



Monthly Metropolitan Foreclosure Report, July 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

From June 2010 to July 2010, foreclosure filings increased 0.2 percent, and foreclosure sales at auction fell 10.9 percent.

Comparing year-over-year from 2009 to 2010, foreclosure filings in July decreased 29.5 percent with totals falling from 3,855 to 2,718. Compared to July 2008, July 2010 filings were down 8.7 percent falling from 2,977 to 2,718.

July foreclosure sales (completed foreclosures) were also down compared to July 2008 and July 2009. Compared to July 2008, foreclosure sales were down 33.3 percent, falling from 2,370 to 1,581, and they were down 15.4 percent compared to July 2009, falling from 1,869 to 1,581.

For the seven-month period from January to July, foreclosure filings decreased 12.1 percent year over year from 2009 to 2010. For the period, foreclosure sales increased 20.3 percent year over year from 2009 to 2010. See tables 5 and 6.

Recent movements in foreclosure sales and filings reflect recent overall trends, as both monthly sales totals and monthly filings totals have fallen in recent months. See graphs 1 and 2 below.

New declines in foreclosure sales reflect the gradual decline in new foreclosure filings that began in the third quarter 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. This eight-month lag has appeared to hold in recent months as foreclosure sales moderated in April and May following a decline in foreclosure sales that began during September 2009.

County Comparisons

Comparing the seven-month period of January to July from 2009 to 2010, Denver, Larimer and Adams Counties experienced the largest drops in foreclosure filings with decreases of 22.4 percent, 20.0 percent, 17.0 percent, respectively. Mesa County was the only county to report an increase, with a 63.6 percent rise comparing year over year.

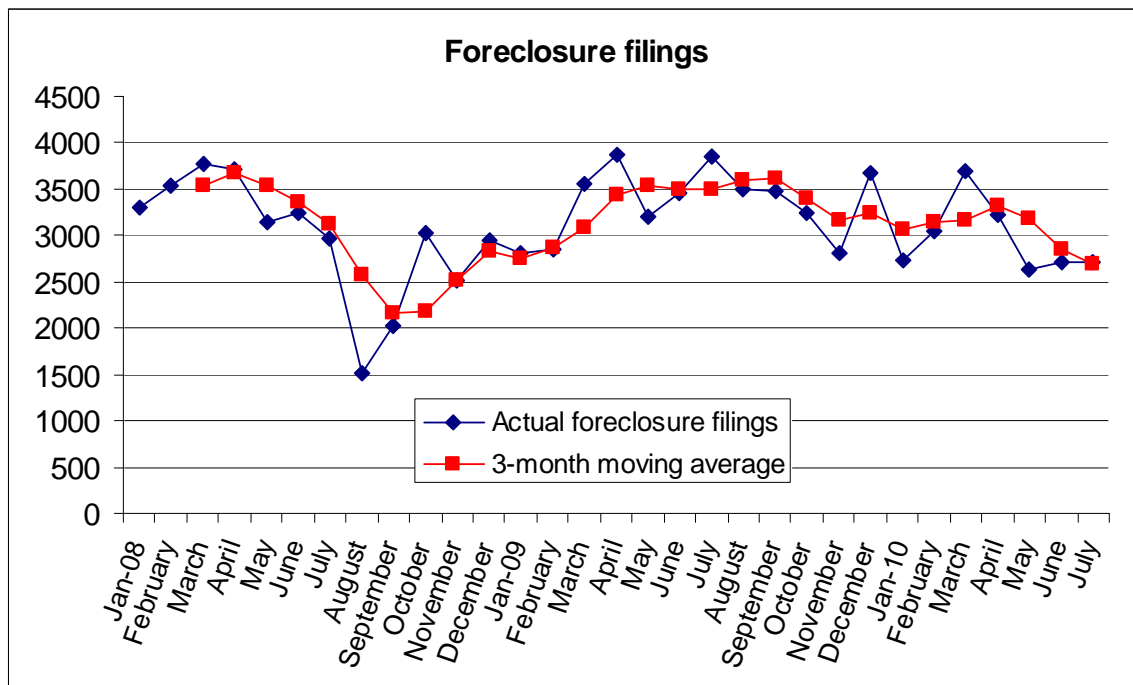
From Jan-July 2009 to Jan-July 2010, foreclosure sales at auction totals rose in all counties surveyed Denver County. Foreclosure sales fell 0.7 percent, year over year in Denver County. During the same period, sales increased most in Boulder County and Douglas County where foreclosure sales increased 43.8 percent and 35.8 percent, respectively.

