



## CALIFORNIA FORECLOSURE SALES JUMP 22.5 PERCENT SINCE JUNE

### Lenders take a record \$12.55 Billion in loans to foreclosure auction

Discovery Bay, CA, August 12, 2008 – ForeclosureRadar ([www.foreclosureradar.com](http://www.foreclosureradar.com)), the only website that tracks every California foreclosure with daily auction updates; today issued its *California Foreclosure Report for July 2008*. Sales at foreclosure auction jumped dramatically in July, increasing by more than \$2 Billion in combined loan value to \$12.55 Billion. This represents more than 1,300 properties being taken to auction per business day, up from 415 per day one year ago. Notices of Default declined for the third straight month. The total number of properties that are still actively scheduled for auction increased to 64,598 at the end of July, up from 59,973 at the end of June, and 53,793 at the end of May. This indicates that further increases in foreclosure sales are still likely near term, despite the declining number of defaults.

High-level findings include:

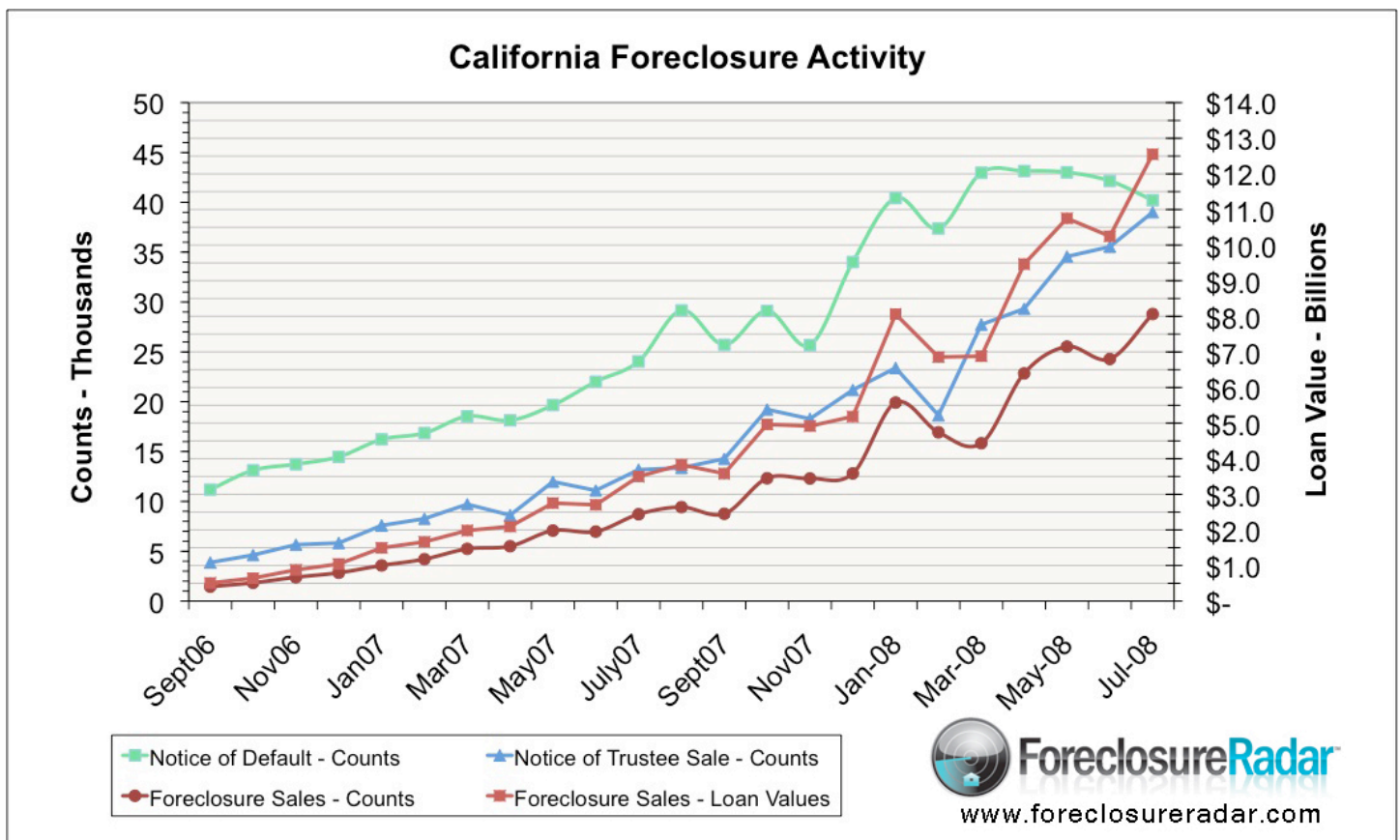
- Notices of Default declined by 4.6 percent, to a total of 40,219 filings representing \$17.71 Billion in loans.
- Notices of Trustee Sale, which are typically recorded 105 days after the Notice of Default, and which set the auction date and time, increased 9.8% to 39,010 filings in July. Looking at this number in comparison to Notices of Default, it is clear that far fewer homeowners are finding a way out of foreclosure. At 97 percent of defaults, July's Notices of Trustee Sale filings are nearly double the 50 percent that were more typical as recently as February.
- Sales increased to a total of 28,795 properties with a combined loan balance of \$12.55 Billion. Of those, 27,817 received no bid higher than the lender's opening bid and became bank owned (REO).
- Sales to 3<sup>rd</sup> parties at auction continued to increase, and were up 28.7 percent from the prior month. 3<sup>rd</sup> parties purchased loans with a combined loan balance of \$481 Million, at an average discount of 39 percent to the loan balance. Despite the increase in sales to 3<sup>rd</sup> parties, lenders continue to take back 96.6 percent of all properties that went to auction, and have now taken back a total of \$100 Billion in loans since January 2007.

