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THE INTERCOM



**EMORY M. COUNTS,
EDITOR**

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Good News! Updated Website Expected in October. It Will Be Easier to Download Forms and Secure You Membership!

Membership Invoices have been sent out to our constituents and we've already started to receive several back. Please contact us at (386) 322-3787 or at admin@fcdaonline.com if you require anything further from us to help process your payment.

Also, start planning for our Annual Conference scheduled for March 2010 in Tampa, FL. More will be coming out about this important event in September 2009. We anticipate having substantial participation from all four Area Community Planning and Development Offices, as well as, participation from the Department of Community Affairs regarding Neighborhood Stabilization Program "best practices" and practical field activities to make your program more successful.

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Florida had the nation's second-highest foreclosure rate in August

By Paul Owers -South Florida Sun-Sentinel -adapted

Florida had the nation's second-highest foreclosure rate in August, and filings soared in Palm Beach and Broward counties, according to data released recently by Realty-Trac Inc.

Palm Beach County had 4,150 homeowners in some stage of foreclosure last month, more than double the number from a year ago. In Broward, 10,165 people were in foreclosure or facing it, up 43 percent from August 2008. Broward had the state's second-highest foreclosure rate.

Adjustable-rate mortgages helped fuel the foreclosure crisis following the housing boom, but analysts now say rising unemployment is mostly to blame for people losing their homes to lenders.

The problem is the economy. The unemployment rate continues to rise, despite a new Federal Reserve survey that suggested the recession is over.

More than 138,000 households received a default notice in August. Another 144,113 received a notice scheduling the house for public auction.

You are writing a gospel,

A chapter each day,

By deeds that you do,

By words that you say.

Men read what you write,

Whether faithless or true,

Say, what is the gospel according to you?

-anonymous

ECONOMIC OPTIMISM BEGINS TO TAKE HOLD**Daytona Beach News Journal—adapted**

Americans' pessimism about the economy appears to be lifting, with consumer expectations for the next six months hitting their most positive point since the recession began.

The improvement stems partly from the housing market, as a national gauge of home prices Tuesday posted its first quarterly increase in three years.

The consumer and housing reports, along with President Barack Obama's reappointment of Ben Bernanke as Federal Reserve chief, sent the financial markets modestly higher. But economists warned that consumer confidence remains far below levels associated with a healthy economy and might not lead to the increased spending critical for a broad recovery. A consumer confidence survey was sent to 5,000 households and had a cutoff date for responses of August 18. More consumers said they were likely to buy a home or a car within the next six months than said so in July's survey. The outlook for jobs also improves. The report added to other recent positive news about housing. The National Association of Realtors said that sales of existing homes rose 7.2 percent in July, the fourth straight monthly gain. Joel Naroff, chief economist at Naroff Economic Advisors, wrote in a recent note to clients. "An improving housing market coupled with better consumer spending could ensure that the recovery takes hold."

Obama said that his administration's \$787 billion stimulus package, and the extraordinary efforts by Bernanke to pump trillions of dollars into the financial system, have helped turn the economy around.

Speaking at an annual Fed conference, Bernanke said that economic activity in both the U.S. and around the world seems to be leveling out, and the economy is likely to start growing again soon.

"MAKING HOME AFFORDABLE" FOR A FEW**MIAMI HERALD—ADAPTED**

The government set expectations sky-high earlier this year when President Barack Obama launched an effort to help up to 7 to 9 million homeowners avoid foreclosure. Now, reality is setting in. The effort, dubbed Making Home Affordable, appears on pace to make a far smaller impact on the foreclosure crisis than officials had hoped.

Mark Zandi, chief economist with Moody's Economy.com, expects the program to help around 2 million to 3 million borrowers through modified and refinanced loans. "It's just barely enough to quell the crisis and allow us to muddle through," he said. Homeowners are upset that they can't get assistance more quickly - or at all - even as lenders insist they are doing their best to handle an unprecedented surge in calls for help.

Progress on loan modifications has been sluggish because the program requires big changes for the mortgage industry. Modifying thousands of loans is much more complicated than collecting payments from borrowers who pay their bills on time. It means hiring and training thousands of workers to handle calls, and reworking computer systems. Plus, the government has changed and expanded the program several times.

"There's a lot of hard, behind-the-scenes, nitty-gritty work that needs to be done," said Mike Larson, a real estate analyst with Weiss Research. "It's frustrating to consumers, and I think that's understandable."

Some lenders acknowledge that it hasn't been easy. Over the past six months, "some customers have been challenged with getting clear, timely communication from us as the guidelines and the requirements for the various programs have continued to change," Mary Coffin, executive vice president of Wells Fargo's mortgage-servicing business, told House lawmakers at a hearing Wednesday.

Initially, the administration's refinancing program was limited to borrowers with loans backed by mortgage finance companies Fannie Mae and Freddie Mac who owe up to 5 percent more than their home's current market value.

Fannie Mae is now accepting borrowers who owe up to 25 percent more than their home's value. Freddie Mac will do so next month. These changes may increase the number of refinanced loans.



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*Tough times never last, but
tough people do.*

-Anonymous

Mortgage service firms offer more relief, but not a lot

Washington Post—adapted

Major mortgage service companies boosted the number of trial modifications they offered to distressed homeowners in August, the government reported Wednesday, but the workouts still cover only a small fraction of the delinquent loans that are eligible for help.

The total number of trial modifications started represented 12 percent of all loans that are 60 days late on payments and considered eligible for the Obama administration's program. That's up from 9 percent through the end of July.

"We think all the servicers could do more than they are doing now," Assistant Treasury Secretary Michael Barr told the housing subcommittee of the House Financial Services Committee on Wednesday.

The program is on track to meet its target of 500,000 trial modifications by November, Barr said. That number, however, is a relatively small percentage of the more than 6 million potential foreclosures over the next three years that many analysts forecast.

Borrowers with housing expenses that exceed 31 percent of their gross before-tax income may be eligible for a modification under the government's recent Making Home Affordable program.

**YOU KNOW YOU ARE LIVING
IN 2009 WHEN.....**

- You accidentally enter your password on the microwave.
- You haven't played solitaire with real cards in year.
- You have a list of 15 phone numbers to reach your family of 3.
- You e-mail the person who works at the desk next to you.
- Your reason for not staying in touch with friends and family is that they don't have e-mail addresses.

- You pull up in your own driveway and use your cell phone to see if anyone is home to help with the groceries.
- Every commercial on television has a web site at the bottom of the screen.
- Leaving the house without your cell phone, which you didn't have the first 20 or 30 (or 60) years of your life, is now a cause for panic and you turn around to go and get it.
- You get up in the morning and go on line before getting your coffee.
- You start tilting your head

sideways to smile.

- You're reading this and nodding and laughing.
- Even worse, you know exactly to whom you are going to forward this message.

