

# Mortgage industry agrees to voluntary interest-rate freeze

White House reaches deal for five-year policy to help strapped owners

By MARTIN CRUTSINGER  
The Associated Press

WASHINGTON — The Bush administration has developed a plan to freeze interest rates for five years for thousands of strapped homeowners whose mortgages were scheduled to rise in the coming months.

The proposal was developed in negotiations led by Treasury Secretary Henry Paulson with the mortgage industry. It would freeze introductory “teaser” rates on subprime mortgages, preventing them from resetting to higher rates for five years.

White House deputy press secretary Tony Fratto said it would help “potentially a little more than a million” people who can afford payments with their introductory rates, but not if they jump to higher rates.

Fratto said it was voluntary, and did not represent federal intrusion into the private market. Those comments were aimed at countering criticism from conservatives that the administration was violating its free-market principles by pursuing a government solution to the mortgage crisis.

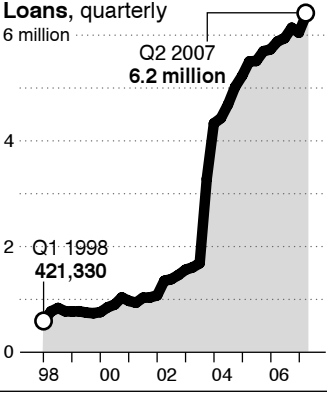
President Bush, who was to announce the agreement after a meeting with industry leaders at the White House today, has stressed that the deal is not a bailout because no government money is involved.

Release of the plan was coming after news earlier today that home foreclosures surged to an all-time high in the July-September period. The Mortgage Bankers Association reported that the percentage of all mortgages that started the foreclosure process in the third quarter jumped to a record 0.78 percent, surpassing the previous record of 0.65 percent of all mortgages in the second quarter.

The administration’s effort is aimed at stemming a further tidal wave of foreclosures in coming

## Subprimes soar in slumping market

The number of subprime loans offered to borrowers with below average credit has increased nearly 15 times since 1998.



SOURCE: Mortgage Bankers Association AP

years as 2 million subprime mortgages – loans provided to borrowers with spotty credit histories – reset from their introductory rates of around 7 percent to 8 percent to levels as high as 11 percent, adding hundreds of dollars to the typical monthly payment.

The mortgage companies will offer to freeze the loans at the lower introductory rates as long as the borrowers did not miss any payments at the lower rate.

The program is the biggest effort yet to deal with the surge in mortgage defaults, which have piled up billions of dollars in losses for big banks, hedge funds and other investors while roiling financial markets worldwide. The defaults are the latest economic blow from the worst housing slump in more than two decades. Some economists think the housing bust may become severe enough to push the country into recession.

Two Democratic presidential contenders, Hillary Rodham Clinton and John Edwards, complained Wednesday that, given the risks to the economy, Bush’s proposal did not go far enough, and proposed their own plans.

### From Page 1A

## Records indicate shooter had troubled past

Flynn, 47, of Omaha.

The mall was closed today as authorities continued to investigate what may have motivated the teen to go on the shooting spree. The shooting spree was Nebraska’s deadliest since January 1958, when Charles Starkweather killed 10 people in Nebraska and another in Wyoming.

Hawkins apparently had a troubled past. He recently split with his girlfriend and been fired from McDonald’s. He also had a criminal record and had left or been kicked out of his parents’ house.

He dropped out of Papillion-La Vista High School as a senior in March 2006, principal James Glover said today. While he wasn’t a loner, he had a very small group of friends and was not involved in extracurricular activities, Glover said.

“It was never a situation where he was out of the loop because people were picking on him,” Glover said.

Debora Maruca-Kovac and her husband, whose sons were friends with Hawkins, welcomed him into their home and tried to help him.

“When he first came in the house, he was introverted, a troubled young man who was like a lost pound puppy that nobody wanted,” Maruca-Kovac told The Associated Press.

About an hour before the

shooting, Hawkins called her and told her he had written a suicide note, Maruca-Kovac said. In the note, which was turned over to authorities, Hawkins wrote that he was “sorry for everything” and would not be a burden on his family anymore. More ominously, he wrote, “Now I’ll be famous.”

