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## Foreclosures Jump In Orlando

Downtown feels the pinch, other hard-hit areas include Southchase, and Pine Hills

BY ANJALI FLUKER

Downtown Orlando had one of the largest percentage growth rates in the city's total foreclosure listings this past year, up 573 percent between 2006 and 2007, according to data from RealtyTrac.com.

The 32801 ZIP code, which includes parts of downtown, listed 75 pre-foreclosures and another 14 properties that were repossessed by banks or lenders in 2007. That compares with 11 pre-foreclosures and just one foreclosure in 2006.

Much of that could be attributed to the flurry of investors who bought condo properties in downtown but walked away when they were unable to sell them quickly for a profit, says Robert Strembicki, broker/owner of Oviedo-based Florida My Home Real Estate Services LLC.

### Quotable



#### Part of the answer for people

*in or about to go into foreclosure is education. I'm not seeing a lot of that available to the general public."*

-Augie Byllott

Along with that, many end-users paid inflated prices due to market demand, he says. "When I see a property being foreclosed on and I look at what they paid for the property back during the [housing] explosion we had in 2004, it's almost criminal what people were paying," Strembicki says.



Credit: Mark Englert

One of the priciest downtown pre-foreclosures involves a \$1 million home on Palmer Street in the Delaney Park area, while a \$600,000 home on Margaret Court, also in the Delaney Park area, already has been foreclosed, RealtyTrac reports.

Orlando's areas with the most foreclosures include Pine Hills, the Southchase area, according to RealtyTrac.

Pine Hills' 32808 ZIP code in 2007 had 380 pre-foreclosures and 52 foreclosures, up from 229 pre-foreclosures and 44 foreclosures in 2006.

Strembicki believes Pine Hills had such a large number of foreclosures because the area has more rental than owner-occupied homes. He says those homeowners likely bought the properties as investments using subprime adjustable-arm mortgages, which became unaffordable when their interest rates adjusted.

Meanwhile, the Southchase area, in the 32824 ZIP code, had 358 pre-foreclosures and 52 foreclosures last year, up from 149 pre-foreclosures and 14 foreclosures in 2006.

The foreclosures in Orlando range

in price from a \$95,000 loan on a single-family home to a \$1.8 million mortgage on a downtown condo.

The foreclosure phenomenon had its roots in the loose lending standards that flourished when the real-estate market was white-hot a few years ago. Buyers with shaky credit histories and unverified income took out mortgages they found themselves unable to afford.

"Part of the answer for people in or about to go into foreclosure is education," says Augie Byllott, managing member for Champions Gate-based foreclosure specialist Homeowner Resource LLC. "I'm not seeing a lot of that available to the general public."

Further fueling the problem is the fact that homeowners nearing foreclosure and trying to get approval for a short-sale -- where the home would sell quickly at a lower price than its worth -- are being stalled when lenders don't respond quickly enough.



Byllott