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Buyers of North Texas foreclosed homes get best the deals in years

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North Texas investors who bought foreclosed homes at auction last year paid some of the lowest prices in recent history, a report released Wednesday shows.

In Tarrant, Dallas, Collin and Denton counties, investors paid an average of 59 cents on the dollar for properties, off 11 percent from 2007, when buyers paid an average 66 cents on the dollar. In 2006, investors paid 73 cents on the dollar.

"Investors buying at the auction got a lot more bang for their buck by paying less for properties than in previous years," said George Roddy Sr., whose Addison-based company, Foreclosure Listing Service, released the report.

The best deals were in Dallas County, where the average successful bid price was 53 cents on the dollar, Roddy said. On average, a buyer in Dallas County paid \$98,872 for a property valued at about \$175,000, he said.

In Tarrant County, investors paid an average 57 cents on the dollar, a 19 percent decrease from 2007, when investors paid an average 70 cents on the dollar. In 2006, investors paid 79 cents on the dollar, the report shows.

The average property sold for \$68,707 and was valued at just under \$120,000 in Tarrant County, Roddy said.

In 2008, buyers bid on and purchased 883 homes in the four-county area, which represents 4 percent of the foreclosure postings that were auctioned, Roddy said.

That is a drop of 15 percent from 2007, when investors bought 1,044 homes. In 2006, 1,184 homes were sold at auction, Roddy said.

In Tarrant County, third-party buyers purchased 276 properties last year, Roddy said.

In all, 38 percent of the homes posted for foreclosure last year were auctioned. The remaining properties either went to the lender, or the homeowner made the delinquent mortgage payments or renegotiated the loan.

Beginning last year, buyers were required to pay immediately for the property at auction, held the first Tuesday of every month on the county courthouse steps.

Getting foreclosure deals

Place	Average assessed value of purchase	Average bid amount	Average bid-to-value ratio*
D-FW metro	\$162,251	\$99,254	59 cents
Dallas County	\$174,404	\$98,872	53 cents
Tarrant County	\$118,019	\$68,707	57 cents
Collin County	\$206,098	\$137,735	67 cents
Denton County	\$183,329	\$122,206	67 cents

*This number, based on 80 percent of the postings, does not include the highest and lowest 10 percent of postings.

Source: Foreclosure Listing Service