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## Mother put up a rare fight in foreclosure

By Megan Woolhouse

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Marie Cacao thought she had found a refuge for her four children when she bought the yellow wooden house on a dead end in Dorchester, financing the purchase with a high-interest, subprime mortgage. Instead, it became a foreclosure nightmare that would threaten her family's fragile stability.

It is not uncommon. More than 12,000 homes were lost to foreclosure in Massachusetts last year. Most families leave in quiet shame.

But this story is different. Cacao refused to leave.

Cacao, a single mother who works as a nurse's assistant, waged a yearlong battle to buy back her home. It was an uneven match, pitting the 52-year-old and an underfinanced community group against powerful corporate and banking interests that wanted to evict her.

And the fight took a toll. Cacao worried where she and her children would end up if sheriff's deputies threw them out of the house. Some of her children wanted her to leave. Cacao said she prayed, worked, and drew strength from activists who pledged to stand with her, even if it meant chaining themselves to the house.

"She was able to fight because she's part of a movement," said David Grossman, director of Harvard Law School's legal aid bureau, one of several groups to assist Cacao. "And this is a really big fight."

After immigrating to the United States from Haiti in 1988 with little more than an elementary school education, Cacao earned certification as a nurse's aid. She worked double shifts, sometimes more than 90 hours a week, and her children became American success stories. Her eldest attended Simmons College on a scholarship and graduated last year; a younger daughter is a scholarship student at Wesleyan University. Her eldest son, a student at Roxbury Community College, and her youngest, age 12, live with her.

For years, the family lived in a cramped Roxbury apartment. When Cacao found the two-family home in Dorchester in 2003, it seemed the answer for them. She bought the \$483,000 house with 7.99 percent variable rate mortgage that reset after two years. Before the reset, she refinanced primarily into a mortgage that seemed a better deal: a 6.94 percent variable rate loan. But two years later, the rate jumped to more than 11 percent.

By 2009, her \$2,500-a-month payment had ballooned to \$4,000 a month. Earning \$50,000 a year, she was already struggling to pay for heat and repairs to the house, a creaky Victorian built in 1925. She also had trouble renting the second unit.

She tried to refinance, but banks weren't lending. She asked for a loan modification, but she was denied. Foreclosure was imminent. "My kids were so scared," Cacao said.

Deutsche Bank, trustee for the investors who held Cacao's mortgage, foreclosed in January 2010. At the auction, the bank bought the property for \$251,000, slightly more than half the price Cacao paid in 2003.

That should have been the end of the story. But Cacao found a flyer from City Life/Vida Urbana, a Jamaica Plain community group that encouraged borrowers with subprime loans to fight foreclosure.

City Life workers helped Cacao write a letter to Deutsche Bank asking for new mortgage, one that she could afford and that accurately reflected the property's value. She explained the reasons for her default. She had drained her finances repairing the house's electrical and plumbing systems, helped her daughters with college expenses, and, following the devastating earthquake in Haiti, sent money and food to her parents there.

No response came from the bank.

"She was a hard-working woman with a bunch of children who was underwater," said Steve Meacham, a City Life community organizer. "And the bank didn't want to negotiate with her."

Cassandra Cacao, who graduated from Simmons last May, said the house had become such a strain for the family she considered deferring graduate school in Oregon to stay with her mother. School counselors talked her out of it, she said, knowing that foreclosure battles are rarely won.

"I remember feeling really helpless," said Cassandra Cacao, 22.

Marie Cacao had her own fears. She worried about facing the bank's lawyers and an imposing judge at her eviction hearing. She sought legal help from the free "Lawyer for the Day" program, which operates from a card table in the courthouse hallway.

Harvard's Grossman took her case, winning a promise from the bank that it would not evict Cacao until it considered selling the house to Boston Community Capital, a Boston nonprofit that buys foreclosed homes and sells them back to the former owners.

Boston Community Capital reviewed Cacao's credit history and the condition of the house and by July, made a \$220,000 bid for the house. Pat Hanratty, chief of the group's foreclosure division, said months went by without a response from the bank.

The agency attempted to contact the servicer, Residential Credit Solutions, which bills, collects, and processes payments on behalf of the bank. Still no answer. Hanratty said the servicer listed no contacts on its website and returned no calls.

"Nobody could find someone to talk to," she said.

After months had gone by, the nonprofit found an asset manager at Residential Credit Solutions to consider its \$220,000 bid, which it resubmitted on Dec. 9. Again, they waited.

"It's very common for people to be upset, depressed. It's a roller coaster," said Hanratty. "You start to get hopeful, and you don't know if you should be."

Cacao prepared for bolder action to save her home, agreeing to let City Life activists form an "eviction blockade" if deputies came to change the locks. The tactic often spurs banks to negotiate and avoid negative publicity, said Meacham, who has been arrested twice at such protests.

Two weeks before Christmas, with no word from the bank, Cacao stood in housing court with Grossman. The bank's lawyer argued it was time for Cacao to go. Judge Jeffrey M. Winik took the case under advisement; he would rule within days.

But just a few hours after the hearing, the servicer called Boston Community Capital and accepted its offer. Hanratty said she does not know what prompted the change.

Cacao doesn't know either, but to her it hardly matters. She will buy the house back this month with a 30-year fixed-rate mortgage and \$2,400-a-month payments. Her children think of the house as a refuge again, and she does, too.

Cacao said that she felt grateful to everyone who helped her, and that the experience had strengthened her faith.

"God can see I'm a single mother and working hard to do all the right things," she said. "If you do like that, God's gonna help you."

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