**Issue 14: Is Loan Mitigation the Answer to the Housing Foreclosure Problem**

Did you know that foreclosures are becoming a big problem in today's society? With the US economy in a slump for nearly a decade, people are losing their jobs, not receiving raises, and inflation is drying the very savings that Americans have built upon for many years. Inflation and the overall cost of living has dramatically increased causing shortages of money needed to pay for mortgages, which leads us to one of today's biggest controversies... is loan mitigation he answer to the housing foreclosure problem?

Claire Sullivan presented many compelling arguments that show the need for loan mitigation. Presenting the side of David G. Kittle, Claire explained how loan mitigation would be one of the better solutions to allowing houses to be foreclosed. Many important statistics came into play and showed that the cost of a foreclosure actually causes lenders to lose massive amounts of money as they cut their losses. In addition to this, the houses have usually been abused prior to the repossession. The bank will never be able to recover its full losses for these houses and it will have adverse effects in the end when enough of these houses go under. Many say the solution is government intervention, but as Kittle states, that will not be necessary as there are still many other paths that can be taken to achieve the same goals, and the first step to achieving this goal is the process of loan mitigation.

Presented by Oliver White, Julia Gordon believes that the best solution to the housing disaster is not loan mitigation, but it is in fact government intervention. Oliver reminded everyone that by trying to work with people, it will only be postponing the foreclosures and further increasing lost revenue to the lenders. This is not the best solution because of the massive costs involved in reworking the contracts. In addition to this, if the government bails out the lenders when intervening they will not have to take the losses and will be in better financial standing in the end. Even though the home owners will lose, the lenders will still be where they were before the situation erupted. With the mitigation process, it seems that it is a viable solution, but in the end both parties lose. Oliver White strongly believes that mitigating the loans is definitely not the best method of resolving the problem.

The financial well being of people and companies should be at the top of the list for any person, it is what keeps everything in check and shows a strong economy, but in the event where this equilibrium is broken drastic measures may be necessary. From government intervention to reworking loan agreements, we see there is a pressing issue and it must be addressed. Morals set aside I believe that it is necessary to try and find alternate methods of solving our problems and use the government as a worst-case-scenario option. I still, even after reviewing the data presented by both sides, believe that loan mitigation may be the answer to the housing dilemma. The basis of my decision rests with the face that the economy is highly dynamic, and though it may seem that the problem is only being postponed, the economy may have time to recover. If this is the case, no government intervention would be necessary to curb the foreclosure problem.