



Monthly Metropolitan Foreclosure Report, April 2010

Colorado Department of Local Affairs – Division of Housing

Introduction

The Division of Housing now releases monthly data on foreclosure filings and foreclosure sales in metropolitan counties in Colorado. These reports are a supplement to the Division's quarterly statewide foreclosure reports available at the Division's web site: <http://dola.colorado.gov/cdh/>

Foreclosure filings represent the point at which the legal foreclosure process begins. The foreclosure sale represents the point at which the foreclosure process is completed. Since not all filed foreclosures proceed all the way through the foreclosure process, the total number of completed foreclosures in each time period is usually smaller than the total number.

These numbers represent estimates since each filing does not necessarily represent a unique property, and foreclosure totals also include a small number (less than 3% of total) of foreclosed commercial property and vacant land.

The foreclosure sales number approximates the number of unique properties that have been foreclosed with ownership reverting to the lender or passing to a third party.

Foreclosure filings are a useful indicator of future foreclosure sales activity and of recent mortgage delinquency activity.

Findings

Comparing year-over-year from 2009 to 2010, foreclosure filings in April decreased 16.6 percent with totals falling from 3,871 to 3,228. Compared to April 2008, April 2010 filings were down 12.9 percent falling from 3,705 to 3,228.

April foreclosure sales (completed foreclosures) were up substantially compared to April 2008 and April 2009. Compared to April 2008, foreclosure sales were up 388.1 percent, and were up 45.2 percent compared to April 2009. These very large year-over-year increases are due to the fact that foreclosure sales totals were artificially low during April of 2008 and 2009. This was the result of public and industry policy decisions that led to a very small number of foreclosure sales during the time periods in question (see Graph 2).

During April of 2008, recent changes to the foreclosure processing time line were taking effect and, by law, few foreclosure sales could occur during the month. During April 2009, private voluntary moratoria put on foreclosure processing also significantly depressed the number of foreclosure sales.

Consequently, by contrast, the foreclosure sales total for April 2010 looks exceedingly high.

For the four-month period from January to April, foreclosure filings decreased 3.2 percent year over year from 2009 to 2010, and fell 11.3 percent from 2008 to 2010. For the same four-month period, foreclosure sales increased 39.7 percent year over year from 2009 to 2010 and increased 24.9 percent from 2008 to 2010. See tables 5 and 6.

Recent movements in foreclosure sales and filings reflect recent overall trends, as monthly sales totals have moved upward and monthly filings totals have remained flat in recent months. See graphs a and 2 below.

New increases in foreclosure sales reflect elevated activity in new foreclosure filings that occurred during the second and third quarters of 2009. Movements in foreclosure sales reflect movement in foreclosure filings, but lag by six to eight months.

For example, using a three-month moving average to remove monthly volatility, foreclosure filings activity increased significantly between October 2008 and August 2009. Foreclosure filings totals have generally fallen slowly or remained flat since August of 2009.

Foreclosure sales show general growth beginning in April 2009, a lag of eight months behind foreclosure filings activity. If the current relationship between filings and sales continues, foreclosure sales will begin to moderate by the Summer of 2010.

These are only short-term forecasts, and long-term activity in foreclosure filings and sales will depend on the overall strength of the economy.

County Comparisons

Comparing the four-month period of January to April from 2009 to 2010, Adams, Denver, Larimer and Pueblo counties experienced the largest drops in foreclosure filings with decreases of 10.3 percent, 13.8 percent, 14.5 percent, and 15.5 percent, respectively. The largest increases were in Boulder and Mesa counties where filings increased 12 percent and 118.7 percent, respectively.

Measuring changes since 2008, only Boulder, Douglas, and Mesa counties reported filings increases during the period of January-April, compared year over year. Mesa County filings increased 258.8 percent from Jan-April 2008 to Jan-April 2010. Adams, Arapahoe and Denver counties all reported decreases of 20 percent or more.

