



Monthly Metropolitan Foreclosure Report, April 2011

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

Both foreclosure filings and sales at auction were down in April 2011 when compared to April 2010.

Comparing year-over-year from 2010 to 2011, foreclosure filings in April decreased 40.1 percent with totals falling from 3,228 to 1,933.

April 2011 foreclosure sales (completed foreclosures) were down compared to April 2010 with a decrease of 11.2 percent from 1,806 to 1,604.

Filings rose from March's 31-month low with an increase from March to April of 4.0 percent. Foreclosure sales at auction, however, fell 7.6 percent during the same period.

In year-to-date comparisons, comparing the first four months of 2010 with the same period this year, foreclosure filings were down 33.2 percent and sales at auction were down 18.0 percent.

Monthly foreclosure filings and sales at auction totals for metropolitan counties, January 2008- April 2011

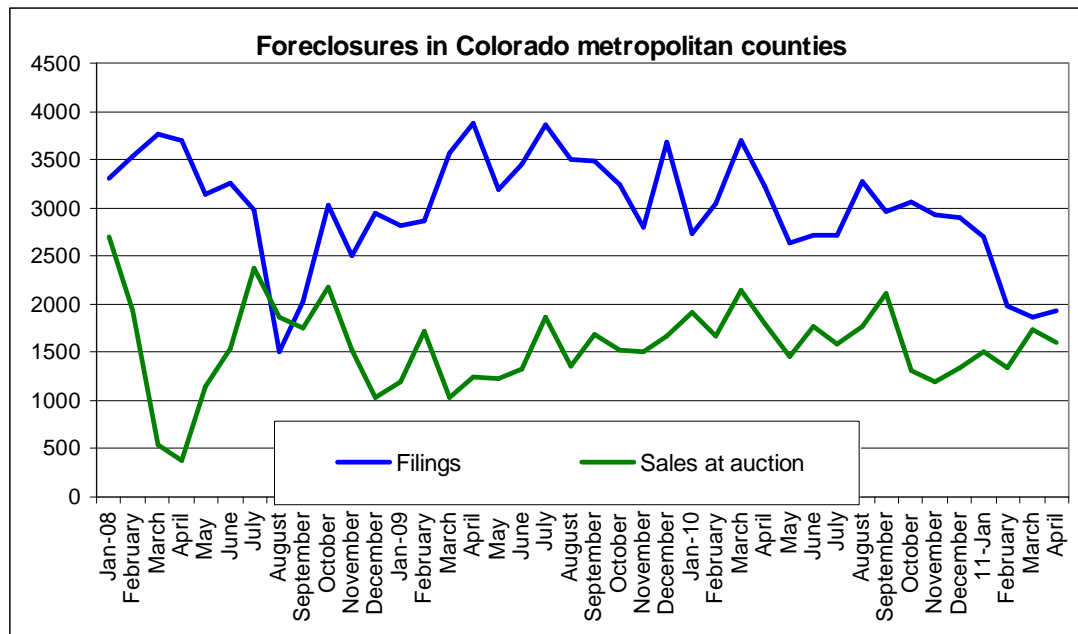
Note in Graph 1 that August 2008 shows a sizable drop in total filings. This was due to changes in law that took effect on August 1 of that year. Colorado House Bill 08-1402 required a new notice period of 30 days, and this pushed back the execution of foreclosure filings by 30 days on many properties.

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.

Foreclosure filings in March were at a 31-month low with the lowest total since August 2008 when foreclosure filings totaled 1,512. Filings have since climbed slightly to a total of 1,933 in April, but filings nevertheless remain at some of the lowest levels measured since 2008.

Sales at auction have climbed back to the same levels at which they have been most months since mid-2009. There is not evidence of any large movements or changes in overall activity in sales at auction at this time.

