COLORADO
Department of Local Affairs
Division of Housing

1st Quarter 2018 Foreclosure Report

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

June 7, 2018

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 Such filings can be "cured" and "withdrawn" before the property is sold at auction, meaning that not all foreclosure filings result in a final foreclosure sale.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 first quarter of 2018, Colorado public trustees reported 1,571 foreclosure filings and 441 sales at auction (completed foreclosures). During the first quarter of last year (2017), there were 1,758 filings and 649 sales. Comparing year-over-year for the fourth quarter, foreclosure filings fell 10.6 percent and completed foreclosures fell 32.0 percent.

Comparing the first quarter of 2018 to the fourth quarter of 2017, foreclosure filings fell 5.0 percent from 1,654 to 1,571. Foreclosure sales fell 1.3 percent from 447 to 441 during the same period.

The foreclosure sales total reported for the first quarter of 2018 was the lowest 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:

Quarterly Foreclosure Activity in Colorado
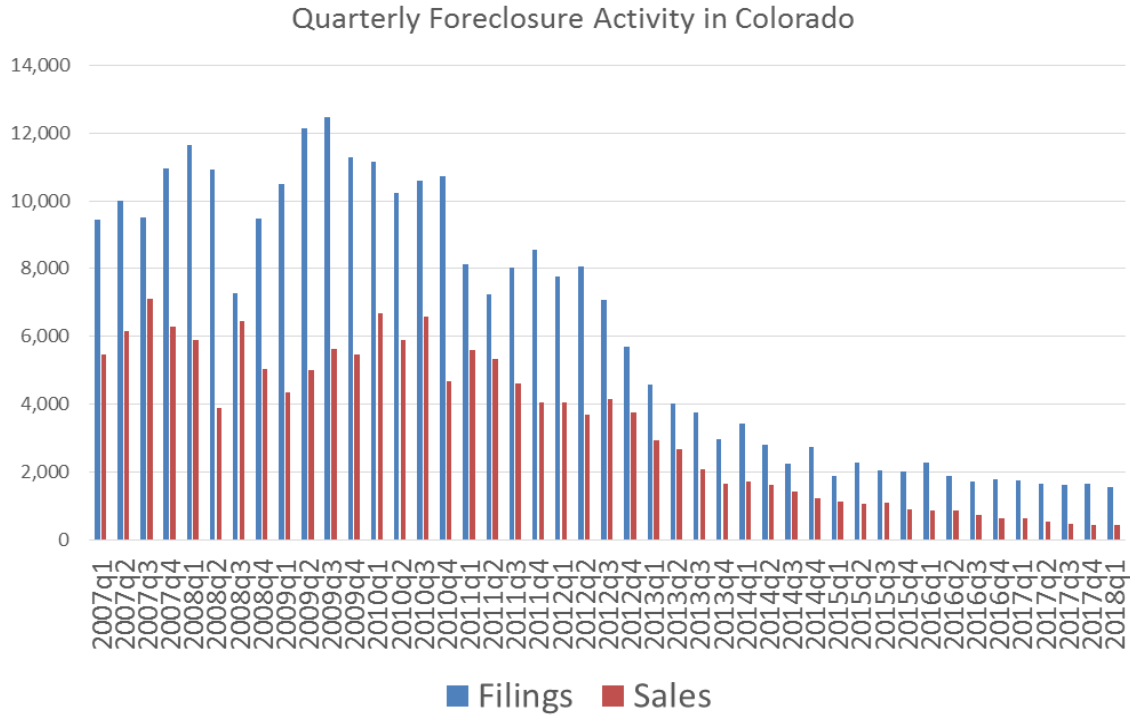
Graph 2: Annual Foreclosure Totals:

