

More area families get to stay in homes

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TONY DEJAK / The Associated Press

Fewer foreclosure signs are showing up in yards across the state and nation, but experts say that's less of a sign of a housing rebound than an indicator that banks still are working through documentation problems.

Foreclosures decline for 8th straight month

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Foreclosure filings for the Greenville-Mauldin-Easley metro area fell for the eighth consecutive month in July in year-over-year comparisons with 2010, but real estate pros say it neither portends a bullish residential market in the near term nor is it a sign that foreclosures have turned the corner.

Foreclosure filings — default notices, scheduled auctions and bank repossessions — were down 20.8 percent in the Greenville metro area last month, from 486 in July 2010 to 385 in July 2011, according to new data from RealtyTrac, an online marketplace for foreclosures.

Likewise, filings were down 21.3 percent statewide and 35 percent nationwide from July 2010.

Both Brad Halter, president and general manager of Coldwell Banker Caine, and Dan Joyner, chairman of Prudential C. Dan Joyner Realty Co., said the Greenville area

has never really had the kind of foreclosure activity that can poison a market.

Halter said compared with some pockets in the nation, foreclosure conditions in South Carolina have been mild. "In Greenville, you might see a neighborhood turn bad, but there's not an epidemic in the marketplace," he said.

Daren Blomquist, spokesman for RealtyTrac, said the declines aren't a sign of an improving housing market but rather a "top-down

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July foreclosure numbers

METRO AREA*

One in every 717 housing units had a foreclosure filing in July 2011

Year over year

↓ 20.78%

July 2011 foreclosures: 385
July 2010 foreclosures: 486

Month to Month

↑ 34.15%

July 2011 foreclosures: 385
June 2011 foreclosures: 287

SOUTH CAROLINA

One in every 659 housing units received a foreclosure filing in July 2011

Year over year

↓ 21.28%

July 2011 foreclosures: 2,982
July 2010 foreclosures: 3,788

Month to Month

↑ 4.74%

July 2011 foreclosures: 2,982
June 2011 foreclosures: 2,847

NATION WIDE

One in every 611 housing units received a foreclosure filing in July 2011

Year over year

↓ 34.58%

July 2011 foreclosures: 212,764
July 2010 foreclosures: 325,229

Month to Month

↓ 4.48%

July 2011 foreclosures: 212,764
June 2011 foreclosures: 222,740

*Greenville-Mauldin-Easley metro area:

SOURCE: RealtyTrac

HOMES

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intervention by the government and lenders being more pro-active."

The declines were triggered, he said, by the October 2010 "robo-signing controversy," which forced lenders to slow the pace of foreclosing.

For the 10th straight month, foreclosure filings nationwide have been on the decline, an indication to RealtyTrac that the trend is about more than delays in processing paperwork.

"Now it appears that the foreclosure processing delays, combined with the smorgasbord of national and state-level foreclosure prevention efforts — including loan modifications, lender-borrower mediations and mortgage payment assistance for the unemployed — may be allowing more distressed homeowners to stave off foreclosure," said James Saccacio, chief executive officer of RealtyTrac.

South Carolina received \$295 million in federal "har-

dest hit funds" from the U.S. Treasury Department to assist struggling homeowners, according to Andrea Risotto, a spokeswoman for the department.

The Obama administration established the "hardest hit fund" in February 2010 to aid families in states hit hardest by the downturn of the housing market.

South Carolina was one of the states to qualify for the funds because its unemployment rate averaged at least 12 percent in 2009.

The funds are administered by the South Carolina Housing Finance and Development Authority and provide help to homeowners through a program called SC Help.

Brent Bishop, a credit counselor for CredAbility in Spartanburg, said he believes the program and other foreclosure prevention efforts have played a role in helping people keep their homes.

He said people, for the last several years, have been reducing their secured and unsecured obligations, cutting credit card debt and cell phone packages, and likely are getting better at saving than they

have in the past.

"That is putting them in a position to take advantage of some of these programs," he said.

Halter said banks also are working as long and as hard with people as they can "because nobody wants a foreclosure."

"There comes a point when they have to put the hammer down and move them out of the property, but that's a choice of last resort," he said. "The longer the economy runs a flat line, they just continue to fall out."

Still foreclosures aren't likely to leave the area or other states soon.

Wells Fargo economists expect the foreclosure inventory nationwide to continue to grow. By their estimation, there are more than 2.2 million properties waiting to enter foreclosure and another 1.9 million properties with mortgages 90 days or more delinquent.

As further evidence that foreclosure activity is likely to pick up locally, Blomquist said there was a 56 percent spike in month-by-month default notices in Greenville and a 40 percent

jump statewide.

"Those numbers indicate to me that we're not totally out of the woods with the foreclosure problem," he said. "I think it's going to be a long road, and we're going to see more people continuing to fall into foreclosure over the next few years."

Joyner said he doesn't foresee a pickup in foreclosures really having an impact on the market. Instead, he's seeing encouraging signs in the housing market, with a pickup in calls and more showings.

"Overall, I think things are really beginning to turn a little bit, hopefully," he said.

Home sales here were up more than 25 percent in July, but Halter said before "everybody starts pulling out their birthday hats, I'm watching pendings, openings, and talking to people around the country and the public is scared."

"When you're scared you're uncertain and when you're uncertain you don't do anything even if you can. I suspect it's going to be a bumpy ride all the way into late spring 2012," he said.