

‘The loan company really pushed that interest rates were going to go down.’

— CHELSEA BOLINGER, tech worker, on her decision to purchase a home



ALEX HORVATH Los Angeles Times
STEVEN AND KATHERINE Wolf, with their kids Rebekah and Everett, are selling the home they bought in 2022.

They thought they could refinance. Now they’re stuck

Steven and Katherine Wolf missed out on the ultra-low mortgage rates of the pandemic. By the time the couple secured solid jobs and could buy a home, borrowing costs more than doubled.

Rather than wait, the former renters jumped into homeownership in fall 2022. They also stretched, buying a Bakersfield home that carried an uncomfortable monthly payment.

Steven Wolf figured the pain would be fleeting. Within a year rates would drop enough to allow them to refinance and put hundreds of dollars back into their pockets.

Many bought homes in recent years, aiming to lower payments once interest rates dropped. But they haven’t.

BY ANDREW KHOURI

That hasn’t happened and isn’t expected to soon. In fact, rates are higher.

“We did this with the expectation that we would only have to weather this high payment for a chunk of time,” the 37-year-old English teacher said. “Now that chunk of time is looking like it might actually be permanent.”

Across the country, many buyers employed similar strategies after rates surged in 2022 — at times encouraged by real estate agents and mortgage brokers who earn a commission on each deal. The tactic could still work, but as interest rates stay higher for [See [Refinance](#), A12]

Bank aided a Ponzi scheme, suit says

L.A.’s City National allegedly bankrolled a Hollywood hustler, the latest in a series of financial troubles.

BY LAURENCE DARMIENTO

When Blake Whitmore pays the mortgage every month on his Marin County home, he winces.

The elevator mechanic and father of two can barely afford the \$3,400 he must pay his lender. His wife has gone back to work, and he worked with a buddy to flip a house in order to help pay the bills.

The hefty mortgage payment is a painful reminder of a \$200,000 investment he made in 2019 in a business recommended by a friend. The venture promised big returns from acquiring film rights and selling them to Netflix and other platforms in Latin America, but Whitmore lost all of his money, forcing him to refinance his home to pay off the debt.

“I tried to get my money back any way I could,” Whitmore, 38, recalled.

Whitmore said he is among the casualties of a Ponzi scheme allegedly involving one of L.A.’s best-known financial institutions: City National Bank.

A recent federal lawsuit alleges that the bank helped to bankroll convicted felon Zachary Horwitz, 37, who perpetrated a scheme that fleeced hundreds of investors.

The lawsuit, filed in L.A. by the court-appointed receiver of Horwitz’s defunct investment company, seeks at least \$770 million in damages to compensate Whitmore. [See [Bank](#), A8]

Next abortion battlefield: state supreme courts

Interest groups are pouring vast sums of money into typically low-profile races to elect or retain justices.

BY FAITH E. PINHO

As presidential candidates and state legislators campaign over the future of abortion in America, elections for the third branch of government have largely escaped scrutiny on the issue.

Until now.

Since the U.S. Supreme Court struck down Roe vs. Wade, elections for state supreme court justices have become a new political frontier in the abortion fight, with interest groups pouring unusual amounts of money into typically little-known races.

An unprecedented \$100.8 million was spent on state justice races in the election cycle when the 2022 Dobbs decision overturned Roe, according to the Brennan Center for Justice. Funding from

the right and left is now about equal, the Brennan Center reported, and the current election cycle is expected to set a record for the greatest amount of money spent on state supreme court elections.

“Whether we like it or not, big spending and issue campaigning in state judicial races are here to stay,” said Michael Milov-Cordoba, counsel for the Brennan Center, a nonpartisan think tank on justice and policy.

Last month, the Planned Parenthood Votes super PAC and the National Democratic Redistricting Committee announced they would invest \$5 million in state supreme court races “to protect democracy and reproductive rights.”

“We are in the fight of our lives to protect and restore our fundamental freedoms — and our courts are the front lines,” said Alexis McGill Johnson, president and chief executive of the affiliated Planned Parenthood Action Fund, in a statement.

Eighty supreme court seats in 33 states will be on the ballot in November. [See [Abortion](#), A12]

Facing delays, DACA holders risk losing jobs

Many of the 530,000 recipients have reported lengthy renewal waits

BY ANDREA CASTILLO

WASHINGTON — It’s been three months since Miguel has been able to work at his job as a sustainability and inclusion manager at a professional services firm in San Francisco.

The 32-year-old Philippines native, who asked that The Times not identify his company or use his full name, wasn’t fired or laid off. Instead he was placed on temporary unpaid leave — all because of a bureaucratic backlog in processing work-permit applications for par-

ticipants in DACA, the Obama-era program that offered deportation protection to immigrants without lawful status who arrived as youths.

Recipients of the Deferred Action for Childhood Arrivals program must re-apply every two years for

protection and work permits. But many of the roughly 530,000 current DACA holders have recently reported lengthy processing delays.

For some, like Miguel, that has meant a months-long unemployment as he [See [DACA](#), A7]



DANIA MAXWELL Los Angeles Times

MEXICO’S HISTORIC ELECTION

May Bartola leaves the Mexican Consulate in Los Angeles after taking part in a vote expected to elect the nation’s first female president. **WORLD, A3**

Fresno diocese will file Chap. 11
Bishop says the move was necessary amid a flood of allegations of clergy sexual abuse. **CALIFORNIA, B1**

Controversy marks sci-fi site
Questions swirl around Sci-Fi World in Santa Monica amid founder’s conviction, delays and staff exits. **CALENDAR, E1**

Weather
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