



COLORADO

Department of Local Affairs

Division of Housing

2nd Quarter 2017 Foreclosure Report

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

August 18, 2017

Summary and Methods

As part of an effort to provide information to the public and government agencies on economic trends in Colorado, the Division of Housing compiles quarterly totals on foreclosure activity in Colorado Counties. Data is collected from the public trustee in each county and published quarterly by the Division of Housing.

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 Such filings can be "cured" and "withdrawn" before the property is sold at auction, meaning that not all foreclosure filings result in a final foreclosure sale.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

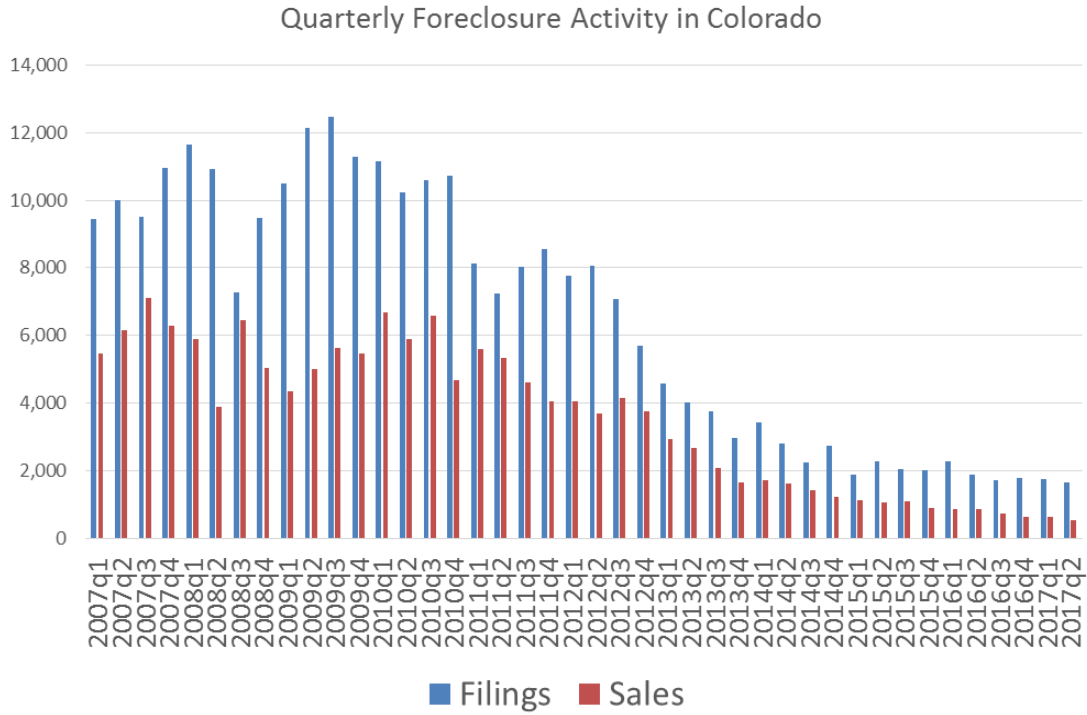
During the second quarter of 2017, Colorado public trustees reported 1,657 foreclosure filings and 546 sales at auction (completed foreclosures). During the second quarter of 2016, there were 1,872 filings and 883 sales. Comparing year-over-year for the second quarter, foreclosure filings fell 11.5 percent and completed foreclosures fell 38.2 percent.

Comparing the second quarter of 2017 to the first quarter of 2017, foreclosure filings fell 5.7 percent from 1,758 to 1,657. Foreclosure sales fell 15.9 percent from 649 to 546 during the same period.