“He had said how much he loved his family and all his friends and how he was sorry he was a burden to everybody and his whole life he was a piece of (expletive) and now he’ll be famous,” she told CBS’ “The Early Show” today, describing the note. “I was fearful that he was going to try to commit suicide but I had no idea that he would involve so many other families.”

Records in Sarpy and Washington counties showed Hawkins had a felony drug conviction and several misdemeanor cases filed against him, including an arrest 11 days before the shooting for having alcohol as a minor. He was due in court in two weeks.

Maruca-Kovac told the Omaha World-Herald that the night before the shooting, Hawkins and her sons showed her an SKS semiautomatic Russian military rifle – the same type used in the shooting. She said she thought the gun belonged to a member of Hawkins’ family, but didn’t think much of it because the gun looked too old to work.

# Romney speaks about faith

Mormon candidate attempts to ease minds of those who distrust the religion

By GLEN JOHNSON

The Associated Press

COLLEGE STATION, Texas

— Republican Mitt Romney, confronting voters’ skepticism about his Mormon faith, declared today that as president he would “serve no one religion, no one group, no one cause,” and said calls for him to explain and justify his religious beliefs go against the profound wishes of the nation’s founders.

At the same time, he decried those who would remove from public life “any acknowledgment of God,” and he said that “during the holiday season, nativity scenes and menorahs should be welcome in our public places.”

In a speech less than a month before the first nomination contests, Romney said he shares “moral convictions” with Americans of all faiths, though surveys suggest up to half of likely voters have qualms about electing the first Mormon president.

“I believe in my Mormon faith and I endeavor to live by it,” Romney said. “My faith is the faith of my fathers. I will be true to them and to my beliefs.” Nonetheless, he strove to clarify his personal line between church and state, recalling a similar speech delivered by John F. Kennedy in 1960 as Kennedy sought to become the first Catholic elected president.

“I do not define my candidacy by my religion. A person should not be elected because of his faith, nor should he be rejected because of his faith,” Romney said at the George Bush Presidential Library and Museum, 90 miles from Kennedy’s speaking site in Houston.

“Let me assure you that no authorities of my church, or of any other church for that matter, will ever exert influence on presidential decisions. Their authority is theirs, within the province of church affairs, and it ends where the affairs of the nation begin,” Romney said.

He added: “If I am fortunate to



LM Otero/AP

Republican presidential hopeful and former Massachusetts Gov. Mitt Romney (left) shakes hands with former President George H.W. Bush today in College Station, Texas. Romney spoke at the George Bush Presidential Library and Museum in an attempt to assuage concerns about his Mormon faith affecting his potential presidency.

## Road to the White House

become your president, I will serve no one religion, no one group, no one cause and no one interest. A president must serve only the common cause of the people of the United States.”

Romney hoped the speech would allay concerns of Christian conservatives, some of whom have propelled former Arkansas Gov. Mike Huckabee to join him atop the polls in Iowa. Its caucuses kick off presidential voting next month.

Romney said he is often asked whether he believes in Jesus Christ.

“I believe that Jesus Christ is the son of God and the savior of mankind,” he said. While conceding Mormons have different beliefs about the earthly presence of Jesus Christ, “each religion has its own unique doctrines and history. ... Religious tolerance would be a shallow principle indeed if it were reserved only for faiths with which we agree.”

### From Page 1A

## Family looks back with regret, bittersweet memories of their mother before Alzheimer’s



On the Net

www.alz.org

According to police, the first driver did not stop, but when Withrow was struck by another vehicle, the second driver called police saying she was already laying in the road.

The incident shows what can happen to those dealing with Alzheimer’s, the most common form of dementia that causes confusion and problems with memory, thinking and reasoning. The condition affects more than 5 million Americans.

The family said it was an unfortunate and shocking end for the woman born in Sugar Grove, who became a homemaker, wife, and mother to 11 children, 20 grandchildren and 23 great-grandchildren. But despite the random nature of the accident, the progressive decline of Withrow’s mental state was the inevitable result of Alzheimer’s disease.

“This could have happened to anyone who was caring for an Alzheimer’s patient,” daughter Marcia McLean said.

Withrow was attending adult daycare programs, but those weren’t enough – someone had to be with her at all times, McLean said. But family members’ work schedules and other commitments made it difficult to look after her 24-7.

“She needed more care than I could give her,” Withrow-Franklin said.

By Thanksgiving, they knew it was time for Withrow to go into a nursing home.

