

Foreclosures rise across South Florida

South Florida Business Journal

Date: Thursday, September 8, 2011, 11:40am EDT

Foreclosures climbed throughout South Florida in June compared to a year prior, with Miami-Dade just beating out Broward for the county with the biggest increase.

Foreclosure activity in each of the region's three counties is also higher than the national foreclosure rate, which was 3.46 percent in June.

According to newly released data from CoreLogic, for the Miami-Miami Beach-Kendall area, the rate of foreclosures among outstanding mortgage loans was 18.81 percent in June, an increase of 1.22 percentage points from June of 2010.

However, the mortgage delinquency rate decreased 1.64 percentage points in Miami-Miami Beach-Kendall, with 25.85 percent of mortgage loans being 90 days or more delinquent in June, compared with 27.49 percent last year.

In the Fort Lauderdale-Pompano Beach-Deerfield Beach area, the rate of foreclosures among outstanding mortgage loans was 14.56 percent in June, an increase of 1.17 percentage points from June 2010, when the rate was 13.39 percent.

The mortgage delinquency rate also decreased in Fort Lauderdale-Pompano Beach-Deerfield Beach, with 20.76 percent of mortgage loans 90 days or more delinquent. That's down 1.53 percentage points from 22.29 percent last year.

The rate of foreclosures among outstanding mortgage loans in the West Palm Beach-Boca Raton-Boynton Beach area was 13.1 percent in June, an increase of 0.03 percentage points compared to a year prior, when the rate was 13.07 percent.

The mortgage delinquency rate in West Palm Beach-Boca Raton-Boynton Beach decreased in June, with 18.73 percent of mortgage loans 90 days or more delinquent. That's down 1.34 percentage points from 20.07 percent for the same month last year.

In its new report, Zillow reports that the national foreclosure liquidation rate dipped in July, with 9.5 out of every 10,000 homes in the country being liquidated, down from 10 out of every 10,000 homes in June. This current pace will undoubtedly pick up if and when the states reach a settlement with banks on their foreclosure practices, Zillow predicts.

Zillow also reports that home pricing in South Florida is flat. There was an increase of just 0.2 percent for the month of July, and prices were down 3.9 percent compared to a year ago, according to a new report.

For the nation, July home values continued the upward trend that began in May – if you are willing to apply that term to Zillow's finding of the 0.1 percent increase in July.

South Florida **BUSINESS JOURNAL**

On a year-over-year basis, home values home fell 5.1 percent nationally in July, said Zillow, which offers comparative housing information to consumers.

But it's important to note that the monthly increase in May of .01 percent was the first positive monthly gain at the national level since the onset of the housing recession in June 2006, which translates to 58 consecutive months of monthly declines in home values.

Zillow's report characterizes the trend for the year as "encouraging," owing to the fact that the upward trend has continued in the absence of outside stimulus.

A recent CoreLogic report on pricing was less optimistic and predicted challenges in the coming months that would push the country's home inventory toward an overall pricing decrease. It also found year-over-year pricing declines of 4.4 percent to 11.8 percent in some areas of South Florida for July, which shows the old axiom about location is still important.