



## **Monthly Metropolitan Foreclosure Report, August 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 August decreased 10.1 percent with totals falling from 3,496 to 3,142.

August foreclosure sales (completed foreclosures) were up compared to August 2009 with August 2010 foreclosure sales up 29.7 percent compared to August 2009.

For the eight-month period from January to August, foreclosure filings decreased 11.8 percent year over year from 2009 to 2010. For the same eight-month period, foreclosure sales increased 21.4 percent year over year from 2009 to 2010. See tables 5 and 6.

Both filings and foreclosure sales at auction increased from July to August with filings increasing 15.6 percent, and foreclosure sales increasing 11.5 percent. This movement

upward ends several months of generally declining foreclosure sales totals, although an upward trend has not been established at this point.

Given recent declines in foreclosure filings, foreclosure sales are likely to continue a general downward trend. 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.

However, foreclosure sales activity is at least partially dependent on the speed with which mortgage companies chose to move foreclosing properties through the process to the final sale data.

### **County Comparisons**

Comparing the eight-month period of January to August from 2009 to 2010, Adams, Larimer and Denver Counties experienced the largest drops in foreclosure filings with decreases of 17.9 percent, 17.3 percent and 22.1 percent, respectively.

Only Mesa County reported filings increases during the period of January-August, compared year over year. Mesa County filings increased 51.3 percent from Jan-Aug 2009 to Jan-Aug 2010. Adams, Broomfield, Denver, El Paso, Larimer, Pueblo and Weld counties all reported decreases of 10 percent or more.

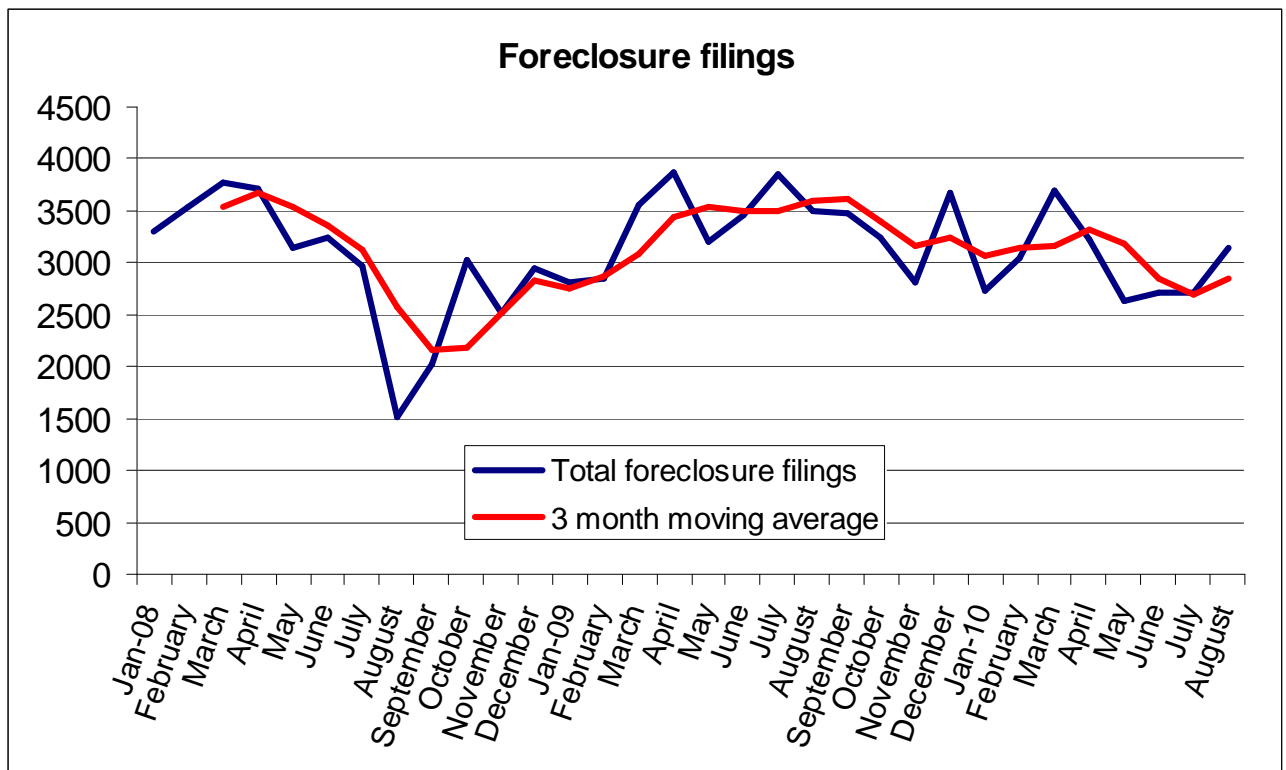
From Jan-Aug 2009 to Jan-Aug 2010, foreclosure sales totals rose in all counties surveyed. See Table 6 for complete information.

