

Press Releases

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OTS 09-006 - OTS Urges Temporary Halt to Foreclosures

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Washington, D.C. — The Office of Thrift Supervision (OTS) today urged OTS-regulated institutions to suspend foreclosures on owner-occupied homes until the Financial Stability Plan's "home loan modification program" is finalized in the next few weeks.

"OTS-regulated institutions would be supporting the national imperative to combat the economic crisis by suspending foreclosures until the new Plan takes hold," OTS Director John Reich said.

The Plan unveiled yesterday by Treasury Secretary Timothy Geithner commits \$50 billion to prevent avoidable foreclosures by reducing monthly payments for homeowners.

Reich and other OTS officials participated in the interagency effort led by the Treasury Department to develop the Plan.

Preventing avoidable foreclosures is an essential ingredient for economic recovery. After proposing an OTS Foreclosure Prevention Proposal a year ago, agency leaders have been testifying on Capitol Hill about foreclosure prevention alternatives, discussing approaches with industry trade groups and working with other bank regulators to keep American families in their homes.