

Demand for Our Foreclosure Services More Than Doubles



Barbara Johnson at her Detroit home

The demand for foreclosure mitigation counseling at our Housing Opportunity Center has increased two and a half times in the past year as the foreclosure crisis continues to batter the housing market and neighborhoods.

Nationwide, the number of foreclosures increased at a record pace this summer. In July, foreclosure activity rose by 32% over the same period last year, according to RealtyTrac. The metropolitan Detroit area continues to suffer one of the highest foreclosure rates in the nation.

The Housing Opportunity Center (HOC) at Southwest Housing Solutions has seen a dramatic increase in demand for its foreclosure services because of the foreclosure rate and because its reputation for excellence is drawing increased referrals. "Our foreclosure mitigation program is one of the most effective around," said Tim Thorland, executive

director of Southwest Housing. "At the same time, we have expanded our partnerships with other agencies to serve more families throughout Detroit threatened by the foreclosure surge."

The HOC foreclosure counselors help families keep their homes by working with homeowners and lenders to renegotiate mortgages into more manageable rates, fees and terms. The bilingual services are free.

"Even when we cannot prevent the foreclosure, our counselors can assist families in many other ways, including helping them to find affordable housing and build a better financial future," said Hector Hernandez, director of the HOC.

HOC foreclosure counselors serve more than 100 families a month and are referring an increasing number to the Center for Working Families (CWF) based in the HOC. The CWF helps low-income families reach financial stability, access income supports, develop educational and employment opportunities, and build wealth. Participants are assisted by a financial coach, workforce development coach and benefits coach.

Currently, about four of every ten families who receive HOC foreclosure counseling are referred to the CWF. That ratio is expected to rise as the HOC/CWF effects a comprehensive approach to help families move up the economic ladder.

Barbara Johnson received foreclosure counseling and is now enrolled in the CWF. Barbara was three months behind on her mortgage payments when she came to the HOC in June and met with Brandy Bankhead, a foreclosure mitigation specialist.

Barbara is 71 years old and has lived in the same Detroit home for 45 years. Barbara had fallen behind because of the loss of her secretarial job and medical expenses due to breast cancer.

Brandy worked out a loan modification with Barbara's mortgage company that reduced her payments and interest rate. "The peace of mind from staying in my home and the fact that my cancer is in remission give me hope for the future," said Barbara.

Barbara is now working with CWF counselor Wendy Thornton to budget more efficiently, create a more effective resume, and apply for job openings. "Helping a family through their foreclosure crisis is often only the beginning of the assistance they need to better their lives," said Wendy. "At CWF, we help families acquire the skills and opportunities to become self-sufficient and realize their dreams."