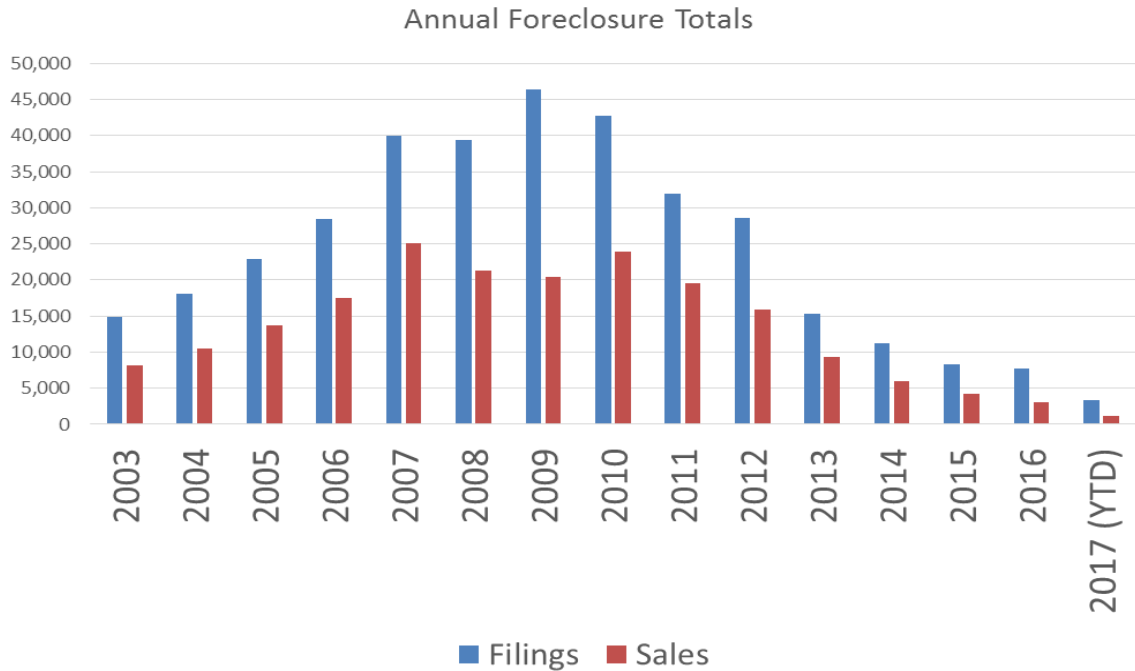
The foreclosure filings and sales totals reported for the second quarter of 2017 were the lowest filings and sales totals recorded since the Division of Housing began tracking quarterly foreclosure totals in 2007.

Graph 1 shows quarterly totals in foreclosure filings and sales. In recent quarters, foreclosure filings have stabilized and flattened somewhat, although foreclosure sales have continued to fall to new lows in nearly every quarter.

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



Graph 2: Annual Foreclosure Totals:



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	8,241
2016	7,666
2017 (Jan-Jun)	3,415

