

Foreclosures up 75% in 2007

Defaults are way up for the year, with once red-hot Sun-Belt markets reporting the worst losses.

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NEW YORK (CNNMoney.com) -- The number of foreclosures soared in 2007, with 405,000 households losing their home, according to a report released Tuesday. That's up 51 percent from the 268,532 homes that were repossessed in 2006.

Total foreclosure filings soared 97% in December alone compared with December of 2006, according to RealtyTrac, an online seller of foreclosure properties. For the year, total filings - which include default notices, auction sale notices and bank repossessions - grew 75%.

More than 1 percent of all U.S. households were in some stage of foreclosure during 2007, up from 0.58 percent the year before.

"There are parts of the country where we're seeing many more bank repossessions," said Rick Sharga, a spokesman for RealtyTrac. "People are flat out losing their homes."

In California alone, nearly 66,000 people lost their homes last year. In Michigan, 47,000 families went through foreclosure. Also hard hit was Nevada, where 10,000 people had their homes repossessed, a per-capita rate more than twice as high as California.

California had a total of 250,000 foreclosure filings, the highest number of of any state. Florida was second with more than 165,000 total filings.

Other hard-hit states include Michigan, which has been battered by job losses in the auto industry and had over 87,000 filings, Ohio, with more than 89,000 filings, and Colorado, with 39,000.

Nevada had 3.376 filings for every 100 households - a foreclosure rate of more than three times the national average, and the highest of any state.

According to Gail Burks, the CEO of the Nevada Fair Housing Center, a community advocacy group that aids home owners facing foreclosure, some communities in Las Vegas, Nevada's biggest city, have as many as 40 percent of homes in foreclosure.

"It's having a huge impact," she said. "Some zip codes here are recording 22 foreclosures a month."

The rise nationally has confounded some community advocates. "Last December, we thought the national numbers were bad, and now they're up almost 100 percent," said John Taylor, CEO of the National

Community Reinvestment Coalition. "It just shows we need a comprehensive approach to solve the problem."

The increase in foreclosures has come about despite very low interest rates, as well as [government, private enterprise and community advocate efforts](#) to forestall the worst of the problems.

That's because [sales are very slow in many housing markets](#) and [prices are down](#), leaving many troubled borrowers unable to sell in order to repay their mortgage debts.

Still, some states have avoided problems. Maine had just 286 properties with foreclosure filings on their records, Vermont had 29 and South Dakota just 24. ■

Courtesy of JB Goodwin