



# **KEEPING A ROOF OVER THEIR HEADS**

**PREVENTING HOMELESSNESS  
IN MASSACHUSETTS  
& THE HOMECORPS BORROWER  
RECOVERY INITIATIVE**

A program provided by Massachusetts Association for Community Action (MASSCAP) supported with funds recovered by the Massachusetts Attorney General's Office through a nationwide state-federal settlement over unlawful foreclosures.





Joseph P Diamond  
MASSCAP Executive Director

## DEAR FRIENDS,

It is my pleasure to present this report on a critical element of Massachusetts Attorney General Martha Coakley's HomeCorps program – the Borrower Recovery Initiative. It comes at a time when we are acutely aware of the challenges thousands of our vulnerable friends and neighbors face each day, a time marked by rising income inequality, and a time animated by our recognition of the 50th Anniversary of the War on Poverty.

Community Action Agencies were created 50 years ago with the passage of the Economic Opportunity Act to be the federally mandated antipoverty organizations. The Community Action Agencies in Massachusetts, like their colleague agencies across the country, offer a wide range of integrated services and work closely with allied organizations to help people facing emergencies achieve a measure of stability that will allow them to move onto economic mobility.

The foreclosure crisis has affected thousands of Massachusetts families, placing many on the brink of homelessness. By funding the HomeCorps Borrower Recovery Initiative, the Massachusetts Office of the Attorney General put in place key resources that prevented the majority of foreclosed homeowners from becoming homeless.

The three core components of this homelessness prevention strategy employed by MASSCAP through most of its members were:

- **Community action case managers to connect households with services, help them find new housing and secure resources needed to sustain housing;**
- **Legal services attorneys to provide eviction representation;**
- **Emergency financial assistance, provided with flexibility and speed, to help people secure rental housing and pay moving costs or to provide short-term subsidies to help families maintain housing.**

Attorney General Coakley developed a thoughtful and layered approach to addressing the foreclosure crisis. We are honored to have been part of this first in the nation approach to addressing a problem caused in part by economic forces that were beyond the control of many of the homeowners who found themselves facing foreclosure.

Under the Attorney General's leadership and working with her many dedicated loan modification specialists, we rallied with our legal services colleagues to meet this unprecedented challenge. Dedicated, experienced, resourceful, tireless, and talented case managers represented the core team of professionals at 19 agencies (17 Community Action Agencies and 2 other community-based organizations) who worked diligently, and at times heroically, to prevent hundreds of people from becoming homeless.

You will find in these pages not only important information that summarizes the program – the number of people served, the kinds of services they received, and the number of people prevented from becoming homelessness – but also the stories of several families and their case managers, stories that will offer a glimpse into the devastating nature of the foreclosure crisis, the courage of the families affected by it, and the work of the dedicated Borrower Recovery case managers who rose to the occasion and prevented homelessness one family at a time.

In addressing the foreclosure crisis we bring to bear the lessons we have learned over the past 50 years about helping our vulnerable friends and neighbors and we make important strides in helping meet immediate needs, refining and improving our approach to addressing homelessness, and reducing and ultimately ending poverty.

Thank you.

Sincerely,

Joseph P Diamond  
MASSCAP Executive Director

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Photos by Don West

# THE FORECLOSURE CRISIS AND RESPONSE OF THE MASSACHUSETTS ATTORNEY GENERAL

In 2007, America saw the beginning of a foreclosure crisis that caused the economy to sink into the largest recession since the Great Depression. The immediate trigger of the crisis was the bursting of the U.S. housing bubble, which peaked in 2005-2006. The resulting subprime mortgage crisis was a nationwide banking emergency triggered by a decline in home prices and resulting in widespread mortgage delinquencies and foreclosures and the devaluation of housing-related securities.

*“The Massachusetts Attorney General’s Office has been a national leader in addressing the foreclosure crisis by holding banks and investment giants accountable for their role in the economic downturn.”*

More than 5 million homeowners nationwide – and 45,000 in Massachusetts – have lost their homes to foreclosure since 2007.

## RESPONSE OF THE AGO

The Massachusetts Attorney General’s Office has been a national leader in addressing the foreclosure crisis by holding banks and investment giants accountable for their role in the economic downturn. It has done this through groundbreaking legal action, legislative solutions, establishing a first-of-its-kind program to directly help distressed borrowers, and expanding its program to rehabilitate abandoned properties in local communities.

Individual and multi-state actions were brought against some of the nation’s largest banks and mortgage servicers alleging several types of consumer fraud and ultimately returning millions of dollars in direct relief, loan modifications and principal reductions to borrowers and investors.

At this time, more than \$850 million from 17 national banks and lenders has been recovered by the AG’s Office in its continued effort to protect consumers from foreclosure fraud and keep residents in their homes.

In February 2012, an historic \$25 billion national state-federal settlement with the country’s five largest banks over unlawful foreclosures, including the robo-signing of documents, brought an additional \$318 million of assistance to Massachusetts residents and helped to start the “HomeCorps” program.

## HOMECORPS

The goal of “HomeCorps” is to mitigate future impacts of the foreclosure crisis by providing advocacy to distressed borrowers in Massachusetts facing foreclosure. It includes a comprehensive three-part borrower support and referral initiative.

