Kodiak Seeing Higher Foreclosure Rates

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Mary Donaldson/KMXT

The Alaska Department of Labor and Workforce Development recently revealed that in 2007, the State of Alaska had 830 foreclosures, which was about a 38 percent increase from 2006. Home foreclosures have been rampant all year in the nationwide collapse of the housing bubble. As lenders Fannie Mae and Freddie Mac are taken under government control, how is Alaska and Kodiak faring? Mary Donaldson has more.

Brian Laurent is a research analyst for the Alaska Department of Labor and Workforce Development. He says for 2007, Kodiak had its second highest foreclosure rate since 2000, with the total number at 10 homes. The highest number of home foreclosures since 2000 was in 2002, with 17 homes being foreclosed on. Kodiak’s lowest foreclosure number this decade was in 2004 with six. For the first two quarters in 2008, there were six home foreclosures.

Laurent says because numbers are so small in the Kodiak recording district, that making trend predictions are hard to do, unless the foreclosure numbers end up changing dramatically. As it stands today, Kodiak has reported 2 more foreclosures compared to last years report during the same time. He says foreclosure rates are on the rise state-wide, but not nearly as dramatically as

the rest of the country.

He says average loan-to-value (LTV) ratios play an important role in foreclosure rates.

(Laurent 1 :26s “…less equity up front.”)

He says LTV ratios also depend on what type of mortgage the borrower takes out, and could determine whether or not they will have mortgage trouble later on.

(Laurent 2 :44s “…unable to refinance.”)

He says increasing LTV ratios are an indicator that homeowners might be stretching to buy there homes. Laurent says inflation could be why some home mortgage borrowers are getting into trouble.

(Laurent 3 :35s “…qualify for a mortgage.”)

Laurent says the number of mortgage loans also increased in Kodiak from 2006 to 2007.

(Laurent 4 :26s “…as a whole decreased.”)

Mortgage loans in Kodiak went up by three from the second half of 2006 to the second half of 2007, from 109 loans to 112. Anchorage has 2 thousand six total loans for the second half of 2007, which was a decrease of 498 loans from the same period the previous year.

I’m Mary Donaldson.

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HOST TAG: To find a link to the State’s recent survey on Alaska Mortgages, click here.