

# Basin foreclosures below national, state averages

By Lacey McMurry

While the number of foreclosure filings nationally has soared to an all-time high, a booming economy in the Uintah Basin has helped people here continue to make their house payments.

According to data obtained from RealtyTrac – a private company that tracks real estate information across the nation – the number of foreclosures in Duchesne and Uintah counties over the past few years has been well below the national and state averages.

In 2007, just .05 percent of all households in the Basin experienced foreclosure or were sent default notices, compared to a state average of 1.1 percent of all households and a national average of 1.77 percent of all households, according to RealtyTrac numbers.

State Sen. Kevin VanTassell, who represents the Uintah Basin, said the low number of foreclosures in the area is a direct result of the fact that there are plenty of jobs to go around.

"It's really indicative of the economy that we're in right now," he said. "Our unemployment is less than 2 percent and anyone who wants to work can work. The booming economy is generating the ability for people to make their payments."

Predictions for the future stability of the Basin look good as long as demand for oil and gas remains high. However, in his position as the manager of Zions Bank in Vernal, VanTassell said he is seeing one trend that con-

## Households in foreclosure

	2005	2006	2007
Duchesne, Uintah County	.05%	.01%	.03%
Utah	1.5%	1.7%	1.1%
Nationally	.76%	1.09%	1.77%

## Foreclosures

	2005	2006	2007
Duchesne County	5	2	2
Uintah County	3	0	4

Source: RealtyTrac

cerns him: People are depending more on the immense overtime hours often associated with the energy extraction industry to balance their budgets.

"They are spending everything they get, but if those overtime hours suddenly decrease, they aren't going to be able to make ends meet," VanTassell said. "Right now, there are plenty of hours to go around, but I'd still encourage people to stay within their budget and buy what they can really afford."

Wes Heward, a community loan officer at Zions Bank in Roosevelt, said another factor that can land people in trouble when it comes to making their mortgage payments are interest-only loans. Zions doesn't offer those types of loans, Heward said, but not a week passes without him hearing from someone calling the bank to ask about them.

"People get these interest-

only loans thinking they are going to flip a house and make a big profit in a year or two," he said. "Nationally, those are the types of people who are getting caught."

On a state level, RealtyTrac's 2008 U.S. Foreclosure Market Report ranked Utah 15th in the nation for its foreclosure rate. Collected data also showed that the Beehive State had 4.99 percent more filings in January 2008 than in January 2007.

VanTassell said the topic of foreclosure has been addressed in recent legislative sessions. As part of these discussions, legislators have interviewed homebuilders who are used to selling 30 homes a month and are now selling just two or three homes a month. An oversupply of houses has led to a buyer's market, not a seller's market, VanTassell said.

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"One of the issues that comes up in this situation is that people are selling with a downward pressure," he said. "The impact of that could cause some problems that could filter down to the Uintah Basin in a few years."

Nationally, foreclosure rates have reached an all-time high. According to a survey by the Mortgage Bankers Association, over 900,000 households are in the foreclosure process, up 71 percent from a year ago. That figure is the highest rate in the report's 36-year history.

RealtyTrac spokesman Daren Bloomquist said one factor that has led to the increase in foreclosure rates is liberal lending practices, which allow homeowners to purchase homes they really won't be able to afford in the long run. But lending standards are now being tightened, he said.

"We've learned from the mistakes of the past few years, where people were allowed to take out loans without having the income to really support them," Bloomquist said. "But those loan products are now a thing of the past, and that bodes well for areas like the Uintah Basin."