

Stay in Your Home: Twin Cities Habitat for Humanity offers foreclosure prevention services

Written by Julie Desmond
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Foreclosures have hit record highs in Minnesota, leaving thousands of families homeless and neighborhoods in chaos. Twin Cities Habitat for Humanity (TCHFH) wants residents to stay in their homes. Since 1993, its free Mortgage Foreclosure Prevention Program has helped over 5,000 families, providing information, referrals to other agencies, and counseling to homeowners struggling to make payments.

Falling behind on a home mortgage can quickly spiral into a tornado of mail, phone calls and, ultimately, foreclosure. Most people who face the prospect of losing a home are good people who have fallen on very hard times. People do want to pay for their homes, but without a steady job and with health care and other costs rising, some homeowners fall behind and cannot catch up. Through the Foreclosure Prevention Program, residents have access to advocates who guide them through the foreclosure process and negotiate with lenders on their behalf.

The Foreclosure Prevention process starts with a phone call to William Bolton, program intake counselor. Bolton uses a long list of questions to gain a good understanding of a resident's situation and to determine whether the home is truly affordable given the owner's circumstances. Bolton then refers the resident either to appropriate local services or to a Foreclosure Prevention counselor.

Counselor Hassan Abdillahi says, first and foremost, the program is designed to help people. By understanding the issues that led to falling behind in the first place, the counselors can determine what options are available for bringing the mortgage current. Financial counselors are also available to help people stabilize their overall household situation so they will be able to keep up on future bills and expenses.

With extensive mortgage experience, counselors are able to communicate effectively with lenders on behalf of residents. Each situation is unique; some residents need a lower interest rate, some need a longer loan life, and some need other options. The counselors understand mortgage terminology and they know how to communicate financial information effectively between the homeowner and lender.

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Abdillahi and colleague Aleisha Kruck agree, homeowners should call at the first sign of a problem. Says Kruck, "It's never too early to call. Some people call because they anticipate a problem. We help by providing information or at least peace of mind." Once a resident is back on track, TCHFH counselors are available at any time to answer questions, explain documents or contact a lender with questions.

TCHFH counselors encourage all homeowners to practice personal responsibility: open mail, balance the checkbook and when receiving any notification, they say, homeowners should respond immediately and politely. By showing a willingness to cooperate, a resident improves his ability to negotiate and his chances of keeping the home. "If you're frustrated," says Abdillahi, "stay calm and tell the banker you will call back later." Or call TCHFH and let Abdillahi or Kruck make the call for you.

TCHFH aims to stabilize households and neighborhoods. Its Foreclosure Prevention services are free of charge and open to all Minneapolis neighborhoods and all income levels. By keeping families in their homes, TCHFH hopes to keep neighborhoods intact, preventing the problems associated with vacant and boarded up properties. Residents interested in taking advantage of this free service should call (612) 305-7163. Offices are located in the Urban League on Plymouth Avenue, and in SE Minneapolis on 4th Street SE.