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## Mediation urged before foreclosures

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J. PAT CARTER / AP

A 'pre-foreclosure' for sale sign hangs in front of a home in Homestead.

A special task force appointed by the Florida Supreme Court to study the impact of the foreclosure crisis on the court system is recommending a mandatory mediation program to stem the number of foreclosure cases swamping the state's courts.

In its final report to the Supreme Court released Monday, the 15-member task force of bank attorneys, judges, mediators and consumer advocates determined that requiring lenders and borrowers to discuss alternatives to foreclosure before a case proceeds can help to alleviate the paralyzing backlog.

Already several circuit courts throughout the state have established pilot mandatory mediation programs, including the 11th circuit, which covers Miami-Dade County. Advocates of the pilot programs say they have been successful in resolving hundreds of cases in the first few months of their launches.

"The hope is this will stop the filing of foreclosures and make lenders look for other means to resolving these disputes outside of our court system -- or make it the very last alternative," said April Charney, a task force member and foreclosure defense lawyer for Jacksonville Area Legal Aid.

The dizzying amount of paperwork involved in the foreclosure process, as well as the numerous participants involved in the proceedings, often lead to confusion and inefficiencies. In some instances, borrowers' homes have been scheduled for auction, even though lenders have already approved loan modifications for them, some consumer advocates have said.

By forcing parties to sit down and communicate, such situations could be avoided. Other recommendations from the task force included standardizing forms and practices to move cases along more quickly.

The need for a fix is dire. Foreclosure filings in South Florida have skyrocketed in the last three years and show no sign of abating. As of May, there were 29,618 foreclosure cases filed in Miami-Dade and 22,306 in Broward.

Lenders have complained that mandatory mediation programs are costly and slow the process of foreclosing on customers they may have already determined are not eligible or qualified for help. Most of the costs associated with a mandatory mediation program will be shouldered by lenders. Alan Bookman, a task force member who has represented banks in filing foreclosures, said lender representatives on the panel were in agreement with the recommendations. Banks and other parties will have a chance to comment on the task force findings in writing, before the Supreme Court schedules public hearings on the issue.

Then, the Supreme Court will determine whether it will proceed with implementing the program throughout the state.

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