

Foreclosures in El Paso County

Thomas S. Mowle
El Paso County Public Trustee



Public Trustee Report

- Overview of Public Trustee Office
- Current Trends in Foreclosures and Releases

Thomas S. Mowle

Tom Mowle was appointed El Paso County Public Trustee in early 2008, after retiring from a 20-year Air Force career. As Public Trustee, he protects the rights of borrowers, lenders, and lienholders when property is in foreclosure. His office is not part of county government, and is fully funded by fees collected for services provided.

Tom is also the first vice-chair of the Community Advisory Committee of the Pikes Peak Area Council of Governments, a member of the Growing a Vibrant Economy council for the Quality of Life Indicators Project, is working to conserve the Rampart East Roadless Area above Palmer Lake, and is running for El Paso County Clerk and Recorder in 2010.



Colorado Public Trustee



- Independent Office originates in 1894
 - Response to Panic of 1893
 - Protect rights of borrowers AND lenders
 - In small counties, elected Treasurer is also PT
 - In large counties, governor appoints PT to 4-year term
- System unique to Colorado
 - Judicial process expensive for property owners
 - Private trustees work for the lenders



Public Trustee Process



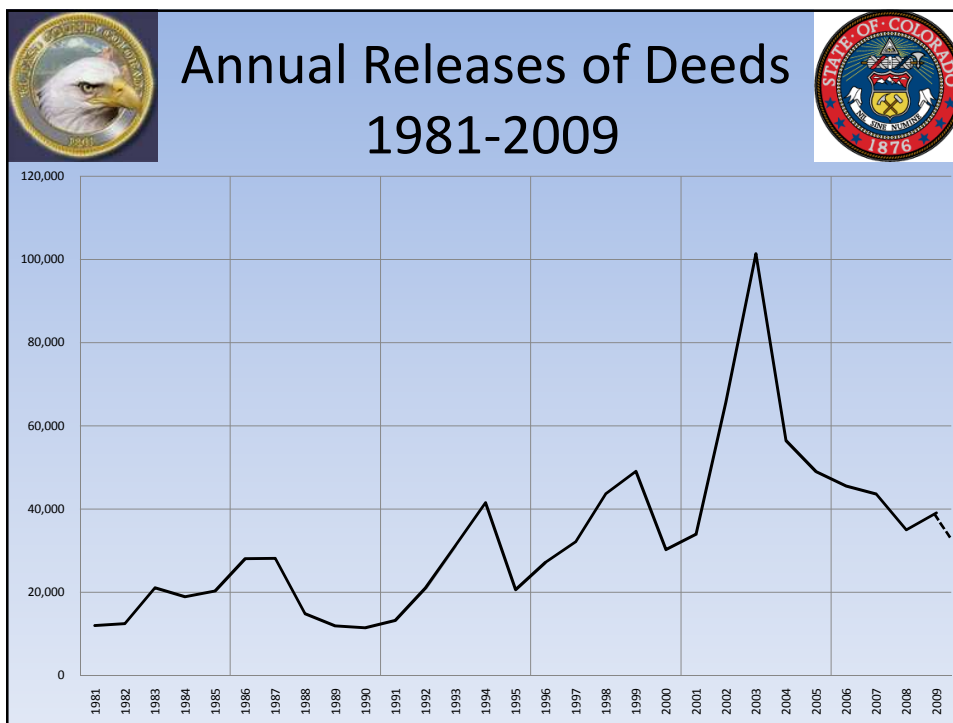
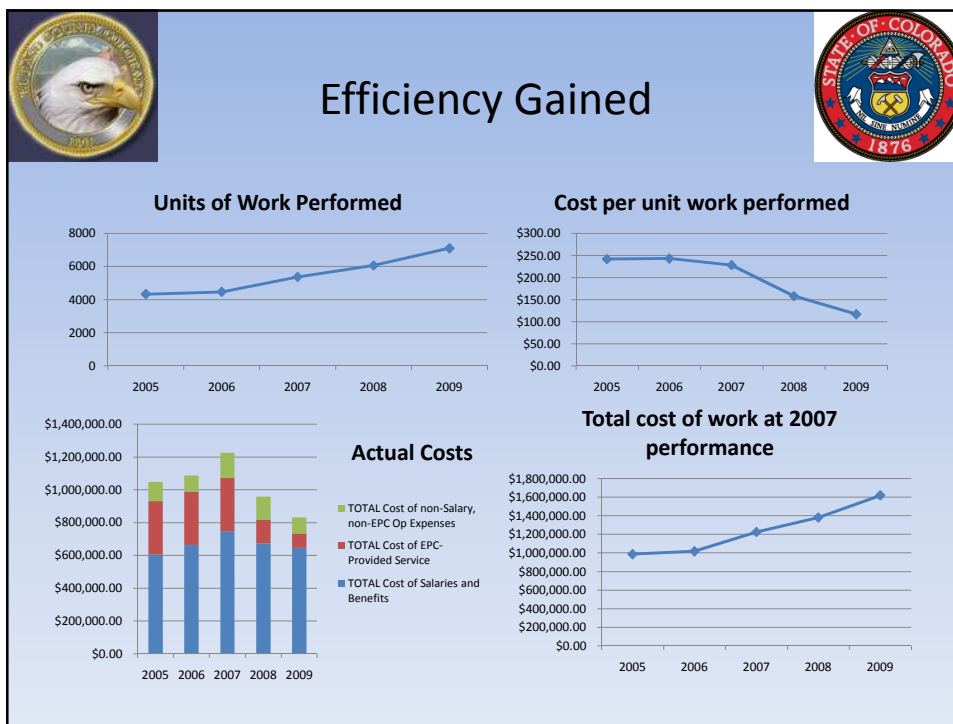
- Lender files foreclosure paperwork, through attorney
 - Review for accuracy and completeness
 - Record Notice of Election and Demand
 - Sale date set 110-125 days later (later if agricultural)
- Two notices of sale and rights sent
 - Property owner, occupant, junior lienors
 - Also published in local paper
 - Mailing includes Notice of Intent to Cure
- Sold at public auction, Wednesdays at 10 a.m.
- ALSO: Deeds released when paid off

