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## Steve Mnuchin, Meet Rose Gudiel

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Two years ago, when Steven Mnuchin moved to Los Angeles to become CEO of OneWest Bank, he sold his five-bedroom duplex co-op apartment for \$9 million. The [New York Times](#) said that the apartment at 740 Park Avenue was "one of the most prestigious addresses in New York." But you needn't feel sorry for Mnuchin. He now lives in a 9-bedroom, 10-bathroom, 22,721 square foot mansion, valued at \$26.9 million in LA's swanky Bel Air neighborhood.

In contrast, Rose Gudiel, 35, lives in a small 1200 square feet, one-story 3-bedroom house in La Puente, a working class suburb of Los Angeles, where she, her father (a warehouse worker), and her brother care for her disabled mother.

Gudiel would like Mnuchin to visit her at her home, because his OneWest Bank is trying to evict her and her family. If Mnuchin won't come to visit Gudiel, she will visit him, and bring some of her neighbors and friends with her.

Gudiel has become the public face of a burgeoning crusade to defend homeowners from unfair evictions. Gudiel, her family, neighbors and other supporters have pledged to risk arrest when the Los Angeles County Sheriff tries to evict them this week from Gudiel's home after Fannie Mae and OneWest issued a foreclosure notice. This week, Gudiel, her neighbors, coworkers, and supporters from the Alliance of Californians for Community Empowerment (ACCE) and the Service Employees International Union (SEIU) began a 24-hour-day vigil at the house to prevent the sheriff from evicting the Guidels. They intend to link arms in front of the doorway to stop the sheriff from evicting the family, risking arrest.

OneWest, headquartered in Pasadena, has a considerable track record of mistreating its customers. In 2009, a [New York judge](#) called OneWest's behavior "harsh, repugnant, shocking and repulsive" in trying to foreclose on a New York family. The judge branded the bank's conduct as "inequitable, unconscionable, vexatious and opprobrious."

That same year, OneWest had the locks changed on the home of a Minneapolis woman in the middle of a blizzard after the company sent her a letter stating, according to the [Star-Tribune](#), "You expressed concern that at the end of the redemption period ... you and your mother will be evicted from the property,... Rest assured, that will not take place due to the rescission of the foreclosure sale."

Gudiel and her parents bought their small house in 2005. They made steady mortgage payments until 2009, when one of her brothers died unexpectedly and the family lost his income. The family was two weeks late on the next mortgage payment. When they sent in the payment, OneWest wouldn't accept it, telling the Gudiels that they needed to apply for a loan modification instead. The Gudiels then spent over a year attempting unsuccessfully to get the bank to modify the loan -- even though their income had long since recovered after another brother moved in with them. Then the bank started foreclosure proceedings.

"My parents instilled in me the idea that if you work hard and study you could live your American Dream," [said](#) Gudiel, who works for the California Employment Development Department and also as an in-home care worker. "I was the first person in my family to graduate from college, and I worked hard so that I can own a home. And now these banks are taking my dream away."

In contrast, Mnuchin was born to wealth and privilege. His father, Robert E. Mnuchin, retired as a general partner at Goldman, Sachs, and owned C&M Arts, an art gallery in New York. His mother, Elaine Terner Cooper, was a vice president of the International Directors Council of the Solomon R. Guggenheim Museum and a director of the Byrd Hoffman Foundation, which supports the arts. She was also a trustee of the Whitney Museum of American Art in New York.

After graduating from Yale in 1985, Mnuchin began his banking career at Goldman Sachs. He worked there for 17 years, rising to become an executive vice president. According to one [report](#), he left in 2002 "at the age of 39 with a reported \$46 million stake in the bank." He was recruited by his Yale roommate, Eddie Lampert, to join ESL, a hedge fund, as vice chairman. A few months later, he jumped to SFM Capital Management as its CEO. But within a few months he changed jobs again, leaving SFM to co-found Dune Capital with his former Goldman colleagues Daniel Neidich and Chip Seelig.

In 2009, the Federal Deposit Insurance Corp., the government agency in charge of overseeing banks, was trying to unload the Pasadena-based IndyMac bank, which was one of the first major lenders to collapse as a result of its portfolio of risky loans and borrowers stopped paying on variable-rate mortgages. According to the [Los Angeles Times](#), "IndyMac specialized in loans that didn't require much borrower documentation, such as verification of income."