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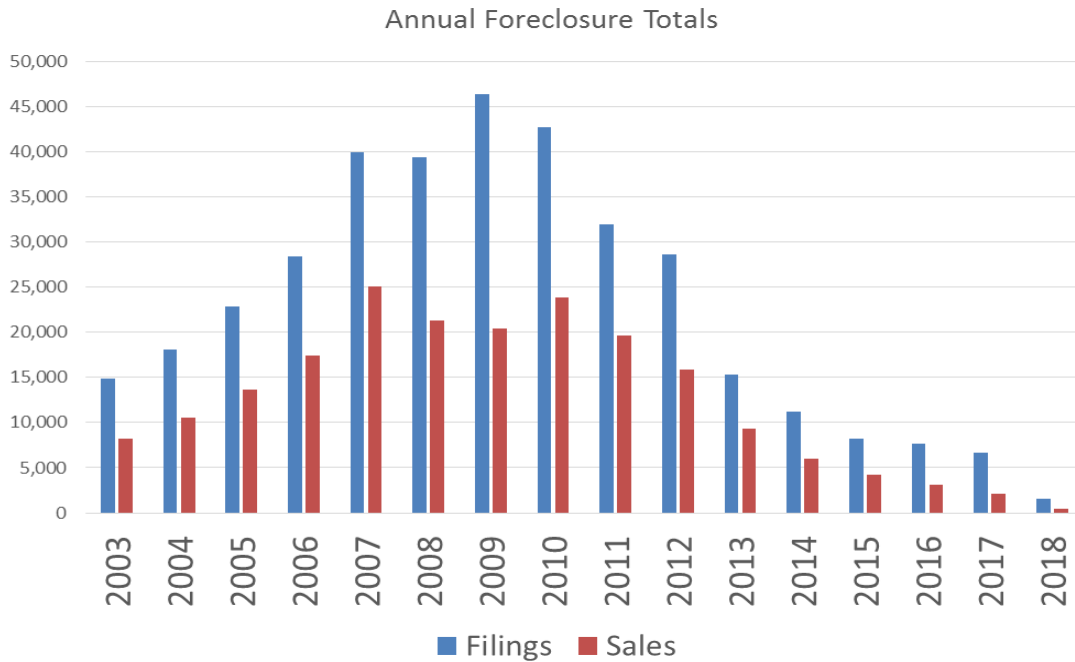
Note: Annual totals are available since 2003, but quarterly totals are only available since 2007.

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	6,680
2018 (Jan-Mar)	1,571

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	2,100
2018 (Jan-Mar)	441

Quarter-by-Quarter Analysis

Graph 3 and Graph 4 show each quarter of each year compared. During the first quarter of 2018, both filings and sales fell to the lowest first-quarter total ever measured by the survey.

Graph 3: Foreclosure filings separated by quarter and year.

Foreclosure Filings by Quarter
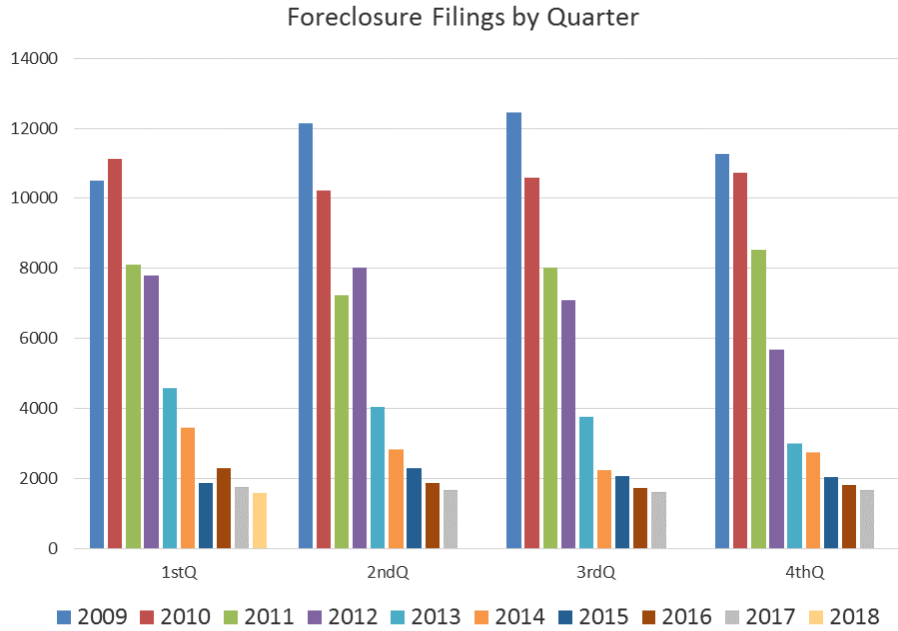
Graph 4: Foreclosure sales separated by quarter and year.

