



**Colorado Department  
of  
Local Affairs**  
**Division of Housing**

## **Colorado Division of Housing 4<sup>th</sup> Quarter 2008 Foreclosure Report**

The Colorado Division of Housing is a division of the Colorado Department of Local Affairs

**February 23, 2009**

### **Summary and Methods**

In response to recommendations from the Colorado Blue Ribbon Panel on Housing and the Colorado Foreclosure Prevention Task Force, the Colorado Division of Housing has compiled the attached information regarding foreclosures in Colorado.

These statistics have been collected to provide as accurate a view as possible of foreclosures in Colorado and to determine which regions of the state are most heavily impacted by foreclosures. The data is provided on a county-by-county basis and is based on foreclosure filings through the Public Trustee's office of each county. Data for each county is reported by the Public Trustee's office in each county.

This report seeks to provide two essential pieces of information:

### **Foreclosure Filing Statistics:**

The foreclosure "filing" is the event that begins the foreclosure process. In general, when a borrower is at least 3 months delinquent and in default, the borrower will receive a "notice of election and demand" from the Public Trustee of the county in which the property is located. At this point, the property is in foreclosure.

The Public Trustee filings provide an objective measure of how many foreclosure proceedings have been initiated in a given county. Such filings can be "cured" and "withdrawn" before the home is sold at auction, meaning that not all foreclosure filings result in a final foreclosure sale. However, Public Trustee numbers are a useful indicator of the number of homeowners in a county who have become seriously delinquent on home loans, and they provide insights into the overall health of the housing market within that county.

**Foreclosure Sale Statistics:** Approximately 120 days after the initial filing, the property may be sold at the Public Trustee auction to a third party or to the mortgage company. Once the foreclosure sale takes place, eviction proceedings will proceed during the next several weeks.

As listed below, the foreclosure filings number and the foreclosure auction sales number are two independent numbers. In other words, the properties that went to final sale during the current quarter are not the same properties which entered the foreclosure process the same quarter. For example, among properties that went to sale during a given quarter, a large portion of those foreclosures were filed at least four months earlier, meaning a foreclosure filing and foreclosure sale do not occur within the same quarter. The period between the foreclosure filing and the foreclosure sale at auction is legally at least 120 days, but in some cases, this period may actually last much longer.

### **Why are both numbers important?**

The foreclosure filings number provides a view of how many borrowers have become seriously delinquent on their loans. Foreclosure filings provide a good guide to foreclosure activity in a given county, and while a property may be withdrawn from the foreclosure process after a filing is made, the filings statistics nevertheless indicate where borrowers are delinquent and in default.

The foreclosure sale numbers generally indicate how many households have lost all equity in the home as the result of a home being sold to another party at auction, including the mortgage company, an investor, or others. Many households in the foreclosure process lose their homes through a variety of processes such as short sales and deed-in-lieu-of-foreclosure agreements. Losing the home through a foreclosure sale, however, is generally most damaging to the credit of the homeowner/borrower, and foreclosure does not allow for the homeowner/borrower to preserve any of the equity he or she might still have in that property.

### **Study Findings**

For the calendar year of 2008, Colorado public trustees reported 39,307 foreclosure filings and 21,301 sales. For 2007, there were 39,915 filings and 25,054 sales. Comparing year over year for this period, we find foreclosure filings decreased 2 percent while sales decreased 15 percent.

During the fourth quarter of 2008 alone, there were 9,469 filings and 5,040 sales. By comparison, during the fourth quarter of 2007, there were 10,955 filings and 6,295 sales. Comparing year over year, there were 14 percent fewer filings and 20 percent fewer sales during the fourth quarter of 2008 as compared to the fourth quarter of 2007.

Comparing the fourth quarter of 2008 to the third quarter of 2008, we find that filings increased 30 percent while sales decreased 22 percent.

It should be noted that due to the legal change in the foreclosure process, foreclosure sales of new foreclosures filed during 2008 were not permitted during March and April, and legislation that took effect in August effectively prevented the issuance of a large number of notices of election and demand. The effect of these changes has been to lessen the amount of foreclosure activity that could legally take place during the first, second, and third quarters of 2008.