Graph 1:

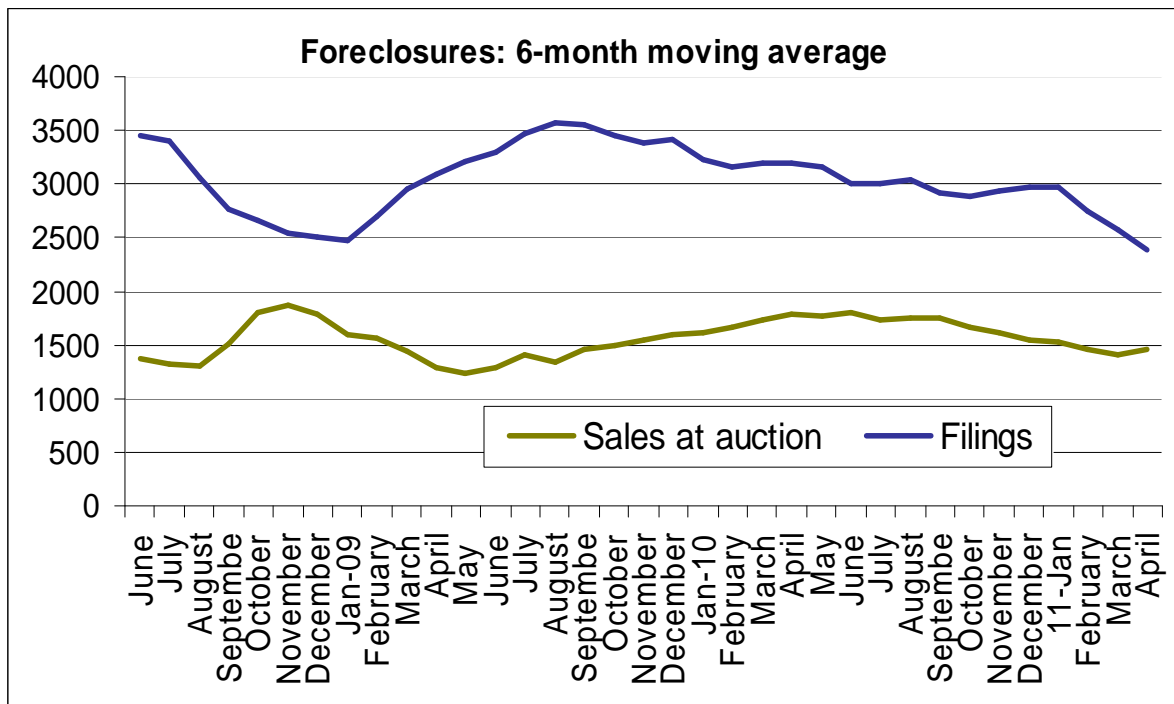


Moving averages for foreclosure filings and sales at auction for metropolitan counties, June 2008-April 2011.

An analysis of a six-month moving average for both filings and sales at auction shows that an overall downward trend in sales at auction has been in place since June 2010.

Filings peaked in mid 2009 in response to large job losses beginning in late 2008. A subsequent rise in foreclosure sales at auction peaked in Spring and Summer of 2010 as the state worked through the large inventory of foreclosures filed in mid 2009. Foreclosure sales activity has since declined, but has been largely flat since January 2011.

Graph 2:



Comparison tables:

Month-over-month comparisons (January 2011 to April 2011):

Table 1: Foreclosure filings

County	March	April	Pct Change from previous month
Adams	219	242	10.5
Arapahoe	270	319	18.1
Boulder	75	97	29.3
Broomfield	9	19	111.1
Denver	242	278	14.9
Douglas	104	101	-2.9
El Paso	272	276	1.5
Jefferson	231	197	-14.7
Larimer	95	73	-23.2
Mesa	68	92	35.3
Pueblo	94	78	-17.0
Weld	179	161	-10.1
	1858	1933	4.0

Table 2: Foreclosure sales

County	March	April	Pct Change from previous month
Adams	238	222	-6.7
Arapahoe	269	256	-4.8
Boulder	65	61	-6.2
Broomfield	7	5	-28.6
Denver	192	267	39.1
Douglas	113	101	-10.6
El Paso	249	181	-27.3
Jefferson	177	181	2.3
Larimer	81	64	-21.0
Mesa	116	86	-25.9
Pueblo	69	70	1.4
Weld	160	110	-31.3
	1736	1604	-7.6

Year-over-year comparisons of April foreclosure activity:

Table 3: Foreclosure filings

County	April	April	Year-over-year percent change
Adams	495	242	-51.1
Arapahoe	446	319	-28.5
Boulder	121	97	-19.8
Broomfield	30	19	-36.7
Denver	419	278	-33.7
Douglas	231	101	-56.3
El Paso	477	276	-42.1
Jefferson	357	197	-44.8
Larimer	150	73	-51.3
Mesa	152	92	-39.5
Pueblo	84	78	-7.1
Weld	266	161	-39.5
Total	3228	1933	-40.1

