

Options to Homelessness and Sometimes Hopelessness

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By Syndicated Columnist Cathy Harris

Whether you received a pink slip a few days ago, a few weeks ago, or will receive one in a month from now, it can play havoc on your thought process which can stop you from thinking clearly. Chances are the entire situation has left you feeling sorry for yourself and feeling like a failure. Your feelings and emotions have probably manifested itself into embarrassment where you are afraid to tell others that could really be in a position to help you. Remember life is going to hand you problems, but it's also going to hand you solutions to those problems. It should be your goal to stay proactive and continue to move forward.

For years women who are single parents and heads of households have had their lives destroyed by foreclosures. Now others are suffering that same fate. Many are walking away from their possessions simply because they don't think they have any other options.

By the time they realize that they can no longer pay their mortgage, they think their only recourse is to walk away. Some gather their belongings and household goods and move out before the Marshals show up. Others wait until the Marshals show up at their doors because they don't have anywhere to go.

These foreclosures sometimes cause homelessness and, in many cases, hopelessness.

If you have depleted all your options, then at least contact your family members and friends and try to hang onto your prize possessions that you have spent years collecting. If you have to move, call a moving company or get your family to move your belongings to a storage facility for 3 or 4 months or longer. These facilities usually run a special so your cost might be around \$30 or \$40 a month and sometimes they offer a free month. So you definitely want to use your last paycheck to put your personal effects in storage and to get some type of stable living environment set up for you and your family while you regroup.

Some of the options you have if you realize that you can no longer pay your mortgage are: 1) Give the power of attorney to others; 2) Call the mortgage company or bank to see if you can work something out; 3) Seek out help from community organizations and churches, or 4) File for bankruptcy.

Power of Attorney

According to latest statistics, the number one issue that women face in the workplace is depression. This depression usually results in them leaving the workplace on UNPAID stress leave for weeks, sometime months and even years.

Because of the economy, many qualified workers are being replaced by unfair labor practices such as nepotism, cronyism, and favoritism. Many are not in the position to obtain legal counsel to fight back, so this disparity has also resulted in depression or a feeling of failure.

Nowadays, 1 and 2 parent families are working 2 to 3 jobs just to pay their mortgage that have ballooned to over \$2,000. They realize they can no longer do this because their physical condition is now deteriorating. In other words, they are working themselves to death.

Whether you want to admit it or not, getting sick and almost losing your home can be one of the most stressful times ever. If your work situation or the pressure to hang onto your home has left you incapacitated either mentally or physically, you might need to discuss the different possibilities for power of attorney with an attorney as soon as possible.

You may or may not need to limit your power of attorney to certain areas, i.e., sale of the property versus other areas of your personal life.

You might want to think about giving “power of attorney” to a family member, friend, or someone you trust to handle your personal affairs, especially if you think you might get behind on your mortgage. It’s always best to give this type of power to a family member, but others might be willing to help as well. In some cases, your teen children might have to step up to the plate to assist the family by gaining employment, paying the bills or just speaking for the family.

If many had had some type of disability insurance, they would have been able to keep their homes. In some communities having disability insurance is almost unheard of. You can obtain disability insurance through your job or on the outside of your job at a company that sells disability insurance. The two types of disability insurances include: 1) Short Term Disability Insurance – which might only last three months; and 2) Long-Term Disability Insurance – which kicks in when an individual has been unable to work for an extended period of time.

Mortgage Companies

If you realize you are not going to be able to pay your mortgage, first of all you need to call the mortgage company to see if there is something you can work out. Ask them what options you have to avoid foreclosure. Ask them if there are any programs available that you can apply for to help resolve this matter. However, most mortgage

companies may not offer advice for homeowners on how to save their homes, but this would be the time for you to ask questions. In fact, it's best to put it in writing by e-mail, mail the request via certified mail, or meet with them in person.

Remember most banks don't really want your house back so call the bank to see if they will accept a short sale deal or some other options.

Organizations and Churches

There are community organizations and churches that can assist you if you get behind on your mortgage. Start seeking help early from these groups if you are terminated from your job, laid-off, or become temporarily or permanently disabled.

Some organizations and churches will also assist you with paying your bills, especially if you have small children. These organizations will need to see proof in writing that you were terminated, laid-off, or has suffered some type of temporary or permanent disability. Continue to seek out help from organizations in the community even if you saved your home, they still will be in a position to help with funds to pay your utilities.

Your local utility companies, the Salvation Army, the United Way, churches, community organizations, hunger coalitions and other groups are just some of the places that have a list of organizations that can assist you with paying your rent, mortgage and utility bills and will provide you with other basic essentials of life such as food, clothing, and shelter. But you, a family member or friend have to contact these organizations and tell them that you need help.

File a Bankruptcy

If there are no other options, then seek out a bankruptcy attorney. There are four (4) common types of bankruptcies: 1) Chapter 7 allows either an individual or business to discharge virtually all unsecured debts. But remember the new laws that passed in Oct. 2005; 2) Chapter 11 is for individuals or corporations engaged in business who desire to reorganize their debts and seek court protection while they negotiate a plan of reorganization with creditors; 3) Chapter 12 is like a chapter 13 but is only for family farmers; and 4) Chapter 13 is an alternative to Chapter 7 bankruptcy. It is designed for "wage earners" with relatively small amounts of consumer debt (as opposed to business debt).

Being proactive is not always going to be easy. Sometimes it will mean added stress on you and your family, but again this is the time to reach out to others that can step in for you to make sure you and your family are taken care of.

Your goal is to keep your head up and keep moving forward and stay away from people who are negative, toxic and destructive especially people engaging in unhealthy habits such as excessive drinking, prostitution, or selling drugs.

Try not to become isolated and continue to stay positive, which will help your state of mind while you take actions to get back into the workplace, go back to school or start your own business.

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