



Division of Housing 1st Quarter 2015 Foreclosure Report

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

June 19, 2015

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.

During the 2009 legislative session, the legislature passed, and the governor signed, House Bill 1197 which mandates that the foreclosure totals contained in this report be considered the official foreclosure statistics of the state of Colorado. The legislation also required that statistics on cures now be included and that Public Trustees submit the required information to the Division of Housing.

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 data reported by the Public Trustee's office of each county.

This report seeks to provide two essential pieces of information:

Foreclosure Filing Statistics:

The recording of the notice of election and demand (NED) is the event that begins the foreclosure process. In general, when a borrower is at least 3 months delinquent and in default, the lender will file an NED with the public trustee and the borrower will receive notice of the initial sale date. This notice will be sent from the public trustee's office in the county in which the property is located, and 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 Such filings can be "cured" and "withdrawn" before the property is sold at auction, meaning that not all foreclosure filings result in a final foreclosure sale.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 loans in a county that have become seriously delinquent, and they provide insights into the overall health of the real estate market within that county.

We should note that in addition to single-family homes, condominiums, and townhomes, NED statistics include filings on agricultural, industrial, commercial, and multifamily properties. Vacant land is included as well.

Foreclosure Sale Statistics: Approximately 110-125 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 110 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 borrowers have lost all equity in the property as the result of it being sold to another party at auction, including the mortgage company, an investor, or others. Many households in the foreclosure process lose their properties through a variety of processes such as short sales and deed-in-lieu-of-foreclosure agreements. Losing the property through a foreclosure sale, however, is generally most damaging to the credit of the borrower, and foreclosure (unless the property is sold at auction for more than the value of the loan) does not allow for the borrower to preserve any of the equity he or she might still have in that property.

Study Findings

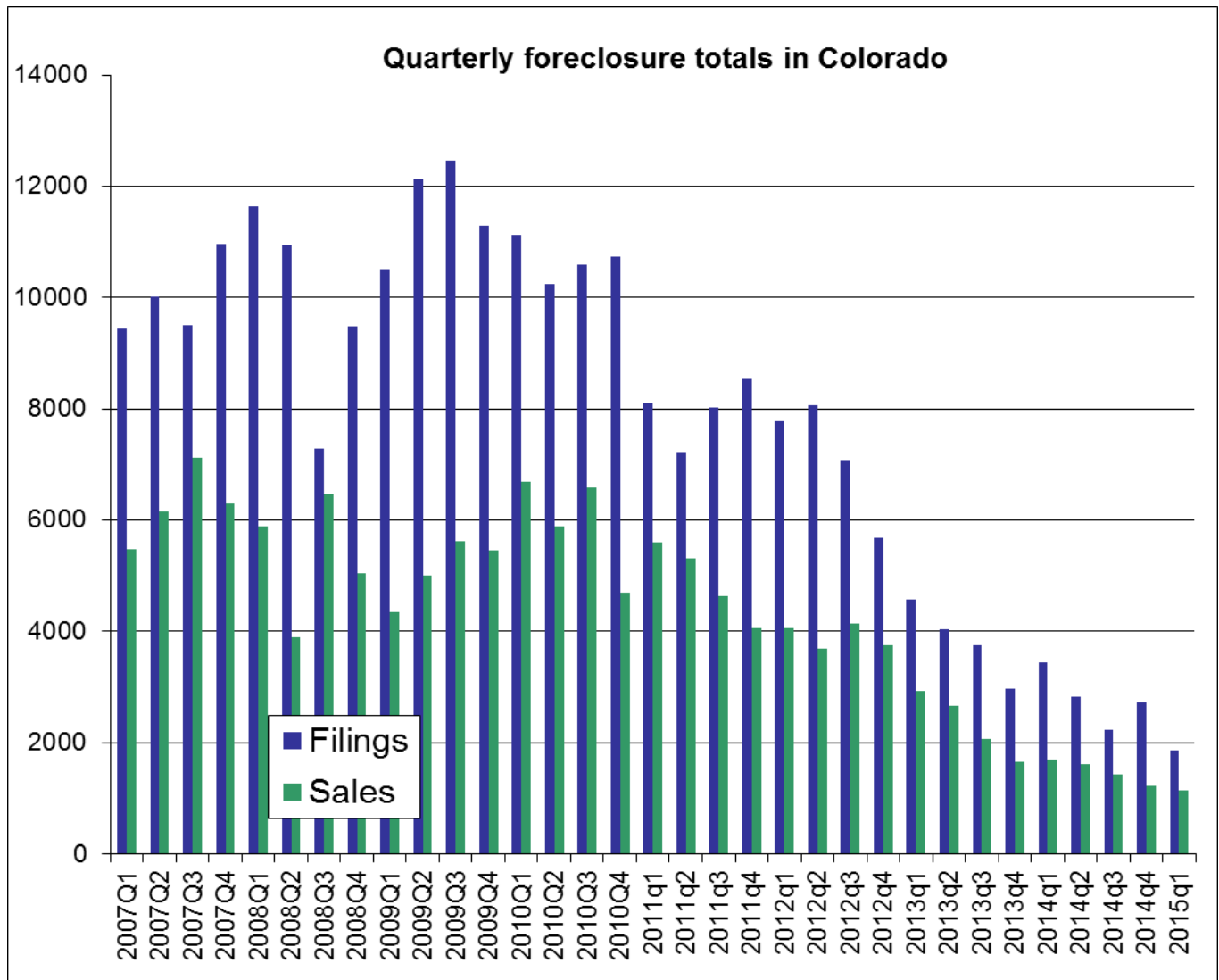
During the first quarter of 2015, Colorado public trustees reported 1,872 foreclosure filings and 1,145 sales at auction (completed foreclosures). During the first quarter of 2014, there were 3,438 filings and 1,708 sales. Comparing year-over-year for the first quarter, foreclosure filings fell 45.5 percent and completed foreclosures fell 33.0 percent.

