The Experience of Home Foreclosure: Coping With Involuntary Loss of Home and Transition of Identity

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Depth interviews were conducted with American homeowners facing the probable or actual loss of a home arising from involuntary loan default. These consumers in foreclosure experienced a potent diminishment of self identity as tied to the symbolic and sacred meanings of home and homeownership. In most cases, this was accompanied or followed by attempts to restore the self through a redefinition of the loss as, not loss of home or self, but merely as loss of house. Responses were consistent with positive adaptation as predicted by coping theory.

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The Experience of Home Foreclosure: Coping with Involuntary Loss of Home and Transition of Identity
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This study reports the results of interviews with homeowners experiencing foreclosure—that is, the loss or threatened loss of the home, arising from involuntary default on a home loan. It examines the lived experience of consumers facing the potential, and probable, loss of both the home and that part of self identity derived from being a homeowner.

For a U.S. consumer, a house is often the largest purchase or investment made, and among the most meaningful. Even from a purely economic or functional perspective, the home is a multidimensional possession, satisfying human desires for shelter, privacy, stability, and environmental amenity (Smith 1970). However, the concepts of home and homeownership extend further to signify richer personal and social meanings (Becker 1977, Cohen 2004, Duncan 1982, Holt 1998, Yu 2004). The home is more than a place to live—it is a representation of self. Homeownership is more than a legal distinction—it is a representation of one’s social status. Homeownership represents an aspiration which, when realized, symbolizes achievement and provides evidence of competence (Dholakia and Levy 1987). It is symbolic of control over one’s life, signifying financial security, family stability, and the values that render those achievements important. As stated by one of the informants in this study:

Pam: Your job is very valuable, your health is very valuable, and your home is very valuable…. To me, nothing is more valuable.

The home and one’s status as homeowner influence both the way one is perceived by others and the way one perceives oneself. According to a Roper Poll (“There’s No Place Like Home” 1997), when asked which of two-dozen items say the most about who you are, Americans ranked home as first, ahead of job, hobbies, and a multitude of personal possessions.

The importance of home and homeownership, and the fact that one’s home is imbued with symbolic, even “sacred,” meanings is well documented in studies of possession meaning (Ahuvia 2005; Belk 1988; Claborn and Ozanne 1990; Doyle 1992; Hirschman and LaBarbera 1990; McCracken 1989; Richins 1994; Yu 2004). A home is more than a consumption item; it is a representation and extension of self (Belk 1988, Tian and Belk 2005). It is more than a shelter; it is a symbol of family unity. It is more than a financial investment; it represents a personal outlay of time, effort, and loving attention. For the young, the purchase of a home may represent a rite of passage into adulthood. In mid-life, the home may represent a sanctuary, providing physical and symbolic respite from the outside world. For the elderly, the home may evoke memories of one’s life and relationships, and serve as a physical repository of the past. And for their adult offspring, the childhood home may represent rootedness and continuity. As observed by Czikszentmihalyi and Rochberg-Halton (1981):

Few English words are filled with the emotional meaning of the word “home.” It brings to mind one’s childhood, the roots of one’s being, the security of a private enclave where one can be free and in control of one’s life. (p. 121)

… a home is much more than a shelter; it is a world in which a person can create a material environment that embodies what he or she considers significant. In this sense the home becomes the most powerful sign of self of the inhabitant who dwells within it. (p. 123)

It follows then that the threatened loss of one’s home may be equally symbolic, representing not just the threatened loss of a valued possession and investment equity—itself devastating—but more potently, the threatened loss of an important contributor to one’s definition, concept, and sense of self. Indeed, several authors have observed the involuntary loss of important possessions to be accompanied by a diminishment or perceived violation of one’s self, and even changed meaning of life (Belk 1992; Hill 1991; Sayre 1994; Young 1991).