- HomeCorps Loan Modification Initiative – direct loan modification advocacy to distressed Massachusetts borrowers, in order to help them avoid unnecessary foreclosure.
- HomeCorps Borrower Representation Initiative – direct legal representation to distressed borrowers, with the goals of resolving legal issues preventing loan modifications, blocking unlawful foreclosures and pursuing other potential claims.
- Community Based HomeCorps/Borrower Recovery Initiative–direct assistance to families and individuals facing foreclosure, including providing referral services to families who need to transition from homeownership, thus assisting former homeowners in avoiding homelessness.

## ROLE OF MASSCAP

Massachusetts Association for Community Action (MASSCAP) was awarded a two-year grant by the Massachusetts AGO to provide services to foreclosed Massachusetts homeowners via the “Borrower Recovery Initiative.”

The primary mission of the MASSCAP Borrower Recovery Initiative was to prevent homelessness by helping foreclosed homeowners secure the financial assistance and services needed to transition from foreclosed properties to rental housing.

A second goal of the BRI program was to support the AGO Loan Modification specialists by (1) directing pre-foreclosure households to loan modification and legal assistance specialists in the HomeCorps program; and (2) helping pre-foreclosed on households increase their income so that loan modification might be possible.



# THE HOMECORPS BORROWER RECOVERY INITIATIVE: WHAT IT IS AND HOW IT WORKS

In Quincy, an elderly couple loses their home after years of fighting to avoid foreclosure. They rent a motel room, but with a monthly income of less than \$2,000 per month, they find they are quickly running out of funds. Scared that they will have to sleep in the street, they contact the Quincy Community Action Program. Melissa Fricke, a housing specialist, helps the couple apply for subsidized apartments, but lets them know they will first have to move to a private market apartment. She works with them to find an apartment they can afford and provides funds to cover the cost of moving, first month’s rent, last month’s rent, and a security deposit. She arranges for the couple to get SNAP, health insurance, and a free phone and works with them on a budget. In five weeks, they are in a rental apartment and managing once more on their limited income.

North of Boston, a single mother is too depressed to leave her house. Her husband has left her with three children and limited child support. A chronic illness leaves her unable to work. Mail arrives from the bank and other creditors, but she does not open it. The Attorney General’s Office refers her to Tri-City Community Action Program. Michael Casseday, a former mortgage originator now working at Tri-CAP, tells her to put all her mail in a paper bag. He comes to her house, gathers all the mail and sorts through it with the woman’s sister. The sister fills out an SSDI application and Michael completes SNAP and TANF applications so that the family has money for food and daily expenses. He remains in contact with the family, assuring that they can meet their basic needs as they wait to hear about SSDI. As soon as the disability application is approved, he calls the Attorney General’s Office, letting them know the family should be reconsidered for a loan modification. The AGO takes the case, a loan modification is approved and the family keeps their home.

In 2012, using funds from a nationwide settlement over unlawful foreclosures, the AGO launched a statewide foreclosure prevention and borrower support initiative entitled HomeCorps. The first effort of its kind in the nation, HomeCorps provides loan modification assistance, legal services, homelessness prevention services, and emergency financial assistance to foreclosed families and those at risk of foreclosure.

During the first two years of HomeCorps, over 10,000 homeowners called the AGO seeking help. Of these total

homeowners, 1,396 households, were targeted as Borrower Recovery households.

Borrower Recovery households were families and individuals that the AGO could not help through loan modification. The majority were people with very low incomes who can no longer afford their homes and needed assistance to either increase their incomes or relocate to rental housing. To help these homeowners, the AGO awarded Massachusetts Association for Community Action (MASSCAP) a two-year Borrower Recovery Initiative grant. The Attorney General also made up to \$4 million available in emergency funds for relocation and stabilization services.

From September 2012 to August 2014, the MASSCAP Borrower Recovery Initiative covered every city and town in Massachusetts. To deliver services, MASSCAP partnered with 17 community action agencies and 2 regional housing nonprofits. Each hired one or more homelessness prevention specialists to work with homeowners and tenants in their local communities.

The Figure 1 “HomeCorps Map” shows the network of Community Action Agencies, Legal Services Offices and Housing Authorities that worked together to prevent homelessness for families in foreclosure.

## MULTI-FACETED APPROACH

Prevention specialists provided a flexible array of services to help households remain housed. For households not yet in foreclosure, the specialists connected families to loan modification specialists and provided education about foreclosure, prioritizing debt, loan modification and bankruptcy. Specialists steered families away from unrealistic “rescue scams” and toward HUD-certified housing counselors at the AGO and community-based agencies. For families with small arrears, specialists secured financial resources to pay off the arrears and avoid foreclosure. For those unable to avoid foreclosure, prevention staff helped explore options to remain in the foreclosed housing or delay departure, including buy-back, post-foreclosure leases, and use and occupancy agreements. Where relocation was inevitable, the specialists helped households process the sense of loss and grief associated with the loss of their homes and provided the services needed for successful relocation.



These services included private market housing search, public/subsidized housing applications, benefits applications, benefits advocacy, assistance securing job training and employment, and help securing resources including food, utility resources, health care, health insurance, child care, moving assistance and storage. The specialists provided financial counseling including assistance with credit repair and budgeting.

Using emergency financial assistance provided by the AGO, BRI helped households move to new housing and become stabilized. The Attorney General's Office provided up to \$4,000 per family for first month/last month/security deposit assistance, short-term rental subsidies, utility assistance, and moving and storage fees. Funds were also used to temporarily shelter people who had no other shelter options. BRI staff used other emergency funds to help some families repay mortgage arrearages and avoid foreclosure.

