



## Foreclosure Filings Show Mixed Results

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THE MORNING NEWS

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SPRINGDALE — Benton County's foreclosure filings declined by 5 percent in September compared to a year ago, while Washington County's filings rose more than 38 percent in the same period, according to Realtytrac.

One in every 218 households was facing mortgage default last month in Benton County. There were a total of 389 filings, the highest number statewide. More than 200 filings had been slated for sale on the courthouse steps, while 125 properties were already back in the hands of the original lenders.

Local economists were quick to point out that one month's improvement doesn't indicate a change in direction, given that filings have trended upward for the past two years.

Washington County foreclosure filings rose 38.46 percent from the same month last year. With 288 filings, Washington County ranked No. 2 statewide with an occurrence rate of one in every 284 households. More than two-thirds of the filings were notices of trustee sale, while 92 properties had already been recovered by banks.

Foreclosures are closely tied to employment levels, which have taken a beating in the last year.

"The housing and job markets are much like the chicken and egg conundrum. They each need the other market to improve first, which is hindering their own recovery," said Kathy Deck, director of the Center for Business and Economic Research at the University of Arkansas.

She said aside from those unemployed, another sector hit hard in recent months are the employed who have taken pay cuts through furloughs and fewer hours worked.

"We are still seeing many clients who are unemployed, but also those that have gone back to work but at lower wages than the previous employment," said Rene Webb, housing counselor for Credit Counseling of Arkansas.

Webb said this has a ripple effect on the ability to modify the loan because the borrower could still be at a budget deficit.

"In cases like these, the lender has a difficulty approving a modification that would probably not be beneficial to either party," Webb said.

She suggests that distressed homeowners seek a HUD approved counseling agency to discuss the financial situation and determine what options are available.

"Every case is different because of finances, type of loan and personal goals involved," Webb said.

Deck doesn't expect any real reprieve in local foreclosure filings until post 2010.

Statewide foreclosures filings rose 4.07 percent from a year ago, with an occurrence rate of one in 249 households.

Nationally, foreclosure filings increased 29 percent in September from the previous year. One in every 136 U.S. households received a notice of foreclosure last month.



### By The Numbers

Quarterly Foreclosure Filings

(Third quarter of 2009, compared to third quarter of 2008)

## County Filings % Change

Benton 1,215 +30.6%

Washington 1,009 +90.7%

Carroll 10 +0.1%

Madison 18 +100%

Sebastian 185 +11.45%

Crawford 106 +120.8%

Source: Realtytrac

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