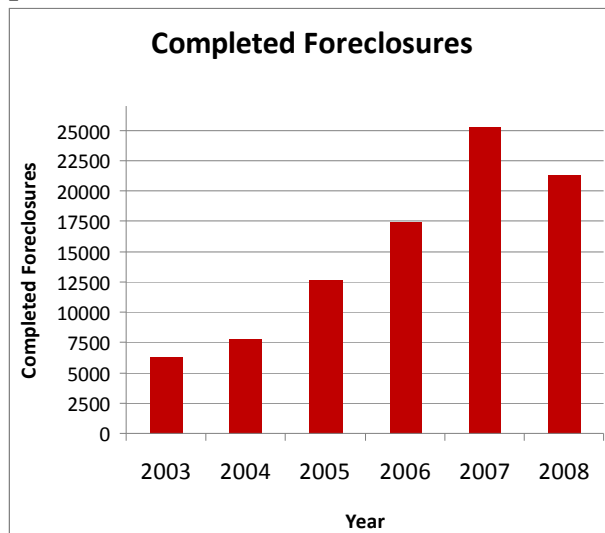
**Table 1: Foreclosure Filings**

Year	Foreclosure Filings
2003	13,573
2004	16,801
2005	21,782
2006	28,435
2007	39,915
<b>2008</b>	<b>39,307</b>

**Table 2: Foreclosure Sales at Auction**

Year	Foreclosure Sales
2003	6,258
2004	7,782
2005	12,699
2006	17,451
2007	25,054
<b>2008</b>	<b>21,301</b>

**Graph 1: Completed foreclosures in Colorado**



### County Statistics

Trends in different counties throughout the state vary considerably. The 12 most populous counties in Colorado account for approximately 95 percent of all foreclosure activity in Colorado, and counties with high foreclosure rates tend to be restricted to the Front Range. See the appendix for full county-by-county data.

Compared to 2007, total 2008 filings statewide decreased 2 percent while sales dropped 15 percent.

As tables 3 and 4 show, however, changes in individual counties varied greatly:

**Table 3: Year-over-year changes in foreclosure sales in metropolitan counties**

County	2007	2008	Year-over-year % increase
Adams	4454	3429	-23%
Arapahoe	4177	3376	-19%
Boulder	577	469	-19%
Broomfield	154	121	-21%
Denver	5079	4362	-14%
Douglas	992	1069	+8 %
El Paso	2016	2169	+8%
Jefferson	2180	1754	-20 %
Larimer	1006	791	-21%
Mesa	108	111	+3%
Pueblo	1029	757	-26%
Weld	1919	1555	-19%

**Table 4: Year-over-year changes in foreclosure filings in metropolitan counties**

County	2007	2008	Year-over-year % increase
Adams	6246	5558	-11 %
Arapahoe	6259	5876	-6%
Boulder	1009	1041	+3 %
Broomfield	246	273	+11 %
Denver	7909	6212	-21%
Douglas	1865	2180	+17%
El Paso	3556	4597	+29%
Jefferson	3588	3669	+2%
Larimer	1588	1644	+4%
Mesa	393	469	+19%
Pueblo	1504	1311	-13%
Weld	2877	2824	-2%

Some counties that in recent years reported very large increases in foreclosures, such as Adams, Denver and Pueblo Counties, reported decreases for 2008.

Six of the twelve metropolitan counties reported decreases in both foreclosure filings and foreclosure sales. The only counties that reported increases in both foreclosure filings and sales were Mesa County and El Paso County.

Compared to the fourth quarter of 2007, foreclosure filings statewide during the fourth quarter of 2008 were down 14 percent, and sales were down 20 percent. At the county level, changes in foreclosure sales were diverse:

**Table 5: Year-over-year (4<sup>th</sup> Q only) changes in foreclosure sales at auction**

County	4 <sup>th</sup> Q 2007	4 <sup>th</sup> Q 2008	Year-over-year % increase
Adams	1019	836	-18%
Arapahoe	1023	743	-27%
Boulder	183	112	-39 %
Broomfield	43	31	-28 %
Denver	1352	828	-39%
Douglas	227	255	+12%
El Paso	520	613	+18 %
Jefferson	579	420	-27%
Larimer	243	176	-28 %
Mesa	34	37	+9 %
Pueblo	252	173	-31 %
Weld	496	404	-19 %