Foreclosure Sales by Quarter
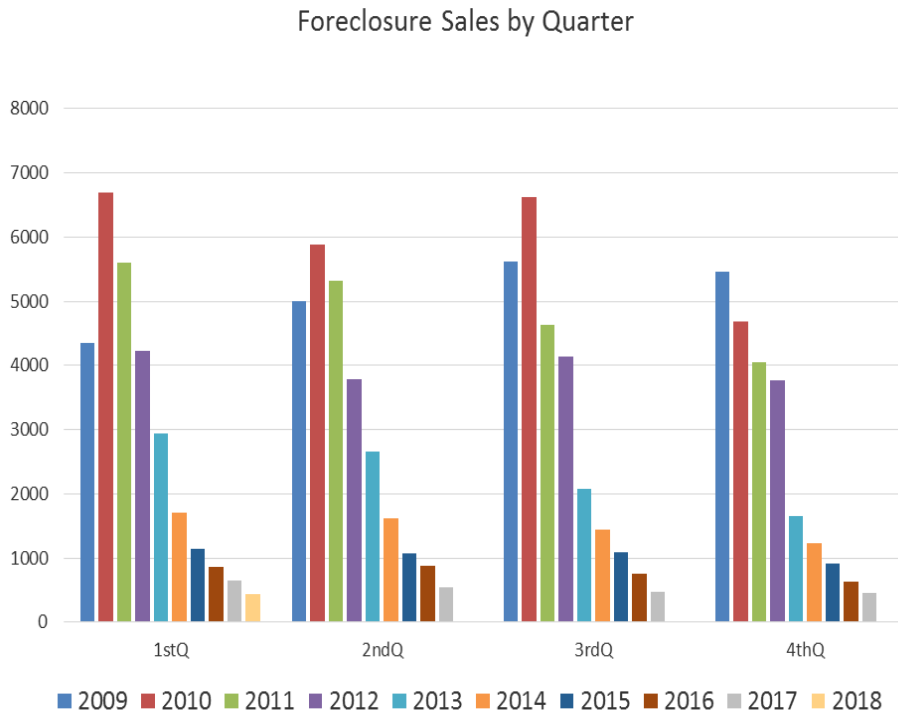
County Statistics

Trends in different counties throughout the state vary considerably. The 12 metropolitan counties in Colorado now account for slightly more than 70 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 is now less limited to metropolitan areas than was the case in the past.

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. Counties are presented here separated into quartiles. However, it should be noted that even the counties in the top quartile (i.e., highest-foreclosure quartile) are generally seeing foreclosure activity levels well below what was the case a decade ago.

Given recent home price growth along the Front Rage in recent years, it's not surprising that the Denver Metro area and Northern Colorado show some of the state's lowest foreclosure rates.