ADVOCATE TRAINING

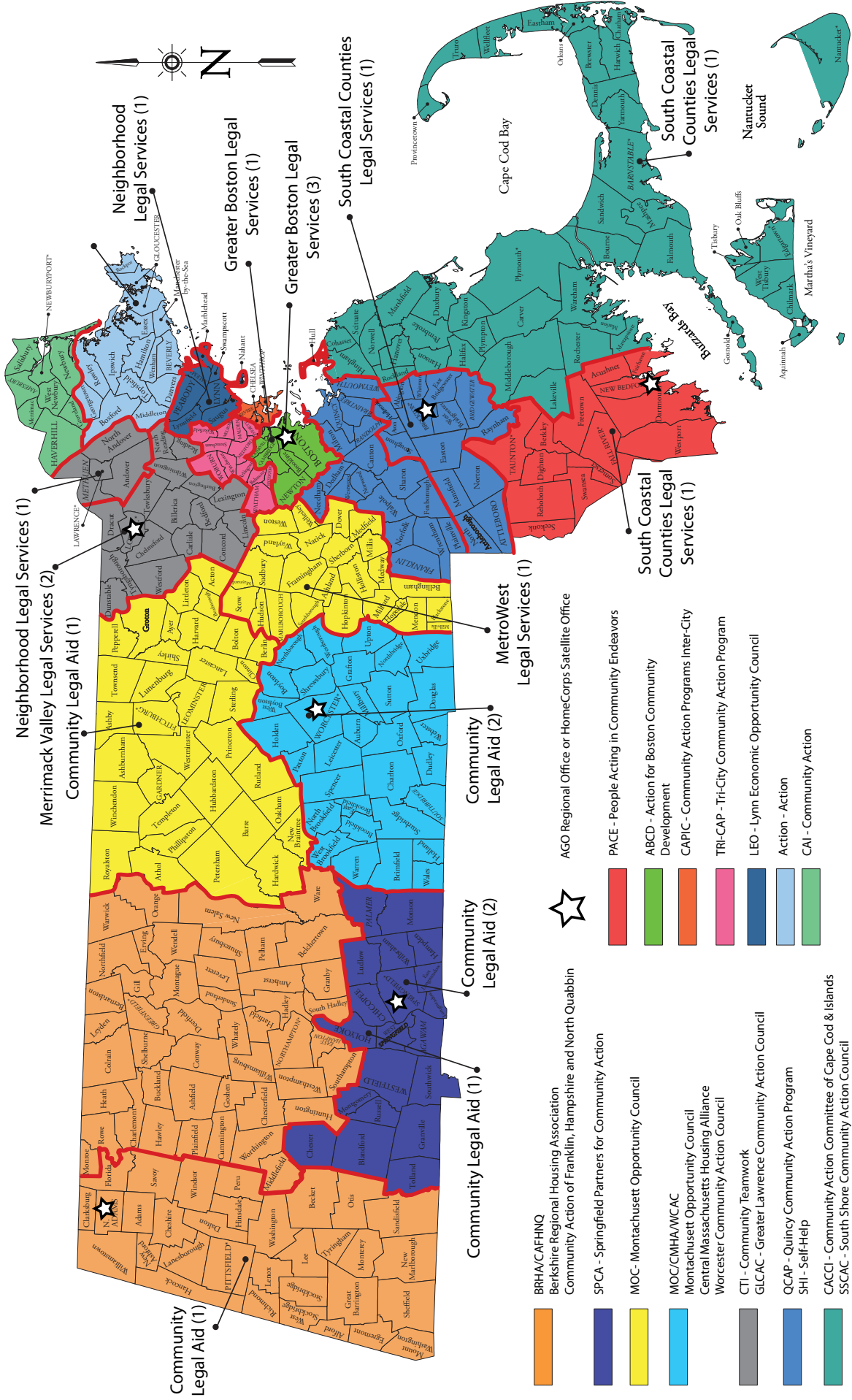
The Office of the Attorney General and MASSCAP provided training to ensure a high quality of service delivery throughout the program, with instruction provided in motivational interviewing, mental health first aid, foreclosure 101, new loan modification standards, public/subsidized housing search, housing denials and appeals, post-foreclosure eviction and conditions cases, bankruptcy, emergency assistance/shelter access, unemployment, and fair housing. MASSCAP also encouraged advocates to attend Massachusetts Law Reform Institute trainings on veterans benefits, SSI/SSDI, TANF, and EAEDC and engaged MLRI attorneys to provide training and back-up technical assistance on complex housing and benefits cases. Partner agencies were asked to recruit bilingual staff, resulting in the hiring of nine staff members who spoke second languages, including Spanish, Haitian Kreyol, Cape Verdean Creole, French and Portuguese.

The AGO did not put income eligibility restrictions on the HomeCorps program. Any at-risk household is encouraged to apply for services. To receive financial assistance, households had to demonstrate financial need.

