

## Allston-Brighton CDC offers counseling, intervention to prevent foreclosures

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**Allston / Brighton TAB**

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Allston-Brighton — With a handful of papers from mortgage collectors, Luis Fernando Gil patiently waits for the meeting in Room 288 of the Allston-Brighton Community Development Corporation office. When it comes to his stack of papers, waiting is not something that Fernando Gil wants to do much longer, which is why he came to this free Thursday night meeting.

Hosted by the Metropolitan Boston Housing Partnership in cooperation with the CDC, the partnership discussed foreclosure prevention and intervention and offered counseling to the attendees.

"I've lost hours at work," said Fernando Gil as he explained his financial troubles with his mortgage company, Indy Mac.

For the past 15 years, Fernando Gil had been living in his home without any delinquency issues. Prior to attending the free workshop, he had tried to solve his mortgage issues on his own, but was getting no results. According to Stephen Freeman, foreclosure program manager from MBHP who led the workshop, Fernando Gil's story is a common one.

"The main reason we are seeing people is the loss of income — small business owners, contractors and self-employed people — particularly in the field of construction," said Freeman.

In 2009, out of the 854 foreclosures in the city of Boston, only 10 were residents from Allston-Brighton, according to RealQuest Professional, a search engine that tracks national foreclosure trends. Yet, the site said that in 2010 Allston-Brighton has seen an increase in foreclosure activity. There have already been nine foreclosures since the beginning of the year.

Freeman also attributed issues with mortgage dealers to administrative mishaps in which files tend to get lost in all the paperwork processing. Add to that the confusion people have in explaining their own situation to a mortgage company, and you are left with many people scrambling to keep their houses from being foreclosed.

"The truth is if you're not working with some sort of agency, you're not going to, in many cases, get the type of attention to pass through the system," said Freeman.

His organization, accredited by the U.S. Department of Housing and Urban Development, helps piece together the information that might persuade a mortgage dealer to reduce or extend a payment. According to their website's mission, they strive to encourage housing stability and increase economic self-sufficiency.

At the meeting, attendees had questions about the best way to keep their homes and were offered free private consultations afterwards. While other options for keeping a home such as refinancing or forbearance agreements were mentioned, Freeman stressed loan modification as the best way to gain long-term stability. A loan modification allows a person to amend their mortgage payment.

There are usually certain criteria that a mortgage company requires to modify a loan. Such criteria include the fact that a borrower has to be delinquent on a mortgage payment. Loan modification procedures were changed in Boston following President Barack Obama's initiative to pass the Making Homes Affordable Program.

The program additionally requires that the maximum amount a single family home can owe on a mortgage be \$729,750. A person's mortgage payment also has to exceed 31 percent of his or her gross monthly income to qualify.

Freeman noted that when clients do not qualify for loan modification, his organization still tries to counsel with the client to see what the actual problem for delinquency is in order to help budget their finances.

Freeman cites one example of a man whose house was set to go to auction. Although he did not have time for counseling, the MBHP did manage to postpone the sale from Feb 16 to April 19.

"We now have time to meet this person and figure it out," said Freeman.

### **Get help**

*The Allston-Brighton CDC regularly provides assistance on issues of affordable housing.*

*For more information visit [www.mbhp.org](http://www.mbhp.org) or [www.allstonbrightoncdc.org](http://www.allstonbrightoncdc.org).*

*To learn more about the Making Homes Affordable Program, visit [www.makinghomeaffordable.gov/](http://www.makinghomeaffordable.gov/)*