

FINANCIAL

CREDIT COUNSELING AND BUDGETING SERVICES

Unemployment can be difficult without the added burden of credit and financial problems. Credit Counseling Services provide confidential financial assessments, counseling, and assistance to individuals facing credit and financial difficulties. Assistance may cover budget and money management instruction, crisis problem solving (utility shut-off, eviction), and guidance through longer-term credit problems related to mortgages, taxes, wage garnishments, or secured or unsecured loans.

Recognizing the Problem

According to Green Path Debt Solutions there are 10 warning signs that may indicate that financial problems exist.

- Not knowing your monthly living expenses 20% of take home pay goes to debt payments
- Taking out loans to pay for regular living expenses
- Unable to pay the mortgage or rent, and utility bills and receiving shut-off and collection notices
- Overspending
- Finances have never been good and you're more often in financial trouble than not
- Difficult to keep or hold down a job for a long period of time
- In need of a cosigner for loans
- Seeking out a debt consolidation loan when there is an income change
- Experiencing a crisis situation

Financial Stress

Financial problems almost always lead to financial stress. Green Path Debt Solutions has identified 4 factors that may lead to financial stress.

- There is no action plan
- Communication breakdowns between family members
- Inability to make important decisions
- Uncertainty and lack of security

Establishing Priorities

Establish payment priorities and develop action plans to help alleviate the confusion and stress. Green Path Debt Solutions has come up 4 immediate ways to help get back on the road to reduction

- Meet all the financial obligations that could affect the well-being of the family.
- Make sure the mortgage or rent, utility bills, and car payments get paid first.
- Use any extra income such as tax refunds, insurance checks, or severance pay to keep bills current and don't prepay bills more than once a month.
- Reduce expenses, stop charging, and start saving.

Credit Counselors

Credit counselors provide financial assistance to individuals that have questions about or need help with their financial situation. Green Path Debt Solutions have developed 8 key questions that determine whether or not credit

counseling is needed. If you answer “Yes” to one or more of the following questions, credit counseling may benefit you.

- Are you behind on your house payment?
- Are you behind on your utility bills?
- Do you feel credit obligations are so high that it is difficult to have money for food, clothing, and children’s expenses?
- Are creditors sending second reminders, collection notices, or threatening court action?
- Do you and your spouse frequently disagree on how money should be spent?
- Do you feel you have lost control of the family spending?
- Do you only pay the minimum balances on your credit cards?
- Have you taken cash advances to pay on other bills more than once?

Reducing Debt

Reducing debt is never easy. However, with the assistance of a credit counselor and an established action plan, reducing does not have to be difficult.

- Prepare a budget
- Cut expenses
- Determine the amount of extra money leftover from paying the bills and send it to the creditors.
- Compare the interest rates on your loans and pay those with a higher rate first.
- Shop for cheaper interest rates.
- Stop charging!

Other Assistance

Local community action agencies may have funds available to assist with mortgage, rent, and utility bill payments. In

addition, if purchasing food and clothing for yourself and your family has become a problem there are agencies that provide these services too.

(Please see the sections on food assistance, rent and mortgage assistance, and utility assistance for contact information).

CREDIT COUNSELING CENTERS

Bethel Housing Counseling Agency

5050 St. Antoine Street
Detroit, Michigan 48202
Phone: (313) 833-9912
Fax: (313) 833-5312

Mortgage Delinquency and Default Resolution; pre-purchase; post-purchase; fair housing; loss mitigation; money management; Reverse mortgage.

Church of the Messiah Housing Corporation

1157 Concord Street
Detroit, MI 48207
Phone: (313) 267-1010
Fax: (313) 267-1033
Web site: www.messiahhousing.com

Consumer Credit Management

28124 Orchard Lake Rd. Suite 102
Farmington Hills, MI 48334
Phone: (888) 821-HELP (4357)
Web site: www.ccmcanhelp.com

Detroit Non-profit Housing Corporation

8904 Woodward Ave Suite 279
Considine Center
Detroit, Michigan 48202-1821
Phone: (313) 972-1111
Email: detroitnon@aol.com

Mortgage Delinquency and Default resolution; pre-purchase; post-purchase;

money management; renter's assistance; homeless assistance; reverse mortgage.

Family Tree

3511 Sheridan Road
Detroit, Michigan 48124
Phone: (313) 962-2329

Foreclosure prevention; pre-purchase; post-purchase; home maintenance; financial management.

