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UNIVERSITY
EXTENSION

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December 4, 2008

City of Ann Arbor
City Clerk
Yvonne Carl, City Clerk
100 N. Fifth, PO 8647
Ann Arbor, MI 48104

Dear City and Village officials,

Enclosed is the Fall 2008 issue of "Bringing Knowledge to Life in Washtenaw County". This quarterly report highlights several local Extension activities in Washtenaw County. We hope this summary will help to better familiarize you with the educational programs and services provided by your local Extension staff.

Please share this with your City or Village Administrator and Mayor. If you have any questions, or would like any further information, feel free to contact me.

I am also enclosing two copies of our Mortgage Foreclosure Prevention brochure. Please share these with others and additional copies are available from our extension office.

Best wishes for a happy and safe holiday season.

Sincerely,

Nancy D. Thelen

Nancy Thelen
County Extension Director

Enc.



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November 2008

Extending help and hope to those facing foreclosure

Michigan has been hard hit during the foreclosure crisis. In Washtenaw County alone, there were 1,232 Sheriff Sale Deeds registered from January through October of this year. This is an increase of 335 sheriff's sales from 2007.

County agencies have responded to this crisis with housing counseling services, community education and partnerships. MSU Extension has responded by offering the Mortgage Foreclosure Prevention Program (MFPP) since January.

Through September, MFPP had provided face-to-face housing counseling to 200 homeowners. Eighty of those counseled either kept their homes or found new housing. The average national success rate for similar programs is about 30 percent.

Sixty percent of the clients who come in for foreclosure prevention counseling are unable to stay in the homes. Some have financial problems or inflexible lenders. Unfortunately, it is still imperative that services are available to those who need to transition from homeownership to rent due to a foreclosure.

MSU Extension recognized that need and in response developed the Post-Foreclosure Program (PFP), which grew from two clients to many in just a few months. It is designed to assist homeowners who are faced with the reality of losing their home to foreclosure.

The housing counselors work with housing specialists and property managers who are invested in keeping families in Washtenaw County. The counselor meets with homeowners to explain their rights during the redemption period.

Clients also receive budget counseling, which helps them understand what they are able to afford in a rental property.

Each client receives a free review and copy of their credit report. They receive assistance in identifying affordable rentals and community resources that may be of benefit to them during their transition.

The housing counselor also offers ongoing support and service. The difference in the client from day one of post-foreclosure counseling to the signing of the lease is remarkable and can be summed up in the following comment from one PFP participant.

“Thank you so much for everything. I wasn't sure what I was going to do; now I can sleep at night without worrying about where my family will live....”

Contact: Artrella M. Cohn, 734-222-3885
Kathy Grant, 734-222-3915

Financial literacy: one person at a time

As recent events have shown, wise financial management can be a challenge for everyone from CEOs to single parents. To help local residents better manage their personal finances, Washtenaw County MSU Extension has provided confidential, one-on-one financial education for about eight years.

Many of the participants are referred from agencies that provide emergency assistance and want their clients to receive education to help them avoid future financial emergencies. These residents learn how to create budgets and develop financial plans.

Many meet with the Extension educator every month until they feel that they have the skills and confidence to work on their own.

Continued

Financial Education—continued

Between April and September of 2008, 42 individuals received at least one visit. All of them increased their knowledge about creating a working budget and managing credit. Seventy-eight percent (78 percent) created a working budget and 26 percent began paying their bills on time, paying down debt and/or building their savings.

Jeri* started working with MSU Extension about two years ago after being referred by a senior housing agency because she was behind on her rent.

During her first meeting, she shared that she had been dealing with creditors on many overdue bills. Jeri was overwhelmed and did not know where to begin to take action. By learning how to create a financial plan and organize her debts, she began moving forward.

With a system in place, Jeri got a part-time job and strategically used a few windfalls to catch up, pay her bills on time, and start paying off debts. To date, she has paid off six debts and is currently paying down two others. She still has work to do, but she feels in control and confident that she will be able to meet all her obligations.

“For all I’ve learned and am still learning from you, most of all, thank you for your patience for never making me feel like I should know all this at my age.” Jeri said. “When we started, the tunnel was very dark. Now I see the light and it just keeps getting brighter.”

**not her real name*

Contact: Terry Clark-Jones, 734-222-3943

New partnership help Ypsilanti seniors eat FRESH, farmers find new customers

A new Washtenaw County partnership, the first of its kind in the state, is giving local senior citizens access to healthier foods.

During this past summer’s growing season, MSU Extension Food, Nutrition and Health and Ypsilanti Meals on Wheels worked together to offer Senior Project FRESH, the USDA Farm Market Nutrition Education program, this year.

In Michigan, Senior Project FRESH is sponsored by the Michigan Office of Services to the Aging. The program targets low-income seniors who are at least 60

years-old and disabled adults younger than 60 who are and living in low-income senior housing.

MSU Extension, as the sponsoring agency, secures a two-thirds match to purchase coupon books. The books are distributed by the sponsoring agency to qualifying participants. Participants spend the coupons like cash at farmers’ markets to buy Michigan-grown produce.

The program, in its second year in Washtenaw County, is aimed at helping seniors increase their consumption of fresh fruits and vegetables while supporting local farmers and farm markets.

Ypsilanti Meals on Wheels (MoW) secured program applications from its participants. MSU Extension issued coupon books for nearly 120 Meals on Wheels recipients. MoW purchased fresh produce from two Ypsilanti farmers’ markets and provided this produce as a supplement to the meals delivered to clients’ homes.

MSU Extension nutrition staff contacted each participant to provide program information and nutrition education. Printed nutrition education was also delivered to each client.