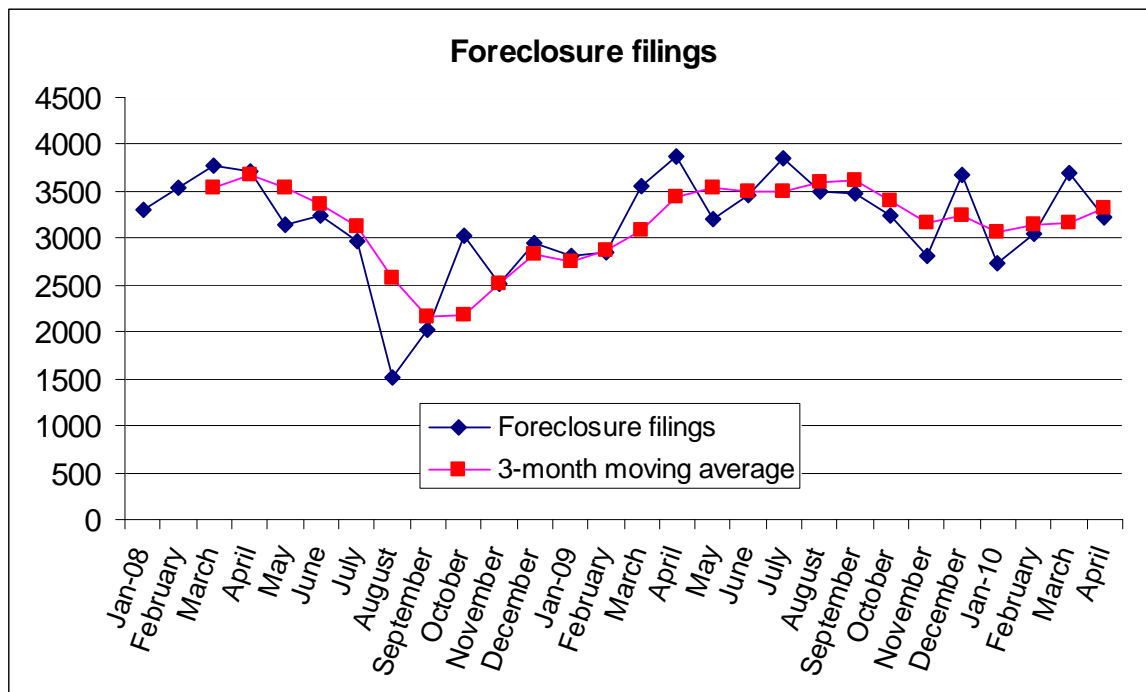
From Jan-April 2009 to Jan-April 2010, foreclosure sales activity rose in all counties. From 2008 to 2010, foreclosure sales increased in all counties except Denver County. See Table 6 for complete information.

The county with the highest rate of foreclosure sales was Weld County with a rate of 473 households per foreclosure sale. Adams County was second with 585 households per foreclosure sale. The lowest rate was found in Boulder County where there were 2,142 households per foreclosure sale. The largest increase in foreclosure rates since 2009 was found in Mesa County where the foreclosure rate increased from 4,621 households per foreclosure in April 2009 to only 596 households per foreclosure in April 2010. See Table 7 for comparisons.

Monthly foreclosure filings totals for metropolitan counties, January 2008- March 2010.

Note that August 2008 shows a sizable drop in total filings. This was due to changes in law that took effect on August 1. House Bill 1402 required a new notice period of 30 days, and this pushed back the execution of foreclosure filings by 30 days on many properties. Although filings increased following the HB 1402 change, new filings generally flattened during the Spring and Summer 2009, and have decreased in recent months.

