

Housing market recovery on track

Broward foreclosures show signs of promise

By Kerry Close Staff writer

The number of home foreclosures filed in Broward County fell 15 percent last month, an indication that the housing market continues to climb out of the abyss. The county recorded 527 new foreclosures last month, compared with 618 in June 2013, according to a report Wednesday from RealtyTrac Inc., a listing firm based in Irvine, California.

Foreclosure numbers for the past six months also show signs of promise, with the number of pending cases decreasing 13 percent from the first half of 2013, the report said. "Home sales and investor activity have picked back up," said Mike Larson, a housing analyst with Weiss Research in Jupiter. "Interest rates have remained relatively low. We're seeing a sustainable recovery."

Still, there are signs that the county has a ways to go. RealtyTrac monitors public records for three types of foreclosures: new filings, cases scheduled for auction and bank repossessions. The auctions and repossessions increased in June compared with the year before, the report said. "This tells me a story that there continues to be a backlog of delayed foreclosures in Broward County," said Daren Blomquist, a vice president of RealtyTrac. "The banks are slowly but surely moving through the pipeline."

The backup might be due in part to a state law signed by Gov. Rick Scott in July 2013. Designed to speed up the foreclosure process, the law requires lenders to have all of their paperwork in order before they file for foreclosure. Realtors say the law has had the opposite effect, making the process more cumbersome. "Banks have gotten cognizant of the fact that they better have all their ducks in a row," said Dean Ehrlich of RE/MAX in Coconut Creek. "It's definitely slowing them down."

Florida still has the highest foreclosure rates in the country, based on the number of pending cases, the report said. But new foreclosure filings have fallen about 48 percent from this time last year — cause for optimism, Blomquist said. "With foreclosure starts coming down, [Florida] will return to more normal levels soon," Blomquist said. "It's just going to take longer than the rest of the country." The average time to foreclose in Florida is still increasing, a sign that banks are continuing to work through delayed foreclosures, Blomquist said.

kclose@tribune.com, 954-356-4705 or Twitter @KerryClose