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October 27, 2008

Economy

For Some, Housing Crisis Stress Is Unbearable

by Karen Grigsby Bates

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Darren McColister

Deborah Williams holds a sign and a homemade key while wearing a shirt in memory of Carlene Balderrama, a Massachusetts woman who committed suicide before foreclosure of her home in July 2008 in Boston. Getty Images

“Our 24-hour suicide prevention crisis line has seen an increase in calls, and it does seem to be partially fueled by anxiety and a sense of hopelessness.”

Dr. Kita Curry

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Morning Edition, October 27, 2008 · It's only natural to worry as the value of homes and investments falls. But the financial crisis is hitting some people harder than others. In California, the housing meltdown started early. Over the past three months, a record number of Californians lost their homes to foreclosure.

And some of those financial losses are turning into human tragedies, as reports of suicide and other desperate behavior emerge.

Scott Harder lives on a quiet street in North Pasadena, in a neighborhood that is aptly named Bungalow Heaven. Small wood frame houses nestle under spreading shade trees. Residents visit on each others' porches and gossip in rockers. They check up on each other to make sure everything's all right.

But before dawn one recent morning, Harder woke up and smelled smoke coming from the home of his 53-year-old neighbor, Wanda Dunn. He quickly threw on some clothes and went next door to check on her. Their street was still quiet and dark.

"I went out front and looked at the front of her house," Harder said, "and could see plumes of smoke wafting across the street light."

Harder called 911. When emergency personnel arrived, they found Dunn's body in her rear bedroom. She'd apparently set her house afire and shot herself in the head. Dunn had been facing eviction from the only home she'd ever known.

Harder says he understood Dunn's anguish.

"She'd grown up in the house, from what I understand, and lived there her whole life, so it was all she had," Harder said. "I talked with another of the neighbors down the street, and through the grapevine he'd heard that she really didn't know what to do if she'd lost her house."

Dunn had inherited her bungalow from her family and lost it after she stopped working because of a disability; she had also made some bad financial decisions. The new owner let Dunn rent the yellow stucco bungalow, but he lost the house when the subprime meltdown sent all of California's real estate into a tailspin.

Homeowners Feeling Trapped

Beverly Hills psychologist Kenneth Siegel says Californians are especially attached to their residential real estate.

"California represented for many of us the pinnacle of the effects of hard work," Siegel said, "of the ability to pull ourselves up by our bootstraps."

Owning a home, Siegel said, "represented the physical manifestation of all we have done and how hard we have worked."

But Californians' dream of a modest detached home, Siegel says, often morphed into something far grander when the economic boom of the 1990s made home loans — many of them subprime — easier to come by.

"So here, as much as anyplace else, people did overbuy, their houses were bigger than their egos," Siegel said, "and they in fact invested more of themselves and more of their savings in them."

Dunn's suicide is the latest in a series of events that seem to be linked to financial problems. Shortly before Dunn's death, money manager Karthik Rajaram killed his wife, mother-in-law, three sons and himself inside the home they rented in an upscale Los Angeles suburb.

At a press conference, LAPD Deputy Chief Michael Moore explained the presumed motive.

"We believe that he has become despondent recently because of financial dealings and the financial situation in his household, and we think this is a direct result of that," Moore said.

Psychological Strains Of A Slump

"Loss is often a trigger — and there is more loss now that could trigger suicide among those that are already vulnerable," said Dr. Kita Curry.

Curry, a licensed clinical psychologist who heads the Didi Hirsch Community Mental Health Center in Los Angeles, says she has a gauge of how tough things are getting.

"Our 24-hour suicide prevention crisis line has seen an increase in calls, and it does seem to be partially fueled by anxiety and a sense of hopelessness and powerlessness," Curry said.

And middle-class status that once seemed a given isn't anymore. Scott Harder says there are more and more signs reading "BANK OWNED" popping up on his town's lawns — something he never thought he'd see.

"As this is happening in Pasadena — I think it's sort of shaking people to their core," Harder said.

Waiting Anxiously For A Recovery

Anxiety can be contagious, but Siegel says that taking the long view is a good antidote.