This study documents the experience of homeowners in foreclosure through in-depth interviews. Numerous shared themes emerged, including emotional and behavioral responses, and consumption/decision-making strategies. However, underlying all these themes was a potent experienced diminishment of self as tied to the symbolic meanings of home and homeownership. In most cases, this was followed by attempts to restore the self through a redefinition of the loss as, not as loss of home, but merely as loss of house. Coping processes were consistent with positive adaptation as predicted by coping theory, with informants proceeding from largely negative to largely positive psychological states (Folkman and Moskowitz 2000; Lazarus 1993; Zeidner and Endler 1995). To aid understanding of the experience of homeowners in foreclosure, the following section provides an overview of the foreclosure process.

FORECLOSURE AND THE HOMEOWNER IN DEFAULT

Foreclosure is a statutorily defined process whereby a secured lender seeks recovery from a defaulting borrower. The process may begin at any time after loan payments become delinquent. In nonjudicial foreclosure states (e.g., California), the lender exercises its “power of sale” over the property that provided the security for the loan. The sale is via public auction (trustee’s sale) to the highest all-cash bidder.

The trustee’s sale date is preceded by a time period during which active steps may be taken to avoid or minimize loss. The California foreclosure process extends over approximately four months. Three months after the recording of the Notice of Default, if the loan has not been reinstated by bringing the payments current, the lender may proceed to schedule a trustee’s sale. It may be scheduled 21 days after the posting, publishing, and mailing of the Notice of Trustee’s Sale. Once the reinstatement period has expired (five days prior to trustee’s sale), the lender may require a full redemption to cure the default. The lender may also consent to postpone the trustee’s sale, and is likely to do so if the homeowner has taken steps to cure the default, usually by arranging to sell the property or to secure new financing. Most frequently, homeowners effect postponements by petitioning for federal bankruptcy protection, but this provides only a temporary reprieve.

The foreclosure period is a crucial time and, thus, the focus of this study. A homeowner’s actions during this time carry consequences instrumental to future living standards and quality of life. Financially, foreclosure is associated with loss of property, loss of...
accumulated equity, eviction, and credit damage. From a more personal perspective, foreclosure is associated with humiliation, emotional trauma and, sometimes, negative coping behavior.

Despite the gravity of foreclosure for consumers, little research exists pertaining to homeowners in foreclosure. Gross (1994) studied consumer responses to the time pressures during this crucial period, documenting responses such as denial, panic, and procrastination. However, most research is from the perspective of the lender, focusing on accumulated equity and other economic factors as predictors of default. Such research provides little insight into the experiences of individual homeowners. For example, the models do not take into account emotional responses or non-economic considerations such as attachment to the family home and desire to maintain an appearance of stability, which might overwhelm economic rationality.

**METHOD**

The limited consumer research on loss in general, and the paucity of consumer research on foreclosure loss in particular, suggests the appropriateness of descriptive, discovery-oriented research design. An attempt was made to document the experience of foreclosure from the perspective of those experiencing it (Strauss and Corbin 1990). Specifically, the study employs depth interviews. As described by McCracken (1988, p. 9):

The method can take us into the mental world of the individual, to glimpse the categories and logic by which he or she sees the world. It can also take us into the lifeworld of the individual, to see the content and pattern of daily experience. The long interview gives us the opportunity to step into the mind of another person, to see and experience the world as they do themselves.

The threatened foreclosure of one’s home involves an extreme form and degree of potential loss. It is typically associated with stigma and shame, and calls up sensitive and emotional issues beyond the “typical” consumer/homeowner experience. This author did not presume to understand *a priori* the perspective homeowners might take on such an unusually stressful experience. Thus, it was decided to delve into the thoughts, feelings, and perceptions accompanying foreclosure, and to regard the informants and their experiences holistically.

