

Foreclosure rate still seems high

■ Debt counseling service sees more clients at risk than it did a year ago.

BY CHARLES SLAT

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A debt counseling agency reports seeing more clients with past-due mortgages recently than it did a year ago.

GreenPath Debt Solutions, a Farmington Hills-based consumer credit counseling service that has an office in Monroe, said Michigan clients with past due mortgages jumped 32 percent from January to November 2009, compared to the same period in 2008.

Annual totals haven't been compiled yet, but RealtyTrac, an industry source, showed 173 properties in default in Monroe County and 197 in foreclosure at the end of 2009.

"The increase is due, in part, to the adjustment in the Michigan foreclosure law that went into effect in early July," said Kathy Conley, GreenPath housing counselor. She noted that the law required lenders to give a notice to

delinquent homeowners that included a list of approved housing counselors.

"To initiate a 90-day stay on foreclosure, homeowners could contact a counselor for help on working with the lender to save their home."

The number of Michigan residents with past due mortgages has trended upward throughout 2009. This can be interpreted as a strong indicator that Michigan is still lagging in economic recovery, officials said.

"Based on our findings, we also are projecting a 20 percent increase in clients with past due mortgages for the entire fourth quarter 2009, which is a sign that Michigan homeowners are still struggling in this trying economy," said Ms. Conley. She explained that mortgage inquiries normally would slow down during the last quarter due to the holidays.

GreenPath reminded Michigan residents that they can receive free counseling from the agency on a variety of topics, including:

■ **Mortgage default and delinquency housing counseling.** Certified housing counselors can help homeowners get

back on track, if they are behind on their mortgage payments. Counselors work with clients to establish a budget, set priorities and determine strategies for saving their home.

■ **First-time homebuyer housing counseling.** Certified counselors will educate on the home-buying process, and help prepare for the requirements and responsibilities of home ownership.

■ **Reverse mortgage housing counseling.** Available for homeowners over the age of 62, reverse mortgages use the home's equity to increase monthly income. GreenPath's certified housing counseling experts will explain reverse mortgages, analyze the consumer's situation, and help determine if it is an option for consideration.

■ **Home equity loan housing counseling.** Home equity loans can look quite enticing when homeowners are searching for a way to pay down your debt. GreenPath can help determine if a home equity loan is the best solution for one's personal situation.

For more information, contact the agency's Monroe office at 457-0370.