Table 4: Foreclosure sales

County	April	April	Year-over-year percent change
Adams	255	222	-12.9
Arapahoe	286	256	-10.5
Boulder	54	61	13.0
Broomfield	10	5	-50.0
Denver	259	267	3.1
Douglas	118	101	-14.4
El Paso	247	181	-26.7
Jefferson	172	181	5.2
Larimer	75	64	-14.7
Mesa	93	86	-7.5
Pueblo	56	70	25.0
Weld	181	110	-39.2
	1806	1604	-11.2

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

Table 5: Foreclosure filings

	Jan-April 2010	Jan-April 2011	Year- over- year percent change
Adams	1803	1144.0	-36.6
Arapahoe	1936	1309.0	-32.4
Boulder	466	328.0	-29.6
Broomfield	105	77.0	-26.7
Denver	1835	1108.0	-39.6
Douglas	886	558.0	-37.0
El Paso	1688	1247.0	-26.1
Jefferson	1323	910.0	-31.2
Larimer	605	391.0	-35.4
Mesa	549	359.0	-34.6
Pueblo	464	383.0	-17.5
Weld	1037	662.0	-36.2
Total	12697	8476.0	-33.2

Table 6: Foreclosure sales

	Jan-April 2010	Jan-April 2011	Year- over- year percent change
Adams	1052	815	-22.5
Arapahoe	1222	971	-20.5
Boulder	248	218	-12.1
Broomfield	55	27	-50.9
Denver	1061	915	-13.8
Douglas	490	415	-15.3
El Paso	983	758	-22.9
Jefferson	744	638	-14.2
Larimer	345	289	-16.2
Mesa	351	350	-0.3
Pueblo	311	278	-10.6
Weld	674	503	-25.4
Total	7536	6177	-18.0

Foreclosure sales (completed foreclosure) rates in each county:

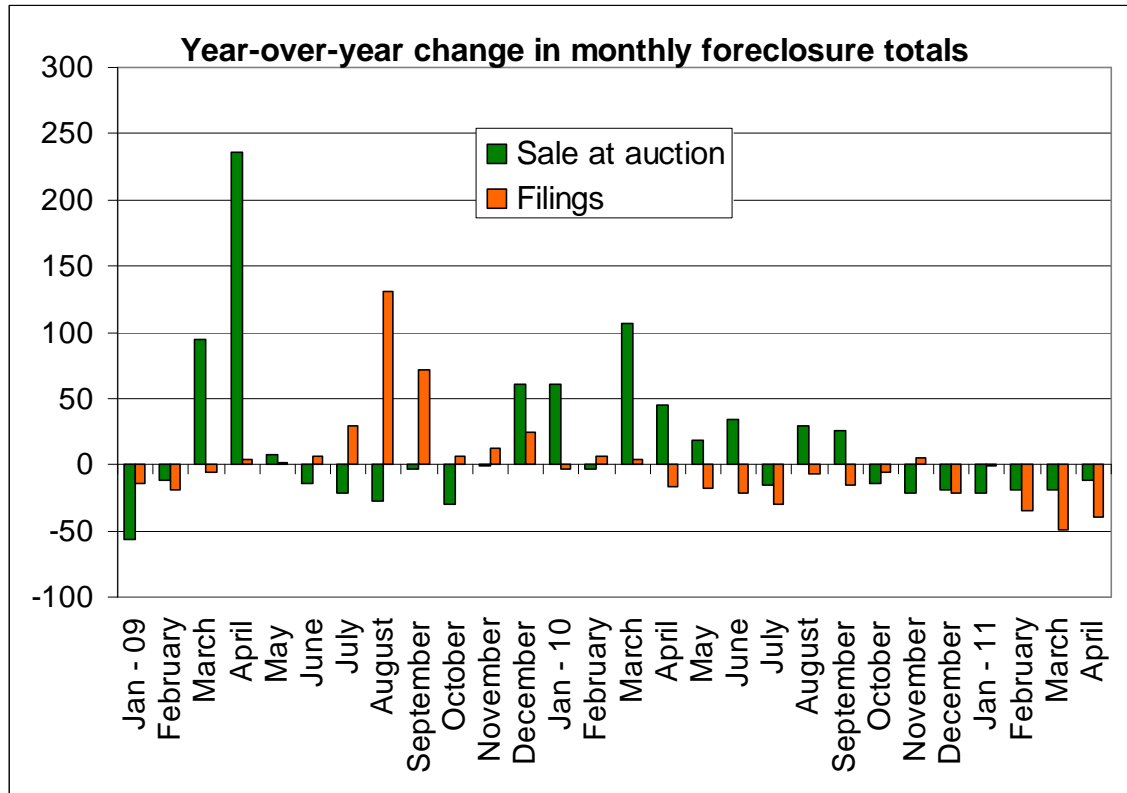
March 2011 rates, on the right, are compared with 2010 rates on the left.

