



INDIANA FORECLOSURE PREVENTION NETWORK

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FOR IMMEDIATE RELEASE

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MEDIA ADVISORY

IHCD and public officials to host eighth public forum to address Indiana's Abandoned Homes to be held January 16, 2014, at 6 p.m. in Richmond

What: Indiana Housing and Community Development Authority (IHCD), which is overseen by Lieutenant Governor Sue Ellspermann, will host the eighth in a series of public forums to address blighted, vacant and abandoned homes in Indiana. Hosted by Mayor Sally Hutton (D), the event will be held in conjunction with a group of bi-partisan elected officials including Representative Dick Hamm (R) and Senator Jim Merritt (R).

When: Thursday, January 16, 2014, at 6 p.m. ET

Where: Richmond City Hall – Council Chambers, 50 North 5th Street, Richmond, Indiana 47374

If you are unable to attend the public hearing in Richmond, please submit written comments to feedback@ihcda.in.gov by Friday, January 31, 2014.

Background

Blighted, vacant and abandoned homes are a serious issue for Indiana homeowners, neighborhoods and communities. Sadly, the State of Indiana has the dubious distinction of having the highest percentage of abandoned foreclosed homes in the country. RealtyTrac and 24/7 Wall Street are reporting that roughly 30% of Indiana's foreclosed homes are abandoned. This means that due to foreclosure alone, 5,000 blighted and abandoned homes are negatively impacting Indiana homeowners and neighborhoods by reducing property values. Blighted properties also serve as a drain on municipal resources. Many Indiana communities lack the resources necessary to address this growing issue alone.

The U.S. Department of the Treasury established the Housing Finance Agency Innovation Fund for the Hardest-Hit Markets (Hardest Hit Fund) to provide financial assistance to families in the states most impacted by the downturn of the housing market. The U.S. Department of the Treasury designed the overall program to give each participating state the flexibility to tailor its program to the unique factors contributing to its state's foreclosure problems. The Hardest Hit Fund is a national program available in 18 states and the District of Columbia.

Indiana was awarded more than \$221 million under the Hardest Hit Fund and is targeting low- to moderate-income homeowners whose primary residence is in any county in Indiana. The State of Indiana, through IHEDA, is exploring the use of a portion of the Hardest Hit Funds to demolish blighted and abandoned homes that are beyond repair. The goal is not simply to demolish abandoned homes, but to stabilize property values in Indiana communities. The proposed partnership between IHEDA and Indiana municipalities would allow communities to demolish blighted properties and offer a variety of end uses for the newly cleared properties including green space and redevelopment. IHEDA, Lt. Governor Sue Ellspermann, IHEDA's Board Chair, Mayor Hutton, Representative Hamm and Senator Merritt believe that the demolition of abandoned and blighted homes would be a significant step toward rebuilding Hoosier communities.

Since IHEDA's announcement that it was exploring the use of Hardest Hit Funds to eliminate blighted and abandoned properties, many have expressed concern that doing so might detract from the mission of helping struggling homeowners avoid foreclosure. IHEDA would like to reassure the public that it is committed to using the majority of Hardest Hit Funds to help individual homeowners in need. As of September 30, 2013, more than 2,250 homeowners have received approximately \$24 million in Hardest Hit Fund mortgage payment assistance; and another \$49 million has been set aside to provide mortgage payment assistance to approved homeowners currently enrolled in the program.

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