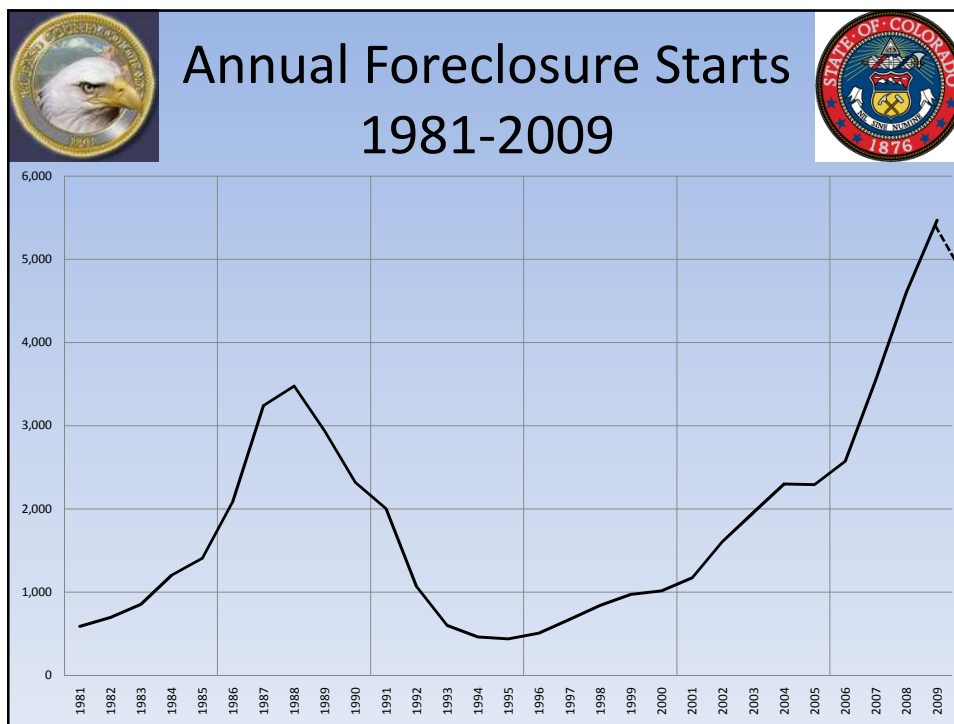


El Paso Public Trustee



- Fully supported by fees from releases and FCs
 - Annual revenue about \$1.5 million
 - Excess funds go to County General Fund at year-end
 - County directly reimbursed for salaries, support
- Adopted business principles to keep costs low
 - Competed publication contracts, reducing cost to borrower
 - Used commercial software to increase service, reduce cost
 - Improved training and got rid of middle-management layer
 - Eliminated an unauthorized fee charged since 2002
- Doing more, with less, for less