Map 1: Foreclosure rates in Colorado Counties, by quartile, 1st Quarter 2018
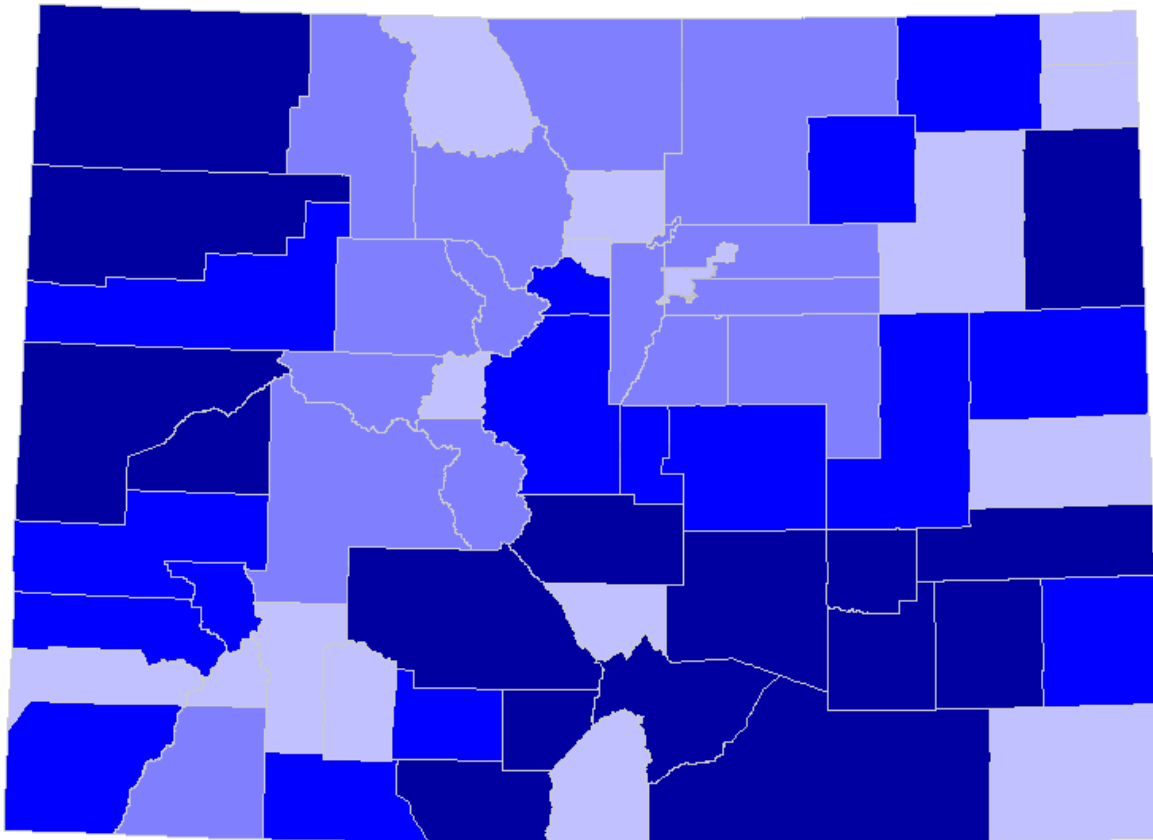
In a change from earlier reports, foreclosure rates are now presented by quartile to show greater contrast. Darker colors represent higher foreclosure rates.

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

Statewide, there was approximately 1 completed foreclosure (foreclosure sale) per 4,840 households for the first quarter of 2018.

Among metropolitan counties (e.g., Arapahoe County, Mesa County), only Mesa County was found among the top ten counties for foreclosure sales rates. Most of the counties in the top ten were mountain and rural counties including Fremont, Moffatt, and Delta 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 1,293 households while Mesa County reported a rate of 1 foreclosure per 1,048 households.

Boulder County reported the lowest foreclosure rate among metropolitan counties with 6 completed foreclosures, for a rate of 1 foreclosure sale per 21,472 households.

Future Outlook

2017 was another robust year for home-price growth in many of the Colorado's most populous counties, further driving down overall foreclosure rates. This is because homeowners unable to make payments can more easily sell their homes to avoid foreclosure in a hot housing market. But given the general strength of the economy statewide, foreclosure activity statewide continues to be quite subdued compared to past levels.