*“In 2012, using funds from a nationwide settlement over unlawful foreclosures, the AGO launched a statewide foreclosure prevention and borrower support initiative called HomeCorps. The first effort of its kind in the nation, HomeCorps provides loan modification assistance, legal services, homelessness prevention services, and emergency financial assistance to foreclosed families and those at risk of foreclosure.”*

FIGURE 1

HomeCorps: Supporting Borrowers Across the Commonwealth





# ON THE FRONT LINES:

## STORIES FROM HOMECORPS

### ADVOCATES AND FAMILIES SERVED

The foreclosure crisis in our nation brought with it to millions of Americans the unexpected and traumatic loss of a home and the fear and reality of homelessness, poverty and bankruptcy.

The Massachusetts Attorney General's Office, working with MASSCAP, Legal Services and Housing Authorities across the state, brought hope and the opportunity to build a new life to more than a thousand Massachusetts individuals and families who faced foreclosure, eviction and homelessness due to the nationwide and worldwide banking emergency of 2007-2008.

***"There were huge challenges - unemployment, underemployment, substance abuse, divorce, poor money management. They (clients) had to be able to move forward, get and keep a job, pay the rent."***

**- Mellisa Carney, Home Corps Advocate, Plymouth**

Here are the stories of a few of the people caught in the maelstrom of a worldwide financial crisis - homeowners pursuing the American dream and suddenly faced with foreclosure, eviction, perhaps bankruptcy... and generally through no fault of their own.

Here also are the views and perceptions of several MASSCAP HomeCorps advocates who worked with those homeowners helping them to build a future under terribly difficult circumstances.

The trauma experienced by those foreclosed on permeates their stories. These are people who lost their homes. Many relive daily the opening of that eviction letter from the bank. How could this happen to them? Many struggle with depression and post-traumatic stress disorder. They always owned their own home - they don't understand what it is to be a renter. They don't know how to be poor. National statistics document their pain. A May 19, 2014, article in the *Huffington Post* is entitled "Foreclosures Linked to Higher Suicide Rates."

The HomeCorps program of the Massachusetts AGO and the effective, dedicated work of MASSCAP HomeCorps advocates and Legal Services attorneys helped rescue many foreclosed homeowners from homelessness, while saving taxpayer dollars. It is clear that the multi-layered case management approach that is the legacy and strength of community action - the ability to provide the wide-range of services and encouragement and opportunities that enable people in need to rebuild their lives - was critically important to the success of HomeCorps.

Here are just a few of the people who were assisted by the HomeCorps program as well as the HomeCorps advocates who made this program happen. We thank them for sharing their stories with us.

**Patricia Forges**, Brockton - client

**Chantilly Jean-Baptiste**, Self-Help, Inc., Avon/Brockton - advocate

**Donna Fredette**, Carver - client

**Magdalene Njuguna**, Worcester - client

**The "TEAM"** - Worcester/Fitchburg - advocates

**Deborah & Mark Dooney**, Westfield - clients

**Mellisa Carney**, South Shore Community Action Council, Plymouth - advocate



"When I met Chantilly at Self-Help in Brockton, I was crying so hard I could not stop," said Patricia Forges of Brockton. "I had worked hard all my life. How could the bank be taking my house?" "Chantilly told me: 'This is not your fault. We will find a way to help you.'"

Patricia Forges and her husband and three daughters had lived in a house in Brockton that they bought in 2011. The mortgage payment was \$1,565 a month. With both of them working - Patricia as a nursing assistant at Kindred Hospital Northeast-Stoughton - they were able to make the payments and enjoy middle-class life. Then the marriage broke up. Her husband moved out. There was no help with finances. Suddenly the mortgage - a balloon loan - mushroomed to \$2,400 a month. Patricia missed three payments. The bank took her house.

She tried to rent an apartment but could not pay the required first and last months' rent and security deposit. The four of them moved in with Patricia's sister's family. Ten people were living in a one-bedroom apartment. Said daughter Patrice, then age 18, "I went from having my own room to being huddled in a corner."

She heard about Self-Help, Inc. and the Borrower Recovery Initiative funded by the Massachusetts Attorney General's Office. Chantilly Jean-Baptiste at Self Help, Inc., armed with the AGO grant dollars of \$4,000 per family, helped them find an apartment. The grant paid the required deposits and moving costs. Chantilly helped them apply for Earned Income Tax Credit, food stamps, other benefits for which they were eligible.

They lived in the rental apartment for a year with Patricia working hard at her job and saving every cent that she could. In December 2013 - with help from a friend - she put together the down payment for their current home. The nightmare was over.

They have been in their three-bedroom house on a quiet Brockton street for eight months now. Patricia's three daughters - Patrice, age 21; Isabelle, age 15; and Laura, age 12, are all doing well in school. Patrice is a sophomore at UMass Amherst, majoring in Public Health and Sociology.

Patricia struggles to put the days of homelessness behind her. "It was so hard," she said. "The way some loans were presented was so unfair. There are many people out there - like me - who sign on the dotted line, not understanding that their mortgage is going to increase in a year. There is a mentality that blames the victim."

"Self-Help did so much for us," she continued. "Without them we may have ended up on the streets, in the shelter system. We couldn't have gotten into an apartment and had a chance to stabilize our lives."

## PATRICIA FORGES

Brockton

***"Self-Help did so much for us. Without them we may have ended up on the streets, in the shelter system. We couldn't have gotten into an apartment and had a chance to stabilize our lives."***



CHANTILLY  
JEAN-BAPTISTE

Home Corps Advocate,  
Self-Help, Inc., Avon



*“Many were working two jobs. They were disabled, they had no car, there was a language barrier. They were totally beaten down. They had been violated so badly, they didn’t know who to trust. The banks and refinance companies had stolen from them.”*

“I think we’re going to have to order more Kleenex.” These were Chantilly’s words after seeing her first few clients in the Brockton-area Home Corps Program. People whose homes were being taken away from them were in excruciating distress.