Comparing the first quarter of 2015 to the fourth quarter of 2014, foreclosure filings fell 31.5 percent from 2,734 to 1,872. Foreclosure sales fell 6.8 percent from 1,229 to 1,145 during the same period.

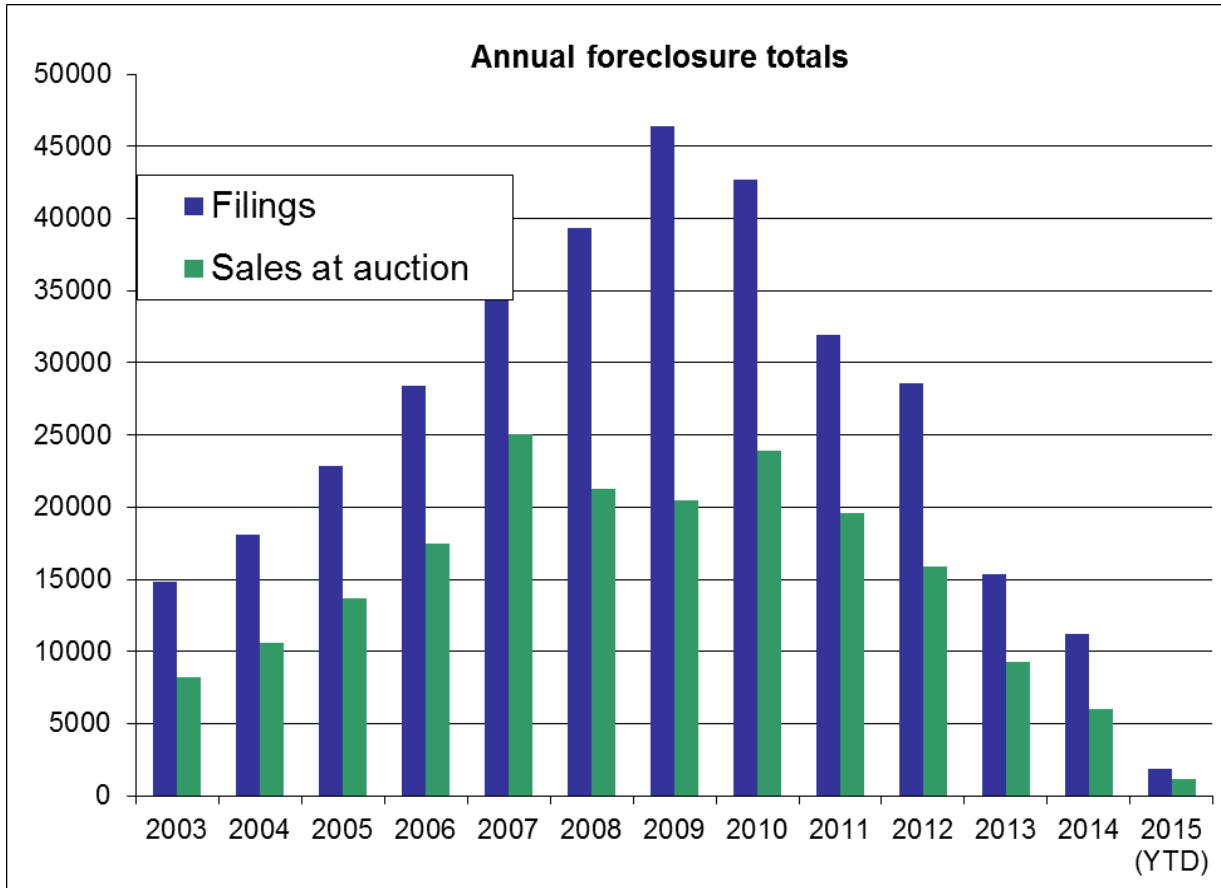
During the first quarter of 2015, the overall trend in foreclosure filings and foreclosure sales continued downward with foreclosures activity this year on pace to finish the year with the lowest totals experienced in more than a decade.