Once employment and economic-growth trends begin to change, we'll see a change in this trend, but increasing foreclosure activity is likely to be preceded by a softening in the job market.

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 used.

County	Households (2015 estimates)	2018 1st Q Sales	Foreclosure Rate by Percentage	Foreclosure Rate by No. of Households per Completed Foreclosure
Saguache	2,708	5	0.18%	542
Bent	1,680	3	0.18%	560
Moffat	5,117	9	0.18%	569
Kiowa	615	1	0.16%	615
Las Animas	5,732	8	0.14%	717
Conejos	3,040	3	0.10%	1,013
Mesa	58,691	56	0.10%	1,048
Delta	12,299	11	0.09%	1,118
Fremont	16,695	14	0.08%	1,193
Crowley	1,230	1	0.08%	1,230
Alamosa	6,179	5	0.08%	1,236
Rio Blanco	2,584	2	0.08%	1,292
Pueblo	64,671	50	0.08%	1,293
Yuma	3,959	3	0.08%	1,320
Otero	7,500	5	0.07%	1,500
Huerfano	3,024	2	0.07%	1,512
Rio Grande	4,573	3	0.07%	1,524
Prowers	4,670	3	0.06%	1,557
Lincoln	1,985	1	0.05%	1,985
Montrose	16,339	8	0.05%	2,042
Ouray	2,124	1	0.05%	2,124
Clear Creek	4,309	2	0.05%	2,155
Park	7,376	3	0.04%	2,459
Morgan	10,336	4	0.04%	2,584
Montezuma	10,795	4	0.04%	2,699
Archuleta	5,399	2	0.04%	2,700
Kit Carson	3,056	1	0.03%	3,056
Teller	9,829	3	0.03%	3,276
Garfield	20,983	6	0.03%	3,497
San Miguel	3,683	1	0.03%	3,683
El Paso	256,525	65	0.03%	3,947

Logan	7,988	2	0.03%	3,994
Pitkin	8,498	2	0.02%	4,249
Elbert	8,965	2	0.02%	4,483
Eagle	19,728	4	0.02%	4,932
Adams	168,515	33	0.02%	5,107
La Plata	22,486	4	0.02%	5,622
Weld	101,095	17	0.02%	5,947
Summit	12,725	2	0.02%	6,363
Grand	6,367	1	0.02%	6,367
Gunnison	6,822	1	0.01%	6,822
Chaffee	7,966	1	0.01%	7,966
Broomfield	24,841	3	0.01%	8,280
Larimer	133,429	14	0.01%	9,531
Routt	10,146	1	0.01%	10,146
Douglas	115,085	10	0.01%	11,509
Jefferson	230,716	17	0.01%	13,572
Arapahoe	246,937	18	0.01%	13,719
Denver	296,530	18	0.01%	16,474
Boulder	128,829	6	0.00%	21,472
Baca	1,599	0	0.00%	n/a
Cheyenne	791	0	0.00%	n/a
Costilla	1,576	0	0.00%	n/a
Custer	2,022	0	0.00%	n/a
Dolores	850	0	0.00%	n/a
Gilpin	2,633	0	0.00%	n/a
Hinsdale	327	0	0.00%	n/a
Jackson	629	0	0.00%	n/a
Lake	3,015	0	0.00%	n/a
Mineral	363	0	0.00%	n/a
Philips	1,774	0	0.00%	n/a
San Juan	347	0	0.00%	n/a
Sedgwick	1,089	0	0.00%	n/a
Washington	1,991	0	0.00%	n/a
Total	2,134,380	441	0.02%	4,840

