



Homes On Auction Block

FORECLOSURE DISPLACES FAMILIES

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More than 70 families in Benton and Washington counties will have their homes auctioned to lenders Monday on the courthouse steps in Fayetteville and Bentonville.

In most cases the homes are empty and families are moving on. Just ask Bill Schwyhart or C.A. Cameron.

The overall economy may be improving, but foreclosure is still a stark reality that doesn't discriminate, said Kathy Deck, director for the Center for Business and Economic Research at the University of Arkansas.

She expects foreclosure rates to remain elevated through this year, despite modest job growth.

RealtyTrac reported 816 local foreclosure filings in April, dead even with a year ago. Some 300 of those filings are set for auction in the next two months unless homeowners can work out payment with lenders.

About one in 200 local households were affected by foreclosure in April.

Schwyhart recently lost the family's million-dollar home in Pinnacle County Club to foreclosure and owes \$2.5 million more than it is worth, according to county records.

"When I came to Northwest Arkansas years ago I stayed at the Jan-Lyn Motel and I am not too proud to go back until I can get up on my feet," Schwyhart said. "The house and its contents are just things that don't compare with the love of good friends and family."

Cameron, 70, spent the past two weeks packing to move, leaving behind a 2,200-square-foot home in pending foreclosure.

"I thought the home would be a good investment that would pay off when I retired," Cameron said. "But the bad economy and too many other homes for sale on my street just kept taking the value down. I can no longer afford to keep this home on my retirement income." Three years ago, Cameron put the Rogers home on the market, but she said no offers came close to her mortgage of \$162,000.

"I am downsizing to a small apartment near my daughter in Kansas City," she said.

Like thousands of other homeowners, Schwyhart and Cameron borrowed against their homes in times of easy credit and record property values under the assumption home prices would continue to rise.

"That was the mindset that helped to fuel the recent housing boom in this country," Deck said.

"The beauty of refinancing was it looked like free money and it was so easy to get. Unfortunately, when home values began to decline, borrowers found themselves upside down with their mortgages."

It's a lingering problem many homeowners will continue to face as long as home values remain depressed, Deck added.

Washington County reported 395 foreclosure filings in April, up 2 percent from a year ago. About half of those homes are scheduled for auction in the next few weeks. Benton County reported 421 filings last month, down nearly 2 percent

from a year ago. During April, 166 homes were slated for auction in Benton County, according to RealtyTrac. Local foreclosure filings comprise about 40 percent of the state's total and occur more than twice as often than the U.S. rate of one in 593 households.

AT A GLANCE

FORECLOSURE PIPELINE

The status of household foreclosure filings in Benton and Washington counties during April:

Stage Households

Notice of Default 239 Notice of Trustee Sale 313 Final Bank Seizure 264

SOURCE: REALTYTRAC



STAFF PHOTO DAVID FRANK DEMPSEY Benton County Circuit Clerk Brenda DeShields holds a foreclosure auction of a property to lone bidder Jay Williams on the front steps of the Benton County Courthouse in Bentonville on Friday. Williams said he made the bid on behalf of Arvest which had foreclosed on the property.