**Table 6: Year-over-year (4<sup>th</sup> Q only) changes in foreclosure filings**

County	2007	2008	Year-over-year % increase
Adams	1706	1172	-31 %
Arapahoe	1730	1384	-20%
Boulder	313	260	-17%
Broomfield	69	63	-9 %
Denver	2030	1386	-31%
Douglas	598	605	+1%
El Paso	983	1197	+21%
Jefferson	1034	901	-13%
Larimer	482	378	-22%
Mesa	107	126	+18%
Pueblo	424	338	-20%
Weld	834	670	-20%

When looking at the third quarter statistics alone, we find that sales (completed foreclosures) are up in six of the metropolitan counties, and down in six. This data matches up with recent findings that show that in Adams, Denver, and Arapahoe Counties, overall foreclosure activity has slowed and flattened out, while growth in El Paso has accelerated.

Only Douglas and El Paso Counties reported increases in both filings and sales when comparing the 4<sup>th</sup> quarter year over year.

### **Regional Differences**

See tables 9 and 10 at the end of this report for more information.

Differences in foreclosure rates between counties have changed little during 2008.

The most significant foreclosure activity is on the Front Range of Colorado. For example, the metropolitan counties with the most foreclosure sales per household were Adams, Weld, Denver, and Arapahoe Counties. Among metropolitan counties, Adams and Weld Counties topped the list with 1 filing per 44 households and 1 filing per 55 households respectively. In Denver County, there was one completed foreclosure per 59 households, with Arapahoe and Pueblo Counties reporting 1 filing per 64 households and 1 per 79 households respectively.

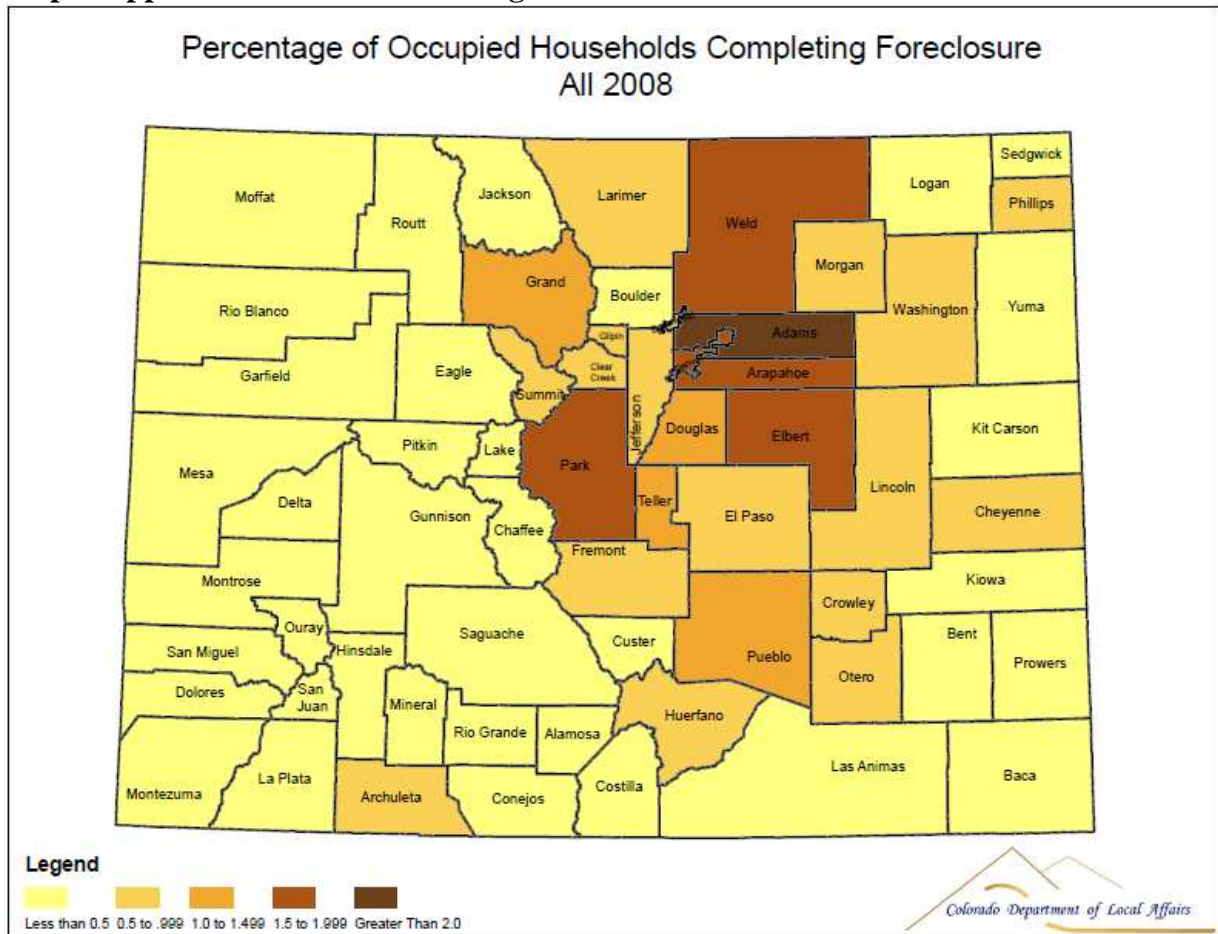
Boulder County reported the lowest foreclosure rate in the Denver metro area with 1 completed foreclosure per 247 households.