**Sample.** Data were obtained through interviews with 14 homeowners identified through public records as being in foreclosure. Potential informants were contacted by mail. To obtain a relatively homogeneous sample, only owner-occupants in neighborhoods judged as “middle-class” (as indicated by home value) were contacted. This purposeful sampling was to increase the likelihood that informants had similar resources at their disposal for resolving the foreclosure. It was determined to continue interviewing until the interviews became somewhat redundant. Given the relatively homogeneous sample, this happened well before the fourteenth interview.

The use of University envelopes and letterhead differentiated the mailing from other solicitations. Several respondents remarked on being beleaguered by solicitation letters and would have disregarded this letter had it not “looked different.” Informants were also promised 50 dollars upon completion of the main interview. This proved to be a strong motivator. As shared in interviews, informants were carefully budgeting grocery money, canceling insurance policies, denying their children simple luxuries, and taking other steps to save money. Some had utilities disconnected, cars repossessed, and credit cards discontinued. Informants expressed that this incentive was badly needed for basic expenses.

Six of the 14 main interviews were conducted in homes and eight were completed on the telephone (supplemented by a “drive by” with descriptions of the home included in field notes). All interviews were tape recorded and transcribed. The phone interviews did not suffer in terms of quality and were comparable in length to in-home interviews. All informants were open and forthright in telling their stories. By allowing telephone interviews, some participants who otherwise would not, and thus a possible source of bias was eliminated.

**Data Collection.** Prior to scheduling the main interview, each informant was asked to complete a short screening interview via telephone to establish rapport and obtain preliminary information. As the strategy for the main interviews, homeowners were asked to “start at the beginning” and discuss what they were doing, what they were thinking, and how they were feeling as the foreclosure progressed. Informants were asked to “help me understand what it was like.” Interviews were kept loosely structured and nondirective so homeowners would feel free to broach topics of concern to them in their own ways. In the context of discussing almost any aspect of their experience, all spontaneously returned to discussing their anticipation of the future, revealing it as both a source of concern and of hope. This is consistent with adaptation as predicted by coping theory (Folkman and Moskowitz 2000; Zeidner and Endler 1995).

An iterative and emergent approach was used in conducting the main and follow-up interviews (Schouten 1991; Strauss and Corbin 1990). Data collection, transcription, and preliminary analysis proceeded concurrently, and this aided in refining the direction of later interviews. Following the main interviews, informants were contacted for shorter follow-up interviews (one to four interviews per informant), conducted for purposes of updating and clarifying, exploring emergent themes, and checking conclusions for truthfulness. These took place from a few days to five months after the main interviews. Total interview time per informant ranged from one to four hours, with a mean of 2.3 hours. This generated 32.5 hours of taped material. Interviews were transcribed verbatim, yielding 533 typed, single-spaced pages, and supplemented by other interview/field notes.

**Analysis.** Analysis involved procedures common to interpretive analysis—an iterative process of coding, categorizing, and abstracting data (McCracken 1988, Strauss and Corbin 1990). Coding key words, phrases, and passages revealed data of thematic similarity. Through repeated readings and employment of a “part-to-whole” mode of interpretation (Spiggle 1994; Thompson et al. 1989, 1990), categories were re-examined and further sorted and clustered to identify common patterns and principal themes. The final analysis integrated the themes by relating informants’ accounts to a backdrop of shared cultural meanings derived from literature on possession and home meaning. The individual responses of informants were consistent with the spoken or unspoken background of socially shared meanings including “home as family,” “home as financial security,” and “home as an expression of self.”

**Triangulation.** Emerging conclusions were submitted to informants to confirm their truthfulness. Additionally, triangulation involved expert checks with six real estate and legal professionals, and over a three-year period, the author attended more than 40 seminars and training sessions, and read trade books and articles on foreclosure.

