

Foreclosure activity nears pre-pandemic pace

By [Spencer Lee](#) July 14, 2022, 12:00 a.m. EDT 2 Min Read

[Foreclosure activity](#) approached its pre-pandemic pace in the first half of 2022 and is likely to return to that mark by early next year, according to a new report from Attom Data Solutions.

The real estate data intelligence provider found 164,581 properties across the U.S had foreclosure filings, such as default notices, [scheduled auctions](#) and repossessions, in the first six months of the year. The number is just 1% below what was recorded in the first half of 2020 when a federal moratorium on foreclosures was initially put into place to protect homeowners during the COVID-19 pandemic. Compared to the same time period last year while the moratorium was still in effect, foreclosure activity was up 153%.

Foreclosure starts also experienced a 19% increase from early 2020 and a year-over-year uptick of 219% to total 117,383 properties.

“While overall foreclosure activity is still running significantly below historic averages, the dramatic increase in foreclosure starts suggests that we may be back to normal levels by sometime in early 2023,” said Rick Sharga, executive vice president of market intelligence at Attom, in a press release.

States seeing the greatest number of foreclosure starts in the first half of the year were California with 12,805, Florida at 11,448 and Tennessee with 10,970. Illinois and Ohio rounded out the leading five states at 8,411 and 6,987.

But the [swift rise in starts](#) as well as other foreclosure filings shouldn't be interpreted as a sign of current housing distress, Sharga said, noting that much

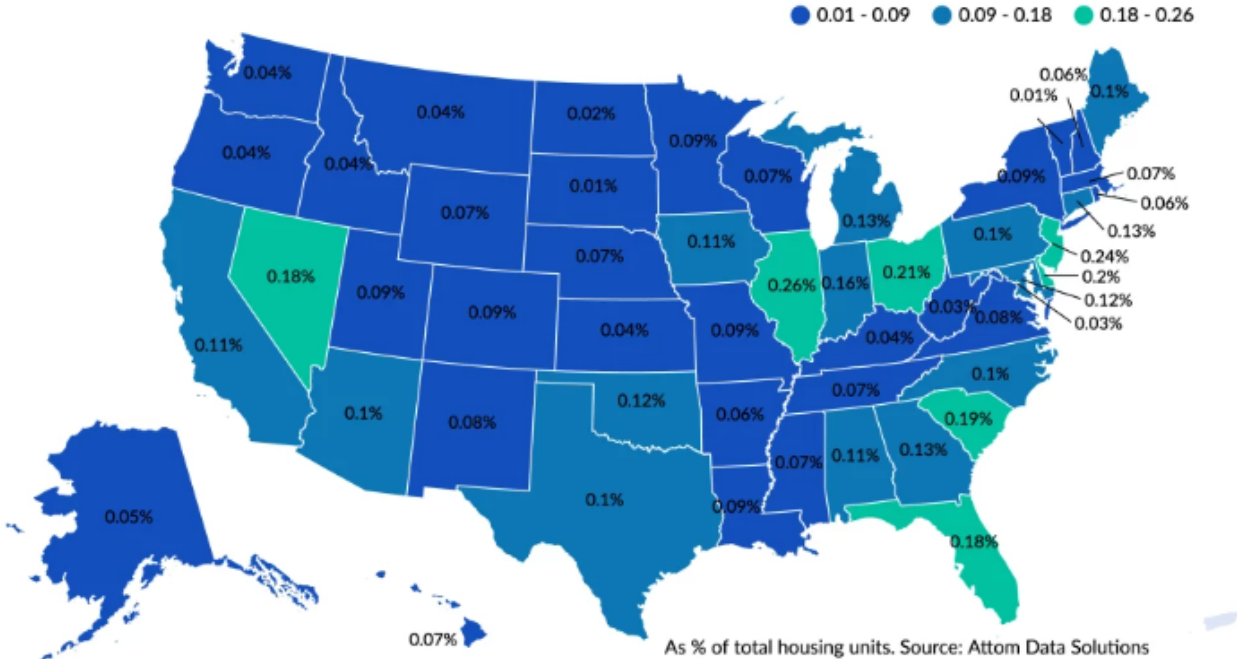
of the increase comes from properties that were either already in foreclosure or more than 120 days delinquent prior to the pandemic.

“Many of these loans were protected by the government’s foreclosure moratorium, or they would have already been foreclosed on two years ago,” he said. “There’s very little delinquency or default activity that’s truly new in the numbers we’re tracking.”

In the year’s first half, foreclosure filings increased 15% between the first and second quarters to total 90,139, according to Attom. The figure came in 165% higher than one year ago.

The number of filings between January and June meant that one in every 854 housing units, or 0.12%, in the U.S. had some form of foreclosure warning or action taken upon it. Attom’s findings come from research analysis and data collection from more than 3,000 counties nationwide.

Foreclosure activity rate by state



[Illinois](#) led all states with the highest foreclosure rates of 0.26%, or one in 385 homes. Following were New Jersey, Ohio, Delaware and South Carolina at 0.24%, 0.21%, 0.2% and 0.19%, respectively.

Cleveland had the dubious distinction of topping U.S. metropolitan areas of greater than 200,000 residents with a foreclosure rate of 0.4%.

Lender repossessions also increased in the first half of 2022 by 30% from the previous six months and 113% on an annual basis to 20,750. Illinois led the country in the total number of repossessions with 2,434.