Below is a time series showing quarterly totals in foreclosure filings and sales. The large dip in sales shown during the second quarter of 2008 can be attributed to a change in the foreclosure time line that took effect on January 1, 2008 and led to a large temporary dip in the number of foreclosure sales during March, April, and May of that year. During the fourth quarter of 2013, both foreclosure filings and sales hit the lowest level recorded since the survey was begun in 2007.

Graph 1: Quarterly Foreclosure Filings vs. Sales at Auction:



Graph 2: Annual Foreclosure Totals (2015 is YTD):



Note: Annual totals are available since 2003, but quarterly totals are only available since 2007.

Table 1: Foreclosure Filings

Year	Foreclosure Filings
2003	14,858
2004	18,127
2005	22,894
2006	28,435
2007	39,920
2008	39,333
2009	46,394
2010	42,692
2011	31,975
2012	28,579
2013	15,333
2014	11,235
2015 (Jan-Mar)	1,872

Table 2: Foreclosure Sales at Auction

Year	Foreclosure Sales
2003	8,239
2004	10,566
2005	13,642
2006	17,451
2007	25,054
2008	21,306
2009	20,437
2010	23,891
2011	19,617
2012	15,903
2013	9,318
2014	6,003
2015 (Jan-Mar)	1,145

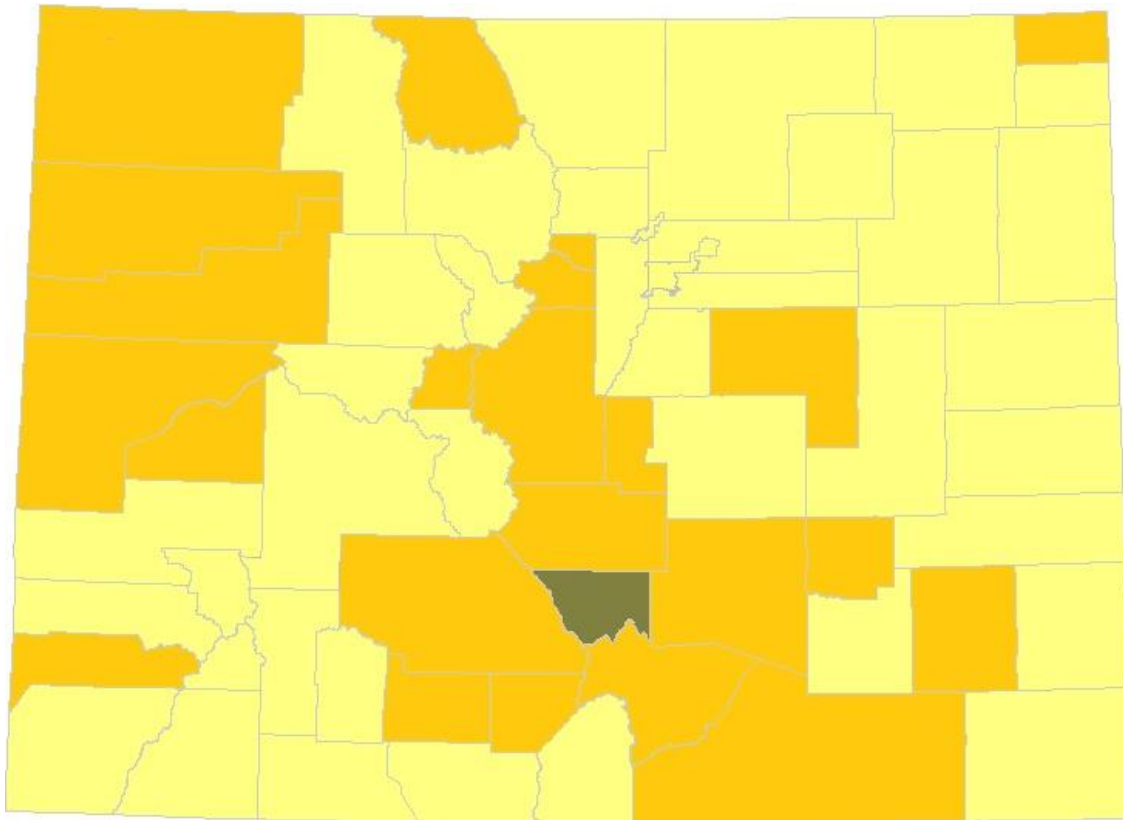
County Statistics

Trends in different counties throughout the state vary considerably. The 12 metropolitan counties in Colorado now account for approximately 75 percent of all foreclosure filings activity in Colorado. However, in 2007 the 12 metropolitan counties accounted for more than 90 percent of foreclosure activity in Colorado, indicating that foreclosure activity outside the metropolitan areas has become relatively more common.

Aggregate statewide totals and trends do not necessarily reflect changes in foreclosure totals at the county level as county-level changes were not uniform throughout the state.

The map below shows foreclosure rates in each county. Categories reflect proportions of households completing the foreclosure process. No county reported a foreclosure rate above 0.5 percent of occupied households, so the top category for the foreclosure rate is no longer present on the map at all. Only Custer County placed in the second-to-top category, and all other counties placed in the bottom two categories showing that the overall severity of foreclosure activity at the county level has fallen significantly in recent years.

