



Interfaith Housing Center of the Northern Suburbs

Help for Homeowners at Risk of Foreclosure

http://www.evanstonroundtable.com/rt_111208/news.html

By Mary Helt Gavin
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Evanston is feeling the crunch of the national economic crisis. Predatory lending practices, over-extension of credit and massive layoffs have thrown more than 300 properties in Evanston into or near foreclosure, according to Realtytrac.

City staff members are working with homeowners and private agencies to provide support and counseling. The City's website, www.cityofevanston.org is updated regularly with information about available help for homeowners who have fallen behind in their mortgage payments or who feel they are on the brink.

Although the end of the present economic problems does not appear to be on anyone's horizon, City housing planner Donna Spicuzza says help may be available for homeowners whose property is in foreclosure or at risk and for communities and neighborhoods suffering under the blight of many foreclosed or vacant homes.

Public and Private Help

Two federal programs - the Housing and Economic Recovery Act of 2008 (HERA) and the Hope for Homeowners Act - have been approved, she said. In addition, homeowners who obtained payment-option adjustable-rate mortgage (POARM) loans through Countrywide between 2004 and 2007 are eligible for assistance through Bank of America, which recently purchased many of these loans. The relief may come in the form of restructuring the mortgages, relocation help for certain eligible homeowners or a compensatory payment for those whose homes have been foreclosed upon and resold.

Under HERA, about \$3 billion has been allocated to a neighborhood stabilization program, Community Development Director Dennis Marino told City Council members in the summer.

Those funds are available not for foreclosure prevention but for mitigating the effects of foreclosures - rehabbing foreclosed homes for resale, for example, said Ms. Spicuzza. No HERA funds have been allocated to Evanston, Mr. Marino and Ms. Spicuzza said, but the City is applying for some of the funds allocated to the state of Illinois.

Under the Hope for Homeowners Act, lenders may obtain partial insurance of a mortgage loan through the FHA if they agree to restructuring its terms, said Ms. Spicuzza. "Any lender can apply for this program," she added.

Counseling and Other Services

Advice on the City's website suggests that ignoring a "missed payment" or a foreclosure notice is a sure way to worsen the problem. Other dangers for homeowners can often be found in posters, signs, mail offers and telephone calls offering quick money for a house and in counselors who request money up front.

Such signs as "We Buy Houses" are often scams, says Ms. Spicuzza - "phantom help," as one adviser put it.

"Talk to your lender if you're behind on payments," says Ms. Spicuzza. "If you're not behind, go to a loan counselor - one that is approved by the Department of Housing and Urban Development [HUD]," she adds, emphasizing that for counseling, "Go to somebody local."

The two local HUD-approved agencies are CEDA/Neighbors at Work in Evanston and Interfaith Housing of the Northern Suburbs in Winnetka, both of which offer counseling on housing and foreclosure issues, and the Legal Assistance Foundation of Greater Chicago offers low-cost or even free counseling on some issues.

Help With Foreclosures

The City of Evanston's website, www.cityofevanston.org, is updated regularly with help with foreclosures. Here is some information from the website:

Free Local Foreclosure Prevention Counseling

CEDA Neighbors at Work: 847-328-5166, 1229 Emerson St., Evanston, 60201. Contact: Martha Burns or Suwana Vollmer.

Interfaith Housing Center of the Northern Suburbs: 847-501-5768, ext. 404, 620 Lincoln, Winnetka, 60093 (two blocks from the Winnetka Metra Stop). Contact: Jasmine Brewer, Jasmine@interfaithhousingcenter.org

Free Legal Assistance

The Legal Assistance Foundation of Metropolitan Chicago. North Suburban Service Office: 847-745-3703, 828 Davis St., Suite 201, Evanston, 60201.

Home Ownership Preservation Project: 312-341-2204, 111 W. Jackson Blvd., 3rd floor, Chicago.

The Illinois Homeowner Assistance Initiative

Illinois Statewide Foreclosure Prevention Network: 888-995-HOPE.

Homeowner Assistance: Pool 877-819-4268.

Website Resources

Foreclosure Prevention Resource Center at Home Loan Learning Center: [website](#)

National Black Church Initiative, Foreclosure Prevention Guide:

www.naltblackchurch.com/pdf/prevention_guide.pdf

U.S. Department of Housing and Urban Development (Tips for avoiding foreclosure):

www.hud.gov/foreclosure/index.cfm

AARP (Tips for avoiding bad loans): [website](#).

Illinois Attorney General (for mortgage lending guide and predatory lending complaint form):

www.illinoisattorneygeneral.gov/consumers.

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works for housing justice through service and advocacy:

Homesharing ~ Foreclosure Prevention Counseling ~ Fair Housing Investigation
Housing Justice Education, Organizing & Advocacy ~ Landlord-Tenant Complaints

Learn more about Interfaith's work in Chicago's north suburban communities at: www.interfaithhousingcenter.org

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