“We wanted to have one more Christmas at home,” McLean said.

The welcoming, meek and mild-mannered woman had changed recently, according to the family. A burst pipe caused water to flood the house over the summer, and once new carpet was installed and other renovations were made, Withrow could hardly recognize her own house. That’s when the wandering started, accompanied by other behavioral changes.

A woman family friends said loved to cook and entertain neighbors didn’t even recognize her own kitchen – “That was what broke my heart,” McLean said.

Withrow also found it hard to throw away clutter and let go of things.

“She was trying to hold on to her life,” Withrow-Franklin said, and she needed help taking showers and getting dressed.

When the family saw her Monday, Withrow was dressed to go to work – wearing a pearl necklace and other items she normally didn’t put on.

“If it didn’t happen (Monday), it was going to happen eventually,” McLean said.

But that explanation isn’t easy for most of the family to accept.

It’s hard for Withrow-Franklin

to sleep these days. Her mind is haunted by the image of her mother laying in the road, wondering where she is and why her daughter wasn’t there to protect her. Still, Withrow-Franklin isn’t angry at the person whose vehicle hit her mother – “I just don’t see the car,” she said – but blames herself. And while her family is trying to help her heal, Withrow-Franklin knows she’ll eventually need counseling.

What does bring a smile to her face are the memories of her mother when she showed brief instances of memory. In late November, for instance, Withrow remembered the birthday and name of a grandchild and even had a 20-minute conversation – an unusual event, according to the family. The family also beams with pride knowing that although their mother attended Tennessee State University (she didn’t quite finish), and made sure all 11 of her children at least attempted college. Five graduated.

In the meantime, the family wants to find out who ran over their mother.

“My prayer is that God will convict them to come forward,” McLean said.

Visitation for Withrow is scheduled from 4 p.m. to 8 p.m. Friday at Burnam and Son Mortuary on College Street, where a radio will broadcast the Bowling Green High School football game in her memory – funeral home owner Cedric Burnam said Withrow loved the Bowling Green Purples.

Mitt Romney  
GOP presidential frontrunner

“Today.” “If I had actions that were completely opposite of my Christian faith, then I would think people would have reason to doubt if this part of my life, which is supposed to be so important, doesn’t influence me.”

Romney, the former Massachusetts governor, also used the occasion to sound a call for greater religious thought in daily civic life, providing a near-history lesson as he recalled religion in American political life since the country’s founding.

“The founders proscribed the establishment of a state religion, but they did not countenance the elimination of religion from the public square,” he said.

In an appeal to social conservatives, he also invited James Bopp Jr., an anti-abortion activist who is Romney’s special adviser on life issues.

“Every time they played she listened to it on the radio,” Burnam said. “She’ll be watching over them.”

Just loving someone with Alzheimer’s isn’t enough, according to McLean.

“My hope is that (our story) will help all the families to get the right care to keep loved ones with Alzheimer’s safe,” she said.

A growing number of those suffering from Alzheimer’s disease are black, according to the Alzheimer’s Association, and the number of blacks entering the age of Alzheimer’s risk (age 65 or older) is expected to more than double to 6.9 million by 2030.

There is no known cure for the disease, but Withrow’s granddaughter, Cassandra McLean, hopes that one day special subdivisions and neighborhoods will cater to families caring for loved ones with Alzheimer’s, just as there are similar special living areas for the deaf or blind.

“My prayer is that this changes the face of Alzheimer’s,” she said. “I just want my grandmother’s life to be a part of that change. I know there are other families going through that.”

— *There are no known witnesses to the initial collision that took the life of Carolyn Mae Withrow on Monday morning. Police ask that anyone who may have seen the accident call 393-4000 or Bowling Green-Warren County Crime Stoppers at 781-2583.*

pole-mounted lights around the square and in Park Row Alley where there also are Christmas designs. Landscape workers have also installed holiday banners around town and on Hartland Way leading to the Sloan Convention Center.

“Then we have to maintain them all for a month – making sure everything is still lit and repairing sections that aren’t,” Dougherty said. “Then it takes us a couple of weeks to get everything back down and stored away.”

And Dougherty said that is all done on top of the landscape division’s regular duties.

“It’s a huge project,” he said.

— *For more information about holiday events around Bowling Green, go to www.bgky.org or to www.bgdailynews.com.*

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