The county with the highest rate of foreclosure sales was Adams County with a rate of 616 households per foreclosure sale. Weld County was second with 634 households per foreclosure sale. The lowest rate was found in Boulder County where there were 2,029 households per foreclosure sale. The largest increase in foreclosure rates since 2009 was found in Mesa County where the foreclosure rate increased from 2,122 households per foreclosure in August 2009 to 720 households per foreclosure in August 2010. See Table 7 for comparisons.

## Monthly foreclosure filings totals for metropolitan counties, January 2008- August 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.

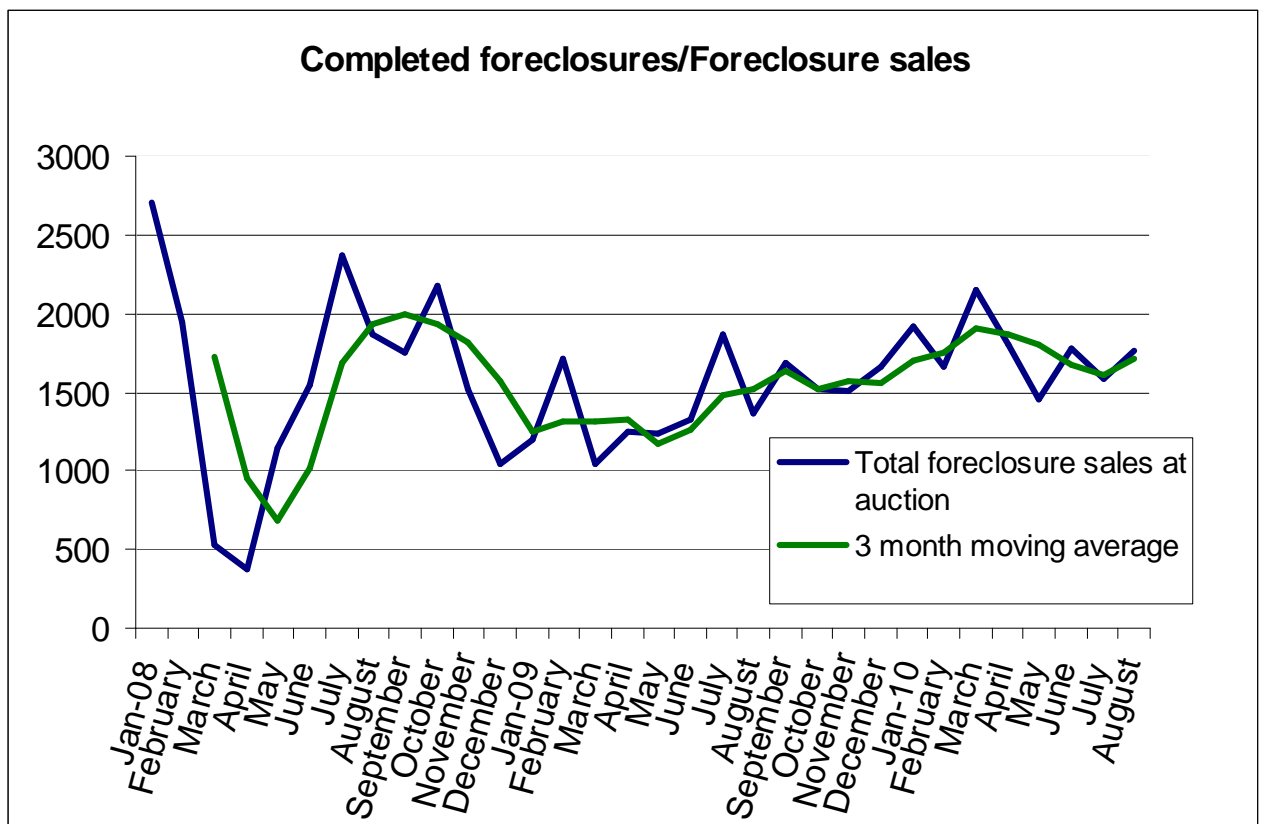
**Graph 1**



## Monthly foreclosure sales totals for metropolitan counties, January 2008- August 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.