In the mountains and on the Western Slope, foreclosure rates were considerably lower. Mesa County reported one completed foreclosure for every 500 households, while Garfield County reported only one completed foreclosure for every 2,032 households.

Foreclosure rates in mountain counties also often reflect foreclosures on second homes and time-shares.

Statewide, there was approximately 1 completed foreclosure (sale) per 89 households during 2008. During 2007, there was 1 completed foreclosure for every 75 households.

**Map 1: approximate foreclosure filing rates in Colorado Counties**



**Forecasts for 2009**

The effects of the recession that began in December of 2007 remain to be seen. If job losses continue and accelerate, foreclosures will likely increase as homeowners lose income. Adjustable rate mortgages will also continue to readjust in 2009.

Preliminary January numbers do not show any significant spike in foreclosure activity, and it appears that the effects of the economic downturn have not yet appeared in the data as a generator of new foreclosure activity.

In the current economic environment, it is exceedingly difficult to forecast future economic conditions. The first quarter report will provide a much better sense of what the foreclosure landscape may look like in 2009.

## **Methods**

The Colorado Division of Housing has sought to collect foreclosure information on all 64 counties. Data is collected directly from the Public Trustee's office in each county. Our current dataset includes 62 counties.

Some numbers in this report reflect corrections made to statistics reported in earlier reports.

To calculate per-household foreclosure statistics and rankings, the sample employs data from the most populous and metropolitan counties and also includes a sampling from all parts of the state to provide information on regional differences throughout the state.

