

## ***Working with Families Under Stress***

As our country and communities focus on the overall impact of foreclosure, no one knows better than counselors that the crisis actually begins with individual families. In helping families, counselors must consider the difficulties faced by each individual and be able to support them through a wide range of emotions. Furthermore, counselors must think broadly; foreclosure is a complex problem that affects every aspect of a family's life.

### **The Emotional Effects of Foreclosure**

Families in foreclosure are likely to experience chaotic emotions that are difficult and scary. Many stressors will impact the family's well-being: loss of assets, balancing limited finances, moving, and general sadness of losing a home. In addition, because foreclosure is often a symptom of some other crisis, families may be mourning the loss of a loved one or a job, experiencing a family change such as separation or divorce, or dealing with a new or chronic illness. When you consider the many factors that can play into a default or foreclosure issue, it makes sense to expect that some of these situations will play out in your office. As a family's personal issues emerge in conversations, you must be prepared to talk to families and respond to their complex situations.

### **Identify Stressors**

The first step in solving a problem is to identify it. Identifying each issue independently allows families to isolate the related feelings. Although problems may be linked together, focusing on one issue at a time makes resolutions more manageable. Non

profits can help families identify problems and help them find potential solutions, or make referrals to other agencies that can help. Below are some of the stressors that families in foreclosure may face.

*Housing Instability.* Suddenly not knowing where to live is very difficult for a family. As they move through the foreclosure process, families will have many fears and questions about where to go next.

*Moving.* Moving is a strain on a family's finances as well as time. Packing is hard work and moving often forces families to downsize and get rid of cherished items. Most families feel tremendous sadness when leaving the home they've worked hard to buy.

*Economic Hardship.* All families in foreclosure are facing some sort of financial hardship, and some are struggling to cover even the basics. Financial instability affects everything from housing and transportation to eating right and childcare options. Financial difficulty is worse for those experiencing unemployment or underemployment.

*Ill Health.* When a body is experiencing a high level of stress, it can create ill health or exacerbate already existing conditions. Stress-related issues can include physical, emotional and mental health challenges.

*Marital Conflict.* Having a financial or housing crisis can easily cause stress between partners or family members. This may result in more raised voices and increased tension in the home, which can lead to abuse in

families. Families need coping mechanisms and strong communication skills to get through this.

**Impact on Children.** Although children are resilient and capable of adapting to new situations, the impact of foreclosure on them can be profound. Children will sense tension between parents and feel that stress. If the family has to move, the children will likely feel sad to leave their home and move to a new neighborhood. They will miss their friends and may need help adjusting to a new school.

Counselors must help parents locate school and neighborhood resources to support children and get them involved in local activities. Make sure couples know to avoid stressful or aggravated conversations in front of children; if they can show strength and courage through the process, the children will feel safer. At your office, provide fun and interesting activities for children to do while parents and counselors are meeting or having serious discussions.

### **Focusing Forward**

Another important practice is to help families focus forward. Although people can and should learn from their mistakes, it is not helpful to dwell on the past. Nonprofit counselors can help pinpoint the lessons to be learned and then focus the family forward. What are their goals? What would they like to do next? How will they achieve those objectives? Their lives are quickly changing and sometimes families need help focusing on the transition and a new set of goals.

### **Identify Solutions**

Some support actions may be impossible for counselors to provide based on their

expertise and amount of time they have to spend with each family. The list below is broad and examines a number of potential needs that a family may have. Although it is unlikely that counselors will provide every support listed here, it is important that they understand all potential needs so they can either respond or make a referral.

*A Comprehensive Referral List.* Create a complete referral list that includes services and support options in your community, or check with your local referral agency, United Way or department of social services to see if a list already exists. Don't forget schools, libraries and cooperative extension offices, which might have helpful programs for adults, plus low-or no-cost programs for children.

*Support Systems.* Talk to families about their support systems. Do they have family or friends that can help with emergency housing, childcare, finding a job or moving?

*Relocation Assistance.* Ask local lenders if they provide relocation assistance for borrowers in trouble; some do this as part of a short sale or deed in lieu of foreclosure. Ask volunteer groups if they are willing to help individuals or families move. Seniors and older adults in particular appreciate this type of support.

*Housing Options.* Talk to clients about all housing options including rentals, shelters, home sharing or living with family members or friends. Home sharing is an important option to discuss with older adults who might benefit from finding a roommate that also wants to increase housing affordability.

