

Managing Between Jobs

Keeping a Roof Overhead

Keeping a roof overhead is an important concern when you lose income. If you rank your bills in order of priority, chances are housing is at or near the top of the list.

One of the biggest household expenses is housing. Housing expenses include mortgage or rent payments, insurance, taxes, household maintenance and repair, utility bills, furnishings, and cleaning supplies.

When your income drops, careful planning can help you avoid eviction from your rental unit or the loss of your house.

Rent Payments

If you rent, tell your landlord about your situation before rent is due. Ask for a postponement until your income resumes. Offer to provide some service, such as painting, in exchange for rent. Suggest a smaller payment for a month or two, with the understanding that you will catch up when your income increases again. Often it “costs” money for a landlord to change tenants, so they may be willing to work with you. Be sure to get agreements in writing.

In Oregon, if you do not pay your rent according to the terms of the lease, you will be in violation of a contract. The Attorney General’s office recommends that if you are in this position, you should consult with a lawyer.

If you are renting month to month, and you do not pay your rent when it is due, your landlord can take these steps:

1. After 7 days, issue 72 hours’ notice and demand rent.
2. After 72 hours, go through courts to get forcible entry and unlawful detainer document and a court date.
3. Resolve issue in court.

Mortgage Payments

With reduced or lost income, you quickly feel the stress of a sizable mortgage payment. If your loss of income will be for only a few months, you may be able to cut back on other expenses to meet your mortgage payments.

Important: If you miss a mortgage payment, you have defaulted on your contract and your lender can begin foreclosure on your home.

If meeting your mortgage payment appears impossible, *contact your lender immediately.* You may be able to skip a payment or arrange a lower payment. Take along a new spending plan that fits your reduced income.

Most lenders would rather avoid the time and cost involved in a foreclosure if another alternative can be worked out.

If your loss of income is going to last a long time or be permanent, you will need to consider other options. You don’t have to live under the extreme stress and strain of meeting mortgage payments that are too high. Some options are:

- Taking in a roomer or renter and use the money towards mortgage payments.
- Renting the present house to someone else and renting less costly housing for yourself.
- Selling the present house and buying or renting less costly housing.
- Moving in with relatives or friends. Offer to share some of the housing costs.
- Deeding the house back to the lender. You may not lose much. For example, if you’ve been paying on a mortgage for 10 years, you have not paid for much of the home yet—only about 10 percent. If by staying in this house you won’t have enough money for food or other necessities, you may find it less stressful to leave the house and find less expensive housing.

Other Housing Costs

Insurance Payments

Homeowner or renter's insurance protects you in case of loss or damage to property. During times of reduced income, it's important to have property insurance.

If you can't make an insurance payment, call or write your agent or the company. There may be some leeway (10 to 30 days) in premium payment due dates.

Explain your situation and offer to consider a different payment plan. Check to see if smaller premiums are possible through:

- changing to a monthly, quarterly, semi-annual payment plan with the same coverage
- changing to a more basic coverage
- changing the deductible
- putting in fire proofing and some alarm options.
- examining coverage on outbuildings in relation to home

Real Estate Taxes

If you are unable to pay taxes, contact your local county treasurer to learn about procedures used when property taxes are delinquent. Interest accumulates on unpaid taxes.

You'll receive notice of any actions. Take these notices seriously. Eventually, unpaid taxes will result in the sale of your property through auction.

Homeowners who are at least 62 years old and whose total annual household income does not exceed \$32,000 can apply for property tax deferral through the County Assessor's office. The program defers payment of property tax until the property is sold (or changes hands). In return for deferring taxes, the state places a lien on the property.

Utility Payments

Utility cut-offs can and do occur. Disconnection varies with weather and family conditions. If you can't make full payments on your utility bill:

- Contact the company right away—*before the due date and before fuel is needed.*
- Propose a new payment plan based on your current ability to pay. Take along information about your income and expenses when you go to see your utility company.
- Check to see if you are eligible for your area's fuel assistance program through your local Social Services agency.
- Talk with family members to decide how you will safely reduce the use of your utilities to cut costs.

Telephone Bills

Your telephone bill has a preferred pay date. If you don't pay within 10–15 days, you'll receive a notice of delinquency. At that time you will be notified when disconnection will occur.

To get service again, you may be required to:

- pay your prior bill in full
- reapply for service and pay installation charges
- pay a large deposit

Begin to cut expenses by eliminating all non-emergency long distance calls. (Write a letter instead.) Consider buying rather than renting your phone or changing to a less expensive type of phone service. Check with your phone company for ideas on cutting costs.

Adapted for use in Oregon from a University of Wisconsin—Extension publication.

This publication may be photocopied or reprinted in its entirety for noncommercial use.

Produced and distributed in furtherance of the Acts of Congress of May 8 and June 30, 1914. Extension work is a cooperative program of Oregon State University, the U.S. Department of Agriculture, and Oregon counties. Oregon State University Extension Service offers educational programs, activities, and materials—*without discrimination based on race, color, religion, sex, sexual orientation, national origin, age, marital status, disability, or disabled veteran or Vietnam-era veteran status.* Oregon State University Extension Service is an Equal Opportunity Employer.

Published February 1992; revised August 2004.