State's foreclosure rate hits record high

By Angelia Davis
Staff writer
davisal@greenvilleonline.com

South Carolina's foreclosure rates made history in November.

RealtyTrac, an online marketplace for foreclosure properties, said South Carolina "cracked" the top 10 list of states with the highest foreclosure totals for the first time since it began releasing its statistics in 2005.

Foreclosure filings, which includes default notices, scheduled auctions, and bank repossessions, were reported on 4,028 properties in South Carolina last month, Realtytrac's report said. That's an increase of 10.3 percent from October and 3.9 from November 2010.

James Saccacio, co-founder of RealtyTrac, said foreclosure activity overall is down 14 percent from a year ago, representing the smallest annual decrease over the past 12 months.

"Despite a seasonal slowdown similar to what we've seen in each of the past four years, November's numbers suggest a new set of incoming foreclosure waves, many of which may roll into the market as REOs or short sales sometime early next year," he said.

The statewide surge in foreclosures is not a total surprise, said Daren Blomquist, spokesman for RealtyTrac. "We have seen South Carolina gradually moving up the ranks over the past few months. It was ranked 13th in October and it had been hovering around the top 15 to 20 over the last year. I think what pushed it over is we finally saw foreclosures that had been delayed finally hit the foreclosure process."

Another issue that may be pushing South Carolina's rates higher is unemployment. "Increasingly, that's a bigger reason people are being foreclosed upon," Blomquist said.

In October, the initial foreclosure notices in South Carolina were up 86 percent from September to October, and up 13 percent from October to November.

The Greenville-Mauldin-Easley metro area is following a similar trend.

This region of the Upstate saw a 130 percent increase in initial foreclosure filings from September to October and a 30 percent increase from October to November.

The November foreclosure rate in the Greenville metro area put it above the national average with one in every 441 housing units receiving a foreclosure filing, compared to one in every 579 housing units nationwide and one in every 517 statewide.

The Greenville-Mauldin-Easley area is now ranked 56th highest among the 211 metro areas tracked by RealtyTrac.

The new wave of foreclosures hitting the state is likely to weigh down home prices, Blomquist said.

On the positive side, he said, people interested in buying a foreclosure are probably in luck because over the next year, there will be more of them available for buyers to choose from.

Other states on the top 10 list for foreclosures were Nevada, California, Arizona, Utah, Georgia, Michigan, Florida, Illinois, and Ohio.