“I would ask ‘how are you’ and they would just break down crying,” she said. The people Chantilly saw in the Home Corps Program at Self-Help, Inc. in Avon, were in crisis, struggling to cope with multiple stressors. “Many were working two jobs,” she said. “They were disabled, they had no car, there was a language barrier. They were totally beaten down. They had been violated so badly, they didn’t know who to trust. The banks and refinance companies had stolen from them.”

Between referrals from the AG’s office and community outreach, the program was quickly inundated with clients. The majority were from Brockton. Their roots were there, their family, their friends, their children’s schools, the child-care system they relied upon. Chantilly tried to keep these families in Brockton to maintain the integrity of the family unit and also, she pointed out, to keep Brockton from losing solid working families.

Many had been homeowners for 10, 20, 30 years. They went from being in good standing in their community to being treated as though they were irresponsible. Sometimes the bank had seized their home after just one missed payment. They didn’t know the rental market. They didn’t know how to be suddenly poor and homeless.

Chantilly and her colleague Nair Cardosa assessed each situation. If there was time, they moved to stop the foreclosure and eviction. If it was too late, as was often the case, they sprang into action helping clients find rental apartments and begin to rebuild their lives. “This was a GREAT program,” said Chantilly. “We had the tools to actually help people immediately. Even though it was often hard to find apartments, having the \$4,000 for first and last month’s rent and security got them started.”

She found that clients needed help searching out apartments – many had never rented. They didn’t know what to look for, they didn’t see the pitfalls of poor maintenance or too high rents. Given the high-demand, high-cost rental market in Massachusetts, it wasn’t easy. Then she would arrange for movers and help with the move. She and Nair would do everything possible to stabilize the family in their new home and ensure they could overcome obstacles and continue to meet the rent.

They mobilized dozens of community organizations to meet client needs – food stamps, fuel assistance, child care, job search, education, financial literacy programs, health care. “I loved all the network connections – we worked with South Coast Legal Services, Self-Help, Community Connections, Family Center of Brockton...everywhere there were compassionate, competent people,” she said. “But the rash of foreclosures created a crisis situation that spread through communities like wildfire. We needed all the help we could get.”

DONNA  
FREDETTE

Carver, MA



“I was living in my childhood home in Brockton,” said Donna Fredette, age 63. “I was born there. It was the only home I ever knew. It needed major repairs – the roof was leaking badly. I could no longer work because of my health and I couldn’t afford the repairs. So I refinanced at 12 ¾ percent. That was bad enough, but the next day the mortgage was sold and the rate increased. I couldn’t make the payments. I was the victim of a predatory loan.”

Donna had worked all her life. But a few years earlier she was forced to leave her position at Continental Cablevision because of critical health issues – first a diagnosis of rheumatoid arthritis and then multiple sclerosis. When she couldn’t make payments on the refinanced mortgage, she was forced to file for bankruptcy and the bank took her home.

“Everything came crashing down,” said Donna. “I lost everything.”

That was when Self-Help, Inc., the community action agency serving Avon and Brocktown, entered her life.

“I saw a notice in the paper for people who were being foreclosed on to call Self-Help,” said Donna. “They connected me to their HomeCorps program.”

HomeCorps Advocate Chantilly Jean-Baptiste stepped in with an arsenal of support systems.

“There was no way to avoid the foreclosure, but she connected me with South Coast Legal Services where they worked out a “cash for keys” settlement so I didn’t have to go to court,” said Donna. “She got me on food stamps, she got my MassHealth coverage back. She helped me look for a rental I could afford. I was a city girl, but Chantilly told me about Cranberry Village in Carver with affordable mobile home units. I was ready to try anything. I just wanted a roof over my head. I found a mobile home in Cranberry Village that I could afford on my limited income.”

The \$4,000 from HomeCorps plus moving expenses made it possible for Donna to avoid homelessness and secure her future.

“Now I love it here in Carver in the midst of cranberry country,” she said. “I was always a gardener and my friends helped me dig up plantings from the Brockton house. They are here – I have bird feeders and wonderful neighbors.”

Donna struggles with her MS but she sees a future. Emotionally, she is healing. She enjoys her grandchildren. She plans to go to a high school reunion soon. She is decorating for the holidays. She plans to provide crafts workshops to augment her income. “The HomeCorps program and community action gave me a new lease on life,” she said.

*“I could no longer work because of my health and I couldn’t afford the repairs. So I refinanced at 12 ¾ percent. That was bad enough, but the next day the mortgage was sold and the rate increased. I couldn’t make the payments. I was the victim of a predatory loan.”*



MAGDALENE NJUGUNA

Worcester

*“What would I have done without the HomeCorps program and Edna from Worcester Community Action Council? Oh my goodness...We would have been sleeping in friends’ living rooms. We would have been homeless.”*



“What would I have done without the HomeCorps program and Edna from Worcester Community Action Council? Oh my goodness...We would have been sleeping in friends’ living rooms. We would have been homeless.”