*Dispute Resolution.* If family members are having trouble resolving conflicts in general, refer them to local dispute resolution services. If your community does not have

such a program, provide information on family counseling services.

*Legal Support.* Some families may need legal support if their mortgage was predatory or had unfair terms. Provide information on local and statewide legal assistance options, especially those that are pro bono.

*Help with Budgeting and Building Assets.* Provide crisis budgeting and financial counseling to help the family get back on track, or make referrals to agencies that do this work. Families need to minimize their losses and will feel better once they start gaining financial control. Show them how to cut costs with utilities, shopping, transportation and other expenses. Provide information on public assistance for those that are eligible. Budgeting and focusing on asset-building will help families see progress and feel hopeful for the future.

### **Important Counselor Traits**

Working with families in distress is difficult and will feel different than working with families that are focused on goals such as buying a home. Certain skills and counselor traits are helpful in these situations.

*Knowledge.* Most importantly, counselors must understand the foreclosure process and be aware of the resources available to clients throughout the process. Counselors must be able to provide clear support and direction on what actions to take.

*Empathy.* Counselors should help families to understand that they are not alone. Individuals may feel like a failure or be embarrassed. Share information with them about the foreclosure issue in your community, the state and the country. Be a good listener. Let

### **Older Adults, The Overlooked**

*Some people incorrectly assume that older Americans are immune to the foreclosure issue. This is, however, false. Foreclosure is rampant among older Americans and in many ways is much harder for this population. The negative affect of stress on physical health can be dangerous for older Americans as they may already have compromised systems or chronic health issues. Moving out of a home is also difficult for older adults, not just physically but emotionally, especially if they have to move to a new neighborhood.*

*In addition, older adults are often targets for lending scams. Discuss the dangers of predatory lending and refinance scams with older clients. Further, foreclosure can be depressing for older adults. They are losing their assets, their home, and their security. Do what you can to help them find stability. Older adults may have problems finding affordable housing and may face long wait lists for senior housing options. They may also run into prejudice, so be sure to share information about housing rights. Home sharing can be a good option for older adults. Check with senior groups and senior housing programs to see if they provide services that pair up older adults for co-housing.*

them know that you understand their difficulty and that you are there to help.

*Interview Skills.* It is important for counselors to understand the family's situation and the factors playing into it, which may include unemployment, illness, family stress,

changing a school, and so on. Gently ask questions, but respect limits and don't pry if an individual is hesitant to share personal information.

*Listening Skills.* When a family is talking about personal issues, withhold judgment. Do not draw conclusions; instead, repeat back to them what they said to you to make sure you heard them correctly. Then provide appropriate support and resources.

*Emotional Awareness.* Financial trouble is a trigger for many families and counselors sometimes have to provide emotional support. Individuals may cry or become angry and counselors need to stay calm and be patient. In addition, high levels of anxiety can spark other issues like physical abuse or substance abuse in a family. Be ready to share options for emotional support such as family or marriage counseling or local support groups.

*Help for Staff.* It is important that all staff members in the organization understand what families are going through so they can also be supportive. Telephone or in-person conversations need to be calm and considerate, even if the client is rude or agitated. Front desk staff must also be trained on what to expect and how to help.

*Optimism.* Counselors must be able to point out progress and help families see movement in the right direction. Always acknowledge difficulty and sadness, but point out small victories as well. This can reduce stress and help the family rally behind a decision to move on and perhaps set a goal to buy another home in the future.

### **Ensuring Counselor Safety**

On rare occasions, an individual may lose

emotional control in your office. Although counselors must acknowledge a client's distress and be patient, clients do not have the right to act or speak abusively. If a client appears to be losing emotional control, stay calm and try to get the conversation back on track. If the client cannot regain control, postpone the meeting to a later time when things have settled down.

Counselors may opt to have their door open, or only hold counseling sessions in an office that has a window in the door. If it feels like a conversation is getting out of control, take several slow, deep breaths, making your belly rise and fall, and relax your shoulders. This provides an immediate reduction in stress, which will help you to communicate better. Also, try to make a personal connection. Thank the individual for being patient and remind them that you are there to help them. If a client becomes hostile or violent, you or another staff member may need to call 911. Talk with your office mates on how to respond when an individual is behaving in an irrational or unsafe way. Although such situations are rare, it's important to be prepared. Be sure that your office has a safety plan and that all staff are aware of it.