**RESULTS**

The informants were eight women, five men, and one married couple interviewed both jointly and separately and counted as one informant. Ages ranged from late 20s to early 60s, eight were
married, and several had dependent children. Most were long-time residents, with four having lived in their homes 20 years or more. Job loss, business failure, illness, and disability precipitated the foreclosures. Several sold their homes just before the trustee’s sale. Some acquired temporary financing, but ultimately lost or sold their homes. The majority stalled the foreclosure by declaring bankruptcy. Most attempted to negotiate with their lenders. They also sold personal property, cashed in insurance policies, liquidated retirement accounts, rented rooms to boarders, and/or borrowed from family.

Interviews revealed intensely emotional responses. Informants described themselves as anxious, fearful, and under stress. They described the experience as traumatic, overwhelming, degrading, and humiliating. Homeownership represented an achievement for these consumers and was integral to their identities. Almost universally, the potential loss was accompanied by a sense of personal failure and diminished sense of self. Two major themes associated with possession meaning and self identity emerged. Both provide evidence of positive adaptation as predicted by coping theory (Folkman and Moskowitz 2000; Zeidner and Endler 1995).

**Making a Home a House**

Without exception, informants showed an eventual disconnection from the idea of the property in foreclosure being “home” and “sacred.” They came to psychologically sever themselves from the property in foreclosure; redefining it, not as a home, but merely as a house. Roster (2001) observed this tendency in disposition of a variety of possessions. This represents an adaptive coping mechanism and aided these informants in transforming their outlook from one that was overwhelmingly negative to one that was primarily positive.

Informants typically described feelings of deep personal attachment to the home. At the beginning of the foreclosure process, several equated foreclosure with the most serious of tragedies and losses.

*Sue*: Our lives are falling apart.... My husband, ... killing him, absolutely to the marrow of his bone.... If you’ve never been in [foreclosure], you can’t identify with it. It’s like if you lost a child or something. Someone can tell you how they feel, but you can’t know unless you’ve been there.

Though many of their homes were quite modest, the informants almost universally took pride in pointing out features and describing how attractive and comfortable their homes were.

*Bob*: The arched doorway, I did all that. It’s got a lot of assets—fireplace, sloped ceilings, there’s a waterfall and pool outside, a patio....

They described the home as a source of personal identity to be preserved. Many described their homes as representing all they had worked for, and as central to their lifestyles.

*Pam*: You feel like “Am I going to lose everything?” ... Because here’s everything I’ve worked for all these years. This is where I’ve lived and raised my family.... Every day you’re fighting for your home and your life.... There’s so much sentiment when you raise your family in one house.... So it becomes ... it shouldn’t become your identity, but it becomes so much a part of your life.

*Tom*: You buy a house and then you want to maintain the house and the lifestyle. And it’s a nice house.... And I fell in love with it. I [have it] landscaped very nicely, very private and quiet.... When you get something like that, you really work to keep it.... It’s more than just security. It’s everything to me. It’s been my home. It’s my sanctuary. I love this house.

Informants described the loss as more than the loss of property. They viewed the home as something personally created, and spoke of it with affection. They took satisfaction in added improvements and in the personal touches they had created. They took pride in ownership and care of the home, and resisted or avoided the idea that they might have to sell to an investor at a below-market price or list the house at a low price to sell quickly to prevent ultimate foreclosure.

*Eva*: Our house is in good condition ... it has a pool, it has a new carpet, it has a barbecue pit, and enclosed patio, a garage, and it has roses around it. I take good care of it. It has a nice lawn.... The house is very cute.... [One investor] came to see [it].... I noticed right away he didn’t seem that interested when I gave him the figures.... I guess he was expecting a very low [price].

*Tom*: I bought it as a fixer-upper. I pumped it up about $50,000 in value right off the bat. I got it looking really good.... It’s been everything to me.... I can’t take crumbs!

*Sue*: These [investors] want fixer-uppers. Well, my home is not a fixer-upper. We have a new roof, a new water heater, new dishwasher. We had this floor put in last year. I mean, we planned to stay here.... [Describing the low listing price] my agent had to work very hard to convince us to do that. Very hard. Because, to us, the house is worth a whole lot more.... This is our home.