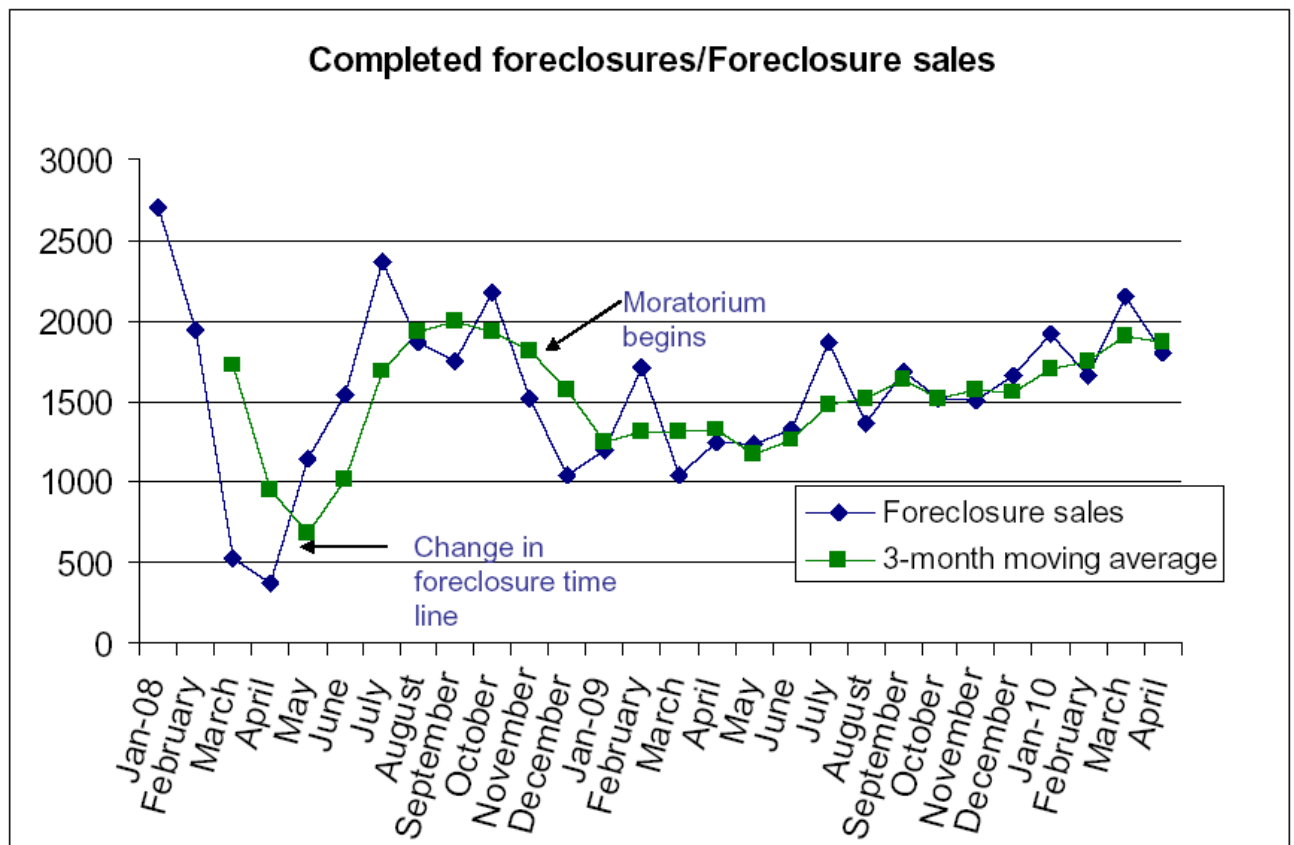
Graph 1



Monthly foreclosure sales totals for metropolitan counties, January 2008- March 2010.

Note that March and April 2008 totals for foreclosure sales were extremely low. This was due to a new foreclosure process time line taking effect on January 1 of 2008. The new time line was structured in such a way that few foreclosures could proceed to sale during March and April 2008. During the early part of 2009, Fannie Mae and Freddie Mac instituted moratoria on finishing pending foreclosures. This temporarily pushed down totals in completed foreclosures during that period. The moving average shows that foreclosure activity has generally increased since Spring 2009.

Graph 2



Comparison tables:

Month-over-month comparisons (March to April 2010):

Table 1: Foreclosure filings

County	March	April	Pct Change from previous month
Adams	531	495	-6.8
Arapahoe	590	446	-24.4
Boulder	128	121	-5.5
Broomfield	28	30	7.1
Denver	566	419	-26.0
Douglas	277	231	-16.6
El Paso	470	477	1.5
Jefferson	366	357	-2.5
Larimer	166	150	-9.6
Mesa	110	152	38.2
Pueblo	148	84	-43.2
Weld	318	266	-16.4
	3698	3228	-12.7

Table 2: Foreclosure sales

County	March	April	Pct Change from previous month
Adams	309	255	-17.5
Arapahoe	341	286	-16.1
Boulder	68	54	-20.6
Broomfield	19	10	-47.4
Denver	306	259	-15.4
Douglas	127	118	-7.1
El Paso	264	247	-6.4
Jefferson	222	172	-22.5
Larimer	99	75	-24.2
Mesa	114	93	-18.4
Pueblo	82	56	-31.7
Weld	198	181	-8.6
	2149	1806	-16.0