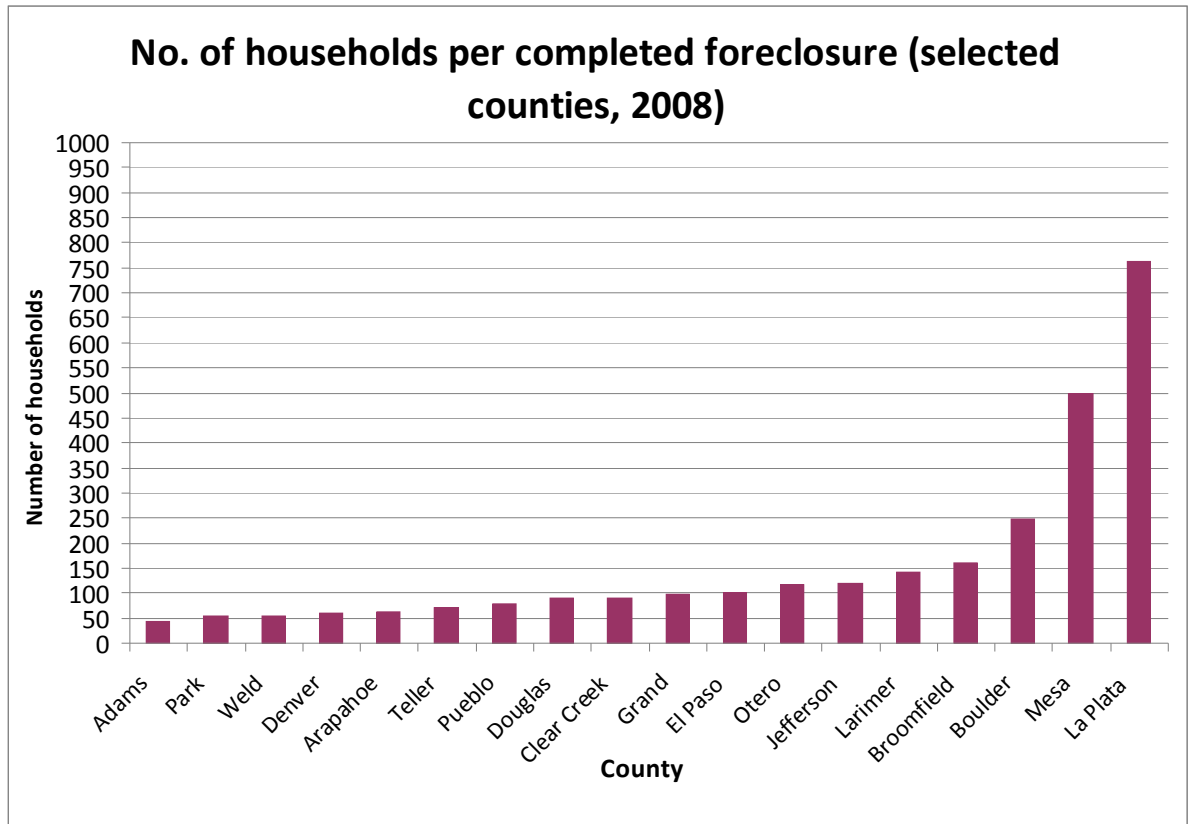
The per-household calculation for each county is based on 2006 estimates of occupied households provided by the Colorado State Demographer.

The household number is that of "total occupied housing units" in each county. This is the number used by other organizations that publish foreclosure ranking data.

The Colorado Division of Housing wishes to acknowledge the invaluable assistance of Robert Sagel, the Public Trustee of Morgan County, and the Public Trustee Association, although Mr. Sagel and the Association bear no responsibility for the conclusions and analysis contained in this summary.



**Graph 2:**



Read as “100 households per completed foreclosure in El Paso County.” A lower number indicates a higher foreclosure rate.

**Table 7: 2007, 2008 foreclosure filings**

Counties	2007	2007	2007	2007	2007	2008	2008	2008	2008	2008
	1 <sup>st</sup> Q	2 <sup>nd</sup> Q	3 <sup>rd</sup> Q	4 <sup>th</sup> Q	TOTAL	1 <sup>st</sup> Q	2 <sup>nd</sup> Q	3 <sup>rd</sup> Q	4 <sup>th</sup> Q	TOTAL
	Filings	Filings	Filings	Filings	Filings	Filings	Filings	Filings	Filings	Filings
Adams	1,456	1,734	1,350	1,706	6,246	1,704	1,613	1,069	1,172	5,558
Alamosa	18	17	12		47	9	22	9	17	57
Arapahoe	1,569	1,478	1,482	1,730	6,259	1,851	1,678	963	1,384	5,876
Archuleta	6	14	15	9	44	35		29	31	95
Baca	4	3	1	0	8	2	0	0	2	4
Bent		2	1	10	13	3	2	2	5	12
Broomfield	53	50	74	69	246	79	73	58	63	273
Boulder	214	211	271	313	1009	278	302	201	260	1041
Chaffee	14	19	14	15	62	14	10	10	11	45
Cheyenne		0	1	1	2			6	3	9
Clear Creek	30	23	20	14	87	30	32	14	28	104
Conejos	6	7	9	9	31		4	8	3	15
Costilla	4	10	5		19	3	2	1	9	15
Crowley	2	1	4		7	7	1	5	7	20
Custer	8	5	10	4	27		3	9	5	17
Delta	19	16	33	27	95	32	23	33	32	120
Denver	1,940	2,151	1,788	2,030	7,909	2,042	1,805	979	1,386	6,212
Dolores	5	2	2	3	12		3	1	2	6
Douglas	373	457	437	598	1865	665	570	340	605	2180
Eagle	14	45	43	27	129	33	46	41	59	179
Elbert	66	58	54	65	243	77	66	50	69	262
El Paso	828	880	865	983	3556	1,216	1,315	869	1,197	4,597
Fremont	79	84	80	64	307	91	73	61	70	295
Garfield	18	19	18	18	73	34	23	25	26	108
Gilpin	16	15	11	15	57	24	14	10	24	72
Grand	13	12	11	18	54	38	45	41	49	173
Gunnison	9	5	6	6	26	13	20	13	35	81
Hinsdale	0	0	0	0	0	0	0	3		3
Huerfano		12	11		23	16	12	15	9	52
Jackson	0	0	2	0	2	3	1	1	0	5
Jefferson	839	826	889	1034	3588	1010	1045	713	901	3669
Kiowa		0	0	0	0	0	0	0	0	0
Kit Carson		6	8	12	26	14		5	6	25
La Plata	17	23	29	14	83	23	44	30	51	148
Lake	5	10	5	4	24	6	11	10	4	31
Larimer	382	354	370	482	1588	487	433	346	378	1644
Las Animas	25	10	17		52	30		17	23	70
Lincoln	6	5	9		20	19	7	2	4	32
Logan	26	21	22	23	92	18	9	16	19	62