Likewise, it represented the life they had built, and their place in the community.

*Ron*: [The worst thing for me] is losing a place to live. I’m established in the neighborhood, I like the neighborhood, I know everybody, I like the community.

*Jan*: I’m going to lose my home! I’m going to lose my world! ... Our kids are in school here.... We’ll do anything not to lose our home ... it’s all we have!

*Pam*: I never thought of moving, over the years. I worked and raised my children. [When we bought the house] it had nothing in it. It was just a bare house. So eventually, we [made lots of improvements]. You just figure, ‘Well, I’m not going anywhere else,’ ... I can’t think of anything worse than to lose it all. It represents my savings and everything. Plus, there’s a lot of sentiment. I’ve been in this house a long time.

However, as the process continued and the almost certainty of either selling prior to foreclosure or losing the house to foreclosure became reality, informants engaged in active coping strategies (Duhachek 2005). They began a process of detachment from the home (Roster 2001), and positive and rational thinking toward the future (Duhachek 2005). They redefined what they once viewed as sacred and irreplaceable as merely a house, a material possession, or just real estate (Kleine et al. 1995). Informants began to view as sacred and important what they could take with them, and severed ties with what they were leaving behind. For example, in a follow-up interview, it was clear that Jan, who had earlier resisted the idea
of being forced to sell, had begun to change her focus from the house as home, to her family as "home."

**Jan:** If we have to move I would deal with it. I would do whatever I had to do. As long as we’re still together as a family, I would deal with whatever we had to deal with.

Later, when Jan and her husband, Joe, did sell the home, Joe described with enthusiasm another house in a less expensive area. The focus became the amenities of the new house, and more importantly, the restored stability of living without debt.

**Joe:** [Jan] didn’t want to sell, but when we look at the options and opportunities, the new house has carpet and drapes and all that ... and this way we start over without any debt.

Similarly, Sue, accepting that she would lose her house and have to move, expressed:

**Sue:** ... and [now] I do want to move.... I mean, when you think about it ... this is just a roof, a house. I mean, that’s all it is. It could go in a fire or earthquake. It’s material possessions—that I’ve come to love—but it is just material possessions.

No longer speaking of the house as “our home,” she spoke of selling simply as a task to be accomplished so her family could move on. Finally, after the house did sell, she acknowledged that she had earlier valued the house as home, beyond its true monetary value.

**Sue:** We had to drop the price a bunch but that’s all right.... You know, your house is always worth more to you than it is to a buyer.

Others reached similar conclusions. Sentiments expressed during follow-up interviews were often sharply contrasted with initial interviews as informants redefined their feelings about the property in foreclosure. Rather than something sacred and personal, it often came to be viewed as just a material possession or even as a poor investment, responses consistent with rational thinking as a coping mechanism (Duhachek 2005).

**Amy:** People have asked me if I have real emotional ties to this house... It works, it’s convenient for me ... but it’s not that I’m hung up on it, that I’m afraid to let go of it, or that it’s going to take me away from my comfort zone, or it’s going to break me from my past. It’s not anything stupid like that. It’s purely an investment....

**Lea:** It’s a material thing. We’re not losing a life. You have to put it in perspective.

**Ron:** I’m not going to die over [losing the house]. It’s a materialistic thing.

**Dan:** I don’t really care now. I don’t. I’m not that attached to the house right now.... If someone wants [to buy] it, they can have it. If [the bank has to foreclose], that’s fine.... The house no longer means anything to me.

**Tom:** My attitude now is, well fine, it’s all about dollars and cents.... I’ve stopped watering; the lawn is all dead now.

Some turned their attention to what they would be taking with them, elevating the importance of other possessions over importance of the house. Retained possessions were valued as helping to facilitate the transition and maintain a sense of continuity.