Trends in 2009


County-wide starts: increase 18% from 2008
Stats include only zip codes with >500 SFRs & >10 2008 FCs

<p><u>Biggest Increase</u></p> <p>80907 (North End): +43%</p> <p>80919 (Rockrimmon)</p> <p>80923 (Ridgeview/Wagon Trails)</p> <p>80106 (E. Black Forest)</p> <p>80951 (Claremont Ranch): +37%</p> <p><u>Smallest Increase</u></p> <p>80903 (Downtown): -2%</p> <p>80808 (Calhan)</p> <p>80915 (Cimarron Hills)</p> <p>80916 (Gateway): +1%</p>	<p><u>Greatest Density</u></p> <p>80831 (Falcon): 5.9%</p> <p>80951 (Claremont Ranch)</p> <p>80808 (Calhan)</p> <p>80916 (Gateway)</p> <p>80817 (Fountain): 4.6%</p> <p><u>Lowest Density</u></p> <p>80829 (Manitou Springs): 1.3%</p> <p>80106 (E. Black Forest)</p> <p>80919 (Rockrimmon)</p> <p>80809 (Cascade): 1.9%</p>
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Mid 2010 Trends

Annualized county-wide starts: decrease 12% from 2009
Stats include only zip codes with >500 SFRs / >10 2009 FCs