Counties	2007	2007	2007	2007	2007	2008	2008	2008	2008	2008
	1 <sup>st</sup> Q	2 <sup>nd</sup> Q	3 <sup>rd</sup> Q	4 <sup>th</sup> Q	TOTAL	1 <sup>st</sup> Q	2 <sup>nd</sup> Q	3 <sup>rd</sup> Q	4 <sup>th</sup> Q	TOTAL
	Filings	Filings	Filings	Filings	Filings	Filings	Filings	Filings	Filings	Filings
Mesa	102	89	95	107	393	119	108	116	126	469
Mineral		1	0	0	1	1	0	1	2	4
Moffat		8	10	9	27		10		15	25
Montezuma	7	12	10	15	44	13	18	21	23	75
Montrose	32	21	18	30	101	36	40	43	40	159
Morgan	46	47	43	39	175	43	36	34	26	139
Otero	39	25	28	32	124	37	23	24	11	95
Ouray	2	1	1	3	7	1	0	1	8	10
Park	51	54	41	54	200	78	64	55	68	265
Philips	10	6	6	4	26	5	5	3	2	15
Pitkin		3	4		7	9				9
Prowers	14	18	6	15	53	13	7	6	7	33
Pueblo	383	362	335	424	1504	383	332	258	338	1311
Rio Blanco	3	1	1	4	9	2	3	2	4	11
Rio Grande		8	19	11	38	15	15	19	8	57
Routt	9	12	9		30	14	16	10	13	53
Saguache		5	2	11	18	5	6	11	8	30
San Juan	0	0	0		0	1	3	1	1	6
San Miguel	7	5	4	4	20	6	6	5	14	31
Sedgwick	0	3	3		6	2	2	2	6	12
Summit	16	38	45		99	46	51	48	48	193
Teller		52	79	43	174	74	82	46	71	273
Washington	3	0	14	7	24	3	2	4	4	13
Weld	647	650	746	834	2877	813	781	560	670	2,824
Yuma	8	11	2	6	27	9	5	7	7	28
<b>Totals</b>	<b>9,443</b>	<b>10,017</b>	<b>9,500</b>	<b>10,955</b>	<b>39,915</b>	<b>11,634</b>	<b>10,922</b>	<b>7,282</b>	<b>9,469</b>	<b>39,307</b>

