

Area foreclosure listings hit lowest quarterly level in more than two years

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<http://www.statesman.com/business/area-foreclosure-listings-hit-lowest-quarterly-level-in-1781179.html>

Foreclosure listings have dropped to their lowest quarterly level in 2½ years in Central Texas, the latest figures show. But the numbers don't tell the whole story, one local expert said, and more foreclosure pain could be in store for the region.

The number of properties posted for Sept. 6 foreclosure auctions in Travis, Williamson, Hays and Bastrop counties fell 20 percent during the third quarter, to 3,197 listings, according to Addison-based Foreclosure Listing Service Inc.

That is the lowest quarterly foreclosure posting activity in 10 quarters, and the second consecutive quarter that postings fell below the 4,000 mark, said George Roddy Sr., president of the firm.

Travis County saw the steepest decline, with the number of postings in July, August and September down 27 percent from the third quarter of 2010.

Roddy said Travis County usually has the highest volume of postings among the four counties his company tracks in the Austin metro area.

Postings also fell in the four-county area by 25 percent for September, and year-to-date, they were down 7 percent.

But the declines don't necessarily mean that the local foreclosure picture is improving, said Peter Sajovich, a local real estate broker. Postings have dropped because "the foreclosure process is in chaos," said Sajovich, president and CEO of eCounty Inc., an Austin-based real estate investment and development company that specializes in buying foreclosure properties for investors.

Lenders increasingly are opting for short sales, in which they agree to accept less for a property than the balance owed, "while the legal process tries to come up with an equitable solution" for so-called robo signing, in which lenders were foreclosing on owners without having proper documentation, Sajovich said.

"By the time lenders actually get around to selling the properties, there is very little or no equity left," Sajovich said.

For September, 1,122 properties were posted in the region for upcoming foreclosure auctions — 25 percent fewer than in September 2010, Roddy's company reported.

September marked the fifth consecutive month that postings in the four-county area dipped below 1,300 a month, Roddy said.

Travis County had the largest monthly decline, with 588 postings, 31 percent fewer than in September 2010. Bastrop and Williamson had declines of 27 percent and 23 percent, respectively.

Only Hays saw an increase, with posting activity up 7 percent in September.

Year-to-date, foreclosure listings were down 7 percent in the four counties combined, with 10,799 properties posted through September.

"For the first time in four years, posting activity for the first nine foreclosure auctions of the year has declined," Roddy said.

Year-to-date activity declined in three of the four counties, with the largest decline in Travis County, where postings fell 10 percent through September.

Although the local housing market is faring much better than many other places across the country, Sajovich said, "there's still a lot of pain out there."

However, Sajovich said, investors are "very bullish on the Austin real estate market."

"Our housing market is one of the best in the nation," he said.

"Both the population and the job market are growing, which is rare for any major city in the country."

Courtesy of JB Goodwin

Central Texas foreclosures

% change from 2010

County

(Total foreclosures)

Travis



Williamson



Hays



Bastrop



Area total



Source: Foreclosure Listing Service Inc.

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