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## **SURVEY SUGGESTS FLORIDA FORECLOSURES HIT CLOSE TO HOME, TRANSCENDING ALL MARKETS AND INCOME LEVELS**

### ***Florida Homeowners Directly Impacted Throughout State***

**ORLANDO, Fla. – August 28, 2007** – Amidst the rise of foreclosures across the state, the annual Fund Homeownership survey recently found that 16 percent of Florida homeowners have been or know somebody who has been in the foreclosure process.

The survey also showed that Florida foreclosures are not tied to one specific region or income group with more than 10 percent of homeowners in nearly every market surveyed and more than 15 percent of homeowners in each of the three income brackets listed reporting they have been directly involved or know somebody who has been involved in a foreclosure.

The annual survey, commissioned by Florida-based Attorneys' Title Insurance Fund's Consumer Education Campaign, polled 1,415 homeowners throughout the state between June 11 and June 25, 2007. Detailed results can be found at [www.myrealestatestory.com](http://www.myrealestatestory.com).

When asked about how they felt about the prospect of purchasing foreclosed properties, 56 percent said they would consider buying a foreclosed home while only 17 percent said they would not consider buying one (27 percent are unsure). Income was also not a factor in foreclosure rates; according to the survey results, Florida homeowners with higher income levels proved to be even more open to this prospect with 71 percent of homeowners with an annual income of \$100K and above and 62 percent of homeowners with an income between \$50K and \$100K saying they would consider buying a foreclosed property.

"A common misconception among Florida homeowners and consumers is that foreclosures disproportionately affect the lower income brackets and most often occur in poorer neighborhoods when in reality, foreclosures are occurring in every price range and in every market across the state," explained Charles J. Kovaleski, president of Attorneys' Title Insurance Fund. "Florida consumers need to realize how prevalent foreclosures are in Florida so that they can be sure to take the necessary precautions for current and future purchases, like incorporating a real estate attorney in the real estate process to protect themselves and their investment."

The survey also indicates how homeowners view real estate attorneys. For example, homeowners ranked buying a new or existing home as the most important situation in which one should hire a real estate attorney (49 percent) and felt that the most valuable trait of a real estate attorney was their ability to protect the home buyer's interests (40 percent). Yet, when asked if they have ever consulted with an attorney, only half (49 percent) of Florida homeowners indicated that they had consulted a real estate attorney in the past.

"Foreclosures create a whole new category of homes and potential buyers should take caution noting that these properties may have liens or other debts against the title that need to be cleared first," said Kovaleski.

“A significant portion of Florida homeowners have consulted an attorney and this is reassuring, as they are the only player in the real estate process who can ensure that foreclosure laws and procedures – that differ widely from state to state – are fully understood and carried out.”

### **Summary of key findings:**

#### **Foreclosures:**

- More than half of Florida homeowners (56 percent) would consider buying a foreclosed home.
- Nearly one third (27 percent) are uncertain as to whether or not they would consider purchasing a foreclosed home and only 17 percent would not consider doing so.
- Homeowners in Miami-Dade County (66 percent), Ft. Myers-Naples (65 percent) and Gainesville (65 percent) are more likely to consider buying a foreclosed home compared to other markets surveyed.
- Close to one in five (16 percent) homeowners have been through the foreclosure process themselves or know someone who has.
- Compared to the overall sample, significantly more homeowners in Gainesville have been through foreclosure or know someone who has (29 percent).

#### **Mortgage Fraud:**

- Only 4 percent of Florida homeowners reported that they have been the victim of mortgage fraud or know someone who has.
- There were slightly more Hispanic homeowners in Florida who reported to have been the victim of mortgage fraud when compared to all of Florida (6 percent versus 4 percent).

#### **Most confusing part of purchasing a home:**

- When purchasing a home, Floridians are most confused with understanding real estate laws (35 percent) and closing process/paperwork (29 percent).
- Florida homeowners ranked finding a qualified and trustworthy team of real estate professionals as the least confusing part to buying a home (with 44 percent ranking it last).

#### **Real estate team and resources:**

- A majority of homeowners (53 percent) sought assistance from Realtors or real estate agents to educate themselves during the real estate buying process before purchasing their first home.
- Realtors/real estate agents are cited as the most important resource during the buying process (38 percent consider them most important).
- Friends and family also prove to be important resources during the buying process, with 52 percent of homeowners citing friends/family as a resource they have used to educate themselves before purchasing their first home.
- Homeowners in Florida believe real estate attorneys are most valuable for protecting homebuyers' interests with 40 percent of those surveyed saying this is the most valuable service a real estate attorney can offer. This is followed by preventing legal problems and reviewing a contract (27 percent and 26 percent respectively).
- Homeowners are significantly more likely to say it is most important to hire a real estate attorney when buying a new or existing home than when selling a home (49 percent versus 17 percent).

### **About The Fund Consumer Education Campaign**

Launched in 2001, The Fund's Consumer Education Campaign was designed to educate Florida real estate consumers on the home buying and selling process. The Education Campaign includes an informational Web site in English ([www.myrealestatestory.com](http://www.myrealestatestory.com)) and Spanish ([www.inforhogar.com](http://www.inforhogar.com)) and toll-free numbers in English (1-866-FUND HOME) and Spanish (1-800-688-7599) with operators offering assistance.

### **About The Fund**

Attorneys' Title Insurance Fund, Inc., Florida's leading title insurance underwriter and title information provider, is in business to preserve and facilitate the real estate practices of its members in their protection of the public. For more information, visit [www.thefund.com](http://www.thefund.com).

**Methodology**

This survey was conducted online within the United States by Harris Interactive on behalf of Attorneys' Title Insurance Fund, Inc. between June 11 and June 25, 2007 among 1,415 homeowners throughout Florida and focused on markets, including: Broward County, Fort Myers-Naples, Gainesville, Miami-Dade County, Orlando, Sarasota County, Tallahassee, Tampa and West Palm Beach (ages 18+). Figures for age, gender, race/ethnicity, education, region and household income were weighted where necessary to bring them into line with their actual proportions in the population. Propensity score weighting was also used to adjust for respondents' propensity to be online. With a pure probability sample of 1,415 adults one could say with a 95 percent probability that the overall results have a sampling error of +/- 2.6 percentage points. However that does not take other sources of error into account. This online survey is not based on a probability sample and therefore no theoretical sampling error can be calculated.

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