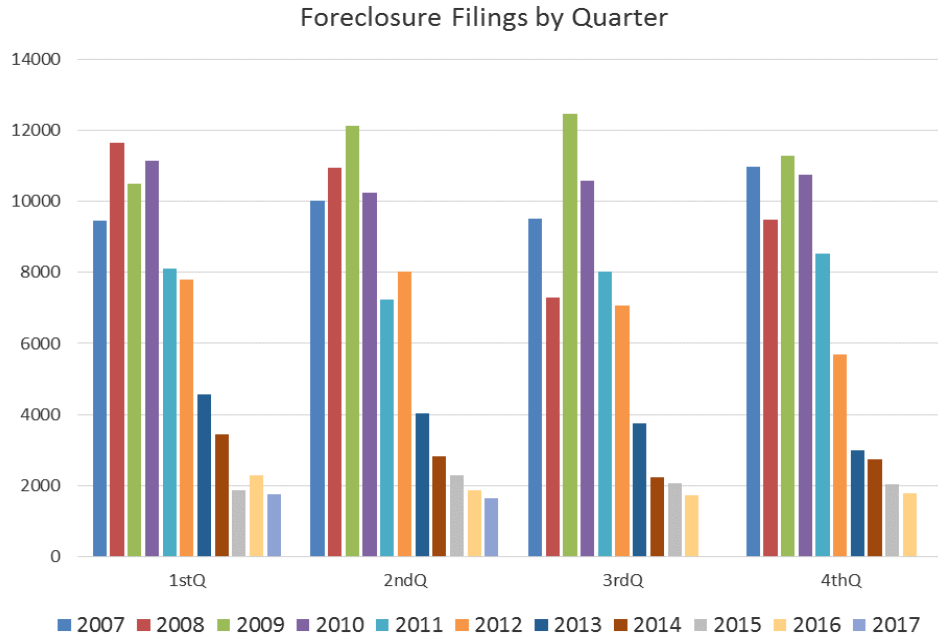
Table 2: Foreclosure Sales at Auction

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	4,209
2016	3,128
2017 (Jan-Jun)	1,195

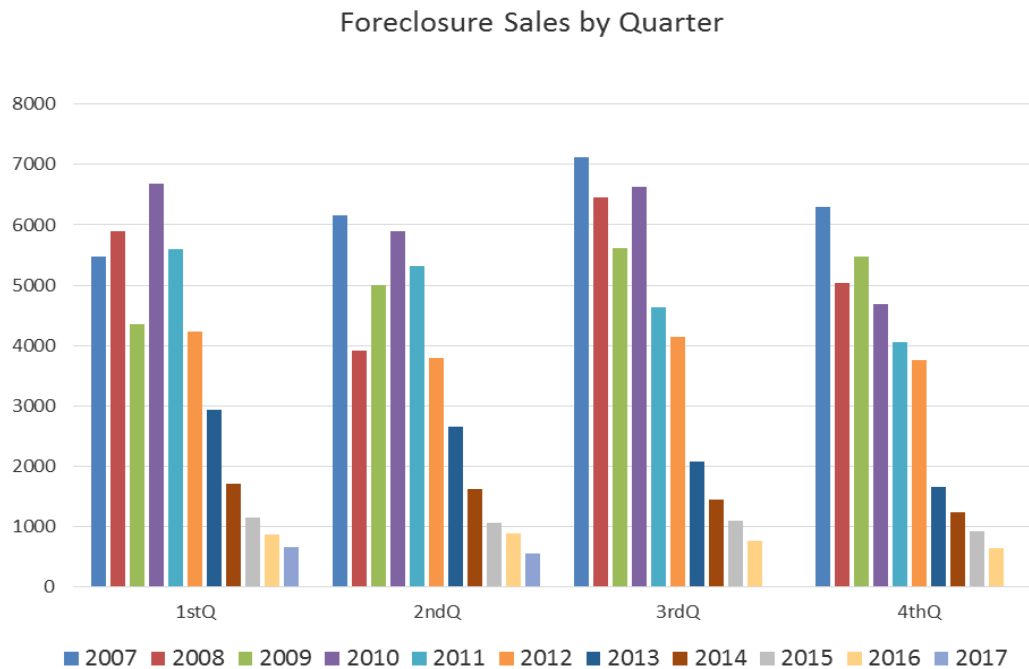
Quarter-by-Quarter Analysis

Graph 3 and Graph 4 show each quarter of each year compared. During the second quarter of 2017, sales declined for the seventh year in a row.

Graph 3: Foreclosure filings separated by quarter and year.



Graph 4: Foreclosure sales separated by quarter and year.