“Although the declines in Notices of Defaults seem promising, much of this can be explained by the actions of just one lender,” said Sean O’Toole, founder of ForeclosureRadar. “Ninety-one percent of the decline in Notices of Default since April can be attributed to Countrywide Financial. Unfortunately, this is more likely due to the

challenges of integrating two companies the size of Countrywide Financial and Bank of America, than it is a fundamental shift in foreclosure activity.”

Average discounts offered by lenders from the outstanding loan balance at foreclosure auction reached 45 percent in Merced and San Joaquin counties. Statewide discounts increased to 33 percent on average. San Francisco continued to see the smallest discounts at 18 percent on average.

Of the 243,444 Notices of Trustee Sale filed in the last year that have concluded the foreclosure process, 85 percent resulted in the loss of the property at trustee sale. Only 15 percent averted foreclosure; and, of those, 30 percent have since had a new foreclosure notice filed.



### Foreclosure Radar July Report by County:

Rank	Change in Rank	County	NDF	NTS	Sales	Population Per Sale	% Change June 2008	% Change July 2007
1	1	Merced	532	673	603	409	37%	305%
2	1	Stanislaus	1138	1239	1053	488	23%	287%
3	-2	San Joaquin	1438	1774	1357	491	10%	204%
4	0	Riverside	4928	4834	3812	512	19%	216%
5	0	Yuba	150	144	129	541	42%	169%
6	2	San Bernardino	4094	3650	2931	680	24%	280%
7	-1	Sacramento	2431	2575	1968	704	14%	156%
8	-1	Solano	810	791	580	729	13%	254%
9	2	Madera	242	198	183	789	24%	245%
10	0	Contra Costa	1711	1645	1267	812	17%	213%
11	1	Kern	1227	1226	940	830	18%	298%
12	-3	San Benito	40	38	68	847	11%	240%
13	1	Sutter	122	131	100	915	18%	213%
14	3	Calaveras	30	28	48	952	50%	860%
15	7	Imperial	255	212	171	974	45%	389%
16	-3	Monterey	498	581	406	1,046	-1%	314%
17	41	Sierra	1	0	3	1,167	200%	ND
18	-2	Placer	439	411	264	1,199	6%	120%
19	-1	Fresno	990	911	694	1,296	23%	318%
20	3	Yolo	173	180	142	1,340	30%	223%
21	-1	San Diego	3158	2965	2174	1,411	17%	198%
22	-3	Sonoma	449	489	340	1,412	14%	330%
23	23	Siskiyou	20	16	32	1,442	220%	220%
24	1	Ventura	678	691	524	1,560	22%	223%
25	4	Amador	34	31	24	1,589	41%	300%
26	12	Colusa	1	0	13	1,655	30%	ND
27	1	Alameda	1398	1326	900	1,668	25%	230%
28	-4	El Dorado	201	153	104	1,694	11%	104%
29	-3	Tulare	376	362	234	1,798	15%	409%
30	3	Tehama	19	16	34	1,810	26%	580%