Magdalene Njuguna and her husband came to America from Kenya in 2004. For five years she worked nights as a nursing assistant, rushing home to get her older children off to school and being there when they returned. She and her husband bought a house in Worcester. Then domestic violence erupted and the marriage fell apart. Suddenly she was a single parent with three children. Magdalene struggled to meet her children’s needs – but they were in three different schools. She was bombarded with a million issues and demands. She lost her job. The family had no income.

Magdalene thought it was the worst of times, but she was wrong. The letter came saying the bank was foreclosing on her mortgage. She fought back, writing letters to the Attorney General, to President Obama. She went to court. She managed to stay in the house for a year and she put it on the market. But there were problems with the sewer...she was back in court and a lien was placed on the house. It would take \$4,700 to fix the sewer and remove the lien. The judge gave her three months...but never in a million years could she raise that money.

The Attorney General’s Office referred her to WCAC and she met HomeCorps advocate Edna Ortiz. Edna took her to see a legal aid lawyer. She helped her get on fuel assistance and food stamps. They tried to negotiate with the mortgage company, but in July 2013 Magdalene walked away from her home. Edna helped her find an apartment – it was more than she could afford alone so she got a friend to rent a room. She began working as a home health aide at Comfort Home Care and was accepted into the nursing program at Quinsigamond Community College.

“To be a nurse has been my dream since I was born,” she said.

Now she was in school full-time and working part-time as a home health aide. How could she keep that schedule and care for the children – Brian, age 5; Lewis, age 7; and Ann, age 15? Magdalene was not daunted. She brought her mother from Kenya to be there for the children and for her. The family is thriving and Magdalene works harder than ever as her goal of becoming a nurse comes closer to reality with each day. She will graduate in May 2015, take her State Board exam and prepare for a career she loves where beginning salaries range from \$40,000 to \$70,000.

“Without Edna, HomeCorps and WCAC none of this would have been possible,” Magdalene said. “My family would probably be bouncing around in shelters at tax-payer expense right now.”



Edna Ortiz, Magaly Rios, Patricia Connors, Karen Landry

“We submitted the HomeCorps proposal as a network,” said Kay Landry. “With a team approach, we brought multiple skills and experience to the process of dealing with foreclosure and preventing homelessness across a wide region.”

In the Worcester-Fitchburg area of central Massachusetts, foreclosures hit hard. Unemployment was already chronically high. When job loss or illness or child care issues struck a family, they might fall behind on their mortgage. Many were also victims of predatory loans that ballooned out of control.

“We had referrals coming in from the Attorney General’s office...we had walk-ins... we had referrals from other community agencies and a great many from local legal aid organizations,” said Edna Ortiz. “We worked closely with them and with Central Massachusetts Housing Alliance.”

As the client load grew, the group’s advocacy skills were put to the test.

“Poor credit was a major problem,” said Maggie Rios. “People had tried to hold onto their homes and to do so they got behind on utilities and other bills. Many lived off credit cards. So by the time they got to us...with foreclosure looming...their credit was a mess.”

“We had to explain that situation to landlords,” she continued. “They were reassured because we had the first and last months’ rent. Our community action-based knowledge of resources helped convince landlords to take a chance on HomeCorps clients.”

Said Kay Landry: “We helped families obtain fuel assistance, child care vouchers, food stamps. We got them into job-training and provided budgeting and financial literacy skills to help sustain the rent.”

When available, subsidized housing kept clients out of homelessness. “I had a client who didn’t know where to turn,” said Maggie Rios. “Her husband died of cancer. Without his pay check she couldn’t pay the mortgage. Their home was foreclosed on. I worked with the Acton Housing Authority to get her placed in subsidized housing and helped her make that transition. She was helpless – her grief and the trauma of losing her home immobilized her.”

Pat Connors noted that many clients didn’t know where to start looking for housing. “They had owned their own homes all their lives, they had raised families in them. Some had owned multi-family homes – they had been landlords! Now they had to face a tough rental market.”

Working with WCAC, she sent one couple – both of whom had been laid off from their jobs – to the North Central Career Center. The husband got free training in computer repair and quickly landed a job with Technical Computer Solutions in Worcester. WCAC also signed them up for fuel assistance and helped them file taxes that included an Earned Income Tax Credit payment. They were able to rent an apartment, make the monthly payments and get on track with their lives.

TEAM PLAYERS: HOMECORPS ADVOCATES

Central Massachusetts

Karen Landry – Montachusett Opportunity Council, Fitchburg

Magaly Rios – Montachusett Opportunity Council, Fitchburg

Patricia Connors – Central Massachusetts Housing Alliance

Edna Ortiz – Worcester Community Action Council

*“We submitted the HomeCorps proposal as a network. With a team approach, we brought multiple skills and experience to the process of dealing with foreclosure and preventing homelessness across a wide region.”*



DEBORAH & MARK DOONEY

Westfield



*“Springfield Partners for Community Action helped us find a rental we could afford. We’re glad to have a roof over our heads. Without their help and the HomeCorps program, we could have ended up homeless.”*

Deborah and Mark Dooney worked hard all their lives. In 1997, they bought a home in Westfield. She had worked in a factory for 18 years and then was employed as a personal care attendant, went back to school and earned Certified Nursing Assistant (CNA) credentials. He was a dishwasher at the nearby Sheraton Hotel. They paid their mortgage every month.

