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## **Homeowners Travel Cross-Country to Raise Foreclosure, Housing Defect Concerns with Lennar Corp.**

### ***California and Nevada Homeowners Take Their Case to Homebuilder's Annual Shareholder Meeting***

**Miami, Florida (April 15, 2009)** – Distressed homeowners traveled from California and Nevada to Lennar Corporation's annual shareholder meeting in Miami today to tell stories of foreclosures, housing defects and devastated communities they say were caused by the homebuilder.

The homeowners allege that Lennar and its mortgage operation, Universal American – which financed 85 percent of Lennar's buyers in 2008 – pushed people into subprime and other risky mortgages, practices which helped create the current housing and mortgage crisis.

“Lennar took advantage of my dream of owning my first big home,” said Teresa Sandoval of Coachella, California, one of five Lennar homebuyers who traveled to the corporation's annual meeting.

Sandoval alleges that when buying her home in 2006, the builder's sales representative would not clear up her confusion about the lending process or loan terms. She ended up with an interest-only first mortgage that increased by 40 percent after two years, and a second balloon mortgage with a \$72,000 payment after 15 years. She said she was told she could refinance in two years to lower her payment, but her home has since plummeted in value and she has fallen into foreclosure.

According to the Alliance for Homebuyer Justice, more than 25 percent of loans by Lennar's mortgage operation were subprime in 2006 compared with 2005. That represents a 386-percent increase in subprime loans.

In addition to the protest at Lennar's annual meeting, the Alliance has filed a Fair Housing complaint with the U.S. Department of Housing and Urban Development, alleging that it appears that Lennar targeted Latino buyers to use the corporation's mortgage subsidiary, misrepresented lending terms and pushed loans with interest-only payments, adjustable interest rates and high-cost balloon second mortgages. The complaint also alleges that Lennar took advantage of language barriers and attempted to limit outside guidance for buyers.

According to the complaint, Lennar engaged in predatory and discriminatory practices in subdivisions in Coachella, California, where 97 percent of residents are Hispanic.

“We have worked very hard all of our lives and decided to invest in a home for our family,” said Teresita Moreno, who also traveled to the Lennar meeting. “Now we feel trapped.”

The Alliance for Homebuyer Justice is a project of LIUNA. LIUNA represents workers in the construction industry, which now has a 21.1 percent unemployment rate due in part to the mortgage crisis caused by the practices of corporate homebuilders during the housing boom.

**Note: For more information on the Alliance for Homebuyer Justice please go to: [www.AllianceForHomebuyerJustice.org](http://www.AllianceForHomebuyerJustice.org). To interview homeowners who filed complaints against Lennar or for more information on the complaints please contact Dawn Page at (480) 619-9263, [dpage@liuna.org](mailto:dpage@liuna.org), or Jacob Hay at (202) 942-2285, [jhay@liuna.org](mailto:jhay@liuna.org).**

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*The members of LIUNA – the Laborers’ International Union of North America – are on the forefront of the construction industry, a powerhouse of workers who are proud to build America.*