**Liz:** [After explaining she was no longer trying to make up the back payments] ... Now, my furniture, I’m still paying for that because that’s important to me. I don’t want them to take my dining room set.

**Bev:** [I still have all my stuff] my [tools] from the shop, my antiques, all my furniture....The furniture is all mine. That’s the main part of the whole house. My furniture. That’s the way I feel.

### Redefining the Self

In addition to redefining the home as “just as house,” informants also struggled to redefine themselves. Most informants emphasized that they had regarded their home purchase, and improvements added, as personal achievements.

**Lea:** It’s weird to look around the house. I mean, I’ve decorated it. It’s my home. All my stuff is here.... It’s my house. I’ve put $50,000 of my own money in here. [That] was hard for me to gather, it was hard for me to get, and I’ve been making payments all these years.... I was always taught as a child growing up, ‘buy property, buy real estate, never rent.’ So that has always been my goal.

**Pam:** It represents my savings.... It’s having your financial security ruined and the possibility of losing everything you have ... everything I’ve worked for.... It took over 24 years to get to [this] point....

Being a homeowner was an integral part of their identity. Some asserted that they would continue to feel and behave like a homeowner. For example, Ron planned to rent his former house from the new owner who had purchased it at the trustee’s sale, and stated:

**Ron:** I don’t think I’m going to change emotionally the way I feel about the way I treat my yard or anything like that just because I don’t own it [any more]. In a home, especially if you were the homeowner, you have a sense of pride of homeownership.

**Tom:** Psychologically, I’m a homeowner. Have been and will always be that way.

Dan, though certain to lose his home, discussed how he had continued to maintain the property.

**Dan:** It might be stupid, but ... I [recently] paid to have [the swimming pool] drained and repainted.... Cleaning it up a little because it’s still mine, even though I may lose it.

During the foreclosure process, however, most informants experienced their status as homeowner being diminished. Most felt stripped of an important part of their identity, and questioned their own competence. To lose the identity of homeowner was often more painful than the loss of the home. They grieved this as a personal failure.
Pam: You begin to doubt yourself. Like … ‘what’s wrong with [me]?’ … It really affects your self-esteem…. You never think you are going to be the one in the situation…. I can honestly tell you, it does a lot of damage to you … it damages your self confidence. It makes you wonder about your decisions. Because I always felt like a person who had taken care of things. I was in control of the situation. And suddenly you’re not in control…. You do berate yourself because you feel foolish to be in that situation. I should have known better…. I feel like a real flake.

Lea: When a single woman, uneducated, starts making that kind of money, is able to buy that kind of house, you have an ego. [So in losing my house], I had do deal with that.

Sue: You build it up so big in your mind…. It’s like brow beating. It’s like a drip of water that keeps slowly wearing away at you. It’s so continual. You feel like such a failure. A complete failure in life…. That’s what clicks in your mind is ‘failure.’

Liz: I was just totally disappointed in myself…. thinking about what a mess I made of everything…. I have no one to blame but myself.

The reality of being in foreclosure was antithetical to the informants’ self-concepts as responsible and capable. For example, Pam and Ben both described the distress of foreclosure by contrasting it with their prior self-assessments and ways of life.

Pam: [It’s] overwhelming because you think, ‘I’ve always been such a good citizen and paid my bills and paid my taxes.’ And here [I was] so close to having this home paid for…. I’ve always lived what I considered comfortably, to be able to pay my bills and have everything current; to have excellent credit…. I always told my kids, ‘You always had a roof over your head, your own yard … what was important.’ We were blessed … to have a home and security.

Ben: [The worst] is the failure of this happening…. I’ve had major disasters in my life … [but] the worst thing … is [this is] the only thing that I had that I could feel proud of that never suffered in my life. No matter what I went through [before] … everybody always got paid. It was the one stable area of my life that had never been affected.