Then bad things happened – several bad things – all at once. Deborah’s sciatica and respiratory problems escalated – she had to leave her position as a home health aide. The furnace died. There were plumbing problems. Then Mark’s employer let him go without notice. They missed three mortgage payments and the bank foreclosed.

Today, a carved wooden plaque reading “The Dooney Home – Est. 1997” hangs in the living room of their rental housing – over a photo collage of the beloved dog they had to put down.

No dogs are allowed in the rental home.

“Springfield Partners for Community Action helped us find a rental we could afford,” said Deborah. “We’re glad to have a roof over our heads. Without their help and the HomeCorps program, we could have ended up homeless.” SPCA also helped them apply for subsidized housing – they are on the waiting list.

Deb wishes the money from the Attorney General’s program that was essential in getting them into their current rental – paying \$4,000 for first and last month’s rent and moving costs – could have gone into saving their home. “We did everything we could to get a loan modification,” she noted. “But with both of us out of work, we just didn’t have the income to support it.”

Ironically, less than a year later, they are both working and could pay the mortgage. “We’re paying \$850 a month for this rental,” she said. “It could be going toward our mortgage if we could have just gotten through that bad patch.”

Deborah, age 57, is working as a personal care attendant and Mark, 51, is a “dining associate,” earning \$8.50 an hour helping to serve meals for residents at Armbrook Village, an assisted living complex in Westfield. Both struggle with health issues – she with asthma and sciatica, he with plantar fasciitis, a painful inflammation of foot tissue.

Their former home still sits on the market, awaiting a buyer who will pay the “short sale” price. “If we win the lottery, maybe we could have it back,” said Mark sadly.



MELLISA CARNEY

HomeCorps Advocate,  
South Shore Community  
Action Council (SSCAC)

*“We had people who had owned their homes their entire lives...we had second generation homeowners losing their parents’ homes. Some were young families. Some were seniors. I helped one middle-class woman who lost her home in the stock market crash and was practically penniless. She didn’t know where to turn.”*

Mellisa Carney pointed out that the people being helped by HomeCorps Advocates generally had been terribly traumatized by the experience of losing their homes and had enormous barriers to overcome.

“We had people who had owned their homes their entire lives...we had second generation homeowners losing their parents’ homes. Some were young families. Some were seniors. I helped one middle-class woman who lost her home in the stock market crash and was practically penniless. She didn’t know where to turn.”

“The community action model of case management worked so well,” she said. “Most clients needed housing search. Many didn’t know how to look for a rental property. They didn’t understand how to work with landlords and property managers. Older people didn’t know how to use the Internet. We were able to support them, to hold their hands and guide them through the process.”

“We would look at what wrap-around services they needed – food stamps, fuel assistance, child-care vouchers. What did they need to get back in the mainstream and be able to sustain a household? There were huge challenges – unemployment, underemployment, substance abuse, divorce, poor money management. They had to be able to move forward, get and keep a job, pay the rent.”

“The case load grew rapidly. One attorney at our local legal services office was soon doing HomeCorps cases full-time.”

Over the past two years, Mellisa aided 115 households through the HomeCorps program. She provided information and referral services to many others.

With BRI funds of \$134,000 or less than \$4,000 per household, she helped 42 of those 115 families locate and move into rental or other housing, thus preventing them from falling into homelessness following eviction. She supported them through a stabilization period. Others were assisted with loan modification and income-maximization services such as employment assistance, job-training, financial education and more to help them stay in their homes and make their mortgage payments.

Mellisa came to her position as HomeCorps advocate in the Borrower Recovery Initiative after 16 years in community action. In 2014, she was honored by *Banker & Tradesman* newspaper as one of its “Women of FIRE” awardees. The award recognizes key female players in the local finance, insurance and real estate (FIRE) sectors, celebrating the best and brightest in the industry. Mellisa was recognized for her cutting-edge, dedicated work in foreclosure and homelessness prevention and for providing financial education to those struggling to survive in a harsh economy.



# HOME CORPS: SUMMARY OF PROGRAM OUTCOMES

The following data summarizes program outcomes for the first two years of the Massachusetts HomeCorps Borrower Recovery Initiative. A general review is followed by a detailed “By the Numbers” examination of data.

## GENERAL REVIEW

One thousand three hundred ninety-six (1,396) households requested help or were referred for assistance. MASSCAP partners were not able to reach 185 of those households despite calls, emails and letters. An additional 118 households, when reached, said that they did not want services. As a result, the Borrower Recovery Initiative served 1,093 households over a two-year period. Information and referral services were provided to an additional 629 households.

Fifty-two percent of households served or 579 households were permanently placed in housing. Of these, 427 families were moved to new homes, 13 bought back or leased back their homes after foreclosure, and 143 successfully avoided foreclosure. Of those moving to new housing, 337 households moved to private housing, 44 obtained subsidized housing and 46 moved into shared housing. Seven families bought back their properties with Boston Community Capital or a local bank and 6 secured a long-term lease.

Of the 143 who avoided foreclosure, 89 obtained loan modifications, 42 paid off mortgage arrears, 7 engaged in legal action that overturned the foreclosure verdict and 5 successfully filed for bankruptcy, using the automatic stay to remain in housing. Of those paying off mortgage arrears, 13 did so because of emergency financial assistance arranged by their BRI case manager.

