

THE DURANGO HERALD

Foreclosure filings soar in county

by Chuck Slothower
Herald Staff Writer

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Foreclosure filings in La Plata County have soared in 2009, indicating the local housing market continues to feel pain from the longest recession in decades.

As of Wednesday, there have been 163 foreclosure filings, compared with 148 for all of 2008, according to the county Treasurer's Office. Most filings do not end in foreclosure, but filings serve as a barometer of economic distress.

Foreclosure filings to date already are the most in two decades. From 1990 to 2008, foreclosure filings averaged 61 a year.

"The fact is the economic challenges are finally hitting Durango," said J.R. Spies, owner of The Mortgage Link, a Durango loan brokerage.

Spies said he is seeing more loans related to foreclosures and more short sales, where the lender takes less than what is owed to avoid foreclosing on the home.

Foreclosures can have some negative effects on the real-estate market, said Don Ricedorff, a broker at The Wells Group in Durango.

"It does have a dampening effect on the market, but not like you see in the cities," he said.

Foreclosures in the county, though at historic highs, remain "few and far between," he said. In some cities, clusters of foreclosed homes have spawned crime. That hasn't happened in the Durango area, Ricedorff said.

Property values have largely been spared by the wide distribution of foreclosures, said Gina Piccoli, broker and co-owner of Coldwell Banker Heritage House Realtors in Durango.

"It seems that there aren't any neighborhoods that are particularly prone to foreclosures," she said.

Ricedorff said lenders seem more willing to work out deals with distressed homeowners. That can benefit homeowners, too, because foreclosures can badly hurt a consumer's credit score.

Unemployment has risen, possibly impacting some homeowners' ability to pay their bills. Unemployment in the Durango area was 5.5 percent in May, compared with 3.3 percent for the same month in 2008, according to the Colorado Department of Labor and Employment.

Durango's unemployment rate was still substantially below the 7.6 percent statewide unemployment rate and the 9.4 percent nationwide rate.

Some of the local foreclosure filings involved high-dollar figures.

A filing on one lot in the Glacier Cliff development involves a \$3.2 million balance. The property, located within the Glacier Club at Tamarron north of Durango, is owned by Dyerbilt Construction of Durango and various Dyer family members.

The company did not return a message Wednesday.

Other high-dollar foreclosures are: ?\$2 million for properties in the Tierra Vista subdivision, north of Hillcrest Golf Club. The properties are owned by Samuel McCullough of Durango through two limited-liability companies.

?\$2 million for a lot in the Two Dogs development owned by Charles B. West Jr. The development is located about 2.5 miles south of Durango Mountain Resort.

?\$1.7 million for a lot in Castlerock Mountain Village, near Durango Mountain Resort, owned by Kevin and Linda Lott.

?\$1.3 million for a lot in Haciendas de la Florida, south of Lemon Reservoir, owned by Ronald and Shelley Wheeler.

?\$1.3 million on the Ptarmigan Ridge Townhomes. The developer, James G. Kreutzer, has been named as a defendant in more than 20 lawsuits, most alleging nonpayment of loans.

?\$1.2 million on six lots at The Cove, another Kreutzer development.

?\$1 million for a property at 638 Lake Purgatory Drive, owned by Afshin and Kirsten Ensafdarán.

Most of the foreclosure filings involve smaller dollar figures.

County Treasurer Ed Murray was out of the office Wednesday and could not be reached for comment.

chuck@durangoherald.com

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