

Asheville's Pisgah Legal Services Fights for Homeowners

Nonprofit helped hundreds avoid foreclosure

By Jon Ostendorff, *Asheville Citizen-Times*, December 24, 2011

MILLS RIVER — Betty and Everett Banks aren't planning much of a Christmas this year. No presents under the tree. No big holiday meal. The only gift the couple are giving is an old wooden toy box, refinished by their son. It will go to their grandson.

"There's no money for Christmas," she said. "But we know what Christmas is all about."

Betty has Everett, who is cancer-free after undergoing massive surgery this year for stage four colon cancer. And they have the home they have shared for 34 years, which they almost lost as medical bills mounted and life savings dwindled to nothing.

They still have their house thanks in part Pisgah Legal Services, which this year helped 450 households with problems threatening homeownership, including preventing foreclosure or preserving equity. That number represents 430 children and 760 adults. The nonprofit primarily serves Buncombe and the five surrounding counties.

"The face of poverty is changing," said Pisgah Legal attorney Tom Gallagher. "Many, many, many families in our area are only one emergency away from finding themselves in the same position they are reading about in the headlines."

Betty Banks, 61, and Everett Banks, 68, had worked their whole lives. He was a construction contractor, and she worked in a school cafeteria. They saved money and paid their bills. Everett added on to their home and made improvements. It was all the family had. They hoped to pass it on to their son one day.

Then Everett got sick. When he got too sick to go work, Betty knew something was seriously wrong. "He hasn't sat down a moment in his life," she said. The doctors at Duke ended up removing his colon, bladder and part of his small intestine. On top of that, they were out of money. They tried to work something out with the bank but ended up facing foreclosure.

Plan B wasn't looking good. The community raised first and last month's rent for the smallest place they could find. Everett was distraught. He couldn't bear to leave the family home. Betty was desperate.



Pisgah Legal Services helped Betty and Everett Banks avoid foreclosure in the midst of Everett's cancer treatment. PLS helped 450 households with problems related to homeownership in 2011.

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She ran across a number for Pisgah Legal Services one day while flipping through her phone book looking for anyone who might help. The nonprofit had assisted with her mother's will in 1978. She was apprehensive about calling. She grew up on a farm with 11 siblings and was taught to do for herself.

Asking for public assistance was looked down upon in her family, and she thought maybe the folks at Pisgah Legal Services wouldn't understand. "If you never had to ask for anything in your entire life, and you were raised not to ask, it's hard," she said. "It's hard to do that."

She found Gallagher, an attorney with Pisgah Legal who did understand. He went straight to work negotiating with the bank and eventually got their mortgage restructured down to something they could afford. "I didn't have much hope," she said. "Then, when I met Mr. Gallagher, he gave me hope again."

The Bankses are not alone. Pisgah Legal Services will help more than 12,000 people this year meet their basic needs, a 33 percent increase over 2008.

Medical problems, divorce and a loss of a job are the top reasons for a foreclosure. Most people who end up with Pisgah Legal Services have already spent their savings and retirement funds.

Gallagher said many foreclosures are not necessary. The key is getting in touch with the bank about a loan modification before they run out of money. Retirement savings, he said, are often protected.

The nonprofit helps people who are at or near the poverty level. It relies on donations, which are down with the bad economy just as the work load has increased.

"We depend on the generosity of local donors to close our budget gap so we can respond when people call us in crisis," said agency director Jim Barrett. "We know our clients have nowhere else to turn for legal help, so we're very motivated to raise the money we need."

Betty Banks said had it not been for Gallagher and Pisgah Legal Services, she and Everett would have lost everything. The couple are still just getting by, she said. "It was really a godsend to us," she said. "Otherwise we would have been out months and months ago. I think they do a wonderful job."



Pisgah Legal Services' staff attorney Tom Gallagher and two other PLS staff attorneys help WNC families prevent foreclosure and save their homes and home equity. Most of these families are face tough financial times because of medical problems, divorce and job loss.