Another 26 percent, or 295 households, remained in their homes as they employed strategies to avoid foreclosure: 118 pursuing loan modification options with the Attorney General’s Office or community-based foreclosure agencies and 28 working on legal options to prevent foreclosure. At the end of the program, 149 families were likely to need relocation, but remained

in their foreclosed property as they waited for the legal process to proceed.

Using the Borrower Recovery fund established by the Attorney General’s Office MASSCAP partners provided financial assistance to 336 households, with a total of \$967,438.57 provided. Agencies used private funds to help an additional 59 families. The average monthly income of families receiving emergency financial assistance was \$2,230 and the median income was \$2,026.

Finding affordable housing in Massachusetts is very difficult. BRI housing specialists helped 336 households apply for public and subsidized housing, but most of these families will need to wait many years to come to the top of a public or subsidized housing waitlist. So housing specialists worked with families to find private market housing and secure other supports, like food and utility assistance, so that families could maintain their new tenancies. The average monthly rent of new apartments was \$895 per month, well below market rent in Massachusetts.

In all, 79 percent of households engaged in services and remained housed. Of those that did not, 185 households received some services, but then lost contact with BRI case managers. Twenty-one were ineligible.

Less than 2 percent of those served or 23 households became homeless during the past two years; 32 were homeless at program entry.Of these, 13 were permanently placed in housing; 6 are staying with family and friends while looking for permanent housing; 8 were placed in emergency assistance shelter and 1 were placed in individual shelter. All of those in shelter are receiving housing search. Three lost contact with the program and 3 refused services.

# BY THE NUMBERS:

## FINANCIAL ASSISTANCE:

BRI emergency financial assistance provided: \$967,438.57  
Total households receiving BRI emergency financial assistance: 336  
Total households receiving emergency financial assistance from other sources: 59  
Average monthly income of households receiving BRI financial assistance: \$2,230  
Average monthly rent of housing secured for BRI households: \$895

PERMANENTLY PLACED HOUSEHOLDS HOUSEHOLDS PLACED IN HOUSING POST-FORECLOSURE:
427

- Private market housing: 337
- Public/subsidized housing: 44
- Shared housing: 46

HOUSEHOLDS BOUGHT BACK OR LEASED BACK HOMES POST-FORECLOSURE:
13

- Bought back home post-foreclosure: 7
- Long-term lease in foreclosed property: 6

HOUSEHOLDS PREVENTED FROM FORECLOSURE:
144

- Loan modification: 89
- Repaid mortgage arrears: 43 (with financial help from Masscap agencies):
- Legal action overturned foreclosure: 7
- Bankruptcy/automatic stay: 5

HOUSEHOLDS EXTENDED STAY IN FORECLOSED HOUSING:
295

- Pending outcome of foreclosure counseling/loan modification negotiations: 118
- Pending outcome of legal case: 28
- Foreclosed but waiting until eviction to relocate: 149

INCREASED INCOME:
357

Increased income by obtaining employment: 99  
Increased income by obtaining cash benefits: 246

- SNAP: 155
- SSI/SSDI: 60
- Emergency Aid for Elder Disabled Children: 12
- TANF: 5
- Veterans benefits: 14

Increased income by obtaining child support: 11

SECURED OTHER BENEFITS:
299

- Food (vouchers/food pantries): 299
- Fuel assistance: 167
- Health insurance: 68
- Health services: 36
- Job training/education program: 38
- Child care: 11

Other utility benefits (emergency oil fills): 54

## SERVICES PROVIDED:

- Housing search: 471
- Housing advocacy: 335
- Public/subsidized housing applications: 363
- Move in services: 196
- Benefits applications: 234
- Benefits advocacy: 265
- Referral to employment and job training resources: 168
- Job search and counseling: 74
- Linkage to elder services: 79
- Linkage to veteran services: 37



# RECOMMENDATIONS FOR THE FUTURE

Based on the experiences of clients served, advocates and managers in the HomeCorps Borrower Recovery Initiative, which resulted in an unprecedented statewide focus on applying homelessness prevention strategies in complex situations for two years, MASSCAP offers the following insights and recommendations.

Massachusetts has developed a multi-faceted approach to homelessness that increases permanent affordable housing for extremely low-income people, provides emergency financial assistance through Residential Assistance for Families in Transition (RAFT), funds emergency shelter, and encourages maximization of public housing resources. The Commonwealth has made an unprecedented level of resources available to support families that become homeless. This approach could be strengthened even further by a renewed commitment to community-based prevention services.

In recent years, the loss of coordinated, comprehensive prevention services has meant that many low-income people are unable to secure resources to address housing needs until they are actually homeless. The Legislature's restoration of RAFT prevention funding is significant, but many families need both services and emergency financial assistance in order to obtain and maintain housing stability. MASSCAP recommends that public and private funders reinvest in community-based homelessness prevention, modeled on the successful HomeCorps program. Key elements of HomeCorps, success included:

- **Case managers and housing attorneys work collaboratively to address service and legal needs**
- **Moderate caseloads allow case managers to address income as well as housing issues, providing assistance with job search, benefits applications, access to community resources, along with housing search and housing applications**
- **Access to a flexible source of emergency financial assistance up to \$4,000/household**

MASSCAP is working with the Massachusetts Legal Assistance Corporation to restore homelessness prevention services in Massachusetts. Homelessness prevention keeps families in their homes or helps them move to new homes without experiencing the trauma of homelessness.



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