

## Home Foreclosures on the Rise

Apparently, 2005 wasn't a very good year for Americans trying to hang on to their homes.

A new study from RealtyTrac says that U.S. home foreclosures rose in every quarter of 2005, with almost 847,000 home properties going into foreclosure for the year. The data also shows a 25% hike in new foreclosures from the first through the fourth quarters.

"Overall U.S. foreclosure numbers climbed steadily over the course of the year, with more new foreclosures reported in every quarter," said James J. Saccacio, chief executive officer of RealtyTrac.

"This trend appears to be moving the real estate foreclosure market back to its historic levels."

Saccacio does temper his comments, noting that even at 850,000 properties in foreclosure for the year, that only represents 1% of all U.S. households.

And RealtyTrac says that Florida led the country in home foreclosures.

The Sunshine State accounted for 14% of all U.S. foreclosures in 2005, while Colorado was a distant second, at 1.6%.

Other states with foreclosure rates ranking among the 10 highest nationwide were Georgia, Arizona, Indiana, New Jersey, Ohio and Tennessee.

"Over the past few years, we've seen historically low mortgage rates, consistently escalating home prices and steady, strong employment," Saccacio said.

"This has translated into relatively low levels of foreclosure properties - particularly bank-owned properties. With interest rates rising and an apparent slowing of property valuations in most markets, we'll be watching closely to see if there's a material effect on the number of foreclosures in 2006."

The company also projects over 100,000 new foreclosures in its January 2006 estimates.

Says RealtyTrac: "103,540 properties nationwide entered some stage of foreclosure in January, a 27% increase from the previous month and a 45% increase from January 2005." The January estimates also say that foreclosures in the U.S. average out to one in every 1,117 households.

### Editor's Note:

- **The Economist Magazine has recently warned of economic "danger" for the U.S. It's rare that a respected magazine issues such a serious warning. Our sister publication Financial Intelligence Report believes you need to read this information to protect your investments. [Go here now.](#)**

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