**Table 8: Foreclosure Sales at Auction (Completed Foreclosures) 2007, 2008**

Counties	2007					2008				
	1 <sup>st</sup> Q Sales	2 <sup>nd</sup> Q Sales	3 <sup>rd</sup> Q Sales	4 <sup>th</sup> Q Sales	TOTAL Sales	1 <sup>st</sup> Q Sales	2 <sup>nd</sup> Q Sales	3 <sup>rd</sup> Q Sales	4 <sup>th</sup> Q Sales	TOTAL Sales
Adams	1,000	1,180	1,255	1,019	4,454	935	645	1013	836	3,429
Alamosa	12	5	6		23	5	2	9	7	23
Arapahoe	969	1,097	1,088	1,023	4,177	970	660	1003	743	3,376
Archuleta	3	3	9	2	17	2		17	19	38
Baca	4	1	1	1	7	0	0	0	0	0
Bent		4	1	5	10	0	0	0	2	2
Broomfield	45	40	26	43	154	35	22	33	31	121
Boulder	128	143	123	183	577	134	86	137	112	469
Chaffee	9	6	10	2	27	0	2	3	4	9
Cheyenne		0	0	0	0			3	3	6
Clear Creek	11	14	20	9	54	8	11		20	45
Conejos	2	2	3	2	9		0	2	2	4
Costilla	2	2	2		6			1	1	2
Crowley	2	2	2		6	2	2	3	3	10
Custer	0	2	5	1	8		0	0	1	1
Delta	13	15	6	3	37	9	5	15	7	36
Denver	900	979	1,848	1,352	5,079	1,399	776	1,359	828	4,362
Dolores	1	0	1	1	3		0	0	0	0
Douglas	228	256	281	227	992	320	207	287	255	1,069
Eagle	8	26	24	26	84	8	6	21	20	55
Elbert	36	47	45	32	160	35	27	35	24	121
El Paso	462	497	537	520	2,016	509	372	675	613	2,169
Fremont		29	35	36	100	0	32	49	44	125
Garfield	6	6		8	20	0	2	2	6	10
Gilpin	3	11	10	8	32	0	2	7	2	11
Grand	8	3	6	5	22	9	9	26	17	61
Gunnison	1	2	1	2	6	1	1	13	10	25
Hinsdale	0	0	0	0	0	0	0	0		0
Huerfano		6	3		9	8		3	15	26
Jackson	0	0	0	1	1	0	1	0	1	2
Jefferson	527	543	531	579	2,180	455	316	563	420	1,754
Kiowa		0	2	0	2	0	0	0	0	0
Kit Carson		6	5	9	20	3		4	3	10
La Plata	14	0	12	10	36	7	5	8	6	26
Lake	2	2	3	1	8	1	2	2	2	7
Larimer	271	277	215	243	1,006	228	145	242	176	791
Las Animas	3	8	1		12	0		6	11	17
Lincoln	2	6	4		12	0	8	3	6	17
Logan	7	14	17	15	53	9	2	9	11	31

Counties	2007					2008				
	1 <sup>st</sup> Q Sales	2 <sup>nd</sup> Q Sales	3 <sup>rd</sup> Q Sales	4 <sup>th</sup> Q Sales	TOTAL Sales	1 <sup>st</sup> Q Sales	2 <sup>nd</sup> Q Sales	3 <sup>rd</sup> Q Sales	4 <sup>th</sup> Q Sales	TOTAL Sales
Mesa	9	28	37	34	108	24	18	32	37	111
Mineral	0	0	0	0	0	0	0	0	0	0
Moffat		5	3	2	10	1	1	1	1	4
Montezuma	1	6	3	4	14	8	1	2	7	18
Montrose	8		5	5	18	0	10	10	19	39
Morgan	28	36	32	17	113	21	11	20	18	70
Otero	14		17	7	38	23	6	20	14	63
Ouray	2	1	1	1	5	0	0	2	0	2
Park	33	30	22	37	122	25	25	42	37	129
Philips	3	2	5	6	16	2	2	2	4	10
Pitkin		1	1		2	0				0
Prowers	11	7	4	4	26	8	5	6	4	23
Pueblo	247	290	240	252	1029	206	168	210	173	757
Rio Blanco	1	1	0	0	2	0	0	0	0	0
Rio Grande		7	8	16	31	5	1		6	11
Routt	8	1	1		10	3	2	2	4	11
Saguache		2	2	4	8	7	0	4	0	11
San Juan	0	0	0		0	0	0	1	0	1
San Miguel	2	2	0	0	4	1	1			2
Sedgwick	0	1	2		3	0	1	1	1	3
Summit	1	5	21		27	0	6	32	20	58
Teller		43	36	34	113	25	21	46	35	127
Washington	1	2	1	7	11	4	3			7
Weld	425	456	542	496	1919	442	273	436	404	1,555
Yuma	3	6	6	1	16	2	2	4	4	12
<b>Totals</b>	<b>5,476</b>	<b>6,166</b>	<b>7,117</b>	<b>6,295</b>	<b>25,054</b>	<b>5,899</b>	<b>3,905</b>	<b>6,457</b>	<b>5,040</b>	<b>21,301</b>