Mnuchin helped put together a group of investors to buy the bank from FDIC as part of a sweetheart deal. Mnuchin became CEO of the new institution, renamed OneWest. To get the troubled IndyMac bank off its books, FDIC allowed Mnuchin and other investors to buy the bank's \$20.7 billion in loans and other assets for \$16 billion. FDIC and the Federal Home Loan Bank provided \$9 billion in financing to sweeten the deal. It also agreed to guarantee some of the thrift's worst assets. OneWest also received a commitment of \$1.8 billion in federal bail-out funds, according to [ProPublica](#).

According to the [Los Angeles Business Journal](#), "critics point out that the deal is allowing OneWest's owners to make billions of dollars in profits while costing the Federal Deposit Insurance Corp. -- and the banking industry that funds it -- more than \$10 billion."

The [LABJ](#) article also suggests that OneWest Bank makes a tidy profit on each foreclosure. "On bad loans, OneWest, which bought many of the loans at 70 percent of par value, gets the cash from a foreclosure," according to the [LABJ](#), "and is also reimbursed up to 95 percent of the difference between the original loan value and the foreclosure sale amount."

In February 2010 the [Los Angeles Times](#) reported: "The billionaires' club of private financiers who took over the remains of IndyMac Bank from the Federal Deposit Insurance Corp. turned a profit of \$1.57 billion last year on the failed mortgage lender -- more than they invested less than a year ago."

OneWest Bank has grown by purchasing First Federal Bank of California and La Jolla Bank. [OneWest](#) is now the 39th largest bank in the U.S. and the largest bank headquartered in Southern California. It has 78 retail branches, \$26 billion in assets, and \$16 billion in deposits. It also services over \$150 billion of mortgage loans on the behalf of third parties, such as Fannie Mae.

Politically, Mnuchin is a hedge fund executive who hedges his bets. During the last presidential season, according to OpenSecrets.org, he donated money to the campaigns of Republican Mitt Romney (\$2300) and Rudolph Giuliani (\$2300), and Democrats Hillary Clinton (\$2300), Bill Richardson (\$2100), Chris Dodd (\$2300) John Edwards (\$2100), and Barack Obama (\$2300). (His wife Heather contributed \$2,300 to both Chris Dodd and Hillary Clinton.)

In addition to his ongoing corporate roles with OneWest and Dune Capital, and his political ties, Mnuchin serves on the board of the holding company that owns Sears-Roebuck. In New York and Los Angeles, Mnuchin and his wife Heather have also been stalwarts in the high-society charity world, attending and hosting star-studded balls and parties to support their favorite causes.

While living in New York, Mnuchin's wife Heather co-chaired the [Annual Practical Magic Ball](#) that raised almost \$1.25 million for City Harvest, a charity that helps feed the hungry. The Mnuchins also hosted a 2009 fundraiser for City Harvest at their "Southampton estate" in the tony [Hamptons](#) section of Long Island. Heather also attended a [fancy fundraiser luncheon](#) for the Southampton Hospital in Long Island with the "Malibu Chic Meets Classic Hamptons," designed by influential designers Geoffrey Ross and Hillary Thomas

The couple were also big givers to the Museum of the City of New York, serving on the committee for its black-tie [Winter Ball fundraiser](#) ) and the [TriBeCa Ball](#) for the New York Academy of Art.

Last January, the Mnuchins hosted a [star-studded fundraiser](#) at their new Bel Air home for the Joyful Heart Foundation, the charity headed by actress Mariska Hargitay that raises money to help survivors of domestic violence. Among the more than 120 guests were LA Mayor Antonio Villaraigosa, Hilary Swank, Blair Underwood, Jennifer Love Hewitt, Maria Bello, Debra Messing, and Kathy and Rick Hilton.

According to their 1999 [wedding announcement](#) in the *New York Times*, Heather Crosby was, before her marriage, senior vice president for corporate communications for Launch Media, an Internet music, music information and news company. A yoga enthusiast, Heather Mnuchin also started her own line of [yoga clothing](#) Some of the profits will go to the Joyful Heart Foundation, on whose board she serves.

Steve Mnuchin has served on the boards of the Whitney Museum, the Hirshhorn Museum and Sculpture Garden Board, Riverdale Country School, New York Presbyterian Hospital and Los Angeles' Museum of Contemporary Art.

When it comes to high-profile philanthropy, Mnuchin is ready to serve. But Mnuchin and his bank have shown little compassion or basic decency, for Rose Gudiel and her family.

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