31	6	Glenn	2	5	15	1,910	36%	ND
32	-1	Nevada	91	62	52	1,924	30%	373%
33	-3	Santa Barbara	265	305	214	1,970	16%	168%
34	-13	Napa	116	100	65	2,068	-19%	261%
35	-1	Orange	2206	2128	1444	2,128	23%	235%
36	5	Shasta	136	138	81	2,241	40%	212%
37	-2	Los Angeles	7974	7116	4488	2,283	17%	234%
38	9	Kings	88	75	63	2,345	117%	600%
39	3	Plumas	11	8	9	2,383	50%	350%
40	15	Del Norte	7	11	12	2,433	1100%	500%
41	4	Mono	1	0	5	2,719	67%	ND
42	-2	Santa Clara	1144	1173	646	2,745	14%	365%
43	0	Tuolumne	40	20	20	2,912	25%	150%
44	-5	San Luis Obispo	190	136	88	2,991	2%	175%
45	-18	Lake	1	0	18	3,561	-51%	-31%
46	3	Marin	104	106	68	3,726	74%	467%
47	-11	Santa Cruz	285	170	67	3,916	-29%	139%
48	-16	Butte	1	0	55	3,949	-35%	49%
49	-5	San Mateo	342	316	176	4,114	6%	203%
50	2	Mariposa	3	4	3	6,072	0%	ND
51	5	Inyo	1	0	3	6,172	ND	200%
52	-4	Mendocino	36	23	14	6,460	-7%	250%
53	-2	Humboldt	32	26	20	6,626	25%	186%
54	-4	Trinity	1	0	2	7,012	0%	100%
55	-1	Lassen	1	0	5	7,090	150%	0%
56	-3	San Francisco	176	148	57	14,012	-10%	97%

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## **CALIFORNIA FORECLOSURE REPORT METHODOLOGY**

Rankings are based on population per foreclosure sale. **NOD** indicates the number of Notices of Default that were filed at the county, and **NTS** indicates filed Notices of Trustee Sale. **Sales** indicates the number of properties sold at foreclosure auction. Percentage changes are based on monthly Sales. The data presented by ForeclosureRadar is based on county records and individual sales results from daily foreclosure auctions throughout the state – not estimates or projections.

## **ABOUT FORECLOSURERADAR.COM**

ForeclosureRadar is the only web site that tracks every foreclosure in California with daily updates on all foreclosure auctions. ForeclosureRadar features unprecedented tools to search, manage, track and analyze preforeclosure, foreclosure auction, short sale and bank owned real estate. The web site was launched in May 2007 by Sean O'Toole, who spent 15 years building and launching software companies before entering the foreclosure business in 2002 where he has successfully bought and sold more than 150 foreclosure properties. ForeclosureRadar is an indispensable resource for real estate agents, brokers, investors, lenders, mortgage brokers, attorneys and other real estate professionals specializing in the California real estate market.