

County's foreclosure rates go up

But Durango area looks good when compared with Front Range

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Foreclosure filings and real estate auction sales rose sharply in La Plata County from first quarter 2008 to the same period this year, a Department of Local Affairs report shows. But by another standard, La Plata County is not doing too badly.

"Your foreclosure rate is low," Ryan McMaken, a researcher and director of communications at the state agency, said Friday. "You're not close to the problems they have on the Front Range."

The agency's report shows that in the first three months of 2009, there were 10,745 foreclosure filings and 4,354 sales (completed foreclosures) statewide, compared to 11,634 filings and 5,899 sales in first-quarter 2008 - decreases of 8 percent and 26 percent, respectively.

In La Plata County, on the other hand, filings increased from 23 in the first quarter of 2008 to 64 in the same time frame this year - an increase of 180 percent. Auction sales tripled - from seven to 21 - in the same corresponding period.

The second, third and fourth quarters of 2008 saw 44, 30 and 51 foreclosure filings, respectively, in La Plata County. The number of auction sales in the same three quarters - five, eight and six - were almost identical to the seven registered in the first quarter of 2008.

But a snapshot of first quarter 2009 reveals that there was one auction sale for every 944 households in La Plata County. Excluding seven counties that had no foreclosure activity, 35 counties had one foreclosure sale per fewer number of households; 21 counties recorded one sale per greater number of households.

An example: Denver County had one sale for every 352 households while Moffat County had one sale for every 2,629 households.

"Look at Denver County. The rate was almost three times that of La Plata County," McMaken said. "The percentage of households recording a foreclosure sale shows the same trend - .00283 percent in Denver County and .00108 in La Plata County."

McMaken said higher rates of foreclosure sales don't tell the entire story. Eagle, Grand, Summit and Pitkin counties have high percentages of households in foreclosure, but many are second homes, he said.

"The owners still have a place to live," he said.

La Plata County Treasurer Ed Murray added an observation.

"The numbers for the first quarter of 2009 are correct," Murray said in an e-mail. "But first-quarter sales are foreclosures started in a prior year. The soonest a foreclosure sale can occur is 110 days for residential property and 215 days for an agricultural property."

The Department of Local Affairs report said that the 12 most populous counties register 95 percent of foreclosure activity. They tend to be along the Front Range.

"The effects of the recession that began in December of 2007 are not necessarily evident in the number of completed foreclosures," the report said. "However, the fact that the new foreclosure filing totals have not fallen off may indicate that many homeowners are still missing payments.

"We know from data released by the national Mortgage Bankers Association that the number of home loans in Colorado that are least 90 days delinquent continues to rise."

The report said that foreclosure filings are on a pace to equal 2007 and 2008 numbers. Sales, however, aren't expected to reach 2008 totals and foreclosures would have to increase significantly to reach 2007 peak levels, the report said.

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