Others contrasted their views of themselves prior to the foreclosure with the sense of failure they felt now. They spoke of being independent, hardworking, and responsible, yet currently in a desperate situation as bad luck or consequences of a financial risk had spiraled out of control.

Bev: I keep thinking about all these years I worked and worked. I’ve always been a hard worker, very responsible.

Bob: Stupidity. I know there was a much better way to handle this whole thing than the way I did…. It doesn’t sit very well with me. I’ve made my own way since I was 17, and never depended on anybody, and made a good living, and lived a good living.

Lea: You feel like you’re completely hopeless and out of control…. [I felt like] ‘Why did this have to happen to me?’ I work hard. I save my money. I tried to invest in real estate. This shouldn’t be happening to me. I don’t deserve this.’

Amy: There was a sense of embarrassment … in [finding myself] not being able to provide, to produce. That’s real important to me.

As a means of restoring the self, informants isolated or compartmentalized the failure. First, they expressed an acceptance of responsibility (Lazarus 1993).

Ron: I’m disappointed in myself…. It’s been a pride-swallowing situation. Absolutely a disappointment. And I go through my fits of depression…. [But] I’m going to have to swallow my pride and live with the fact that I lost my house.

As they did so, most expressed determination not to equate this one failure with a failed life, and acknowledged this as an evolution from having originally associated loss of home with loss of self. Thus, they evolved from overwhelmingly negative to primarily positive psychological states. In many cases they practiced positive coping by taking active steps to limit the failure, to abort self-destructive behavior, and to make positive decisions to salvage their self-respect.

Liz: My emotions ran the gamut, but now I’m at peace…. I’m [no longer] drinking. I haven’t been drinking for quite a while. I … started wiseing up. I finally realized I cannot make payments, I cannot do this, I’ve got to start doing something about it. I’ve been able to get things in gear. I’ve grown up.

Dan made a decision not to declare bankruptcy. Though it would have been financially advantageous to do so, he regained self-respect by avoiding any further delay of foreclosure.

Dan: It’s a matter of what I think in life is critical. And [losing a house] is disturbing as far as my pride goes, but it’s not critical. I mean, losing a house—it’s a dwelling. There are lots of things that I have that I value far more than my house…. It’s more upsetting to me not to pay the debt. Losing a house is just losing a house. But I signed my name on the dotted line saying I was going to pay this thing. So it’s like an honor thing, and I don’t go back on my word. To me, that [would be] a bigger loss. [So] … I [won’t] file bankruptcy. That [would be] a personal affront. To me personally, that [would be] a slap in the face. I’m not going to slap myself in the face…. I made a promise to pay this [mortgage] and I can’t, so they can take [the house]. I’m not going to keep their money from them…. I [now] feel like I have a future.

Dan later described how he voluntarily moved from his home before he was required as a further means of restoring his sense of self.

Dan: Well, it got to the point of being in [my former house] rent free for all this time. But there’s no way I could even come close to making the payments on [it]. I found this nice little [rental] house and I said, ‘I’m going to get back into feeling like I can support myself.’ That was the reason for doing it. I said, ‘I’m not going to be able to keep the house. This is a losing proposition for me. I’m going to at least go back and contribute something to society somehow.’
Kim sold her house before the trustee’s sale. She was unable to salvage any equity, and thus did not gain financially by doing so. Like Dan, for Kim this meant moving sooner, and foregoing an opportunity to live in the house for a few months without making payments. Still, she valued the decision to sell and avoid ultimate foreclosure as helping to restore her self-respect.

**Kim:** I’d rather say ‘I sold my house,’ than have them … sell it out from under me.

Informants were anxious to once again view themselves as independent and competent, and to put the experience into perspective. Whereas earlier some had likened the experience of foreclosure to other personal tragedies, many later discounted the experience as compared with other tragedies as a way of reconciling their feelings.