"The people who tend to believe that this is going to be for a long time, they're the ones that are feeding off the misery of the current situation," Siegel said. "So keep this in the perspective of, 'we're at a point in time, but only a point in time, and it's not likely to continue forever.' "

The people who feel that the slump could continue indefinitely, then, are those who are struggling to stay afloat until the economy recovers.

Recent First **[Mike Carattini \(mikedud\)](#)** wrote:

Hold a second there! There are been thousands of 'Homeless' people nationwide into the streets due the consequential actions of 'budgets cuts' so often to the poors neirgboods nationwide. How is that everytime the goverment talks about 'budgets cuts spendings' the first targets are the same struggling neirgboods coast to coast? Is not fair to keep on punishing them any more for survive poors. Who like to see a poor homeless people struggling to survive until die slowly little by little in misery, who? That what is happening everywhere now. The 'availables shelters are already congested since long long time ago, but who cares? Thousands of pets run with much better luck than those human beings all over, doesn't? Also there are a whole bunch of houses sitting there long time doing nothing emptied nationwide, why? Unbelievable! - Lack of action fall into negligency as well-. Let's hope for the best and someone upthere do something for them before the (700B) is over. Hopefully they let some residual for those poors people as well, let see what happen next!

[Recommend \(0\)](#)[Report abuse](#)**[Jeffrey Massung \(Jeff_M\)](#)** wrote:

I don't want to sound too unsympathetic (Lisa), but I have friends w/ epilepsy, and they still work hard and make a living for themselves and their families. They bus to work and back. And there are options even w/o working for a company: paint, write books, run an online business, go back to school (with loans/grants) and do research. This is America and your options are limitless. Why should I and every other American have to pick up the tab so you can sit at home and do nothing, because you feel sorry for yourself?

As for the article. I feel bad for everyone who has been foreclosed on, but many of them did it to themselves. There's a fine line between empathizing and helping and bailing out. I took a new job across the country and still can't sell my old house after 6 months. I rent, pay my old mortgage, utilities on both places, etc. And I know many are in the same boat. It sucks, but that's why you don't live outside your means. Bad things happen.

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People should never consider any money, property, or career so important, no matter how valuable. You can't take any of it with you when you die, and your loved ones will generally fend for themselves, or others will take care of them. Priorities should be taking joy in communicating with and helping others, relationships, intellectual pursuits, and the general magnificence of life itself. How very foolish to murder oneself for mere fringe

benefits that if lost might be restored to you tomorrow! A person with an apartment, an average job, no vehicle, and few possessions can live an exciting, adventurous, beautiful life. You may even find yourself better off once you try it. I'm living proof!

Monday, October 27, 2008 3:16:02 PM

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[Lisa Ragsdale \(Rags\)](#) wrote:

In the period from late summer 2003 to November 2005 when I worked three different jobs in the Mortgage industry, I was appalled at the attitude of managers and supervisory personnel toward clients. I worked in property tax case resolution and collections, neither of which were a pretty picture.

In November 2005 I was terminated for calling in sick and I was told I did not have any sick days left. Five days later I had my first grand mal seizure and was diagnosed with epilepsy. Try as I might, it has been determined three times that I am not disabled by the SSA. Now I am three years without employment, 2 1/2 years without income, disabled but not disabled, with mounting medical costs (not the least of which is my "self-insurance" health insurance) and wondering where I am going to live. I have no family I can move in with either in the city I live in or in any other city and only a few friends who could or would put up with me. I can certainly identify with the story of Ms. Dunn.

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[Cynthia Cowdrey \(cynthiac\)](#) wrote:

These tragedies seemed more about bad economic situations in general, not specifically about people losing their homes due to foreclosure. Surely the original mortgage on Ms. Dunn's family home had been paid off years before. According to the story, her difficulties began some time ago--a disability resulting in job loss, forcing her to sell the family home which she was renting. How did that come to be? Had she borrowed against the value of her home and been unable to pay back the loan? The Rajaram family was also renting, not living in a foreclosed upon home. The story does not tell us the nature of their financial troubles.

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