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## Mitt's Mansions, the Foreclosure Crisis, and the Election

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It is time for reporters following Mitt to start asking him some questions about housing, a serious problem today.

Housing is a topic that Mitt should know something about. After all, his father George served as the nation's housing secretary during the Nixon administration. And Mitt currently owns [three homes](#), according to Zillow.

- In 1989, Romney bought a seven-bedroom, 6.5-bath home in upscale Belmont, a Boston suburb. The 6,434 square foot house is situated on 2.44 acres. With his kids grown, Romney sold the house in 2009 for \$3.5 million -- 293 percent more than the purchase price of \$890,000 twenty years earlier. (This is the kind of job-creating entrepreneurship that -- along with inheriting his father's fortune -- made Romney a rich man). The following year Romney -- the former Massachusetts governor who needed a local address in order to run for president -- bought a two-bedroom, 2,100 square foot townhouse in Belmont for \$895,000.
- Romney's weekend vacation estate, which sits on Lake Winnepesaukee in Wolfeboro, N.H., includes a three-story, six-bedroom, 5,400 square foot main house, plus an additional guest house, that are worth an estimated \$10 million.
- In 2008, Romney purchased a \$12 million 3,000 square foot beachfront Spanish-style villa, with unobstructed views of the Pacific Ocean, in tony La Jolla, California. Last year, over the objections of his neighbors, Romney filed an application with the city to bulldoze the single-story beachfront home and replace it with a [12,000 square foot two-story home, including a split-level four-car garage equipped with an elevator for his cars](#).
- Three years ago, however -- like many other American families -- the Romneys had to say goodbye to one of their houses. That was the seven-bedroom, 9.5 bath 9,514 square foot house, located on 11 acres, that they owned in Park City, Utah. The Romneys bought it as a vacation home in 1999 and lived there while he was working as CEO of the 2002 Winter Olympics in Salt Lake City. They sold the house in 2009 for a little under the \$5.25 million asking price, according to Zillow.

Two of Mitt's current homes -- the lakefront compound in New Hampshire and the beachfront mansion in La Jolla -- sit on the water. So surely Mitt can sympathize with the millions of Americans whose homes are "under water," worth less than their mortgages because of the dramatic decline of housing values. Then there are the millions more who have lost their homes to foreclosure.

Wall Street's reckless behavior crashed the economy. In the past six years, housing prices nationwide have fallen by a third. Families have lost nearly \$7 trillion of home equity. About 15 million homeowners owe \$700 billion more on their mortgages than their homes are worth. Millions of middle-class families have watched their major source of wealth stripped away, their neighborhoods decimated, and their future economic security destroyed.

What's Mitt's response? In an [interview last October with the Las Vegas Review-Journal](#), based in a state where foreclosures have reached epidemic levels, Mitt said: "Don't try to stop the foreclosure process. Let it run its course and hit the bottom." Then he suggested: "Allow investors to buy homes, put renters in them, fix the homes up and let it turn around and come back up."

Shortly after this interview, Mitt further displayed his faith in the free market at a round table discussion at a hotel in Tampa, Florida, another state where housing prices have plummeted and has been hit hard by foreclosures. Candice Tammey told Romney her situation, a plight familiar to millions of American families. She lost her job and asked her bank to negotiate a loan modification so she could keep paying her mortgage. The bank refused, so Tammey, out of options, stopped paying her mortgage and faced being foreclosed.

"It will get better," Romney told her, according to CNN's online video stream of the event. "It will not always be like this."

Taking the side of the bank industry lobby, Romney also wants to dismantle the Dodd-Frank law, and the Consumer Financial Protection Agency, which strengthened protections for consumers, including homeowners, against predatory and abusive corporate lenders.

Across the country, millions of "under water" voters -- Democrats and Independents and even some Republicans -- are desperate. This is particularly true in many key swing states -- including Florida, Nevada, Michigan, Pennsylvania, Virginia, North Carolina, and Colorado. These voters, for whom the American Dream has become a nightmare, could be an important voting bloc in the November election.

The best solution is for the federal government to require banks to write down the principal on their mortgages so that their

mortgages are worth market value. If mortgages were reset, this would not only fix the foreclosure crisis but also pump \$71 billion into the economy annually and create over one million jobs a year.

The Obama administration has proposed a "principal reduction" fix, but only on a voluntary basis. Obama needs to ratchet up his demands on the banks, require them to modify "under water" loans that have put millions of families in economic jeopardy through not fault of their own, and contrast his approach with Romney's "Let it run its course and hit the bottom" approach.

By taking on the banking lobby, and helping millions of homeowners who are suffering because of Wall Street's risky and illegal practices, Obama will help guarantee his re-election in November. Then Mitt can go back to his homes in Massachusetts, New Hampshire, and California -- and perhaps buy another one in the Cayman Islands, where he can visit his money.

*Peter Dreier teaches politics and chairs the Urban & Environmental Policy Department at Occidental College. His new book, [The 100 Greatest Americans of the 20th Century: A Social Justice Hall of Fame](#), was just published by Nation Books.*

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