

Marin Family Action



Winter 2010

There but for God Go I

During a 16-year career as Executive Director for *The Chronicle Season of Sharing Fund*, volunteer Dianne Levy says that the most important lesson learned while managing the project is how fragile we are.

Our Home Save volunteers echo that thought. Each person in our group is working to save their home and daily we hear "We never thought this could happen to us."

Americans are in worse shape than ever and no one is exempt from setbacks: health issues, loss of job or a loved one . . . No one!

For the first time in their working



lives thousands of people are hitting economic roadblocks. Many are seeking loan modifications through disinterested lenders or with "loan servicers" who sold the note; the actual lender is now unknown. Do you know who holds your note?

Through its Home Save Program, Marin Family Action is working with more than 200 families in North Bay counties who are struggling.

This newsletter focuses on that project and encourages you to learn to protect your own assets.

Please take time to educate yourself through these pages and our Web site at www.MarinFamilyAction.org; you never know when you might need the information we are discovering (uncovering?) daily.

Manny Fernandez
Executive Director

SAVE THE DATE!

Our second annual Home Save fundraising event, MarinStock2, is scheduled for June 19, 2010 at the Hamilton Amphitheatre in Novato.

Watch our list of entertainers and activities grow at MarinStock.org



Do you know who actually holds the note on YOUR house?

These are stories of YOUR lenders. Some are well-regarded, well-established old American institutions. They might hold your home loans. Some hold your savings accounts. If you are not already concerned, you might want to look closer.

Many of the Home Save group are keeping elaborate notes through this process. Sadly, one story is the story of all. After one year of requesting modification most of the participants have notes such as these:

- The initial call requesting assistance is followed by months of lost paperwork and no response from anyone about anything;
- Calling the lender means being put on hold and disconnected after listening to messages instructing you to "Press 5 for Loan Modification" and "this is an attempt to collect a debt:"
- No one has talked to the same person twice;
- Form letters from the lender (no name, no signature) indicating that "you don't qualify for any program," followed by a letter stating "We are here to help you," followed by a request for more information, followed by calls regarding missing documents (the ones just sent in);
- "It's being reviewed," heard at every turn;
- A favorite: "If your credit weren't so poor, we might be able to help." This was AFTER being told to intentionally default and after months of requesting assistance;
- In the midst of negotiations, loans are sold, batched and sold again, thereby further slowing down resolution;
- Homes are foreclosed and sold DURING negotiation.

Every Knock on the Door Elicits Fear

If you have never faced losing your home, this may seem overly dramatic. It is not. It is a long process and it is hazardous to health.

Millions of people have learned that mortgage lenders can break agreements without notice. They can direct the sheriff to padlock your house with your belongings inside. They can and DO literally sell your home out from under you even when there is a court order blocking such action.

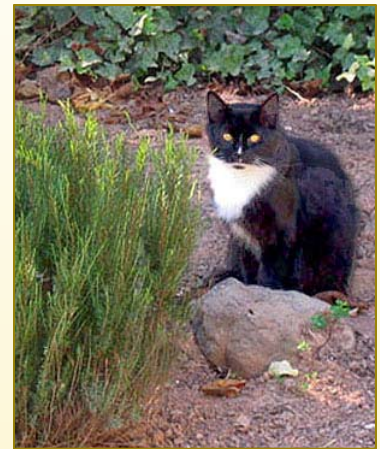
The result – every knock on the door causes fear. There is no such thing as a good night's sleep. Serious health issues develop. The word "disease" means just that: "dis-ease:" Uneasiness.

We have developed a buddy system so that none of us are alone during this process.



We've heard dozens of versions of these quotes:

"I thought Wells Fargo was the lender for my home . . . earlier this year, I learned that the note was sold to First Capital who sold it to HSBC who sold it to someone else. No one can or will provide the name of the current lender. I don't know who I can actually talk to about modifying my loan."



EVERYONE LOSES

When families are displaced, a community suffers. Children are severely set back by the loss of a home, not only because of change of schools, but also due to psychological damage. Older men and woman cannot recover from such a loss. Pets end up in shelters and are euthanized if new owners are not forthcoming.

Default by Intent? Urban Myth or Reality?

