

Few homeowners seeking mediation for foreclosure problems

By Steve Bennish, Staff Writer

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DAYTON — Montgomery County Common Pleas Court is taking some heat for neglecting court-ordered mediation as an option to save foreclosed homeowners.

Since Jan. 1, only a small number of local homeowners threatened with foreclosure — about 20 — have tried a last chance with mediation ordered by judges. That's a fraction of the 3,000 foreclosures filed in the county this year.

Fair housing advocates say other counties, such as Franklin, are far more aggressive in pursuing mediation as an option to keep people under roof.

"We certainly need to explore what they (Franklin County) are doing and how we can accomplish the successful goals and numbers that they have," said Randall J. Smith, attorney for Miami Valley Fair Housing. "We have comparable rates of foreclosure."

Judges and attorneys blame consumer ignorance of legal options, lack of money for legal help, an overwhelmed court system and simple resignation by homeowners for the low participation.

"If I thought there was a chance of some resolution, I would order it," said Montgomery County administrative Judge Michael T. Hall.

Ohio counties have been under pressure from the Ohio Supreme Court and housing advocates, to push mediation — or a supervised settlement with a lender — when there's a chance of staving off a foreclosure.

Franklin County as of June counted 870 requests for mediations from borrowers, including 290 that were judge referred, said Sandra Cunningham, project coordinator for Franklin County's Foreclosure Mediation Project. She said that 80 percent of the cases referred by judges are going through the mediation process.

"Of those that do not participate, generally it is because they have already moved from the property and are unaware of their rights," Cunningham said.

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