



Thursday, August 30, 2007

Fight back against foreclosures

Last year, 3,030 Hamilton County families - 1 percent of all homeowners - saw their homes sold at sheriff's sale, the result of foreclosure. Nearly 3,164 more received warnings that they could lose their home, and hundreds more began slipping behind in mortgage payments.

Foreclosure is the death of the American dream, an economic nightmare that disrupts families, destabilizes neighborhoods and plunges dispossessed homeowners into despair.

But as the housing crisis threatens to broaden - as \$14 billion in adjustable rate mortgages will reset in Ohio over the next five years, raising monthly payments - Hamilton County homeowners are getting a glimpse of hope.

A group of housing advocates, elected officials and other community leaders have formed a coalition to reduce foreclosures and support home ownership. In its six months of existence, the Hamilton County Homeowner Preservation Group already has saved 181 homes from foreclosure and thousands of dollars in related community costs.

A chief reason people lose their homes is bad information. The new, bipartisan partnership is determined to counter deceptive claims by shady lenders and break the shame and silence that tends to isolate families struggling to keep their homes.

For many, the first sign that they are in serious financial trouble - court papers warning that their lender has filed a complaint against them - sends them into a tailspin. A huge number never challenge the foreclosure, unaware that principled lenders will often work with them or that assistance could be available.

Now Hamilton County Clerk of Courts Greg Hartmann, who sends out foreclosure notifications, will include a letter that directs homeowners to financial counseling services, encourages them to take action and lays out the proceedings they're facing in an easy-to-understand manner.

Meanwhile, Cincinnati City Councilman Jeff Berding is spearheading a prevention effort called "Don't Borrow Trouble" from Freddie Mac. It's a public information campaign that warns of the pitfalls of predatory lending, set to kick off in late September.

Hamilton County Commissioner David Pepper helped garner funding and support for the bipartisan partnership. The local efforts are further supported by Gov. Ted Strickland's task force on foreclosure prevention, and by proposed legislation by state Rep. Steve Driehaus (D-Price Hill) that removes gains from renegotiated mortgages from additional taxation.

These are all solid steps that help struggling homeowners not only hold onto their houses, but to their independence, pride and even to their dreams.