Map 1: Foreclosure rates in Colorado counties' 1st Quarter 2015



Foreclosure rates are split into 4 categories: 1. (burgundy) More than 0.5 percent of all households. 2. (green) From .25 up to and including .50 percent of all households. 3. (orange) From 0.1 up to and including 0.25 percent of all households. 4. (yellow) 0.1 percent, or less, of all households.

Rates of foreclosure for each county are listed in Table 3 of the appendix.

Statewide, there was approximately 1 completed foreclosure (foreclosure sale) per 1,805 households for the first quarter of 2015. The map shows that there are few hot spots for foreclosure left in Colorado, and those that remain, such as Custer County, are small markets where foreclosure rates can move up and down quickly.

Pueblo County was the only metropolitan county found among the counties with the top ten foreclosure rates. Most of the counties in the top ten were mountain and rural counties including Custer, Rio Blanco, and Bent counties.

Pueblo and Mesa counties reported the highest foreclosure rates of the metropolitan counties. Pueblo County reported a foreclosure rate of one foreclosure per 580 households while Mesa County reported a rate of 1 foreclosure per 910 households. See Table 3 for full listing.

Broomfield County reported the lowest foreclosure rate among metropolitan counties with 1 completed foreclosure per 7,595 households.

It is important to note that counties with small populations are also prone to very volatile foreclosure rates as a small rise or fall in the total number of foreclosures can significantly change the foreclosure rate in a small county for a quarter.

Future Outlook

Foreclosure activity decreased significantly during 2014 and brought Colorado to the lowest foreclosure levels experienced since 2003. If the first quarter's current foreclosure trends persist in 2015, 2015 trends will look similar to 2014 in terms of foreclosure activity. This will mean that foreclosure totals in 2015 will drop to the lowest levels recorded in any year since the first year of statewide data collected in 2003.