This partnership allowed MSU Extension to reach an additional 59 participants with nutritional support and is expected to significantly increase the coupon redemption rate.

The total coupon book issue in Washtenaw County in 2008 was 209, compared to 150 in 2007. While supporting Ypsilanti seniors who were participating in the Meals on Wheels program and those living in low-income senior housing, the program also supported the Ypsilanti Downtown and Depot Town farmers’ markets.

Next year the partnership will expand to include the Washtenaw County Public Health Department. Additional funding will be sought through grant dollars to increase the coupon availability.

The partners will also seek to reach additional residents through other senior-serving organizations. The program will be highlighted at the Ypsilanti Downtown Market through a series of “senior market days” that will emphasize topics of special interest to seniors.

Programs like Senior Project FRESH are crucial to meeting the nutritional needs of low-income seniors while supporting local farmers and their markets.

Contact: Joan Miller, 734-222-3956

MICHIGAN STATE UNIVERSITY EXTENSION

*Washtenaw County Foreclosure
Prevention Collaborative*

Michigan State University Extension
HUD Certified Counseling Agency
MSHDA Certified Counseling Agency
Mortgage Foreclosure Intervention Program
Kathy Grant, MSW, CCCC 734-222-3915
Artrella Cohn, MSW 734-222-3885

Washtenaw County Treasurer's Office
Tax Foreclosure Prevention Specialists
(734) 222-6600

Housing Bureau for Seniors
Homeowners 55 and older
(734) 998-9339

Legal Services of South Central Michigan
Ann Arbor, Michigan 48104
By partnership referral.

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**Mortgage
Foreclosure
Intervention
Program**

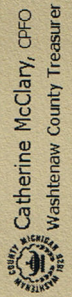


**We know it's been rough.
We'd like to help.**

Understand the mortgage foreclosure process so that you can make the best decision for you and your family.

Call today 734-997-1678

In partnership with



Catherine McClary, CFO
Washtenaw County Treasurer



LEGAL SERVICES OF SOUTH CENTRAL MICHIGAN

What can you DO?

CONTACT YOUR LENDER

Many people avoid calling lenders about money troubles, but lenders want to help borrowers keep their homes. There may be workout options to help you! If you have tried calling your lender and feel like you've reached a dead end we may be able to help.

DON'T SPEND YOUR MORTGAGE PAYMENT

Do yourself a favor and put your mortgage payment in the bank and do not spend it! At some point you may need the money to workout a solution with the lender. Make a detailed list of your income and expenses and consider cutting out unnecessary spending.

CONSIDER ALL OF YOUR OPTIONS

If **keeping your home is not possible**, there are options to prevent mortgage foreclosure. Here are some things to consider:

1. **Sell the home.** You may be able to get a good market return on the home and enjoy some of the equity!
2. **Short Sale.** If the housing market is cold and you can't sell the property for the full amount owed you may be able to negotiate with your lender to accept less than what is owed on the mortgage.
3. **Assumption.** Your lender may allow a qualified buyer to take over your mortgage.
4. **Deed-in-lieu of foreclosure.** As a last resort, you may be able to "give back" your property and have the debt forgiven. There are limitations to this option.; talk to your lender.
5. **Chapter 13 bankruptcy.** This option could buy you time and should be considered only as a last resort.

CONTINUE TO MAINTAIN THE PROPERTY

Continue to keep your home in good order by paying your utility bills, keep up home maintenance, mow the lawn, and shovel snow! A well maintained property can get a better sale price or better real estate appraisal for a possible refinance.

What can you EXPECT?

FORECLOSURE TIMELINE

Foreclosure is a legal process by which a bank, mortgage company or other creditor takes a homeowner's property in order to satisfy a debt. The general foreclosure timeline in the state of Michigan is listed below:

1. Your mortgage is due on the 1st of the month; you are delinquent on the 2nd.
2. The first notice of delinquency is mailed on the 16th of the month. You are charged a late fee.
3. If you do not pay by the 30th, the loan is in default; you are sent a second notice.
4. When a loan is 60 days past due, your lender speeds up the loan and warns you that foreclosure is the next step.
5. After 90 days foreclosure begins. In Michigan the most common foreclosure is by advertisement.
6. The attorney for your lender advertises the property for sale by auction in a newspaper for four weeks in a row.
7. A Sheriff's sale is held on the published date. The highest bidder wins the property. Usually the bank that holds the mortgage buys the property back.
8. After the sheriff's sale you have 6 months to one year to get the property back. You have three options during the redemption period: 1. you can try to secure a new mortgage, 2. you can sell the property, or 3. you can live in the home for free planning your next housing opportunity.
9. Don't let anyone pressure you into leaving the property before the end of the 6 month redemption period! This is your time to plan your next steps. If the lender can establish that the property has been "abandoned" they can ask the court to reduce the redemption period to 30 days!

How can we HELP?

EVALUATING YOUR OPTIONS

Speaking with a certified housing counselor is an important step in developing an action plan to help you resolve your housing crisis. A confidential assessment with an MSU Extension certified housing counselor will include:

1. A review of your financial situation, analyzing income and expenses, to determine which foreclosure prevention options would best meet your family's unique needs.
2. A call to the mortgage lender on your behalf to discuss possible workout options.
3. Information on services and programs in Washtenaw County that might be helpful to you during this challenging time.
4. A review for your eligibility of federal, state and county foreclosure prevention initiatives.
5. Ongoing counseling, financial education and support to help you map out an action plan and meet your housing goals.



This service is offered at no cost to the homeowner. A certified housing counselor is a phone call away.

We know it's been rough.
We'd like to help.

**MSU Extension Mortgage
Foreclosure Intervention Program
734-997-1678**