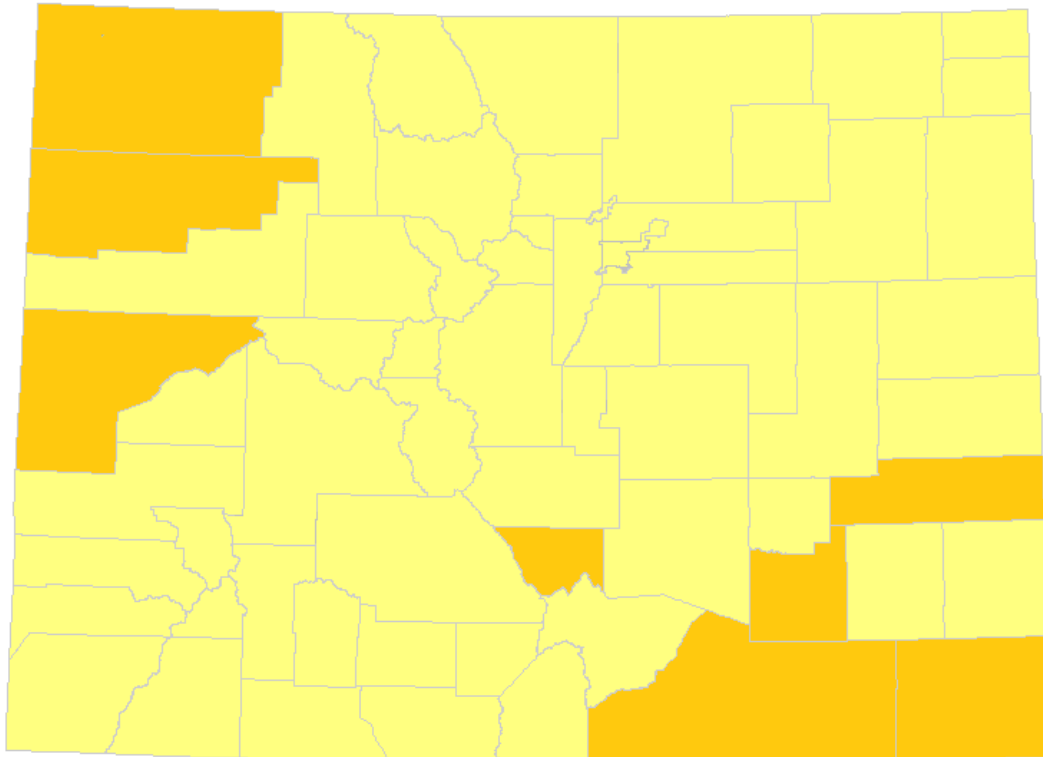
County Statistics

Trends in different counties throughout the state vary considerably. The 12 metropolitan counties in Colorado now account for slightly more than 82 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 in each county. Second-quarter totals for 2017 show that, in general, the second quarter was the least active quarter for foreclosures in a decade. Even the counties with highest foreclosure rates during the second quarter, such as Las Animas and Mesa Counties, are still experiencing foreclosure totals well below what was common five years ago, or ten years ago.

Map 1: Foreclosure rates in Colorado Counties, 2nd Quarter 2017



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 3,973 households for the second quarter of 2017.

Among metropolitan counties (e.g., Arapahoe County, Mesa County), only Mesa County found among the top ten counties for foreclosure sales rates. Most of the counties in the top ten were mountain and rural counties including Rio Blanco, Moffatt, and Las Animas Counties. But, foreclosure activity in all counties remained small compared to other years over the past decade.

Pueblo and Mesa counties reported the highest foreclosure rates of the metropolitan counties. Pueblo County reported a foreclosure rate of one foreclosure per 1,060 households while Mesa County reported a rate of 1 foreclosure per 932 households. See Table 3 for full listing.

Boulder County reported the lowest foreclosure rate among metropolitan counties with 2 completed foreclosures. Broomfield County reported only 1 completed foreclosures for the period.

Future Outlook

Overall, foreclosure activity in Colorado has been declining statewide nearly nonstop for eight years. Foreclosure activity so far this year gives no indication that the trend has reversed. For now, demand for real estate in Colorado remains strong, and this continues to push down foreclosure totals since homeowners unable to make payments can easily find buyers before the foreclosure process is completed. Moreover, job growth remains strong or stable in most areas, further reducing the likelihood of loan delinquency and foreclosure.