**Pam:** I began to lose confidence in myself. And I thought, ‘Wait a minute. You have to shake that off.’ It’s not like death. So you get things back in focus. … [My advice to others] is as soon as it happens, you just have to let it roll off your back. … Look at the poor people and the damage done to their homes with the mud slides and the floods. They can’t recoup their losses. And then you see people [who lost homes] to wild fires. I was heartbroken for them. Well-established people who had worked all their lives to get to that point, and then in one day it’s all lost. … It’s not even their fault. They did nothing but happen to be living there. And I thought of that. So all of a sudden, … what seems overwhelming suddenly comes into perspective. Then you think, ‘Hey, I got off easy.’

**Kim:** They ask me ‘How can you be so happy?’ And I’m like, ‘Well, at least my daughter doesn’t have leukemia, and my husband’s not having a heart attack.’ You have to look at everything that’s good. It’s hard to keep doing that, you don’t always feel like smiling and being happy, but you have to look at the positive things. …

In active coping, they took pride in remaining independent, and in being productive.

**Kim:** My mother and sister … they would try to buy me things [and give me small amounts of money], but I wouldn’t let them because I would have felt bad. … My grandpa has money and one day he mentioned, ‘You know, I’m really proud of you … for not trying to borrow on your inheritance.’

**Pam:** I’ve even been doing some volunteer work at my church. Whatever keeps you busy, and you’re helping out and you’re doing something. You’re using your skills. …

Some utilized the coping strategy of seeking social support (Lazarus 1993), reconciling their feelings by recognizing they were not alone in the experience.

**Ron:** I’m not the only person who is going through this. Foreclosures and bankruptcies are very high right now [so] … it’s not like I’m the only one on this ship.

Some reevaluated their priorities, demonstrating the coping processes of both accepting responsibility and of positive reappraisal (Lazarus 1993). Thus, they turned experience into a catalyst for positive change.

**Lea:** I try to look at it in a positive way. It’s been traumatic and it’s been difficult to get through, but people make changes when they get through traumatic situations. Either you make the best of it, or you fall by the wayside, and I’m trying to make the best of it. I’m trying to rearrange my priorities, to really determine what’s important to me now.

My values have completely changed after going through this. You kind of get your priorities squared away. … All I was doing was working and making payments. [Now] I want a completely different lifestyle. … [Now] we just want to have a real slow pace of life … be able to see each other more often, and be able to enjoy things that are important to us now. … I thought having a pretty house, a flashy car, and making a lot of money would make me happy. It didn’t make me happy at all. I think I’d be happier with some money in the bank, some time to myself and to share with my family, to be able to take time off when I want to take time off. … That, to me, is more important. Peace of mind is a lot more important than to have material things around you. My priorities were screwed up. It’s maybe even a moral lesson. … I think I’m going to be a better person. … I was on a treadmill and I couldn’t get off, and I wasn’t doing anybody really any good and I certainly wasn’t helping myself. …

**CONCLUSION**

While most consumer research has focused on acquisition and consumption, only scant research focuses on possession loss. This study contributes a degree of richness and holistic perspective to understanding the experience of involuntary loss in consumer behavior. Further, it sheds light on a specific, yet highly meaningful, aspect of consumer self-definition through possessions. It is one of only a few studies that specifically examine the meaning of home/house, and the experience of losing a home/house.

Consumers in foreclosure largely came to redefine the sacred home as just a material and secular house, and went through a process of self redefinition as well. Ultimately, consumers attempted to sever their identities from the home/house, and refocus on other priorities. In most cases, homeowners would have made timelier and more financially beneficial decisions had they been able to do this sooner. Future research might seek convergence by examining the experience of foreclosure through other methods. Understanding the meanings and self identity associated with home/house, and the consequences of holding onto those meanings during this crucial time period, may aid in the development of public policy and foreclosure procedures directly benefiting homeowners/borrowers who risk default. Future research might also extend the current study by examining consumer responses to other types of involuntary loss.

**REFERENCES**