The county with the highest rate of foreclosure sales was Weld County with a rate of 598 households per foreclosure sale. Mesa County was second with 660 households per foreclosure sale. The lowest rate was found in Boulder County where there were 2,966 households per foreclosure sale. The largest increase in foreclosure rates since 2009 was found in Mesa County where the foreclosure rate increased from 1,540 households per foreclosure in July 2009 to 660 households per foreclosure in July 2010. See Table 7 for comparisons.

Monthly foreclosure filings totals for metropolitan counties, January 2008- July 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 generally been decreasing since the third quarter of 2009.

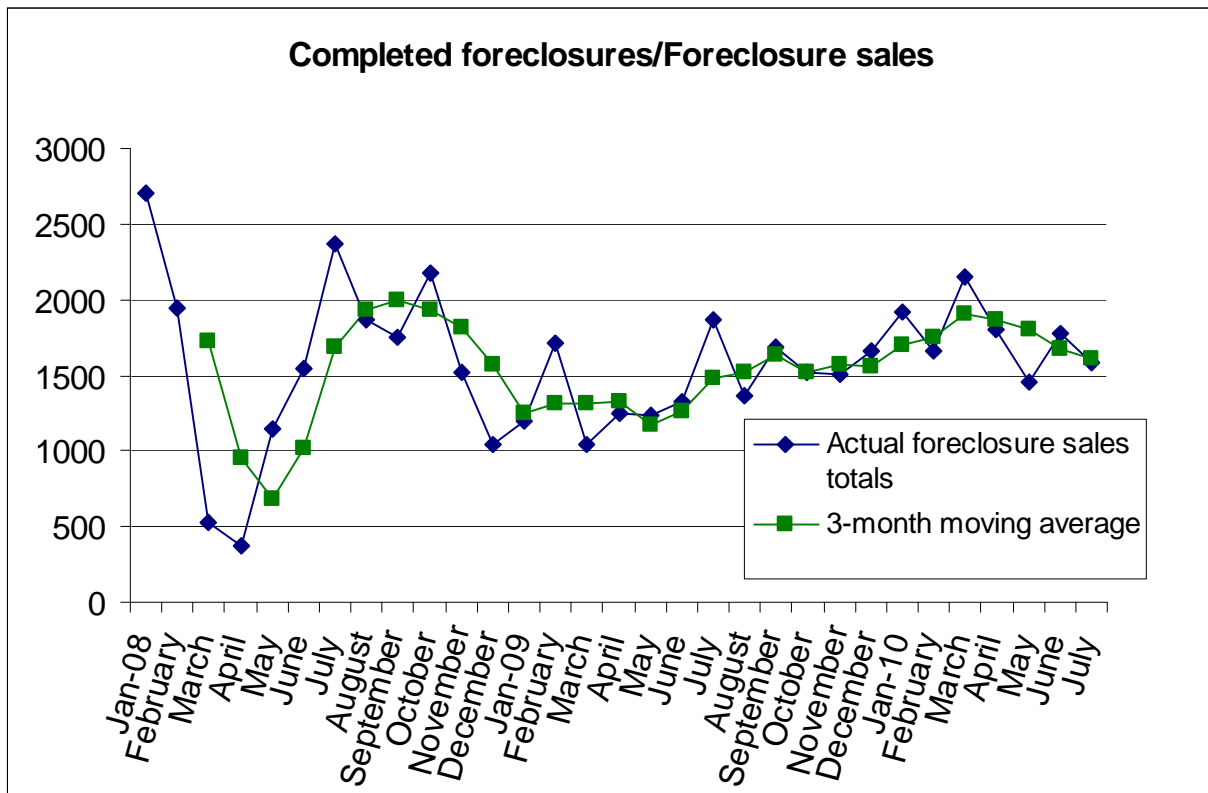
Graph 1



Monthly foreclosure sales totals for metropolitan counties, January 2008- July 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 first half 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 sales generally increased from Spring 2009 to Spring of 2010, but have fallen since March 2010.

Graph 2



Comparison tables:

Month-over-month comparisons (June to July 2010):

Table 1: Foreclosure filings

| County | June | July | Percent Change from previous month |
|------------|-------------|-------------|---|
| Adams | 335 | 350 | 4.5 |
| Arapahoe | 447 | 435 | -2.7 |
| Boulder | 96 | 99 | 3.1 |
| Broomfield | 25 | 31 | 24.0 |
| Denver | 340 | 387 | 13.8 |
| Douglas | 206 | 162 | -21.4 |
| El Paso | 350 | 353 | 0.9 |
| Jefferson | 279 | 296 | 6.1 |