### **Be Realistic**

It is not possible for most families to bounce right back after foreclosure. It takes time to rebuild finances and strengthen credit. Speak realistically with clients so they understand this. Recovery will take time and they must be patient. At the same time, help them to stay hopeful.

### **Take Care of Yourself**

Working with families in foreclosure can take its toll on counselors, so take the time to take care of yourself. Eat well and get enough sleep. Exercise every day. Get a

massage or go to a movie. If you are feeling stressed, reach out to your network for support: family, friends, religious community and neighbors, or join a local club or support group.

### **Take Care of Each Other**

Office mates can be a great help in reducing stress. Talk to each other and do something fun. Go out for lunch or take a walk. Provide support and encouragement. You can also make small gestures, such as giving a card or a treat, to brighten another co-worker's day.

### **Resources for Counselors**

- ▶ NeighborWorks Training – Transitioning Consumers: Counseling Clients to Take the Next Step (HO285):  
[www.nw.org/network/training/courses/default.asp?course=ucrsdetailAll1.asp?course=HO285](http://www.nw.org/network/training/courses/default.asp?course=ucrsdetailAll1.asp?course=HO285)
- ▶ The Impacts of Foreclosure on Families and Communities – The Urban Institute:  
[www.urban.org/UploadedPDF/411909\\_impact\\_of\\_foreclosures.pdf](http://www.urban.org/UploadedPDF/411909_impact_of_foreclosures.pdf)
- ▶ Nightmare on Main Street: Older Americans and the Mortgage Market Crisis – AARP:  
[www.aarp.org/content/dam/aarp/research/public\\_policy\\_institute/cons\\_prot/2012/nightmare-on-main-street-AARP-ppi-cons-prot.pdf](http://www.aarp.org/content/dam/aarp/research/public_policy_institute/cons_prot/2012/nightmare-on-main-street-AARP-ppi-cons-prot.pdf)
- ▶ Advantage Consumer Credit Counseling Services on budgeting during a crisis:  
<http://www.advantageccs.org/blog/wordpress/index.php/tips/crisis-budgeting>
- ▶ Straightforward advice from My Super-Charged Life:  
<http://mysuperchargedlife.com/blog/how-to-avoid-buying-things-you-do-not-need/>
- ▶ See the “Budgeting to Weather the Storm” fact sheet in this series
- ▶ Sesame Workshop – Online stories, strategies, activities and resources to help children and families during tough economic times:  
<http://www.sesamestreet.org/parents/topicsandactivities/toolkits/toughtimes>
- ▶ GreatSchools.org – 11 tips for helping children to adjust to a new school:  
<http://www.greatschools.org/back-toschool/preparation/25-adjusting-to-newschool.gs?page=1>
- ▶ Relocation Assistance — Home Affordable Foreclosure Alternatives program (for borrowers doing a short sale or a deed-in-lieu of foreclosure):  
<http://www.makinghomeaffordable.gov/programs/exit-gracefully/Pages/hafa.aspx>

### **Resources for Consumers**

- ▶ Annual Credit Report (the only website to order your free annual credit report)  
<http://www.AnnualCreditReport.com>
- ▶ *A Resource Guide for Foreclosure Recovery* – Federal Reserve:  
[www.frbsf.org/community/issues/toolkit/resource\\_guide.pdf](http://www.frbsf.org/community/issues/toolkit/resource_guide.pdf)

### **Resources for Counselors and Consumers**

- ▶ Loan Modification Scam Alert Campaign, NeighborWorks America – A national public education campaign for homeowners in English and Spanish with online tips and stories from victims:  
[www.loanscamalert.org](http://www.loanscamalert.org)

- ▶ Loan Modification Scam Prevention Network, The Lawyers Committee for Civil Rights Under Law – A coordinated national campaign in English and Spanish with tips, news, online complaint form and searchable database of complaints: [www.preventloanscams.org](http://www.preventloanscams.org)
- ▶ Money Smart’s Financial Recovery Module, FDIC – Training materials on how to recover financially and rebuild credit after a financial setback: [www.fdic.gov/consumers/consumer/moneysmart](http://www.fdic.gov/consumers/consumer/moneysmart)
- ▶ MyMoney.gov – Financial tips and tools from all government websites: [www.mymoney.gov](http://www.mymoney.gov)
- ▶ IRS Taxpayer Assistance Centers – Online referrals to IRS Taxpayer Assistance Centers (TAC) for personal, face-to-face tax help: [www.irs.gov/localcontacts](http://www.irs.gov/localcontacts)

v1.0, 09-12