorney General Madigan has been at the forefront of our national efforts to assist struggling homeowners while bolstering foreclosure prevention and response initiatives," said Secretary Donovan. "Not only has the Attorney General joined many of her colleagues in helping homeowners, she is working to get these dollars to housing counseling and legal services groups so that homeowners can benefit directly."

The Attorney General's [RFQ / RFP](#) seeks proposals to fund housing counseling services for homeowners and renters and to fund redevelopment initiatives for neighborhoods that have been destabilized by vacant and abandoned properties. Proposals are due by **February 15, 2013**.

An advisory council of statewide housing and community development experts is assisting the Attorney General's office with the grant evaluation process to determine effective allocation of grant funding.

Members of the advisory council are: Juanita Irizarry, Senior Program Officer at The Chicago Community Trust; Roberto Requejo, Senior Analyst at the Federal Reserve Bank of Chicago; Antonio Riley, Midwestern Regional Administrator at the U.S. Department of Housing and Urban Development; Dawn Stockmo, Community Development Manager at the National Community Stabilization Trust; Bennett P. Applegate, a founding partner of Applegate & Thorne-Thomsen law firm and a founder of the Illinois Housing Council; Allison Clark, program officer for program-related investments at the John D. and Catherine T. MacArthur Foundation; Pam Daniels-Halisi, Managing Director at The PrivateBank and Trust Company; Robert Grossinger, Vice President of the national community foreclosure response initiative at Enterprise Community Partners Inc.; King Harris, chair of Harris Holdings, Inc. and the Metropolitan Planning Council; and Sharon Hess, Executive Director of the Southern Illinois Coalition for the Homeless. The advisory council will be assisted by Robin Snyderman and Karen Muchin.

Earlier this year, Madigan distributed \$20 million in grant funding for legal assistance programs to help provide access to the justice system for borrowers and renters, and her office announced \$3 million of the foreclosure settlement fund would be used to launch foreclosure mediation projects in counties where programs don't yet exist. Those grant proposals are currently under review.

For more information on the national settlement, visit www.illinoisattorneygeneral.gov/consumers/bankforeclosuresettlement.html. Borrowers also can visit www.NationalForeclosureSettlement.com.

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