<p><u>Biggest Increase</u></p> <p>80924 (Cordera): +65%</p> <p>80908 (Black Forest)</p> <p>80808 (Calhan)</p> <p>80911 (Security/Widefield)</p> <p>80133 (Palmer Lake): +8%</p> <p><u>Biggest Decrease</u></p> <p>80809 (Cascade): -43%</p> <p>80925 (Security/Fountain)</p> <p>80921 (Gleneagle/Northgate)</p> <p>80905 (West Side): -35%</p>	<p><u>Greatest Density</u></p> <p>80808 (Calhan): 6.1%</p> <p>80910 (Gateway)</p> <p>80951 (Claremont Ranch)</p> <p>80910 (Pikes Peak Park)</p> <p>80831 (Falcon): 4.3%</p> <p><u>Lowest Density</u></p> <p>80809 (Cascade): 1.1%</p> <p>80919 (Rockrimmon)</p> <p>80106 (E. Black Forest)</p> <p>80829 (Manitou Springs): 1.4%</p>
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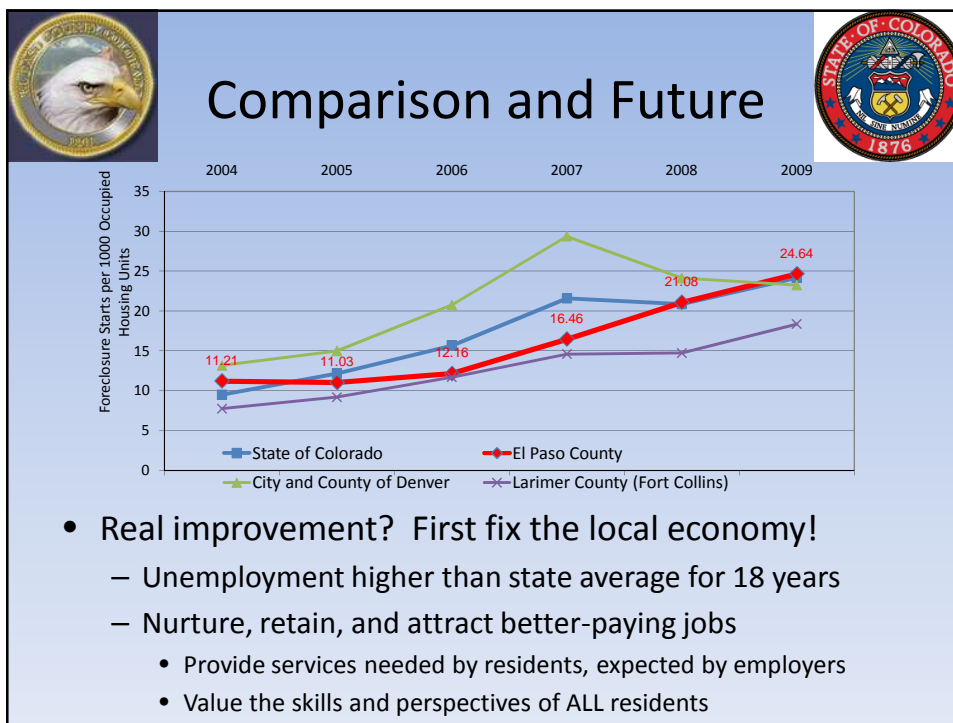
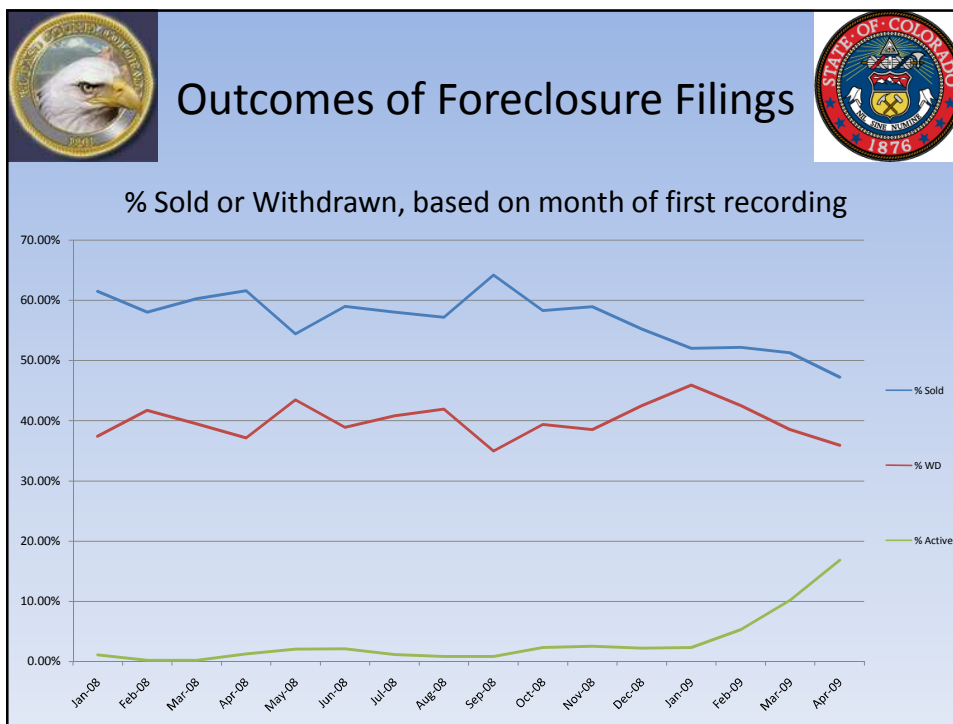
F/C starts North v South



Selected Density of Foreclosure starts by zip code
Annualized, based on % of SFRs



County-wide Rate: 2.6%

North:	
80133 Palmer Lake	4.3%
80908 Black Forest area	2.7%
80132 Monument/Woodmoor	1.8%
80921 Gleneagle/Northgate	1.5%
South:	
80928: Hanover	4.8%
80817: Fountain	4.2%
80911: Security/Widefield	3.3%
80925: Area NE of Fountain	2.0%



Impact on HOAs

- Assessment Lien may have two portions
 - Amount=6 months' assessments is senior, survives f/c
 - Remainder, if any, is junior, extinguished by f/c
- Junior portion has redemption rights
 - Even if recorded only as declaration of covenants
 - Redemption=buy property after auction to recover interest
 - Liens and associated rights are assignable
- Legislative interest in changing redemption in 2011




Contact Information

- El Paso County Public Trustee
 - 520-6780, comments@elpasopublictrustee.com
- Pikes Peak Foreclosure Prevention Partnership
 - 444-8833
- Colorado Foreclosure Hotline (bilingual)
 - 877-601-HOPE
- District Attorney Consumer Fraud Division
 - 520-6002