Table 7:

County	April	No. of households per completed foreclosure, 2010	April	No. of households per completed foreclosure, 2011
Adams	255	585	222	672
Arapahoe	286	753	256	841
Boulder	54	2,142	61	1896
Broomfield	10	1,935	5	3870
Denver	259	994	267	964
Douglas	118	811	101	947
El Paso	247	884	181	1206
Jefferson	172	1,220	181	1159
Larimer	75	1,488	64	1744
Mesa	93	596	86	645
Pueblo	56	1,069	70	855
Weld	181	473	110	778
Metro total	1806	882	1604	993

Appendix: Additional Analysis

Graph 3:



April 2001 marks the fifth month in a row during which both foreclosure filings and sales at auctions were down when compared to the same month the previous year. Filings have declined, year-over-year, by 30 percent or more for the past three months.

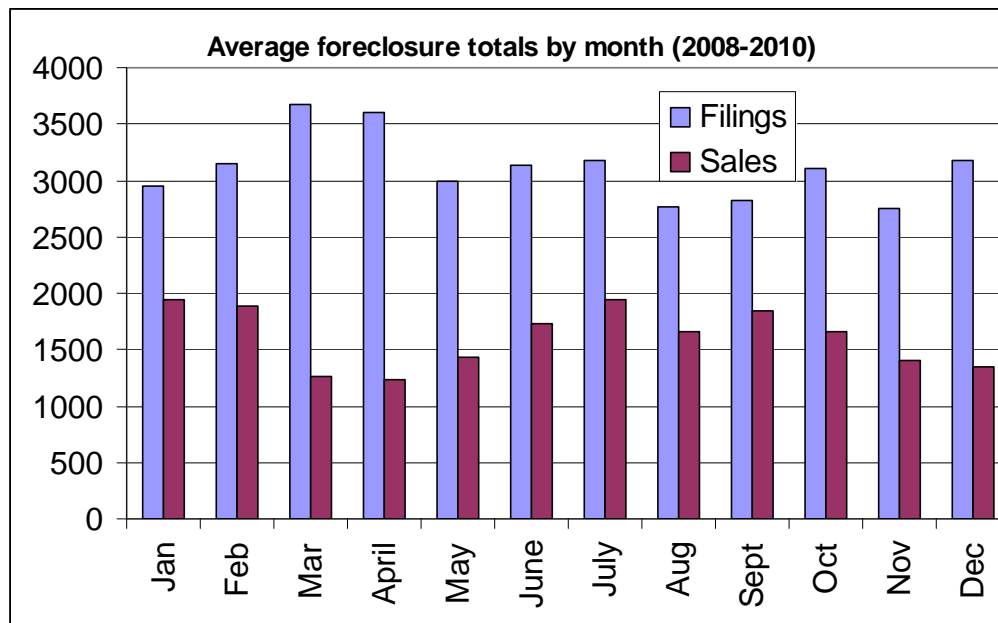
Graph 4:

Seasonal Factors:

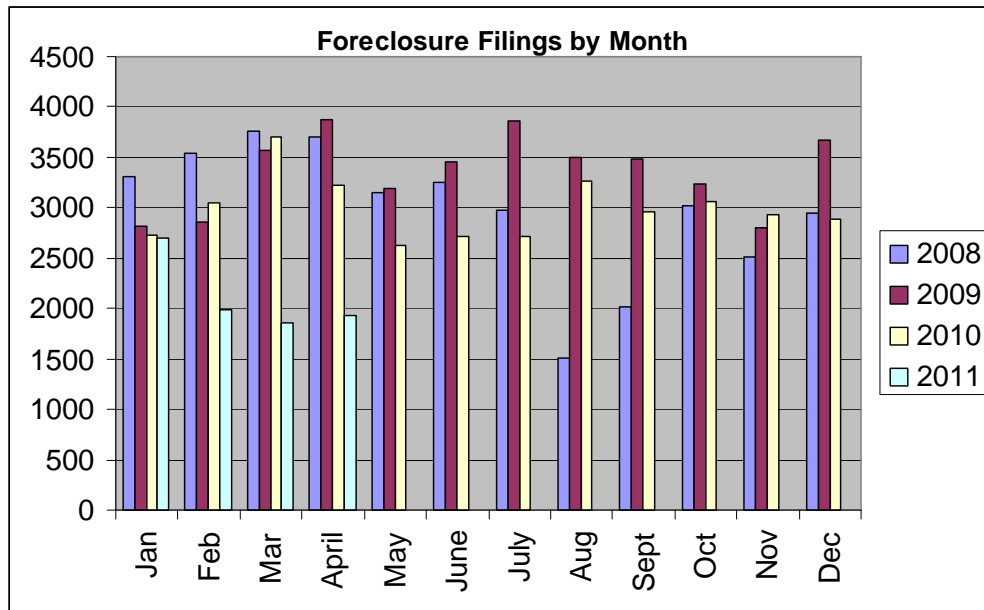
Historically and on a nationwide basis, foreclosure filings have tended to peak late in the first quarter and early in the second quarter. This may be due to the fact that households often tend to default on mortgages during and immediately after the holiday season in December. This is followed by an increased number of foreclosure filings three to four months later.

Although we only have three years of monthly data to work with, we do find the highest average for foreclosure filings occur during March and April.

Foreclosure sales, on the other hand, tend to peak in both January-February and during summer and early autumn. The increases found during January and February are likely due to increases in the speed with which foreclosures are processed following the holiday season. Traditionally, some loan servicers have held off pushing loans to the final stage of foreclosure until after the holidays. The increases in sales found during the summer and early autumn months likely reflect the increased number of filings that occur during March and April. As these filings move through the system, they show up as sales at auction several months later.

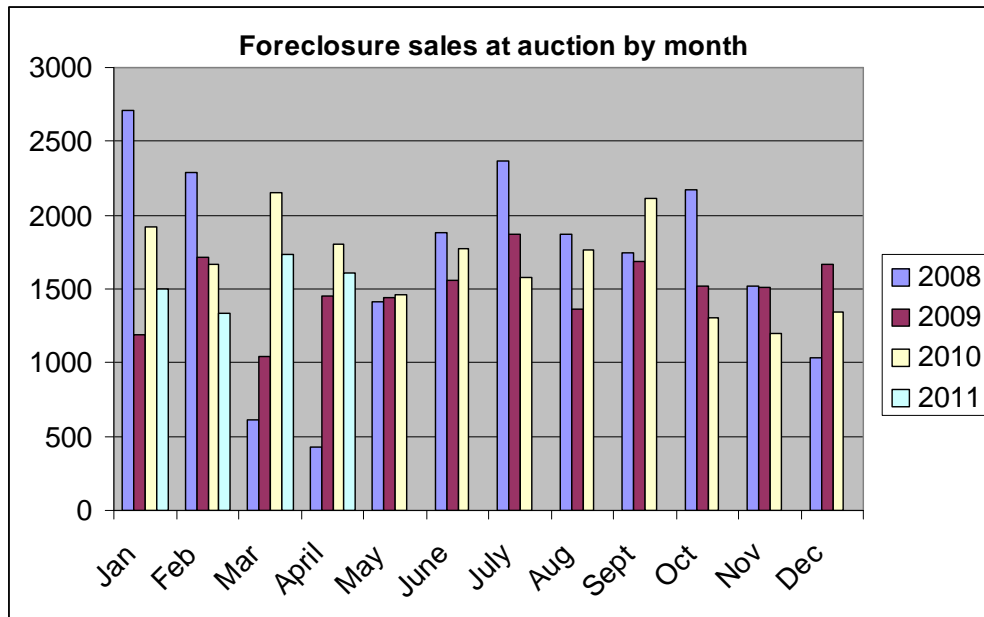


Graph 5: Foreclosure filings by month and year



In each month from January through April of this year, there have been fewer new foreclosure filings than during the same months during the years of 2008, 2009 and 2010. Foreclosure filings activity is clearly well below activity reported in recent years.

Graph 6: Foreclosure sales at auction by month and year



Unlike foreclosure filings totals, foreclosure sales at auction totals have not shown any notable downward trend during the early months of this year. In fact, foreclosure sales totals from March and April were above totals from 2008 and 2009.