



Travis foreclosures inch up

Upside-down loans partly to blame, new report says.

By [Charles Ealy](#)

AMERICAN-STATESMAN STAFF

Tuesday, January 02, 2007

Travis County home foreclosure postings for the first month of 2007 will rise slightly in today's auction, to 300 from 295 in December, according to a Foreclosure Listing Service Inc. report.

Compared with 278 postings in January 2006, however, foreclosures will be up 8 percent.

Still, the postings are far lower than those filed in the January auctions for 2004 and 2005. The January '07 postings are 13 percent lower than the 345 filed two years ago and about 20 percent lower than the 373 record three years ago.

Many of the upcoming residential foreclosure auctions "had an upside-down loan-to-value ratio," said George Roddy, president of the Addison-based firm that tracks foreclosures.

"Neither the homeowner nor the lender turn up as the winner in this troubling situation. Simply put, the homeowner has borrowed more money on the home than it is worth," he said. "So, generally, the homeowner cannot sell the property for the amount that he or she owes on it, and the lender has invested or loaned more than the property is worth. This creates a no-win situation."

The highest percentage of upside-down postings in the Austin area for January will be in Bastrop County. Although Bastrop has a smaller number of foreclosure postings than surrounding counties, 30 percent of the postings filed for January are upside-down.

Upside-down postings make up 21 percent of the notices filed in Travis County, 21 percent in Williamson County and 23 percent in Hays County.

Although upside-down postings remain a problem, the overall percentage of such foreclosures will remain the same in Travis and actually decline in Williamson, Hays and Bastrop counties from the year-earlier period, the new report said.

Of the 20 counties tracked by Foreclosure Listings Service Inc. in North and Central Texas, Travis ranked sixth in total commercial and residential postings for 2006, with 3,713. **That's a 6 percent decline from 2005.**

Leading the state was Dallas County, with 19,184 postings, followed by Tarrant, 12,763; Bexar, 8,837; Collin, 4,477; and Denton, 4,181. Williamson County, with 2,435 postings, ranked seventh, just behind Travis.

Nationally, the Mortgage Bankers Association reported in December that the percentage of mortgage payments that were 30 or more days past due for all loans jumped to 4.67 percent in the July-September quarter. That was up from 4.39 percent in the second quarter, the bankers group said.

Nationwide, nearly 877,000 homeowners were in foreclosure this year, up 37 percent from the 640,454 who filed last year, according to Foreclosures .com.

Courtesy of JB Goodwin