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 2015 (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. 2015 household numbers are the most recent available.

County	Households (2015 estimates)	2017 2nd Q Sales	Foreclosure Rate by Percentage	Foreclosure Rate by No. of Households per Completed Foreclosure
Moffat	5,117	10	0.20%	512
Rio Blanco	2,584	5	0.19%	517
Kiowa	615	1	0.16%	615
Custer	2,022	3	0.15%	674
Las Animas	5,732	8	0.14%	717
Baca	1,599	2	0.13%	800
Otero	7,500	9	0.12%	833
Mesa	58,691	63	0.11%	932
Logan	7,988	8	0.10%	999
Alamosa	6,179	6	0.10%	1,030
Morgan	10,336	10	0.10%	1,034
Pueblo	64,671	61	0.09%	1,060
Sedgwick	1,089	1	0.09%	1,089
Fremont	16,695	14	0.08%	1,193
Crowley	1,230	1	0.08%	1,230
Delta	12,299	9	0.07%	1,367
Routt	10,146	7	0.07%	1,449
Huerfano	3,024	2	0.07%	1,512
Conejos	3,040	2	0.07%	1,520
Prowers	4,670	3	0.06%	1,557
Bent	1,680	1	0.06%	1,680
Philips	1,774	1	0.06%	1,774
Montrose	16,339	9	0.06%	1,815
Teller	9,829	5	0.05%	1,966
Lincoln	1,985	1	0.05%	1,985
Washington	1,991	1	0.05%	1,991
Chaffee	7,966	4	0.05%	1,992
Grand	6,367	3	0.05%	2,122
Ouray	2,124	1	0.05%	2,124
Montezuma	10,795	5	0.05%	2,159
El Paso	256,525	117	0.05%	2,193
Gunnison	6,822	3	0.04%	2,274
Garfield	20,983	9	0.04%	2,331

Gilpin	2,633	1	0.04%	2,633
La Plata	22,486	8	0.04%	2,811
Lake	3,015	1	0.03%	3,015
Kit Carson	3,056	1	0.03%	3,056
Eagle	19,728	6	0.03%	3,288
San Miguel	3,683	1	0.03%	3,683
Park	7,376	2	0.03%	3,688
Yuma	3,959	1	0.03%	3,959
Weld	101,095	24	0.02%	4,212
Summit	12,725	3	0.02%	4,242
Elbert	8,965	2	0.02%	4,483
Rio Grande	4,573	1	0.02%	4,573
Archuleta	5,399	1	0.02%	5,399
Adams	168,515	26	0.02%	6,481
Pitkin	8,498	1	0.01%	8,498
Jefferson	230,716	23	0.01%	10,031
Douglas	115,085	10	0.01%	11,509
Arapahoe	246,937	21	0.01%	11,759
Denver	296,530	18	0.01%	16,474
Larimer	133,429	7	0.01%	19,061
Broomfield	24,841	1	0.00%	24,841
Boulder	128,829	2	0.00%	64,415
Cheyenne	791	0	0.00%	n/a
Clear Creek	4,309	0	0.00%	n/a
Costilla	1,576	0	0.00%	n/a
Dolores	850	0	0.00%	n/a
Hinsdale	327	0	0.00%	n/a
Jackson	629	0	0.00%	n/a
Mineral	363	0	0.00%	n/a
Saguache	2,708	0	0.00%	n/a
San Juan	347	0	0.00%	n/a
Total	2,129,263	536	0.03%	3,973

