

More area homes face foreclosure in 1Q

Experts blame backlog release

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Foreclosure activity grew in nearly all of the state's largest metropolitan areas during the year's first quarter.

With a 5.83 percent drop, Columbia was the only metro area in South Carolina that had a decline in year-over-year foreclosure activity, according to RealtyTrac's first-quarter report.

The report shows that first-quarter foreclosure activity increased from the previous quarter in 114 of the nation's 212 metropolitan areas with a population of 200,000 or more, but dropped on an annual basis (64 percent) in 135 of those metro areas.

Brandon Moore, RealtyTrac's chief executive officer, described the trend as "a mixed bag."

"While the majority of metro areas continued to show foreclosure activity down from a year ago, more than half reported increasing foreclosure activity from the previous quarter — an early sign that long-dormant foreclosures are coming out of hibernation in many local markets," he said.

Foreclosures in the Greenville-Mauldin-Easley area rose .42 percent from the fourth quarter in 2011 and 14.75 percent from a year ago. The region had a total of 1,447 foreclosures in the first quarter, with one in every 192 housing units receiving a filing.

But Mark Vitner, a managing director and senior economist at Wells Fargo, doesn't see those numbers as a sign that the local housing market is falling.

He said the pace of foreclosures has picked up in a

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number of markets, reflecting the settlement of a lawsuit filed by state attorney generals against mortgage companies.

Federal and state officials announced in February that 49 states had joined in that \$26 billion settlement of the lawsuit with five of the nation's biggest lenders to resolve investigations into abusive home lending and fraudulent foreclosure practices.

During that process, however, there was a backlog of foreclosures, Vitner said, and foreclosure proceedings weren't started on a lot of homes that should have been a year ago.

So, as far as the pick-up in foreclosures locally, "I think that's all it is," Vitner said.

"The Greenville housing market has been improving, so I don't think this is a sign that the housing market is deteriorating. I think this is a sign that we're finally dealing with some of the problems that have been hanging over the market."

The Greater Greenville area, which includes Pickens and Laurens counties, saw an increase of 12.8 percent in year-to-date home sales in March and a 10.1 percent rise year-over-year, according to local Multiple Listing Statistics. Sales here have been on the rise since January.

Home sales statewide

have likewise been on the rise, with sales of existing homes up 4.6 percent in March from a year ago, and 6.1 percent from the first quarter of 2011 to the first quarter of 2012. Local and statewide figures for April haven't been released.

Sharon Smathers, executive director of the Greenville County Human Relations Commission, an agency that assists local homeowners facing foreclosures, said from what they are seeing, foreclosure numbers are remaining steady or going up or down just a bit. She attributes that to the economy.

"Even though things may be slowly improving, when you have people that have been just trying to keep their heads above water for so long, eventually the ship's going to go down," she said, if you have a loss of income, a drop in work hours, or you are shrunk from a two-income household to one.

RealtyTrac expects a resurgence in foreclosure activity in the Greenville area and the state this year, "given the foreclosure processing delays in 2011 and the backlog of distressed properties that built up as a result," said Daren Blomquist, a spokesman for RealtyTrac.

The Myrtle Beach, Spartanburg and Charleston metro areas saw annual percentage increases of 94.54, 5.33, and 8.51, respectively, in foreclosure activity. Compared to the fourth quarter of 2011, foreclosures were down

7.39 percent in Spartanburg and up 20.84 percent in Myrtle Beach and 6.46 percent in Charleston.

Stockton, Calif., had the nation's highest foreclosure rate in the first quarter, RealtyTrac said.

Other metro areas with foreclosure rates among the Top 20 included Atlanta (No. 11), Miami (No. 13), Or-

lando (No. 15), Rockford, Ill., (No. 16), Chicago (No. 17), and Prescott, Ariz. (No. 19).