



Real estate picture improves in Southwest Florida

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Foreclosures were down and building permits were up in 2010 in Lee County.

Statistics for the year weren't available for Collier County, but that area suffered less from the real estate crash than Lee.

Lenders filed 10,669 foreclosure lawsuits in Lee County in 2010, according to statistics released Monday by the Southwest Florida Real Estate Investors Association. That's fewer than half the 21,678 filed in 2009 and far below the record 26,125 in 2008.

Lee County has consistently been in the top 10 metro areas nationally for foreclosures, but Collier has fared somewhat better.

In November, for example, one in every 290 homes in Collier received some kind of foreclosure notice, while in Lee County it was one in 201 homes, according to Irvine, Calif.-based RealtyTrac, a real estate data company.

There were 409 foreclosures filed in December in Lee County, up from November's 343 but still less than half any other month's count during the year.

The December spike is normal as banks file foreclosures for accounting reasons, said Jeff Tumbarello, director of the association and a real estate agent with Steelbridge Realty.

Of more concern, Tumbarello said, is the absence in recent months of filings by Bank of America and JPMorgan Chase, big national lenders who have accounted for a major share of the foreclosures in recent years.

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So far, so good was the consensus of local real estate industry experts, who warn that 2011 will not bring a quick turnaround.

Steve Koffman, a real estate broker with Century 21 Sunbelt in Cape Coral, said he doesn't expect foreclosures to go away anytime soon, but the worst is probably over.

"I think we're going to continue to see foreclosures be a part of our market for a couple of years," but not at the record pace of a few years ago. Lenders filed 10,669 foreclosure lawsuits in Lee County in 2010, according to statistics released Monday by the Southwest Florida Real Estate Investors Association. That's fewer than half the 21,678 filed in 2009 and far below the record 26,125 in 2008.

"They could be done" filing major numbers of foreclosures here, or they could simply be holding off until they resolve paperwork problems that have plagued the industry in recent months.

On Monday, Bank of America reached a \$2.8 billion settlement with Fannie Mae and Freddie Mac over claims that Countrywide Financial, now owned by Bank of America, sold Fannie and Freddie mortgages that had incorrect information about the income and other qualifications of borrowers.

Many of those loans went into default and helped fuel the financial meltdown.

"I think lenders are coming around, getting to the point where they're negotiating on a businesslike approach," said Kevin Jursinski, a Fort Myers-based attorney who negotiates with banks on behalf of people facing foreclosure.

Still, he said, there's a huge backlog of real estate whose owners are in default but haven't been foreclosed on.

There's a need for the court system to push more mediation programs in which borrower and lender get together to solve their issues without going through with foreclosure, Jursinski said.

Also, he said, until the local economy improves there's no way for the foreclosure situation to improve permanently. "It's history that foreclosures and defaults follow falling employment. Some people just can't hold on any longer."

Tumbarello said the percentage of homesteaded residences being foreclosed on has risen steadily from about 30 percent four years ago to 55 percent now. That means the wave of foreclosures is now hitting more local residents -after having washed away a great number of speculators who had hoped to churn properties for quick profits.

In a separate report also released Monday, Lee's Department of Community Development said builders pulled 19 permits for single-family homes in December in the unincorporated part of the

county - bringing the year's total to 384, a 16 percent increase from 2009's 331.

Bob Knight, vice president and part owner of Paul Homes in Cape Coral, said he has mixed thoughts about what happened in turbulent 2010.

"Last year is what you call a bittersweet year," Knight said. "There seemed to be some momentum the first part of the year and then the oil spill comes. Then you have the economy; people have to get over that. Then we got the elections behind us, and we're realizing there's more of a middle ground that's been achieved. I feel the past six weeks, people are starting to go out, go to restaurants, spend a little money instead of hanging around waiting for the end."

Now, Knight said, he's hearing from a lot of retirees who want to take advantage of low property and construction costs to build in Lee County.

The increase in permits being pulled for homes is heartening, Knight said, even though the numbers are still paltry compared to the boom.

"You have to start somewhere," Knight said. "You cannot take away land that's on water and this lifestyle that we live here."