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

Counties	2016 Q2 Filings	2017 Q2 Filings	Percent Change	2016 Q2 Sales	2017 Q2 Sales	Percent Change
Adams	173	164	-5.2	57	26	-54.4
Alamosa	8	7	-12.5	3	6	100.0
Arapahoe	186	171	-8.1	60	21	-65.0
Archuleta	11	6	-45.5	2	1	-50.0
Baca	1	1	0.0	0	2	n/a
Bent	0	2	n/a	0	1	n/a
Boulder	41	44	7.3	17	2	-88.2
Broomfield	7	14	100.0	1	1	0.0
Chaffee	2	0	-100.0	1	4	300.0
Cheyenne	1	0	-100.0	0	0	n/a
Clear Creek	3	4	33.3	2	0	-100.0
Conejos	2	2	0.0	0	2	n/a
Costilla	3	2	-33.3	4	0	-100.0
Crowley	1	1	0.0	0	1	n/a
Custer	3	1	-66.7	1	3	200.0
Delta	18	19	5.6	20	9	-55.0
Denver	182	157	-13.7	39	18	-53.8
Dolores	1	0	-100.0	0	0	n/a
Douglas	89	58	-34.8	21	10	-52.4
Eagle	14	17	21.4	7	6	-14.3
Elbert	11	8	-27.3	4	2	-50.0
El Paso	318	272	-14.5	203	117	-42.4
Fremont	23	23	0.0	20	14	-30.0
Garfield	22	17	-22.7	9	9	0.0
Gilpin	3	4	33.3	2	1	-50.0
Grand	3	7	133.3	0	3	n/a
Gunnison	6	3	-50.0	2	3	50.0
Hinsdale	0	1	n/a	0	0	n/a
Huerfano	9	3	-66.7	6	2	-66.7
Jackson	0	0	n/a	0	0	n/a
Jefferson	104	142	36.5	26	23	-11.5
Kiowa	0	1	n/a	0	1	n/a
Kit Carson	3	3	0.0	1	1	0.0
La Plata	12	15	25.0	9	8	-11.1
Lake	2	4	100.0	0	1	n/a
Larimer	68	54	-20.6	13	7	-46.2
Las Animas	18	11	-38.9	13	8	-38.5
Lincoln	2	2	0.0	2	1	-50.0
Logan	10	12	20.0	8	8	0.0
Mesa	137	96	-29.9	96	63	-34.4
Mineral	2	1	-50.0	1	0	-100.0
Moffat	11	13	18.2	12	10	-16.7
Montezuma	18	10	-44.4	4	5	25.0
Montrose	17	16	-5.9	21	9	-57.1
Morgan	16	9	-43.8	7	10	42.9

Otero	11	15	36.4		6	9	50.0
Ouray	1	1	0.0		2	1	-50.0
Park	11	5	-54.5		8	2	-75.0
Philips	1	2	100.0		0	1	n/a
Pitkin	3	2	-33.3		3	1	-66.7
Prowers	5	9	80.0		2	3	50.0
Pueblo	116	99	-14.7		92	61	-33.7
Rio Blanco	11	4	-63.6		6	5	-16.7
Rio Grande	8	7	-12.5		6	1	-83.3
Routt	9	8	-11.1		3	7	133.3
Saguache	3	1	-66.7		4	0	-100.0
San Juan	0	0	n/a		0	0	n/a
San Miguel	1	3	200.0		0	1	n/a
Sedgwick	2	4	100.0		2	1	-50.0
Summit	8	5	-37.5		3	3	0.0
Teller	11	10	-9.1		10	5	-50.0
Washington	1	1	0.0		0	1	n/a
Weld	98	82	-16.3		40	24	-40.0
Yuma	11	2	-81.8		2	1	-50.0
Total	1,872	1,657	-11.5		883	546	-38.2

Table 5: Percent change from 1st Q 2017 to 2nd Q 2017:

Counties	2017 1st Q Filings	2017 2nd Q Filings	Percent Change		2017 1st Q Sales	2017 2nd Q Sales	Percent Change
Adams	165	164	-0.6		37	26	-29.7
Alamosa	4	7	75.0		11	6	-45.5
Arapahoe	169	171	1.2		36	21	-41.7
Archuleta	7	6	-14.3		4	1	-75.0
Baca	1	1	0.0		1	2	100.0
Bent	2	2	0.0		2	1	-50.0
Boulder	35	44	25.7		10	2	-80.0
Broomfield	8	14	75.0		0	1	n/a
Chaffee	6	0	-100.0		0	4	n/a
Cheyenne	0	0	n/a		0	0	n/a
Clear Creek	7	4	-42.9		0	0	n/a
Conejos	2	2	0.0		0	2	n/a
Costilla	1	2	100.0		0	0	n/a
Crowley	3	1	-66.7		2	1	-50.0
Custer	3	1	-66.7		2	3	50.0
Delta	18	19	5.6		12	9	-25.0
Denver	179	157	-12.3		24	18	-25.0
Dolores	3	0	-100.0		0	0	n/a
Douglas	88	58	-34.1		19	10	-47.4
Eagle	13	17	30.8		4	6	50.0
Elbert	11	8	-27.3		1	2	100.0
El Paso	286	272	-4.9		122	117	-4.1
Fremont	18	23	27.8		25	14	-44.0
Garfield	21	17	-19.0		13	9	-30.8
Gilpin	3	4	33.3		0	1	n/a
Grand	8	7	-12.5		5	3	-40.0
Gunnison	1	3	200.0		4	3	-25.0
Hinsdale	0	1	n/a		0	0	n/a
Huerfano	5	3	-40.0		9	2	-77.8
Jackson	2	0	-100.0		0	0	n/a
Jefferson	116	142	22.4		23	23	0.0
Kiowa	1	1	0.0		0	1	n/a
Kit Carson	3	3	0.0		3	1	-66.7
La Plata	19	15	-21.1		4	8	100.0
Lake	4	4	0.0		2	1	-50.0
Larimer	58	54	-6.9		18	7	-61.1
Las Animas	13	11	-15.4		7	8	14.3
Lincoln	2	2	0.0		1	1	0.0
Logan	6	12	100.0		6	8	33.3
Mesa	118	96	-18.6		65	63	-3.1
Mineral	1	1	0.0		0	0	n/a
Moffat	12	13	8.3		9	10	11.1

Montezuma	8	10	25.0		6	5	-16.7
Montrose	14	16	14.3		13	9	-30.8
Morgan	16	9	-43.8		5	10	100.0
Otero	13	15	15.4		9	9	0.0
Ouray	1	1	0.0		0	1	n/a
Park	9	5	-44.4		4	2	-50.0
Philips	1	2	100.0		1	1	0.0
Pitkin	3	2	-33.3		1	1	0.0
Prowers	6	9	50.0		1	3	200.0
Pueblo	111	99	-10.8		76	61	-19.7
Rio Blanco	11	4	-63.6		11	5	-54.5
Rio Grande	6	7	16.7		7	1	-85.7
Routt	8	8	0.0		3	7	133.3
Saguache	0	1	n/a		0	0	n/a
San Juan	0	0	n/a		1	0	-100.0
San Miguel	2	3	50.0		0	1	n/a
Sedgwick	3	4	33.3		1	1	0.0
Summit	8	5	-37.5		0	3	n/a
Teller	15	10	-33.3		7	5	-28.6
Washington	2	1	-50.0		0	1	n/a
Weld	96	82	-14.6		20	24	20.0
Yuma	3	2	-33.3		2	1	-50.0
Totals	1758	1657	-5.7		649	546	-15.9

