

## Foreclosure filings jump 121 percent

Latest data from RealtyTrac show the eighth consecutive quarterly climb

**Reuters**

updated 10:59 a.m. ET, Fri., July. 25, 2008

NEW YORK - Home foreclosure filings rose 14 percent in the second quarter, the eighth consecutive quarterly climb, and more than doubled from the same period a year-earlier, real estate data firm RealtyTrac said on Friday.

Home foreclosure filings during the second quarter were reported on 739,714 U.S. properties, up 121 percent from a year earlier, RealtyTrac, an online market of foreclosure properties, said in a report.

The figure is a total of default notices, auction sale notices and bank repossessions between April and June.

"Although much of the fallout from foreclosures is being driven by rampant activity in a few states, such as Nevada, California, Florida, Ohio, Arizona and Michigan, most areas of the country are seeing at least some increase in foreclosure activity," James J. Saccacio, chief executive officer of RealtyTrac, said in a statement.

Indeed, 48 of 50 states and 95 out of the nation's 100 largest metro areas experienced year-over-year increases in foreclosure activity in the second quarter, he said.

The surge in foreclosures indicates an increasing number of homeowners are struggling to make mortgage payments amid the worst U.S. housing market downturn since the Great Depression.

RealtyTrac, based in Irvine, California, said the national foreclosure rate in the second quarter was one foreclosure filing for every 171 U.S. households.

Properties that have been foreclosed on or repurchased by a bank accounted for 30 percent of total foreclosure activity in the quarter, up from 24 percent in the first quarter, Saccacio said.

"This shift in the distribution of activity indicates that there is a progression toward purging the problem loans out of the system — at which point the housing market can regain some sense of normalcy. Of course, if another surge in defaults occurs, which could well happen later this year, it would refill the foreclosure pipeline and prolong the recovery," he said.

Nevada had the highest foreclosure rate in the country, with one foreclosure filing for every 43 households, followed by California and Arizona.

All three states had been among the hottest U.S. housing markets during the boom years from 2000 to 2005.

Default rates and foreclosures have jumped as the housing market deteriorated. As interest rates on adjustable rate mortgages reset higher, many homeowners who have been unable to sell their homes or refinance existing home loans amid a drop in home prices have been forced into foreclosure.

Nevada had 24,657 foreclosure filings in the second quarter, up nearly 26 percent from the previous quarter and up 147 percent from the second quarter of 2007.

California foreclosure activity in the second quarter increased 19 percent from the previous quarter. One in every 65 California households received a foreclosure filing during the quarter.

California, the most populous U.S. state, reported 202,599 foreclosure filings, the most of any state and up 198 percent from the second quarter of 2007.

Arizona had one foreclosure filing for every 70 households in the second quarter, with 37,230 filings, up nearly 36 percent from the previous quarter and 272 percent higher than the second quarter of 2007, RealtyTrac said.

Florida ranked fourth with one foreclosure filing for every 78 households in the second quarter, with 109,433 filings, up nearly 25 percent from the previous quarter and 182 percent higher than the second quarter of 2007, RealtyTrac said.