| Larimer | 124 | 156 | 25.8 |
| Mesa | 122 | 162 | 32.8 |
| Pueblo | 144 | 88 | -38.9 |
| Weld | 244 | 199 | -18.4 |
| | 2712 | 2718 | 0.2 |

Table 2: Foreclosure sales

| County | June | July | Percent Change from previous month |
|------------|-------------|-------------|---|
| Adams | 294 | 224 | -23.8 |
| Arapahoe | 289 | 256 | -11.4 |
| Boulder | 56 | 39 | -30.4 |
| Broomfield | 10 | 12 | 20.0 |
| Denver | 249 | 253 | 1.6 |
| Douglas | 118 | 102 | -13.6 |
| El Paso | 206 | 188 | -8.7 |
| Jefferson | 182 | 152 | -16.5 |
| Larimer | 77 | 62 | -19.5 |
| Mesa | 95 | 84 | -11.6 |
| Pueblo | 57 | 66 | 15.8 |
| Weld | 142 | 143 | 0.7 |
| | 1775 | 1581 | -10.9 |

Year-over-year comparisons of July foreclosure activity:

Table 3: Foreclosure filings

| County | Jul-08 | Jul-09 | Jul-10 | Percent change since July 2008 | Percent change since July 2009 |
|--------------|-------------|-------------|-------------|--|--|
| Adams | 511 | 490 | 350 | -31.5 | -28.6 |
| Arapahoe | 454 | 590 | 435 | -4.2 | -26.3 |
| Boulder | 108 | 145 | 99 | -8.3 | -31.7 |
| Broomfield | 25 | 34 | 31 | 24.0 | -8.8 |
| Denver | 470 | 634 | 387 | -17.7 | -39.0 |
| Douglas | 176 | 222 | 162 | -8.0 | -27.0 |
| El Paso | 363 | 530 | 353 | -2.8 | -33.4 |
| Jefferson | 352 | 390 | 296 | -15.9 | -24.1 |
| Larimer | 138 | 232 | 156 | 13.0 | -32.8 |
| Mesa | 40 | 130 | 162 | 305.0 | 24.6 |
| Pueblo | 125 | 137 | 88 | -29.6 | -35.8 |
| Weld | 215 | 321 | 199 | -7.4 | -38.0 |
| Total | 2977 | 3855 | 2718 | -8.7 | -29.5 |