From reading blogs and newspapers, it is clear that many people have decided that families requesting assistance are deadbeats. However, it is our experience that those in danger of losing homes are no different than you or me. They have been and are still being given bad advice by the "professional" lenders they are asking for help.

In order to participate in Loan Modification programs you have to "qualify." To "qualify" means to default on payments for 2 to 3 months. Lending institutions **advise** homeowners to default. It does not matter that your credit has always been good, you have always worked, or that you are being responsible by requesting modification under one of President Obama's plans. **Default by intent is the advice given.**

Tragically, after following their advice, the servicer of your loan too often informs you that they sold your note and the current lender will not negotiate. Even though they can't produce the note, (It's lost -- as in "the dog ate my homework") foreclosure proceedings begin. We wish this were an urban myth. It isn't.

What about a Plan?

The individuals working through our Home Save program are people you see every day. They are regular people in modest homes with regular jobs. They work as salespeople, nurses, marketing assistants, journalists, legal secretaries, artists, performers and politicians. Some are small-business owners, Web designers, carpenters and even bankers . . .

Many have never had financial issues; however, our economy has rendered some temporarily jobless or working for severely reduced income. Others need to change careers completely because their arena has been demolished.

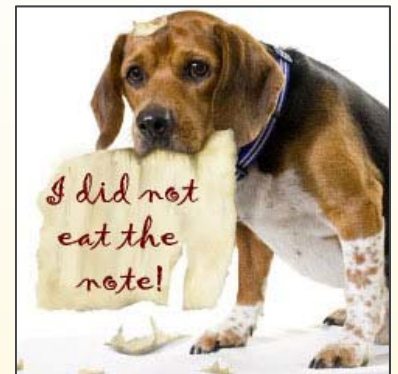
A logical way out of this mortgage nightmare is to enlist non-profits to manage your donated funds to purchase notes at current market rates (which is how they are sold during foreclosure). The non-profits hold the notes and "sell" them back to current homeowners. Families remain intact. The non-profit makes interest on the loans. Isn't this a win-win? Mortgage lenders clearly do not want any part of modifications.

Benefits to the Plan:

- The current note holder gets paid and goes on a cruise;
- The mortgage "servicer" no longer has to negotiate modifications on loans for which they have no legal standing to negotiate;
- The family gets to stay in the home they have been paying for through the years and the payment is modified . . . which all anyone was trying to do in the first place;
- The non-profit managing the note has income through interest.

What about You?

Have you ever wondered how you were going to make ends meet after a tragedy: Death in the family, savings drained by serious illness or lack of work due to our economy . . . or your partner absconds with the funds?



Some Home Save stories are hysterically funny . . . or they would be if our homes were not at stake and if they were not such painful examples of poor business practices.

America's lending institutions have displaced 10 million people through foreclosures; that number exceeds the 4.6 million people displaced in war zones in 2008.



Crossing All Lines: Working Together

After months of working with GC, which included court appearances to clear credit issues, she was able to move into the new, beautiful Drake's Way Affordable Housing in Larkspur. All apartments have bay or mountain views and are near transportation and services.



Donor Information

Our families need your assistance. Please donate. For your convenience, we have a PayPal account from our site, or use the form below for check or credit card.

My contribution of \$_____ is enclosed.

(Please make checks payable to Marin Family Action.)

Credit Card # _____

Expiration Date: _____ Signature _____

Name: _____

Address: _____

You may publish: My Name My Name Both

**Home Save Meetings
Wednesdays at 4 p.m.**

**Unless otherwise noted at
www.MarinFamilyAction.org**

Programs Include:

- Youth & Adult Financial Literacy
- Your Money Counts Workshops & Webinars
- Financial Self-Help: Credit report, housing, collections, health care
- Marin Stock 2 Fundraiser: June
- \$65,000 in Scholarship funds over past 3 years to Marin County H.S.

Please see our website for more details about programs & volunteers.
www.MarinFamilyAction.org

E-Mail:

manny@MarinFamilyAction.org

Office Hours:

Tuesday-Thursday 9 a.m. to 3 p.m.



Marin Family Action
30 North San Pedro Rd., Suite 130
San Rafael, CA 94903