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

The per-household calculation for each county is based on 2012 (the most recent year available) estimates of occupied households provided by the Colorado State Demographer.

The household number is that of "total occupied housing units" in each county. Owner-occupant totals are only available for a minority of Colorado counties, so for purposes of consistency across all counties, occupied housing unit totals are used.

The Colorado Division of Housing wishes to acknowledge the invaluable assistance of Carol Snyder, the former Public Trustee of Adams County, Robert Sagel, the Public Trustee of Morgan County, and the Public Trustee Association, although neither Ms. Snyder, Mr. Sagel, nor the Association bear any responsibility for any errors or for the conclusions and analysis contained in this summary.

Appendices

Table 3: Foreclosure rates based on the number of occupied housing units per completed foreclosure and percentage of all occupied housing units. 2013 household numbers are the most recent available.

County	Households (2013 estimates)	2015 1st Q Foreclosure Sales	Foreclosure Rate by Percentage	Foreclosure Rate by No. of Households per Completed Foreclosure
Custer	1,943	5	0.26%	389
Rio Blanco	2,684	5	0.19%	537
Sedgwick	1,074	2	0.19%	537
Saguache	2,693	5	0.19%	539
Fremont	16,475	30	0.18%	549
Bent	1,690	3	0.18%	563
Teller	9,774	17	0.17%	575
Pueblo	63,795	110	0.17%	580
Las Animas	5,916	10	0.17%	592
Crowley	1,241	2	0.16%	621
Delta	12,503	20	0.16%	625
Jackson	630	1	0.16%	630
Gilpin	2,527	4	0.16%	632
Park	7,168	10	0.14%	717
Lake	2,947	4	0.14%	737
Moffat	5,183	7	0.14%	740
Huerfano	3,020	4	0.13%	755
Alamosa	6,143	8	0.13%	768
Clear Creek	4,191	5	0.12%	838
Elbert	8,596	10	0.12%	860
Dolores	876	1	0.11%	876
Garfield	20,709	23	0.11%	900
Mesa	58,241	64	0.11%	910
Rio Grande	4,680	5	0.11%	936
Montrose	16,274	17	0.10%	957
Ouray	2,065	2	0.10%	1033
Gunnison	6,575	6	0.09%	1096
Routt	9,868	9	0.09%	1096
San Miguel	3,589	3	0.08%	1196
El Paso	248,851	202	0.08%	1232
Archuleta	5,304	4	0.08%	1326
Yuma	3,981	3	0.08%	1327
Costilla	1,542	1	0.06%	1542

Grand	6,219	4	0.06%	1555
Logan	7,905	5	0.06%	1581
Prowers	4,808	3	0.06%	1603
Baca	1,630	1	0.06%	1630
Summit	12,028	7	0.06%	1718
Montezuma	10,590	6	0.06%	1765
Adams	163,191	90	0.06%	1813
Weld	95,363	51	0.05%	1870
Otero	7,609	4	0.05%	1902
Eagle	19,268	10	0.05%	1927
Lincoln	1,930	1	0.05%	1930
Morgan	10,351	5	0.05%	2070
Arapahoe	237,614	109	0.05%	2180
Chaffee	7,864	3	0.04%	2621
Pitkin	8,258	3	0.04%	2753
Jefferson	225,279	74	0.03%	3044
Conejos	3,107	1	0.03%	3107
Douglas	109,365	33	0.03%	3314
Larimer	126,864	36	0.03%	3524
Denver	285,044	71	0.02%	4015
La Plata	21,853	4	0.02%	5463
Boulder	125,225	19	0.02%	6591
Broomfield	22,785	3	0.01%	7595
Cheyenne	809	0	0.00%	n/a
Hinsdale	344	0	0.00%	n/a
Kiowa	621	0	0.00%	n/a
Kit Carson	3,057	0	0.00%	n/a
Mineral	359	0	0.00%	n/a
Philips	1,779	0	0.00%	n/a
San Juan	338	0	0.00%	n/a
Washington	1,961	0	0.00%	n/a
Total	2,066,166	1,145	0.06%	1,805

Table 4: Percent change in year-over-year foreclosure filings and sales:

Counties	2014 Q1 Filings	2015 Q1 Filings	Percent Change	2014 Q1 Sales	2015 Q1 Sales	Percent Change
Adams	370	184	-50.3	159	90	-43.4
Alamosa	8	5	-37.5	10	8	-20.0
Arapahoe	410	195	-52.4	168	109	-35.1
Archuleta	9	10	11.1	9	4	-55.6
Baca	0	1	n/a	2	1	-50.0
Bent	7	3	-57.1	23	3	-87.0
Boulder	84	51	-39.3	32	19	-40.6
Broomfield	16	12	-25.0	10	3	-70.0
Chaffee	8	3	-62.5	1	3	200.0
Cheyenne	0	0	n/a	0	0	n/a
Clear Creek	7	4	-42.9	3	5	66.7
Conejos	1	1	0.0	0	1	n/a
Costilla	4	2	-50.0	0	1	n/a
Crowley	3	2	-33.3	1	2	100.0
Custer	4	5	25.0	1	5	400.0
Delta	32	24	-25.0	21	20	-4.8
Denver	298	162	-45.6	146	71	-51.4
Dolores	1	1	0.0	1	1	0.0
Douglas	123	74	-39.8	59	33	-44.1
Eagle	32	21	-34.4	17	10	-41.2
Elbert	16	5	-68.8	11	10	-9.1
El Paso	584	312	-46.6	253	202	-20.2
Fremont	71	31	-56.3	34	30	-11.8
Garfield	46	20	-56.5	39	23	-41.0
Gilpin	5	1	-80.0	1	4	300.0
Grand	17	13	-23.5	8	4	-50.0
Gunnison	11	3	-72.7	14	6	-57.1
Hinsdale	3	1	-66.7	0	0	n/a
Huerfano	5	8	60.0	4	4	0.0
Jackson	0	0	n/a	0	1	n/a
Jefferson	310	136	-56.1	135	74	-45.2
Kiowa	0	1	n/a	0	0	n/a
Kit Carson	3	1	-66.7	4	0	-100.0
La Plata	17	15	-11.8	15	4	-73.3
Lake	5	3	-40.0	2	4	100.0
Larimer	116	57	-50.9	54	36	-33.3
Las Animas	14	21	50.0	16	10	-37.5
Lincoln	1	2	100.0	3	1	-66.7
Logan	19	3	-84.2	8	5	-37.5
Mesa	147	108	-26.5	143	64	-55.2
Mineral	1	0	-100.0	0	0	n/a
Moffat	15	10	-33.3	10	7	-30.0
Montezuma	13	11	-15.4	10	6	-40.0
Montrose	30	23	-23.3	35	17	-51.4

Morgan	14	14	0.0		14	5	-64.3
Otero	25	15	-40.0		6	4	-33.3
Ouray	0	1	n/a		1	2	100.0
Park	21	12	-42.9		13	10	-23.1
Philips	2	1	-50.0		1	0	-100.0
Pitkin	7	5	-28.6		5	3	-40.0
Prowers	8	7	-12.5		7	3	-57.1
Pueblo	190	115	-39.5		53	110	107.5
Rio Blanco	5	4	-20.0		2	5	150.0
Rio Grande	8	8	0.0		5	5	0.0
Routt	18	9	-50.0		17	9	-47.1
Saguache	5	3	-40.0		4	5	25.0
San Juan	1	0	-100.0		0	0	n/a
San Miguel	7	4	-42.9		0	3	n/a
Sedgwick	0	2	n/a		0	2	n/a
Summit	28	8	-71.4		13	7	-46.2
Teller	21	18	-14.3		26	17	-34.6
Washington	1	0	-100.0		2	0	-100.0
Weld	204	99	-51.5		76	51	-32.9
Yuma	7	2	-71.4		1	3	200.0
Totals	3438	1872	-45.5		1708	1145	-33.0

Table 5: Percent change from 3rd Q 2014 to 4th Q 2014:

Counties	2014 4th Q Filings	2015 1st Q Filings	Percent Change		2014 4th Q Sales	2015 1st Q Sales	Percent Change
Adams	381	184	-51.7		99.0	90.0	-9.1
Alamosa	7	5	-28.6		3.0	8.0	166.7
Arapahoe	291	195	-33.0		139.0	109.0	-21.6
Archuleta	9	10	11.1		4.0	4.0	0.0
Baca	0	1	n/a		0.0	1.0	n/a
Bent	1	3	200.0		6.0	3.0	-50.0
Boulder	38	51	34.2		20.0	19.0	-5.0
Broomfield	14	12	-14.3		8.0	3.0	-62.5
Chaffee	8	3	-62.5		2.0	3.0	50.0
Cheyenne	0	0	n/a		0.0	0.0	n/a
Clear Creek	6	4	-33.3		2.0	5.0	150.0
Conejos	3	1	-66.7		1.0	1.0	0.0
Costilla	2	2	0.0		1.0	1.0	0.0
Crowley	1	2	100.0		1.0	2.0	100.0
Custer	4	5	25.0		1.0	5.0	400.0
Delta	33	24	-27.3		17.0	20.0	17.6
Denver	230	162	-29.6		88.0	71.0	-19.3
Dolores	1	1	0.0		0.0	1.0	n/a
Douglas	111	74	-33.3		43.0	33.0	-23.3
Eagle	28	21	-25.0		12.0	10.0	-16.7
Elbert	18	5	-72.2		10.0	10.0	0.0
El Paso	446	312	-30.0		220.0	202.0	-8.2
Fremont	38	31	-18.4		15.0	30.0	100.0
Garfield	21	20	-4.8		21.0	23.0	9.5
Gilpin	5	1	-80.0		4.0	4.0	0.0
Grand	13	13	0.0		8.0	4.0	-50.0
Gunnison	5	3	-40.0		3.0	6.0	100.0
Hinsdale	0	1	n/a		1.0	0.0	-100.0
Huerfano	7	8	14.3		3.0	4.0	33.3
Jackson	2	0	-100.0		0.0	1.0	n/a
Jefferson	250	136	-45.6		89.0	74.0	-16.9
Kiowa	0	1	n/a		0.0	0.0	n/a
Kit Carson	1	1	0.0		0.0	0.0	n/a
La Plata	18	15	-16.7		10.0	4.0	-60.0
Lake	1	3	200.0		1.0	4.0	300.0
Larimer	91	57	-37.4		36.0	36.0	0.0
Las Animas	16	21	31.3		9.0	10.0	11.1
Lincoln	3	2	-33.3		0.0	1.0	n/a
Logan	9	3	-66.7		6.0	5.0	-16.7
Mesa	133	108	-18.8		70.0	64.0	-8.6
Mineral	0	0	n/a		1.0	0.0	-100.0
Moffat	8	10	25.0		9.0	7.0	-22.2
Montezuma	12	11	-8.3		11.0	6.0	-45.5

Montrose	26	23	-11.5		17.0	17.0	0.0
Morgan	17	14	-17.6		6.0	5.0	-16.7
Otero	14	15	7.1		11.0	4.0	-63.6
Ouray	3	1	-66.7		0.0	2.0	n/a
Park	20	12	-40.0		4.0	10.0	150.0
Philips	0	1	n/a		2.0	0.0	-100.0
Pitkin	9	5	-44.4		1.0	3.0	200.0
Prowers	3	7	133.3		3.0	3.0	0.0
Pueblo	166	115	-30.7		99.0	110.0	11.1
Rio Blanco	6	4	-33.3		3.0	5.0	66.7
Rio Grande	8	8	0.0		4.0	5.0	25.0
Routt	13	9	-30.8		10.0	9.0	-10.0
Saguache	3	3	0.0		2.0	5.0	150.0
San Juan	1	0	-100.0		0.0	0.0	n/a
San Miguel	8	4	-50.0		5.0	3.0	-40.0
Sedgwick	0	2	n/a		0.0	2.0	n/a
Summit	18	8	-55.6		13.0	7.0	-46.2
Teller	20	18	-10.0		8.0	17.0	112.5
Washington	2	0	-100.0		2.0	0.0	-100.0
Weld	127	99	-22.0		65.0	51.0	-21.5
Yuma	5	2	-60.0		0	3	n/a
Totals	2734	1872	-31.5		1229	1145	-6.8

Table 6: Foreclosure totals in each county for past 5 quarters:

Counties	2014 1st Q Filings	2014 2ndQ Filings	2014 3rdQ Filings	2014 4thQ Filings	2015 1st Q Filings		2014 1st Q Sales	2014 2nd Q Sales	2014 3rd Q Sales	2014 4th Q Sales	2015 1st Q Sales
Adams	370	293	156	381	184		159	155	135	99	159
Alamosa	8	9	7	7	5		10	6	6	3	10
Arapahoe	410	355	258	291	195		168	159	144	139	168
Archuleta	9	9	5	9	10		9	4	6	4	9
Baca	0	0	0	0	1		2	1	0	0	2
Bent	7	1	4	1	3		23	1	4	6	23
Boulder	84	75	52	38	51		32	27	22	20	32
Broomfield	16	17	12	14	12		10	5	7	8	10
Chaffee	8	7	7	8	3		1	5	1	2	1
Cheyenne	0	0	0	0	0		0	0	0	0	0
Clear Creek	7	2	7	6	4		3	7	1	2	3
Conejos	1	1	1	3	1		0	1	1	1	0
Costilla	4	0	3	2	2		0	1	2	1	0
Crowley	3	4	1	1	2		1	2	1	1	1
Custer	4	7	1	4	5		1	1	3	1	1
Delta	32	36	22	33	24		21	15	21	17	21
Denver	298	317	242	230	162		146	141	109	88	146
Dolores	1	2	2	1	1		1	1	1	0	1
Douglas	123	114	92	111	74		59	59	26	43	59
Eagle	32	19	24	28	21		17	12	14	12	17
Elbert	16	13	12	18	5		11	8	7	10	11
El Paso	584	425	370	446	312		253	266	263	220	253
Fremont	71	38	29	38	31		34	38	39	15	34
Garfield	46	38	31	21	20		39	18	36	21	39
Gilpin	5	4	6	5	1		1	5	1	4	1
Grand	17	14	10	13	13		8	16	10	8	8
Gunnison	11	7	9	5	3		14	6	6	3	14
Hinsdale	3	0	0	0	1		0	0	1	1	0
Huerfano	5	8	7	7	8		4	5	7	3	4
Jackson	0	1	0	2	0		0	1	0	0	0
Jefferson	310	239	179	250	136		135	128	107	89	135
Kiowa	0	0	1	0	1		0	0	0	0	0

Kit Carson	3	0	1	1	1		4	0	0	0	4
La Plata	17	21	12	18	15		15	5	13	10	15
Lake	5	4	1	1	3		2	2	1	1	2
Larimer	116	107	85	91	57		54	34	38	36	54
Las Animas	14	17	16	16	21		16	15	12	9	16
Lincoln	1	1	1	1	2		3	1	1	1	3
Logan	19	4	16	9	3		8	4	12	6	8
Mesa	147	103	116	133	108		143	92	98	70	143
Mineral	1	2	1	0	0		0	0	0	1	0
Moffat	15	12	7	8	10		10	12	7	9	10
Montezuma	13	17	8	12	11		10	10	2	11	10
Montrose	30	33	22	26	23		35	18	16	17	35
Morgan	14	13	9	17	14		14	12	8	6	14
Otero	25	14	8	14	15		6	14	11	11	6
Ouray	0	3	3	3	1		1	1	0	0	1
Park	21	19	18	20	12		13	29	2	4	13
Philips	2	1	2	0	1		1	0	1	2	1
Pitkin	7	7	6	9	5		5	1	4	1	5
Prowers	8	10	3	3	7		7	4	5	3	7
Pueblo	190	156	152	166	115		53	121	100	99	53
Rio Blanco	5	7	4	6	4		2	1	3	3	2
Rio Grande	8	7	9	8	8		5	5	5	4	5
Routt	18	17	17	17	9		17	13	13	13	17
Saguache	5	1	3	3	3		4	2	1	2	4
San Juan	1	1	1	1	0		0	1	0	0	0
San Miguel	7	7	5	8	4		0	4	2	5	0
Sedgwick	0	1	0	0	2		0	0	2	0	0
Summit	28	13	23	18	8		13	29	10	13	13
Teller	21	15	11	20	18		26	13	20	8	26
Washington	1	4	4	2	0		2	1	2	2	2
Weld	204	144	123	127	99		76	80	64	65	76
Yuma	7	3	4	5	2		1	4	3	0	1
Totals	3438	2819	2241	2736	1872		1708	1622	1437	1233	1708