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

Counties	2017 Q1 Filings	2018 Q1 Filings	Percent Change		2017 Q1 Sales	2018 Q1 Sales	Percent Change
Adams	165	171	3.6		37	33	-10.8
Alamosa	4	9	125.0		11	5	-54.5
Arapahoe	169	171	1.2		36	18	-50.0
Archuleta	7	6	-14.3		4	2	-50.0
Baca	1	0	-100.0		1	0	-100.0
Bent	2	4	100.0		2	3	50.0
Boulder	35	36	2.9		10	6	-40.0
Broomfield	8	12	50.0		0	3	n/a
Chaffee	6	4	-33.3		0	1	n/a
Cheyenne	0	0	n/a		0	0	n/a
Clear Creek	7	5	-28.6		0	2	n/a
Conejos	2	3	50.0		0	3	n/a
Costilla	1	2	100.0		0	0	n/a
Crowley	3	1	-66.7		2	1	-50.0
Custer	3	4	33.3		2	0	-100.0
Delta	18	15	-16.7		12	11	-8.3
Denver	179	131	-26.8		24	18	-25.0
Dolores	3	1	-66.7		0	0	n/a
Douglas	88	76	-13.6		19	10	-47.4
Eagle	13	12	-7.7		4	4	0.0
Elbert	11	6	-45.5		1	2	100.0
El Paso	286	235	-17.8		122	65	-46.7
Fremont	18	26	44.4		25	14	-44.0
Garfield	21	22	4.8		13	6	-53.8
Gilpin	3	3	0.0		0	0	n/a
Grand	8	5	-37.5		5	1	-80.0
Gunnison	1	3	200.0		4	1	-75.0
Hinsdale	0	0	n/a		0	0	n/a
Huerfano	5	4	-20.0		9	2	-77.8
Jackson	2	0	-100.0		0	0	n/a
Jefferson	116	124	6.9		23	17	-26.1
Kiowa	1	1	0.0		0	1	n/a
Kit Carson	3	1	-66.7		3	1	-66.7
La Plata	19	16	-15.8		4	4	0.0
Lake	4	2	-50.0		2	0	-100.0
Larimer	58	52	-10.3		18	14	-22.2
Las Animas	13	10	-23.1		7	8	14.3
Lincoln	2	1	-50.0		1	1	0.0
Logan	6	9	50.0		6	2	-66.7
Mesa	118	74	-37.3		65	56	-13.8
Mineral	1	0	-100.0		0	0	n/a
Moffat	12	13	8.3		9	9	0.0
Montezuma	8	8	0.0		6	4	-33.3
Montrose	14	15	7.1		13	8	-38.5

Morgan	16	12	-25.0	5	4	-20.0
Otero	13	8	-38.5	9	5	-44.4
Ouray	1	3	200.0	0	1	n/a
Park	9	11	22.2	4	3	-25.0
Philips	1	2	100.0	1	0	-100.0
Pitkin	3	3	0.0	1	2	100.0
Prowers	6	6	0.0	1	3	200.0
Pueblo	111	81	-27.0	76	50	-34.2
Rio Blanco	11	5	-54.5	11	2	-81.8
Rio Grande	6	4	-33.3	7	3	-57.1
Routt	8	6	-25.0	3	1	-66.7
Saguache	0	1	n/a	0	5	n/a
San Juan	0	0	n/a	1	0	-100.0
San Miguel	2	4	100.0	0	1	n/a
Sedgwick	3	2	-33.3	1	0	-100.0
Summit	8	15	87.5	0	2	n/a
Teller	15	11	-26.7	7	3	-57.1
Washington	2	1	-50.0	0	0	n/a
Weld	96	97	1.0	20	17	-15.0
Yuma	3	6	100.0	2	3	50.0
Total	1,758	1,571	-10.6	649	441	-32.0

Table 5: Percent change from 4th Q 2017 to 1st Q 2018:

Counties	2017 4th Q Filings	2018 1st Q Filings	Percent Change		2017 4th Q Sales	2018 1st Q Sales	Percent Change
Adams	156	171	9.6		24	33	37.5
Alamosa	8	9	12.5		7	5	-28.6
Arapahoe	176	171	-2.8		25	18	-28.0
Archuleta	3	6	100.0		3	2	-33.3
Baca	0	0	n/a		1	0	-100.0
Bent	1	4	300.0		1	3	200.0
Boulder	40	36	-10.0		8	6	-25.0
Broomfield	6	12	100.0		3	3	0.0
Chaffee	2	4	100.0		0	1	n/a
Cheyenne	0	0	n/a		0	0	n/a
Clear Creek	3	5	66.7		1	2	100.0
Conejos	8	3	-62.5		2	3	50.0
Costilla	0	2	n/a		0	0	n/a
Crowley	1	1	0.0		2	1	-50.0
Custer	0	4	n/a		1	0	-100.0
Delta	23	15	-34.8		15	11	-26.7
Denver	157	131	-16.6		17	18	5.9
Dolores	0	1	n/a		0	0	n/a
Douglas	51	76	49.0		10	10	0.0
Eagle	17	12	-29.4		5	4	-20.0
Elbert	8	6	-25.0		2	2	0.0
El Paso	287	235	-18.1		85	65	-23.5
Fremont	25	26	4.0		17	14	-17.6
Garfield	18	22	22.2		7	6	-14.3
Gilpin	0	3	n/a		0	0	n/a
Grand	7	5	-28.6		0	1	n/a
Gunnison	2	3	50.0		1	1	0.0
Hinsdale	0	0	n/a		0	0	n/a
Huerfano	4	4	0.0		2	2	0.0
Jackson	0	0	n/a		1	0	-100.0
Jefferson	119	124	4.2		17	17	0.0
Kiowa	0	1	n/a		0	1	n/a
Kit Carson	1	1	0.0		1	1	0.0
La Plata	6	16	166.7		6	4	-33.3
Lake	2	2	0.0		2	0	-100.0
Larimer	75	52	-30.7		8	14	75.0
Las Animas	16	10	-37.5		5	8	60.0
Lincoln	4	1	-75.0		0	1	n/a
Logan	6	9	50.0		1	2	100.0
Mesa	99	74	-25.3		53	56	5.7
Mineral	0	0	n/a		0	0	n/a
Moffat	12	13	8.3		6	9	50.0

Montezuma	7	8	14.3	3	4	33.3
Montrose	15	15	0.0	6	8	33.3
Morgan	11	12	9.1	2	4	100.0
Otero	13	8	-38.5	4	5	25.0
Ouray	2	3	50.0	1	1	0.0
Park	9	11	22.2	3	3	0.0
Philips	0	2	n/a	1	0	-100.0
Pitkin	3	3	0.0	0	2	n/a
Prowers	4	6	50.0	2	3	50.0
Pueblo	110	81	-26.4	59	50	-15.3
Rio Blanco	6	5	-16.7	4	2	-50.0
Rio Grande	0	4	n/a	3	3	0.0
Routt	7	6	-14.3	1	1	0.0
Saguache	5	1	-80.0	0	5	n/a
San Juan	0	0	n/a	0	0	n/a
San Miguel	3	4	33.3	1	1	0.0
Sedgwick	2	2	0.0	2	0	-100.0
Summit	14	15	7.1	1	2	100.0
Teller	10	11	10.0	1	3	200.0
Washington	2	1	-50.0	0	0	n/a
Weld	84	97	15.5	12	17	41.7
Yuma	4	6	50.0	2	3	50.0
Totals	1,654	1,571	-5.0	447	441	-1.3

