

Palmetto Bay ^{news}

Posted on Thu, Jun. 03, 2010

Fighting foreclosure: More help here now

Al Sunshine
Community Newspapers

Opinion Column

Local foreclosure trackers say recent public and private programs to keep struggling families in their homes may finally be starting to work.

For the present, latest national foreclosure numbers are starting to look a little better. Across the country foreclosures in April were down by 9 percent from March and about 27 percent from last year.

Still, Florida has the third worst rate nationwide for families losing their homes, even if our numbers may be starting to look better than last year's.

According to the foreclosure tracking company known as RealtyTrac, first-quarter filings in Florida were up more than 70 percent over 2009 levels, although they may be showing some temporary signs of improvement for the second quarter.

Plus, some market analysts are now predicting Florida's foreclosure problem will get even worse during the next few months.

Alexander Rodriguez of Neighborhood Housing Services, a HUD-approved lender, said,

"Even though the unemployment rate is looking better, we have a new round of adjustable rate mortgages set to change over the next few months and they will hit really strong."

To try and help families stay in their homes, a series of new "Save Your Home" federal initiatives started kicking in a few weeks ago. They include new options from the FHA to reduce monthly payments or temporarily suspend them for unemployed homeowners. For the first time, there also are new counseling programs to steer homeowners into more affordable housing and help pay them to move.

Rodriguez said he has heard of three months, six months or even longer for unemployed homeowners to get reduced payments, in some cases 80 percent or more for a temporary period. In addition, some lenders also are taking advantage of the new programs, offering to reduce mortgage payments through the latest federal Save Your Home programs.

Additional counseling is being offered to help consumers get help to find more affordable housing. Lenders even are offering relocation fees to homeowners who voluntarily sign their deeds over to the banks to avoid a drawn-out fight which may ultimately leave homeowners losing their homes while the banks end up with little more than growing legal fees.

Foreclosure assistance scams also are on the rise around South Florida. Homeowners seeking so-called "mortgage modifications" are being warned about paying "upfront" money to anyone guaranteeing they can find customers a cheaper loan.

In almost all cases, it's now illegal in the State of Florida to take any money for a lower rate mortgage before it actually is approved. It's also a sure sign you could be rushed into a foreclosure-assistance scam.

Watch Al Sunshine's "4 Your Money" reports Monday-Friday beginning at noon. You may find Al's blog at www.cbs4.com/4yourmoney.

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