**Graph 2**



## Comparison tables:

### Month-over-month comparisons (July to August 2010):

**Table 1: Foreclosure filings**

County	July	August	Pct Change from previous month
Adams	350	407	16.3
Arapahoe	435	470	8.0
Boulder	99	131	32.3
Broomfield	31	24	-22.6
Denver	387	440	13.7
Douglas	162	259	59.9
El Paso	353	427	21.0
Jefferson	296	325	9.8
Larimer	156	169	8.3
Mesa	162	106	-34.6
Pueblo	88	129	46.6
Weld	199	255	28.1
	<b>2718</b>	<b>3142</b>	<b>15.6</b>

**Table 2: Foreclosure sales**

County	July	August	Pct Change from previous month
Adams	224	242	8.0
Arapahoe	256	240	-6.3
Boulder	39	57	46.2
Broomfield	12	19	58.3
Denver	253	315	24.5
Douglas	102	108	5.9
El Paso	188	262	39.4
Jefferson	152	168	10.5
Larimer	62	81	30.6
Mesa	84	77	-8.3
Pueblo	66	59	-10.6
Weld	143	135	-5.6
	<b>1581</b>	<b>1763</b>	<b>11.5</b>

**Year-over-year comparisons of August foreclosure activity:**

**Table 3: Foreclosure filings**

County	Aug-08	Aug-09	Aug-10	Percent change from August 2008	Percent change from August 2009
Adams	266	537	407	53.0	-24.2
Arapahoe	167	554	470	181.4	-15.2
Boulder	46	132	131	184.8	-0.8
Broomfield	9	27	24	166.7	-11.1
Denver	148	550	440	197.3	-20.0
Douglas	111	284	259	133.3	-8.8
El Paso	253	444	427	68.8	-3.8
Jefferson	151	301	325	115.2	8.0
Larimer	78	163	169	116.7	3.7
Mesa	40	116	106	165.0	-8.6
Pueblo	45	98	129	186.7	31.6
Weld	198	290	255	28.8	-12.1
<b>Total</b>	<b>1512</b>	<b>3496</b>	<b>3142</b>	<b>107.8</b>	<b>-10.1</b>

**Table 4: Foreclosure sales**

County	Aug-08	Aug-09	Aug-10	Percent change from August 2008	Percent change from August 2009
Adams	348	206	242	-30.5	17.5
Arapahoe	276	228	240	-13.0	5.3
Boulder	40	40	57	42.5	42.5
Broomfield	10	6	19	90.0	216.7
Denver	437	252	315	-27.9	25.0
Douglas	93	70	108	16.1	54.3
El Paso	220	195	262	19.1	34.4
Jefferson	173	116	168	-2.9	44.8
Larimer	69	54	81	17.4	50.0
Mesa	11	26	77	600.0	196.2
Pueblo	66	49	59	-10.6	20.4
Weld	126	117	135	7.1	15.4
	<b>1869</b>	<b>1359</b>	<b>1763</b>	<b>-5.7</b>	<b>29.7</b>

**Year-to-date (January-August) comparisons:**

**Table 5: Foreclosure filings**

	<b>2009</b>	<b>2010</b>	<b>Percent Change</b>
Adams	3990	3274	-17.9
Arapahoe	4081	3698	-9.4
Boulder	920	889	-3.4
Broomfield	239	210	-12.1
Denver	4337	3377	-22.1
Douglas	1785	1649	-7.6
El Paso	3629	3200	-11.8
Jefferson	2680	2538	-5.3
Larimer	1431	1183	-17.3
Mesa	684	1035	51.3
Pueblo	1061	939	-11.5
Weld	2275	1910	-16.0
	<b>27112</b>	<b>23902</b>	<b>-11.8</b>

**Table 6: Foreclosure sales**

	<b>2009</b>	<b>2010</b>	<b>Percent Change</b>
Adams	1793	2008	12.0
Arapahoe	1878	2234	19.0
Boulder	307	441	43.6
Broomfield	71	106	49.3
Denver	2037	2087	2.5
Douglas	657	905	37.7
El Paso	1617	1820	12.6
Jefferson	1052	1401	33.2
Larimer	525	628	19.6
Mesa	164	697	325.0
Pueblo	503	558	10.9
Weld	1019	1229	20.6
	<b>11623</b>	<b>14114</b>	<b>21.4</b>

**Foreclosure sales (completed foreclosure) rates in each county:**

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

**Table 7:**

County	August	No. of households per completed foreclosure, 2009	August	No. of households per completed foreclosure, 2010
Adams	206	724	242	616
Arapahoe	228	945	240	897
Boulder	40	2,891	57	2029
Broomfield	6	3,225	19	1018
Denver	252	1,022	315	818
Douglas	70	1,366	108	886
El Paso	195	1,120	262	833
Jefferson	116	1,809	168	1249
Larimer	54	2,067	81	1378
Mesa	26	2,133	77	720
Pueblo	49	1,221	59	1014
Weld	117	731	135	634
Metro total	1359	1,172	1763	904