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Advocate-News**

Churches helping people keep their homes

By Cathy Kelly

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SANTA CRUZ -- Like many others, Ignacio and Maria Ornelas of Freedom will go to church today, hide eggs for the grandkids and have a special Easter Sunday dinner at their home.

The couple has a specific reason to celebrate this year -- their home was saved from foreclosure through help they heard about at Assumption Catholic Church in Pajaro.

Easter 2010 comes during a lingering recession, yet the Christian holiday is one of hope, and many churches like Assumption are offering programs alone or with other agencies to alleviate some of the financial hardship many are suffering.

On March 29, Congress' Joint Economic Committee reported that 5.6 percent of all California mortgages were in foreclosure in the fourth quarter of 2009.

For the Ornelas family, months of stress, sleeplessness and health problems stemming from the anxiety of losing their home ended in February.

Ignacio Ornelas, a 68-year-old retired

fieldworker, pauses to collect his emotions when relating how he put \$12,000 down for a home near Watsonville Municipal Airport in 1992 with help of two sons, then nearly lost it.

The couple refinanced the home in 2005 because they needed money due to the death of a family member, according to the couple.

The Spanish-speaking couple said they trusted a real estate agent's advice and got an adjustable loan, not realizing the monthly payment would jump in three years. In August 2008 it leapt about 30 percent, from roughly \$2,300

to an unaffordable \$3,000 per month, according to the couple.

Their saving grace came at church, when they heard about foreclosure-prevention work being done by church members and others that started with educational workshops and led to pairing counselors with those in financial trouble to help them with possible loan modifications.

The work was started last year by a Watsonville-based organization called Communities Organized for Relational Power in Action, or COPA. The group includes 17 churches and a few nonprofits in Santa Cruz and Monterey counties. COPA is also a politically active organization that fights for such causes as affordable housing and human rights. While the group has strong supporters, its policies and tactics have not always been well-received by community members. For instance the group's push for low-

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income housing has stirred controversy.

In July, COPA volunteer Ernesto Munoz of Santa Cruz began shepherding the Ornelas family through a loan-modification process. In January, US Bank agreed to reduce the payments to \$1,300 per month by cutting the couple's interest rate and lengthening the term, Munoz said.

The modification follows the guidelines of the Home Affordable Modification Program set up by the Obama administration, Munoz said, and includes some financial incentives for the bank.

Ornelas smiled when he talked about the work Munoz did for him and his wife, "for free," he said, still incredulous.

A beaming Maria Ornelas, 63, called it a gift from heaven.

"I never tire of thanking God for this," she said.

Munoz, 72, is one of a handful of housing-counselor volunteers working with COPA in the county and he has begun loan modifications for about 40 homeowners. Volunteers estimate 500 homeowners have gotten some kind of guidance from the COPA effort during the past year.

Munoz said he felt a need to help after hearing all the dire financial news, and thought he could use economics training obtained in his native Argentina. He took foreclosure-intervention classes through NeighborWorks America to better prepare, he said.

Others learned at the church workshops, most because they faced their own loan problems.

Maria Rocha of Watsonville, a 35-year-old elementary school teacher, learned by experience. She and her husband and brother bought a home in late 2003, she said, which is in foreclosure due in part to a second interest-only loan on the property the three fell behind on after Rocha's husband and brother lost their jobs at a telecommunications company.

While Rocha is uncertain she will be able to keep the home after a year of negotiating with Wells Fargo, she said it is rewarding to help others with what she has learned.

"I don't want other people to go through the same thing I went through," she said. "It has taught me that you will have more positive things happen when you are together with a community.

"The meetings lend you energy; it just feels good to talk to others and to think that maybe the time I spent made a difference to them," she said.

In hopes of helping more homeowners, COPA and its volunteers in February organized a meeting between Chase loan officials and 30 homeowners to facilitate the resolution of problem loans, said Joaquin Sanchez, a lead COPA organizer.

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The group hopes to do the same with Bank of America and Wells Fargo. Rep. Sam Farr has helped, Sanchez added.

Also, in May, a COPA team is heading to Los Angeles to learn more about a principal-reduction pilot program for failing home loans used by a sister organization called One LA-Industrial Areas Foundation, he said.

Sanchez believes that is where more feasible and lasting solutions might be found.

"There are a lot of people struggling with this problem," Sanchez said. "There is no quick fix, but we are in it for the long haul."

Munoz readily acknowledged he can only make a tiny dent in the problem, and said he has heard many stories about foreclosure-related scams.

Some of his motivation might be found in the evident respect the Ornelas family has for him during a recent interview, as they invite him over for Easter dinner. He smiles and admits to a penchant for "giving and receiving food, like the first Christians did."

His reward is seeing people become more empowered, even if they walk away only with more understanding of their finances, he said.


"It's a wonderful feeling; they are very thankful," he said.

COPA can be reached at 728-3210.

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