



## County foreclosures tick up in December, but down from 2013

By **KATIE THISDELL**, The Daily Transcript  
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Foreclose filings continued to decrease through 2014 in San Diego County and have dropped about 90 percent since the end of the recession, according to year-end numbers from the San Diego County Assessor's Office.

“Fewer homes are underwater and that’s huge,” said Mark Goldman, a real estate lecturer at San Diego State University and loan officer at **C2 Financial Corp.** “My expectation is the rate of notices of default and foreclosures have returned to the more normal state of equilibrium.”

Goldman expects the current rate of foreclosures to continue, unless there’s some unexpected change in the economy.

Trustee deeds — the final step in the foreclosure process, transferring ownership from the delinquent borrower back to the lender or a third party — were filed on 2,036 properties for 2014, a drop of 37.1 percent from the 3,236 filed the previous year.

[Trustee deeds](#) were filed on 171 properties in December, 22.1 percent higher than in November but 15.5 percent lower than December 2013.

Filings peaked in July 2008, with deeds on 2,285 properties — that’s 13 times as many as December 2014. Goldman said fewer than 250 is good for San Diego.

“That’s actually quite low,” Goldman said. “The market is so tight right now, and there’s a very limited inventory of homes for sale.”

Meanwhile, filings for [notices of default](#) — the start of the foreclosure process registering that a borrower is behind in payments — fell 23.1 percent in 2014 compared to the previous year. Lenders issued notices of default to 5,855 borrowers during the year, down from 7,614 in 2013.

Default notices rose 24.8 percent in December from November. Though the percentage is high, notices were issued to 499 borrowers in the month compared to 400 in November, and the figure is about 90 percent lower than at the end of the recession in June 2009.

Notices of default peaked in 2009 with a total of 38,308 filed that year throughout the county. The month of March of that year saw the highest notices issued, with 4,260, eight-and-a-half times as many as December 2014.

Goldman said the fundamentals of the market have steadied — with higher incomes, stabilizing employment and low interest rates.

“More and more people are coming off financial stress and trauma, so that helps people to not default,” Goldman said.

[Price appreciation slowed in San Diego in 2014](#), with home prices closing out the year nearly 9 percent higher, compared to about 20 percent the year before, according to the Greater San Diego Association of Realtors (SDAR). Increasing home values relieves stress, too. When owners have equity in their homes, there’s no need to default — they can sell their house and get out alive, Goldman said.

The median sales price for single-family detached homes through the end of 2014 was \$495,000.

Appreciating property values puts owners in a “buffer zone,” said Anita Quillman, managing broker of **Sea Coast Exclusive Properties**, and the 2015 board chairwoman for the North San Diego County Association of Realtors (NSDCAR).

“We’ve had quite a nice recovery in most of the ZIP codes in the San Diego area,” Quillman said. “That cures a lot of problems.”

Another sign of fewer foreclosures: fewer days on market.

The average number of days on the market have consistently dropped for the past three years, from 93 in 2012, to 44 days in 2014.

Chris Anderson, SDAR 2015 president, attributes the decline to a dramatic reduction in the number of distressed sales, which typically have longer market days because of the time it takes to negotiate with lien holders for the losses. A normal market would have properties listed for about six months, she said.