Table 4: Foreclosure sales

| County | Jul-08 | Jul-09 | Jul-10 | Percent change since July 2008 | Percent change since July 2009 |
|--------------|-------------|-------------|-------------|--|--|
| Adams | 398 | 308 | 224 | -43.7 | -27.3 |
| Arapahoe | 456 | 279 | 256 | -43.9 | -8.2 |
| Boulder | 53 | 53 | 39 | -26.4 | -26.4 |
| Broomfield | 8 | 14 | 12 | 50.0 | -14.3 |
| Denver | 506 | 262 | 253 | -50.0 | -3.4 |
| Douglas | 93 | 102 | 102 | 9.7 | 0.0 |
| El Paso | 257 | 278 | 188 | -26.8 | -32.4 |
| Jefferson | 224 | 171 | 152 | -32.1 | -11.1 |
| Larimer | 105 | 90 | 62 | -41.0 | -31.1 |
| Mesa | 9 | 36 | 84 | 833.3 | 133.3 |
| Pueblo | 77 | 86 | 66 | -14.3 | -23.3 |
| Weld | 184 | 190 | 143 | -22.3 | -24.7 |
| Total | 2370 | 1869 | 1581 | -33.3 | -15.4 |

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

Table 5: Foreclosure filings

| County | 2009 | 2010 | Percent Change |
|------------|--------------|--------------|---------------------------|
| Adams | 3453 | 2867 | -17.0 |
| Arapahoe | 3527 | 3228 | -8.5 |
| Boulder | 788 | 758 | -3.8 |
| Broomfield | 212 | 186 | -12.3 |
| Denver | 3787 | 2937 | -22.4 |
| Douglas | 1501 | 1390 | -7.4 |
| El Paso | 3185 | 2773 | -12.9 |
| Jefferson | 2379 | 2213 | -7.0 |
| Larimer | 1268 | 1014 | -20.0 |
| Mesa | 568 | 929 | 63.6 |
| Pueblo | 963 | 810 | -15.9 |
| Weld | 1985 | 1655 | -16.6 |
| | 23616 | 20760 | -12.1 |

Table 6: Foreclosure sales

| | 2009 | 2010 | Percent Change |
|------------|--------------|--------------|---------------------------|
| Adams | 1587 | 1766 | 11.3 |
| Arapahoe | 1650 | 1994 | 20.8 |
| Boulder | 267 | 384 | 43.8 |
| Broomfield | 65 | 87 | 33.8 |
| Denver | 1785 | 1772 | -0.7 |
| Douglas | 587 | 797 | 35.8 |
| El Paso | 1422 | 1558 | 9.6 |
| Jefferson | 936 | 1233 | 31.7 |
| Larimer | 471 | 547 | 16.1 |
| Mesa | 138 | 620 | 349.3 |
| Pueblo | 454 | 499 | 9.9 |
| Weld | 902 | 1094 | 21.3 |
| | 10264 | 12351 | 20.3 |

Foreclosure sales (completed foreclosure) rates in each county:

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

Table 7:

| County | July 2009 | No. of households per completed foreclosure, 2009 | July 2010 | No. of households per completed foreclosure, 2010 |
|-------------|-------------|---|-------------|---|
| Adams | 308 | 484 | 224 | 666 |
| Arapahoe | 279 | 772 | 256 | 841 |
| Boulder | 53 | 2,182 | 39 | 2966 |
| Broomfield | 14 | 1,382 | 12 | 1613 |
| Denver | 262 | 983 | 253 | 1018 |
| Douglas | 102 | 938 | 102 | 938 |
| El Paso | 278 | 785 | 188 | 1161 |
| Jefferson | 171 | 1,227 | 152 | 1381 |
| Larimer | 90 | 1,240 | 62 | 1800 |
| Mesa | 36 | 1,540 | 84 | 660 |
| Pueblo | 86 | 696 | 66 | 907 |
| Weld | 190 | 450 | 143 | 598 |
| Metro total | 1869 | 853 | 1581 | 1008 |