**Table 9: Number of occupied households per completed foreclosure**

Adams	43.5
Park	53.8
Weld	55.0
Denver	59.0
Arapahoe	63.8
Elbert	64.9
Teller	70.0
Pueblo	79.1
Douglas	89.5
Clear Creek	90.0
Grand	96.8
El Paso	100.6
Lincoln	113.7
Huerfano	115.9
Otero	118.3
Jefferson	119.6
Fremont	127.3
Cheyenne	131.2
Archuleta	133.8
Larimer	141.1
Morgan	141.9
Crowley	149.5
Broomfield	159.9
Phillips	182.8
Washington	187.5
Summit	195.3
Gilpin	200.2
Rio Grande	207.3
Prowers	213.3
Gunnison	245.5
Boulder	246.6
Saguache	246.9
Alamosa	251.1
Logan	253.6
San Juan	275.0
Kit Carson	283.5
Jackson	308.5
Yuma	320.5
Delta	343.2
Eagle	345.2
Sedgwick	353.3
Las Animas	385.8
Montrose	405.7
Lake	444.9
Mesa	499.5
Montezuma	550.0
Costilla	727.5

La Plata	762.9	
Chaffee	764.4	
Conejos	774.0	
Routt	844.5	
San Miguel	880.8	
Bent	883.5	
Ouray	947.0	
Moffat	1314.8	
Custer	1734.0	
Garfield	2031.7	
Baca	0.0	n/a
Dolores	0.0	n/a
Hinsdale	0.0	n/a
Kiowa	0.0	n/a
Mineral	0.0	n/a
Pitkin	0.0	n/a
Rio Blanco	0.0	n/a

**Table 10: Percentage of occupied households experiencing a completed foreclosure**

Adams	2.3
Park	1.9
Weld	1.8
Denver	1.7
Arapahoe	1.6
Elbert	1.5
Teller	1.4
Pueblo	1.3
Douglas	1.1
Grand	1.0
El Paso	1.0
Lincoln	0.9
Huerfano	0.9
Otero	0.8
Clear Creek	0.8
Fremont	0.8
Jefferson	0.8
Archuleta	0.7
Larimer	0.7
Morgan	0.7
Crowley	0.7
Broomfield	0.6
Phillips	0.5
Cheyenne	0.5
Washington	0.5
Summit	0.5
Gilpin	0.5
Rio Grande	0.5
Prowers	0.5
Gunnison	0.4
Saguache	0.4
Boulder	0.4
Alamosa	0.4
Logan	0.4
San Juan	0.4
Kit Carson	0.4
Jackson	0.3
Yuma	0.3
Delta	0.3
Eagle	0.3
Sedgwick	0.3
Las Animas	0.3
Montrose	0.2
Lake	0.2



<b>Mesa</b>	0.2
<b>Montezuma</b>	0.2
<b>Costilla</b>	0.1
<b>La Plata</b>	0.1
<b>Chaffee</b>	0.1
<b>Conejos</b>	0.1
<b>Routt</b>	0.1
<b>San Miguel</b>	0.1
<b>Bent</b>	0.1
<b>Ouray</b>	0.1
<b>Moffat</b>	0.1
<b>Custer</b>	0.1
<b>Garfield</b>	0.0
<b>Rio Blanco</b>	0.0
<b>Pitkin</b>	0.0
<b>Mineral</b>	0.0
<b>Kiowa</b>	0.0
<b>Hinsdale</b>	0.0
<b>Dolores</b>	0.0
<b>Baca</b>	0.0