

County not immune to rising foreclosures

By Derek Simmons
dsimmons@patuxent.com

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Howard County might be one of the wealthiest counties in the country, but it is also home to a growing number of mortgage foreclosures.

The number of foreclosures in Howard has climbed every year since 2004, with 674 cases filed last year. There have been 433 foreclosures filed this year as of Aug. 25, and if foreclosures continue at the current pace, the number for the year will again top 600.

The rising foreclosure rate has prompted both the county and a local community group to search for ways to help those in danger of losing their home.

In addition, plans are in the works for a summit with lenders this fall to brainstorm solutions for those facing foreclosure.

"It's something people keep to themselves, but we know from statistics there are foreclosures out there," said Hector Rodriguez, lead organizer for the community group People Acting Together in Howard (PATH).

Two seminars focusing on the problem have been held in recent months in the county, the most recent on Aug. 23, sponsored by PATH. The first was held in June by the Howard County Department of Housing and Community Development. Both sessions attracted about 20 residents.

Health causes hardship

Among those who came looking for help at the PATH workshop were James and Elizabeth Smith, who said they are in danger of losing their home in Columbia after nearly 40 years.

The Smiths bought their Oakland Mills house in 1969, attracted by the county's low tax rate and the region's rapid growth.

Medical problems forced Elizabeth, 63, to retire early from her accounting job at General Electric, drawing Social Security and a pension. James Smith, 64, a civilian cook at Fort Meade, encountered medical problems of his own in February and has been on extended unpaid medical leave since then.

The couple decided several years ago to tap the equity in their home by taking out another mortgage, using it to pay off credit card debts and to complete improvements to the house. They got behind in payments, and the bank is now trying to foreclose on the home, James Smith said.

The Smiths said they have had trouble finding help. But after speaking to attorneys at the PATH seminar, they said they might still have some options left.

"We came in the door feeling no hope at all," James Smith said. "Now we have some."

The 21045 ZIP code in Columbia, where the Smiths live, was among the state's "hot spots" for mortgage foreclosure from April through June, with 54 foreclosures occurring there, according to the Maryland Department of Housing and Community Development. It was the only such site in Howard County.

Hot spots are defined as areas with more than 49 foreclosures and a ratio of fewer than 225 homes per foreclosure.

Neighboring counties had higher numbers. Anne Arundel had four hot spots, Montgomery County had nine and Baltimore County had five. Topping the list was Prince George's County, which had 23 ZIP codes declared hot spots.

Wealth insulates county

Some real estate experts say Howard County is insulated against the high foreclosure rates that have devastated areas such as Prince George's County.

Just last week, Howard was identified by the Census Bureau, for the third year in a row, as the third wealthiest county in the country as measured by median household income.

Median household income was \$101,672 in 2007 and even though property values dipped 3.4 percent between April 2007 and April 2008, the average home price in the county remained at \$427,571.

Lenn Harley, a real estate broker in Maryland and Virginia who runs the Web site Homefinders.com and an associated blog, noted that out of more than 2,000 active listings of homes for sale in the county, only 26 are listed as foreclosures, which she said is a low rate compared to many other counties in the state.

Employment is stable, income continues to grow, companies continue to relocate here and people tend to not be transient, instead buying homes for the long term, Harley said.

"The seeds of foreclosure just don't exist in Howard County," she said.

Still, the numbers have risen here, in part because foreclosures, often viewed in the past as a concern mainly of low-income families, has become a middle-class issue as well, according the director of foreclosure prevention at a nonprofit agency that does housing counseling statewide.

"We are, quite honestly, seeing people from every demographic, every socio-economic background," said Anne Balcer Norton, director of foreclosure prevention at St. Ambrose Housing Center. "From people who have \$80,000 homes in Baltimore City to \$850,000 homes in Montgomery. We're seeing every end of the spectrum."

St. Ambrose had 750 new cases from April through June, she said, which is the amount it would normally see in a year's time. She said the agency is expecting the demand for help to continue through 2009, possibly longer.

'People feel ashamed'

Howard County has not had many requests for help from people since the county-sponsored workshop in June, but it does plan to help coordinate the lender summit, said Tiffany Smith, special assistant to the director of the Howard County Department of Housing and Community Development. Such information sessions can help county officials gauge the extent of the problem, she said.

The Rev. Carletta Allen, pastor of Locust United Methodist Church, in Columbia, and a co-chair of PATH, said the pain from foreclosures is not as "raw" as it is in places like Baltimore City and Prince George's County, but it still exists in Howard.

"It's on everybody's mind," she said, adding that some people feel ashamed to admit they are having financial problems in a county known for its wealth and prosperity.

"We want people to be able to get help and know they're not alone."