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

Counties	2016 Q2 Filings	2016 Q3 Filings	2016 Q4 Filings	2017 Q1 Filings	2017 Q2 Filings		2016 Q2 Sales	2016 Q3 Sales	2016 Q4 Sales	2017 Q1 Sales	2017 Q2 Sales
Adams	173	144	187	165	164		57	38	32	37	26
Alamosa	8	14	10	4	7		3	8	4	11	6
Arapahoe	186	156	169	169	171		60	49	33	36	21
Archuleta	11	4	3	7	6		2	10	1	4	1
Baca	1	1	3	1	1		0	2	0	1	2
Bent	0	2	1	2	2		0	0	0	2	1
Boulder	41	43	27	35	44		17	14	8	10	2
Broomfield	7	9	8	8	14		1	1	1	0	1
Chaffee	2	4	2	6	0		1	0	3	0	4
Cheyenne	1	1	0	0	0		0	0	0	0	0
Clear Creek	3	3	4	7	4		2	2	0	0	0
Conejos	2	4	3	2	2		0	0	3	0	2
Costilla	3	0	0	1	2		4	0	0	0	0
Crowley	1	2	5	3	1		0	0	2	2	1
Custer	3	6	2	3	1		1	2	4	2	3
Delta	18	26	24	18	19		20	14	16	12	9
Denver	182	169	183	179	157		39	49	29	24	18
Dolores	1	0	1	3	0		0	0	1	0	0
Douglas	89	72	77	88	58		21	16	10	19	10
Eagle	14	16	11	13	17		7	2	8	4	6
Elbert	11	9	6	11	8		4	3	2	1	2
El Paso	318	254	295	286	272		203	156	136	122	117
Fremont	23	34	26	18	23		20	11	24	25	14
Garfield	22	22	18	21	17		9	10	9	13	9
Gilpin	3	1	1	3	4		2	4	1	0	1
Grand	3	7	6	8	7		0	2	3	5	3
Gunnison	6	3	4	1	3		2	4	3	4	3
Hinsdale	0	1	0	0	1		0	0	1	0	0
Huerfano	9	7	7	5	3		6	4	4	9	2
Jackson	0	0	0	2	0		0	0	0	0	0
Jefferson	104	123	125	116	142		26	29	17	23	23
Kiowa	0	0	0	1	1		0	1	1	0	1
Kit Carson	3	5	4	3	3		1	1	2	3	1

La Plata	12	15	19	19	15		9	10	7	4	8
Lake	2	6	5	4	4		0	2	5	2	1
Larimer	68	66	53	58	54		13	11	13	18	7
Las Animas	18	11	9	13	11		13	10	15	7	8
Lincoln	2	2	2	2	2		2	1	0	1	1
Logan	10	7	6	6	12		8	7	2	6	8
Mesa	137	147	124	118	96		96	86	80	65	63
Mineral	2	0	0	1	1		1	0	0	0	0
Moffat	11	16	15	12	13		12	15	13	9	10
Montezuma	18	9	7	8	10		4	1	14	6	5
Montrose	17	20	20	14	16		21	4	8	13	9
Morgan	16	14	16	16	9		7	1	4	5	10
Otero	11	10	9	13	15		6	8	6	9	9
Ouray	1	0	2	1	1		2	0	1	0	1
Park	11	11	9	9	5		8	4	3	4	2
Philips	1	2	0	1	2		0	2	1	1	1
Pitkin	3	5	3	3	2		3	3	0	1	1
Prowers	5	5	4	6	9		2	5	1	1	3
Pueblo	116	93	115	111	99		92	82	51	76	61
Rio Blanco	11	9	9	11	4		6	7	9	11	5
Rio Grande	8	9	4	6	7		6	4	4	7	1
Routt	9	5	6	8	8		3	4	1	3	7
Saguache	3	1	4	0	1		4	1	4	0	0
San Juan	0	0	2	0	0		0	0	0	1	0
San Miguel	1	2	3	2	3		0	1	0	0	1
Sedgwick	2	3	1	3	4		2	2	0	1	1
Summit	8	4	12	8	5		3	3	1	0	3
Teller	11	11	16	15	10		10	9	4	7	5
Washington	1	0	2	2	1		0	1	0	0	1
Weld	98	93	102	96	82		40	30	26	20	24
Yuma	11	3	3	3	2		2	5	2	2	1
Totals	1,872	1,721	1,794	1,758	1,657		883	751	633	649	546