

HELP FOR NEW YORK STATE HOMEOWNERS CONCERNED ABOUT FORECLOSURE

Group Foreclosure Education – Strategies for Success

Many nonprofit organizations utilize group education strategies as a way to create program efficiencies, build supportive networks for families and save money. However, when working with clients who are in default or foreclosure, providing group education can get tricky. Many families are embarrassed about their situation and don't want people to know that they have financial difficulties. In addition, every family's circumstances are quite different, making it difficult to meet every client's needs in a group setting. Still, although one-on-one counseling is generally preferred, it is not always possible to provide. This means counselors must consider group education as a viable option for foreclosure clients and must also consider the best way to provide it. Below are some examples of group strategies related to foreclosure, common challenges and ideas for success.

Group Education Strategies

Basic Information Sessions. A basic foreclosure information session is typically one hour long and involves general details on the foreclosure process. It may also include basic information on crisis budgeting and resources that families can turn to for help.

Group Intake Sessions. Group intake sessions are more specific and involve completion of preliminary intake work. Here, counselors can provide basic details on the foreclosure process, but also focus on the paperwork needed and how to complete an intake form. This is a good time for counselors to collect signatures on credit report releases, which enables them to review credit histories before one-on-one

sessions take place. At the end of the group intake session, counselors can arrange one-on-one follow-up appointments with clients.

The Homeowner Clinic. A homeowner's "clinic" provides a variety of services in one evening. Homeowners may first meet as a group for 30 minutes or so to hear basic foreclosure information, then attend 30-minute individual counseling sessions to talk about their personal situation and intake procedures. Some clinics involve "stations" with different professionals – housing counselors, financial consultants, lawyers and lenders – that clients can rotate through to determine their needs and possible solutions. When clients call to register for a clinic, front desk staff may collect basic information such as name, address, late payment history and lender's name. They may also schedule clients to meet with a specific expert at the clinic based on the client's needs.

Hosting a clinic allows the agency to bring in a new group of clients every 30 minutes. By starting a new group every half hour, nonprofits can get three or four groups of clients (potentially 15 or 20 people) through the initial intake and information process within a couple of hours. During the individual 30-minute sessions, counselors and attorneys can provide initial feedback to clients and give them immediate actions to take. Clients can then "check-out" with front desk staff to set up a follow-up, one-on-one appointment if needed.

Online Options. Organizations may also consider offering a basic online information session using options such as WebEx or Skype. Online options may include video or PowerPoint presentations on the general foreclosure process, followed by a tutorial on the agency's intake process. If intake forms are available online, then the counselor can talk clients through filling them out during the online training. Although there are drawbacks to online education, such as distractions and lack of personal touch, online training is a great way to address some of the challenges that affect group foreclosure education. The online classroom preserves a client's privacy, is convenient, and provides a safe environment to ask questions. WebEx, Skype or virtual classroom trainings can be simple and fast and provide clients with the information they need to move forward. In addition, housing counseling agencies can use technology to gather intake information and help clients prepare for their initial one-on-one session. If you decide to offer an online training, be sure to build in multiple opportunities for clients to ask questions.

Tips for Success

Select Proper Topics. Provide training on foreclosure topics that are helpful to a variety of families in a variety of situations. Cover the basics of foreclosure, the process, the pitfalls, and strategies for overcoming issues. Review crisis budgeting options and rebuilding credit, plus details on federal programs and phases of recovery. Talk about refinancing options and include information on dignified ways to leave the home without foreclosure such as short sales and deed-in-lieu of foreclosure.

Know the Material. Make sure the facilitator is fully educated on the

foreclosure process and up-to-date on regulation, program options and changes in foreclosure laws.

Expect Diversity. Foreclosure and financial difficulty does not discriminate; it affects people from all walks of life and can strike any family regardless of income, educational background or capacity to understand money. Group facilitators must present material in a way that serves a variety of skill levels, which can be difficult if participants have differences in language or literacy levels. Play it safe by going middle of the road and allow opportunities for questions. Be thorough, but general. Always cover default and foreclosure topics from a "what if" perspective; never discuss specific family scenarios.

Protect Privacy. One of the most important matters to address in group foreclosure education is confidentiality and mutual respect. Group facilitators must review confidentiality rules at the very beginning of the class, and share these expectations during preliminary or intake conversations as well. The importance of privacy should not be taken lightly and participants should know not to ask personal questions or discuss personal matters outside of class.