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

Counties	2017 Q1 Filings	2017 Q2 Filings	2017 Q3 Filings	2017 Q4 Filings	2018 Q1 Filings		2017 Q1 Sales	2017 Q2 Sales	2017 Q3 Sales	2017 Q4 Sales	2018 Q1 Sales
Adams	165	164	175	156	171		37	26	23	24	33
Alamosa	4	7	13	8	9		11	6	4	7	5
Arapahoe	169	171	190	176	171		36	21	20	25	18
Archuleta	7	6	8	3	6		4	1	1	3	2
Baca	1	1	0	0	0		1	2	1	1	0
Bent	2	2	2	1	4		2	1	1	1	3
Boulder	35	44	51	40	36		10	2	7	8	6
Broomfield	8	14	13	6	12		0	1	2	3	3
Chaffee	6	0	5	2	4		0	4	0	0	1
Cheyenne	0	0	0	0	0		0	0	0	0	0
Clear Creek	7	4	4	3	5		0	0	1	1	2
Conejos	2	2	5	8	3		0	2	2	2	3
Costilla	1	2	0	0	2		0	0	0	0	0
Crowley	3	1	3	1	1		2	1	1	2	1
Custer	3	1	3	0	4		2	3	1	1	0
Delta	18	19	27	23	15		12	9	10	15	11
Denver	179	157	155	157	131		24	18	16	17	18
Dolores	3	0	0	0	1		0	0	0	0	0
Douglas	88	58	57	51	76		19	10	10	10	10
Eagle	13	17	8	17	12		4	6	11	5	4
Elbert	11	8	9	8	6		1	2	3	2	2
El Paso	286	272	244	287	235		122	117	88	85	65
Fremont	18	23	27	25	26		25	14	6	17	14
Garfield	21	17	17	18	22		13	9	4	7	6
Gilpin	3	4	2	0	3		0	1	2	0	0
Grand	8	7	6	7	5		5	3	4	0	1
Gunnison	1	3	4	2	3		4	3	1	1	1
Hinsdale	0	1	1	0	0		0	0	0	0	0
Huerfano	5	3	6	4	4		9	2	6	2	2
Jackson	2	0	1	0	0		0	0	2	1	0
Jefferson	116	142	99	119	124		23	23	19	17	17
Kiowa	1	1	1	0	1		0	1	1	0	1
Kit Carson	3	3	2	1	1		3	1	2	1	1

County										
La Plata	19	15	13	6	16		4	8	7	6	4
Lake	4	4	3	2	2		2	1	0	2	0
Larimer	58	54	49	75	52		18	7	14	8	14
Las Animas	13	11	7	16	10		7	8	8	5	8
Lincoln	2	2	3	4	1		1	1	1	0	1
Logan	6	12	6	6	9		6	8	3	1	2
Mesa	118	96	83	99	74		65	63	60	53	56
Mineral	1	1	0	0	0		0	0	0	0	0
Moffat	12	13	12	12	13		9	10	6	6	9
Montezuma	8	10	9	7	8		6	5	2	3	4
Montrose	14	16	14	15	15		13	9	9	6	8
Morgan	16	9	12	11	12		5	10	2	2	4
Otero	13	15	5	13	8		9	9	12	4	5
Ouray	1	1	5	2	3		0	1	0	1	1
Park	9	5	9	9	11		4	2	1	3	3
Philips	1	2	2	0	2		1	1	0	1	0
Pitkin	3	2	6	3	3		1	1	0	0	2
Prowers	6	9	5	4	6		1	3	4	2	3
Pueblo	111	99	90	110	81		76	61	50	59	50
Rio Blanco	11	4	3	6	5		11	5	4	4	2
Rio Grande	6	7	5	0	4		7	1	2	3	3
Routt	8	8	5	7	6		3	7	1	1	1
Saguache	0	1	3	5	1		0	0	1	0	5
San Juan	0	0	0	0	0		1	0	0	0	0
San Miguel	2	3	1	3	4		0	1	1	1	1
Sedgwick	3	4	2	2	2		1	1	1	2	0
Summit	8	5	9	14	15		0	3	1	1	2
Teller	15	10	7	10	11		7	5	6	1	3
Washington	2	1	1	2	1		0	1	0	0	0
Weld	96	82	100	84	97		20	24	19	12	17
Yuma	3	2	3	4	6		2	1	1	2	3
Totals	1,758	1,657	1,610	1,654	1,571		649	546	465	447	441