Green Path Debt Solutions

Toll Free: (800) 550-1961
Web site: www.debthelpnow.com

Detroit
2111 Woodward Ave., Suite 906
Detroit, MI 48201

Monroe
25 S. Monroe St. Suite 312
Monroe, MI 48161

Taylor
8750 S Telegraph Suite 100
Taylor, MI 48180

Westland
38545 Ford Rd. Suite 202
Westland, MI 48185-7901

Michigan Neighborhood Partnership

3301 23rd Street, 2nd Floor
Detroit, Michigan 48208
Phone: (313) 361-4530
Fax: (313) 361-4540
Web site: www.mnpartnership.org

Foreclosure prevention; pre-purchase; financial management; home maintenance.

National Foundation for Credit Counseling

801 Roeder Road, Suite 900
Silver Spring, MD 20910
Phone: (301) 589-5600
Web site: www.nfcc.org

The National Foundation for Credit Counseling (formerly known as the National Foundation for Consumer Credit) is a national nonprofit network of more than 900 locations. Our services range from customized Money Action Plans™— money management education and confidential budget, credit and debt counseling— and Debt Management Plan (DMP), to homebuyer education and mortgage programs.

These services are administered by Certified Credit Counselors, who must meet high quality standards and pass counselor certification exams.

Available in Spanish.

New Hope CD Non-Profit Housing Corporation

19487 Evergreen
Detroit, Michigan 48219
Phone: (313) 255-6275
Fax: (313) 255-0117
Web site: www.newhopedetroit.org

Mortgage Delinquency and Default resolution; pre-purchase; post-purchase; money management; renter's assistance; homeless assistance; reverse mortgage.

Phoenix Housing & Counseling Non-profit, Inc.

1640 Porter Street
Detroit, Michigan 48216-1936
Phone: (313) 964-4207
Fax: (313) 964-3861

Foreclosure prevention; pre-purchase; home maintenance; financial management; Reverse Mortgage.

SouthWest Housing Solutions

1920 25th Street
Detroit, Michigan 48216
Phone: (313) 841-9641
Fax: (313) 841-9647
Web site: www.swsol.org

Foreclosure prevention; pre-purchase; financial management.

U-Snap Bac Non-profit Housing Corporation

14901 E. Warren
Detroit, Michigan 48224-1702
Phone: (313) 640-1100
Fax: (313) 640-1112
Web site: www.usnapbac.org

Mortgage Delinquency and Default Resolution Counseling, Pre-purchase Counseling

BUDGETING SERVICES

Detroit Non-profit Housing Corporation

8904 Woodward Ave Suite 279
Considine Center
Detroit, Michigan 48202-1821
Phone: (313) 961-0024
Email: detroitnon@aol.com

Learning Institute of Family Education (LIFE)

Box 351051
Detroit, MI 48235
Phone: (313) 342-0006
Fax: (313) 342-0006
Email: lifefam2001@aol.com
Web site: www.lifefam.org

Money Counts - Financial Literacy (adults)
- The curriculum used will be the Federal Deposit Insurance Corporation (FDIC) Money Smart, which is an adult education program that is a comprehensive, banking and credit education curriculum of 10 modules with 1-2 hours of classroom time. The curriculum includes: (1) Bank on It - an introduction to bank services; (2) Borrowing Basics - an introduction to credit; (3) Check It Out - how to choose and keep a checking account; (4) Money Matters - how to keep track of your money;

(5) Pay Yourself First - why you should save, save, save; (6) Keep It Safe - your rights as a consumer; (7) To Your Credit - how your credit history will affect your credit future; (8) Charge It Right - how to make a credit card work for you; (9) Loan To Own - know what you're borrowing before you buy; and (10) Your Own Home - what home ownership is all about.

FOOD ASSISTANCE PROGRAMS

In addition to paying the bills, another big stressor is trying to budget money to buy food for the family. If finances become tight and food cannot be budgeted for, there are Food Assistance Programs that may be able to provide temporary relief.

DISCOUNT FOOD PROGRAMS

Angel Food Ministries

Web site:
<http://www.angelfoodministries.com/>

Visit the Web site and click on "Find a Local Site" to find a pickup location in your area.

There are no qualifications, minimums, income restrictions, or applications.

Everyone is encouraged to participate. Some churches even encourage participants to apply the money they saved to help someone else in need.

Angel Food Ministries is a non-profit, non-denominational organization dedicated to providing grocery relief and financial support to communities throughout the United States. The program began in 1994 with 34 families in Monroe, Georgia (between Atlanta and Athens), and has grown to serve hundreds of thousands of families every month across 35 states.