Name It Well. The name or title used for a group foreclosure session may be more important than you think. The word "foreclosure" has a strong stigma attached to it, so it is therefore best to use generic or positive words in the course title such as "Homeowner Information Session" or "Homeownership Protection Clinic." It is also important to avoid focusing on foreclosure in marketing; instead, focus on homeownership and asset protection.

Create a Draw. To attract clients, include legal representation in your group sessions. Many homeowners feel intimidated by attorneys and are hesitant or nervous about pursuing legal consultation; however, legal guidance is not only valuable for some homeowners, but critical. Offering legal support is appealing and will draw clients to the program.

Offer Flexible Class Times. It is best to offer group sessions at various times of day to make the option available to as many homeowners as possible. Offer a clinic once or twice a month, or as needed.

Don't Understaff Events. Always have at least two people at group education events. Some homeowners will need extra attention or may try to dominate the conversation with their own issues. It's very important that you not allow one person to take up too much class time; have a second staff person available to provide support as needed.

Create an Online Registration. Online registration for group education is helpful; it saves time and is an efficient way for an organization to collect basic preliminary information. An online process also creates an easy method for organizations to share lists of documents and items needed with potential clients.

Conduct an Exit Survey. Ask clients to report on their experience when they complete the group session to assess its strengths and weaknesses. Ask if the session helped them to feel less nervous, more nervous or the same overall. Ask if they feel more confident about contacting their servicer and if they know what to say. Keep the survey short and sweet; ask just a few questions and let clients remain anonymous.

Beware of Burnout. Working with families in foreclosure can be stressful and exhausting for counselors. Support counselors by providing small but thoughtful gifts or individual thank yous. Partnerships with agencies can help with this; work together to provide what's needed.

Build Partnerships. Partner with local agencies that offer supportive services to homeowners. Share resources and responsibilities related to foreclosure.

Notable Challenges

Counting Heads. When offering group education sessions in partnership with other organizations, it can be difficult to decide who gets to count participants as "people served." In the end, it's best to let the organization hosting the event count the participants, and take turns hosting.

Grant Guidelines. Some housing counseling organizations do not offer group foreclosure education sessions because they participate in grant programs that do not allow clients to be counted as people served if they are seen in a group setting. Such programmatic rules can make it hard for organizations to offer group education.

Fighting the Stigma. The word "foreclosure" has enormous stigma attached to it, which causes a unique challenge for organizations trying to provide related services. Still, the foreclosure issue is widespread and nonprofits working with families must try to reduce the stigma that exists. To do so, housing groups, counselors, nonprofits and public officials can and should discuss foreclosure openly with partners and the public to find solutions and help families become a part of that discussion.

Best Practice - Weekly Intake Sessions

For Community Development Corporation of Long Island (CDCLI) in Long Island, NY, offering weekly intake sessions has been critical to providing cost-effective and timely foreclosure service.

Homeowners attending the weekly foreclosure intake session at CDCLI meet in the conference room where a brief PowerPoint presentation demonstrates the foreclosure process including steps involved, the foreclosure timeline, helpful websites, and programs available. In addition, it covers how to decide if it's time to call a servicer, as well as what to say.

Next, the intake facilitator provides basic information on foreclosure and preserving homeownership. Since many homeowners do not know the percent of their income they pay toward housing, the facilitator walks clients through a ratio/affordability worksheet, which helps participants to understand which services they need. The facilitator also discusses emergency budgeting and financial education programs at CDCLI.

CDCLI then provides clients with a packet of resources including how to write a hardship letter, local resources for assistance, and details on pro bono legal assistance. These tools empower clients, decrease their anxiety and help them to focus on solutions. CDCLI also gives each participant a small calculator as a gift, with a sticker on the back with agency contact information.

At the end of the night, clients schedule a follow-up, one-on-one session with a counselor. The counselor gives each client a list of things to do to prepare for that first one-on-one session. Scheduling the follow-up appointment right then and there helps to ease the client's fears and anxiety; they know they are taking steps to fix the problem and know what comes next.

Offering weekly intake sessions helps CDCLI save time, and ensures that clients come to their appointments *really* ready; with proper paperwork, their composure and a goal to focus on solutions.

