

THE POOR MIDDLE CLASS CRISIS



Financial Survival Resources Guide

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INTRODUCTION: OUR STORY, ALMOST HOMELESS

HOW DID IT HAPPEN?

The first comment people make when I tell them that my husband and I are part of the Poor Middle Class is, NO WAY! They can't believe it. We look 'normal'. We behave 'normal'. There is not really anything that gives us away. Since logic fails to confirm our status, I have no choice but to tell them 'our story'.

OUR STORY

When my husband and I became a couple in 1994, everything was fine. We had a house at the beach. We each had a car. Both of us had college degrees. I had a small business. He had a job and was completing a Counseling Certificate.

We both came from good homes. I was from Long Beach, NY. He was from Manhasset, Long Island's North Shore. We had good upbringings and were community members in good standing. There was nothing to foretell what was to come.

A MIDDLE CLASS LIFE

We lived a comfortable middle class life. Things all seemed headed in a great direction. The house we owned skyrocketed in value. We sold it at the top of the market right before housing decided to turn south and crash.

My husband was able to go back to school full time due to an injury from his job and a layoff. He studied graphic design and got a terrific job in NYC in 2000. I had my decorative painting business. It was going well. For a while, things were fine.

FINE TAKES A TURN FOR THE WORSE

Then the stock market showed signs of instability. My planner said it was

just a bear market that would correct itself. My gut disagreed. But she was the professional, so I held on. At the same time, there were changes going on at my husband's job. He had to commute one and a half hours each way to New Jersey during reconstruction of their Manhattan headquarters.

When they returned to NYC, he got a new boss. From day one, they were like 'oil and water'. The working relationship went from bad to worse. As if it had been orchestrated by some quirk of fate, everything felt like an avalanche gathering down hill speed simultaneously.

THEN CAME 2008

My husband had just turned 62. So he could collect social security. But he preferred to keep working and wait until age 67. But he got laid off. It was bound to happen. Better than the homicide or heart attack I feared would happen from working with his boss.

My mutual funds that were supplying a small income for me were competing in a similar down hill race. And it all crashed at once. That was 2008. Job gone. Income gone. If it had not been for President Obama's extension of unemployment insurance from 26 to 99 weeks and his decrease in COBRA insurance from \$1500/month to \$500/month, our demise would have come much sooner.

THE HANGOVER THAT WAS 2009

As we continued to live on dwindling savings and my husband's pension, I felt more and more despair. I had never felt this way before. I started carrying my toothbrush and dental floss with me everywhere I went. Something didn't feel right. At first, I started having terrible pains in the area of my gall bladder. In attempting to heal that without surgery, I started to have a severe emotional swing, a downward crash actually.

As much as I fought it, I could not stop falling. I fell into a deep, dark hole

where there was nothing. There was no hope; no future and time almost came to a standstill.

I was having a nervous breakdown. With five visits to the emergency room, I ended up in the psychiatric unit of the local hospital from two of the ER visits. That is where I spent much of my summer, in and out of it the unit. Then I was in the aftercare program. I don't know which aspect of that ordeal was the worst part. I think all of it was. The only saving grace was that I was in air conditioning all summer.

VEGETABLE OR HUMAN

My husband was terrified that the prescribed medicine overload would leave me a vegetable for life. But he stuck by me visiting me in the hospital twice, every day. He didn't even tell me about the day he got hit by a car when he was riding his bike. He didn't want to upset me. He told me about it years later. Thank God, he was OK.

Somehow, I finally got on the right medicine, from seven at one point down to a reasonable, workable two. I found a wonderful therapist and started to see a pinhole of day light out of that black hole.

SAYING GOOD BYE TO OUR MONEY

But on thing did not stop. That was the drip, drip, drip of our money going down the drain, as we had to support a Middle Class life of expenses on a Poor Middle Class income. But we did not identify what it was at the time.

My husband continued to seek work to put us back in balance. But in terror, I counted the months our funds would last. By then, we were in 'the system', Medicare, Medicaid and food stamps. But what were we going to do about our housing situation?

We had a two-bedroom apartment and no idea what we were going to do or

where we were going to go. We thought the answer was to get evicted since that would bide us time or so we thought.

ALMOST HOMELESS

Thank God, we did not go that route. It would have been a mark against us for future housing applications. Our landlord was wonderful. He patiently worked with us, accepting what we had left to give him. First it was our deposit as a month's rent and then one of my husband's best paintings as the final month's rent.

By then we were down to another level in 'the system', the search for emergency housing. Miraculously, with the help of a friend, we found a senior housing opening. It usually takes years to get in. First you apply to a waiting list to wait on another list to apply for an apartment.

But the housing that we found in record time, two weeks, was a studio apartment. That was the only drawback. The building was lovely, centrally located and most importantly, it would provide a roof over our heads in a very nice building. For a number of weeks before we found the studio apartment, we thought we could end up homeless.

Then there was a paperwork screw up with the county's bureaucracy at the very last minute. We had gone there for our 'one shot', the money for our apartment deposit. We waited over 3 hours for it. But at the very last minute, it was denied to us. We had \$8. too much money to our names. We were supposed to be delivering the deposit for the new apartment the next day. I totally panicked. That was the closest we have come to becoming homeless. It is something I pray that we never experience again.

MIRACLES DO HAPPEN

At the last minute, the money we needed for our deposit was made available by a charitable organization when they heard our story. After the three unnerving hours we had spent in the county's facility, we drove another hour to the place that saved us with their donation. But I have to admit that the six months starting with the countdown of funds to almost homeless was probably the scariest time in my life. I felt so powerless.

MOVING FORWARD

It is hard to believe that we have been living in our building for about four years. We were even able to move into a one-bedroom apartment about a year and a half ago. It feels like a palace after two and a half years in a studio. We see the trees out our window and feel like we live in the sky.

My husband was able to go for advanced training in the counseling field. He has been interning doing that. I have been learning how to adjust to being Poor Middle Class, not as a punishment but as a badge of courage.

A GIFT

We believe that we have been given the experiences of the last 8 years to learn how to survive from a place of surrender, gratitude and humility. It has been and is still quite a journey. What we have learned and continue to learn is a gift.

It is a gift to us to pass onto others who may also have become part of The Poor Middle Class. May we continue to see this new life as a gift to us and to you. May we also continue to pass on joyfully what we have learned and continue to learn. May we help others who are now where we once were.