Year-over-year comparisons of April foreclosure activity:

Table 3: Foreclosure filings

County	Apr-08	Apr-09	Apr-10	Percent change over April 2008	Percent change over April 2009
Adams	595	683	495	-16.8	-27.5
Arapahoe	584	603	446	-23.6	-26.0
Boulder	113	125	121	7.1	-3.2
Broomfield	30	40	30	0.0	-25.0
Denver	656	604	419	-36.1	-30.6
Douglas	191	239	231	20.9	-3.3
El Paso	480	539	477	-0.6	-11.5
Jefferson	427	362	357	-16.4	-1.4
Larimer	151	172	150	-0.7	-12.8
Mesa	34	76	152	347.1	100.0
Pueblo	145	128	84	-42.1	-34.4
Weld	299	300	266	-11.0	-11.3
Total	3705	3871	3228	-12.9	-16.6

Table 4: Foreclosure sales

County	Apr-08	Apr-09	Apr-10	Percent change over April 2008	Percent change over April 2009
Adams	56	210	255	355.4	21.4
Arapahoe	57	245	286	401.8	16.7
Boulder	33	33	54	63.6	63.6
Broomfield	2	10	10	400.0	0.0
Denver	103	260	259	151.5	-0.4
Douglas	41	89	118	187.8	32.6
El Paso	36	219	247	586.1	12.8
Jefferson	44	131	172	290.9	31.3
Larimer	15	49	75	400.0	53.1
Mesa	5	12	93	1760.0	675.0
Pueblo	13	67	56	330.8	-16.4
Weld	21	129	181	761.9	40.3
	370	1244	1806	388.1	45.2

Year-to-date (January-April) comparisons:

Table 5: Foreclosure filings

County	2008 YTD	2009 YTD	2010 YTD	YTD filings, pct change since 2008	YTD filings, pct change since 2009
Adams	2322	2010	1803	-22.4	-10.3
Arapahoe	2435	1937	1936	-20.5	-0.1
Boulder	391	416	466	19.2	12.0
Broomfield	109	110	105	-3.7	-4.5
Denver	2631	2128	1835	-30.3	-13.8
Douglas	856	814	886	3.5	8.8
El Paso	1696	1831	1688	-0.5	-7.8
Jefferson	1437	1288	1323	-7.9	2.7
Larimer	638	708	605	-5.2	-14.5
Mesa	153	251	549	258.8	118.7
Pueblo	528	549	464	-12.1	-15.5
Weld	1112	1070	1037	-6.7	-3.1
Total	14308	13112	12697	-11.3	-3.2

Table 6: Foreclosure sales

County	YTD 2008	YTD 2009	YTD 2010	YTD sales, pct change since 2008	YTD sales, pct change since 2009
Adams	981	838	1052	7.2	25.5
Arapahoe	1027	856	1222	19.0	42.8
Boulder	133	133	248	86.5	86.5
Broomfield	37	32	55	48.6	71.9
Denver	1502	991	1061	-29.4	7.1
Douglas	361	308	490	35.7	59.1
El Paso	545	741	983	80.4	32.7
Jefferson	496	522	744	50.0	42.5
Larimer	243	223	345	42.0	54.7
Mesa	29	56	351	1110.3	526.8
Pueblo	219	218	311	42.0	42.7
Weld	463	478	674	45.6	41.0
Total	6036	5396	7536	24.9	39.7

Foreclosure sales (completed foreclosure) rates in each county:

April 2010 rates, on the right, are compared with 2009 rates on the left.

Table 7

County	Apr-09	No. of households per completed foreclosure, 2009	Apr-10	No. of households per completed foreclosure, 2010
Adams	210	710	255	585
Arapahoe	245	879	286	753
Boulder	33	3,505	54	2142
Broomfield	10	1,935	10	1935
Denver	260	990	259	994
Douglas	89	1,075	118	811
El Paso	219	997	247	884
Jefferson	131	1,602	172	1220
Larimer	49	2,278	75	1488
Mesa	12	4,621	93	596
Pueblo	67	893	56	1069
Weld	129	663	181	473
Metro total	1244	1,281	1806	882