



MICHIGAN FORECLOSURE FACTS

from MSHDA

Michigan Part of Dramatic National Rise in Foreclosures

- A third-quarter report by the Mortgage Bankers Association shows that Michigan home foreclosure rates are among the highest in the nation.
- Many experts have suggested that due to the sub-prime mortgage effect, foreclosure filings could double in 2008.
- A significant portion of the increase in foreclosure filings will likely come from the approximately 212,000 subprime mortgages in Michigan.

Foreclosures vs. Home Loss

- RealtyTrac reports Michigan's foreclosure activity increased dramatically during 2006 and 2007 and is expected to get worse with the rate resets and economy-driven losses associated with future defaults on mortgage loans
- Foreclosure filings in Michigan rose during 2006 from 35,635 in 2005 to 80,919 in 2006. These numbers continued to rise to 124,561 through November 30, 2007
- There are multiple stages of the foreclosure process, the filing number may double-count households that are going through foreclosure. However, these aggregate filings have gone from 1 in 119 households (2005) to 1 in 36 households (2007).
- In Michigan the number of home sales due to foreclosure climbed from 1,108 in 2005 to 14,961 during eleven months of 2007.