

Getting Out from Underwater: Tools for Helping NJ Families Facing Foreclosure

Part 1: A Counselor's Perspective

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Foreclosure Rates for New Jersey

August 2015

New Jersey
1 in every 539 (households)

Top 5 Counties

Cumberland

1 in every 296

Atlantic

1 in every 307

Sussex

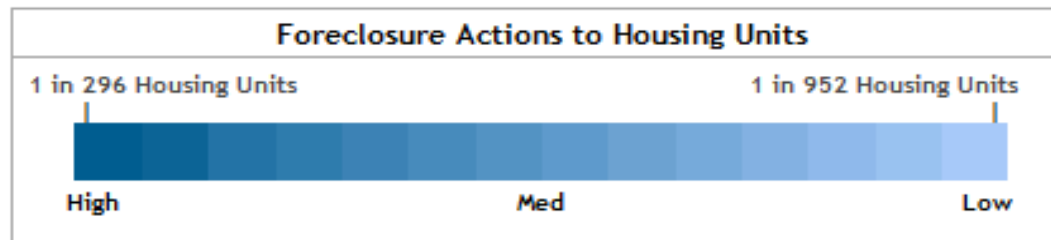
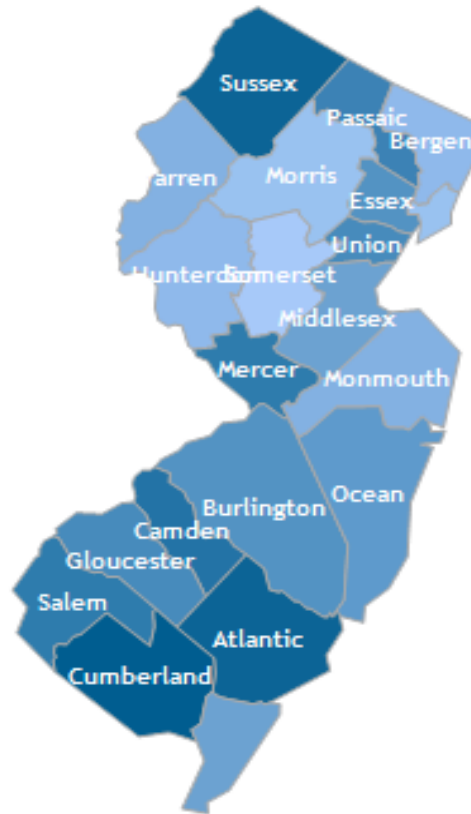
1 in every 318

Camden

1 in every 367

Mercer

1 in every 384



The Current Situation

- Still a huge need for loss mitigation assistance in NJ
- With HAMP ending, what will future programs or modification offers from the mortgage companies look like???
- Many of the clients we are seeing are coming to us because of unemployment or **underemployment**
 - Many have huge delinquencies
 - Most are very frustrated



As a Result.....

- Innovative new programs need to be created inside the mortgage and servicing industry AND outside of it
- Existing programs such as **ReStart** and **SUN** need to be expanded to reach more homeowners
- More private capital needs to get involved in supporting these programs
 - More public-private partnerships needs to be created

Because.....

- Growing body of literature on the affects of foreclosure on health
 - Everyone is essentially a stakeholder in this epidemic

Foreclosure Affects Health???

- **YES!!!**
- 68% of foreclosure counselors indicated many or almost all of their clients reported feeling depressed or hopeless
- 37% of counselors stated at least 1 client in the last month reported wanting to hurt themselves or end their life
- For every 100 foreclosed properties in a community, emergency room and hospital admissions increased 7.2% for hypertension, 8.1% for diabetes, 12% for anxiety and 38.5% for suicide attempts.
- Even if you are not in foreclosure, living close to a foreclosed home can cause increase in blood pressure

What Can We Do?

- Continue advocating for additional funding for foreclosure prevention counseling in NJ
- More stakeholders need to get involved in creating, implementing or expanding assistance programs
- Public health officials need to coordinate with foreclosure counselors so homeowners can get access to resources
- When we talk about stabilizing neighborhoods and restoring property values, we also need to discuss the **psychological, social and health effects of foreclosure**
- We need to realize that foreclosure is not an isolated incidence that affects only the family going through it, but that there are far reaching implications for society as a whole
- Consequences of doing nothing will be drastic

Resources

For more in-depth information on the interrelatedness of foreclosure and health, read the following studies:

- Health Status of People Undergoing Foreclosure: Craig Evan Pollack, MD & Julia Lynch, PhD (2011)
- Is There a Link Between Foreclosure and Health?: Janet Currie & Erdel Tekin (2011)
- Effects of Proximate Foreclosed Properties on Individuals' Systolic Blood Pressure in Massachusetts, 1987-2008: Mariana Aracaya (2014)