

Merrimack Valley

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A Better Way to Share Data

By Richard P. Howe Jr.

In the midst of the sharpest drop in the real estate market, I frequently received calls from non-profits, governmental entities, the media and others requesting data on real estate sales and foreclosures. While I provided whatever I could, it never seemed to be enough. Since the registry of deeds is primarily concerned with who owns the land and not what is built upon it, our database contains no information about the use of the property. Whether a foreclosed property is commercial or multifamily is of great importance to everyone interested in foreclosures, however, that information is not available from the registry of deeds.

Identifying the use of a property is the domain of the city assessors. While the assessors do possess some ownership information, changes in that information

often take a month or more to make it into the assessors' records. (Once each month, the registry of deeds transmits to the assessors all deeds recorded during that month which the assessors then use to update their records).

The registry of deeds and the assessors each collect the data needed to perform their core missions. Providing data to third parties for analysis is not part of the core mission of either of those agencies, yet it is a critically important function that could be accomplished more efficiently than it is today.

Here is how it might work: both the registry of deeds database and the assessors database contain common

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Deeds, Mortgages, and Foreclosures recorded

June 2008 and June 2009 compared

See pg.3 for Jan-June date track

	Haverhill		Lawrence		Lowell		Methuen	
	June-08	June-09	June-08	June-09	June-08	June-09	June-08	June-09
Deeds	106	111	98	113	171	146	85	84
mortgages	171	230	138	150	281	299	153	236
Foreclosure Deeds	14	9	43	12	36	19	8	1

Foreclosure Filings Decline, Sales Deeds Unchanged

By David Turcotte

The numbers of foreclosure deeds filed in the first six months of 2009 have decreased significantly, while the numbers of deeds (sales) remain largely unchanged when compared to the same period in 2008. The four largest Merrimack Valley communities have experienced decreases in foreclosure deeds recorded ranging from 21%-48%. Lawrence has seen the biggest decline with 48%, closely follow by Methuen with 47%, then Lowell 39%, and Haverhill 21%. However, Lowell did see an increase from 11 foreclosures in May to 19 in June 2009 (73% more), but this is a 47% decline from June 2008.

An initial analysis of these numbers could lead to the conclusion that the Merrimack Valley has turned the corner on the foreclosure problem. However, based on conversations with finance and housing professionals, and foreclosure prevention counselors on the front lines, it could be premature to jump to this conclusion. Many of these individuals believe foreclosures will spike up in the future due to a combination of several factors, such as job loss, ineffectiveness of government programs, expiration of lender and governmental foreclosure moratoriums and the large number of homes within various stages of the foreclosure process.

Barry Thomas, a mortgage company branch manager noted “we are presently seeing the effect of the moratorium in place late last year and reflecting the ‘normal time’ to go from filing a notice of foreclosure to the actual foreclosure and eventual filing of the foreclosure deed.” Furthermore, Pat Hanratty, of Boston Community Capital estimates that because of various regulatory and judicial requirements in Massachusetts that the “normal time” to complete the foreclosure process could take up to 300 days before the actual foreclosure deed is filed at the registry of deeds office. Consequently, the actual number of foreclosure deeds recorded reflects only a small percent of homes that are in the foreclosure process.

Another indication that the foreclosure problems remains is the minimal impact the “Making Home Affordable” program and other prevention efforts are having within the two largest Merrimack Valley cities . An analysis of loan modifications recorded at the registry of deeds during the first six months of 2009 shows that Lowell has only seen 13 loan modifications and Lawrence 21. During this same period, Lowell has had 124 foreclosure deed filings and Lawrence 130.

While many real estate professionals are reporting increased sales activity in 2009 compared to last year, deeds filings indicate no significant changes in this area. Only Lawrence has had an increase (15%) in deeds filed from January to June 2009 when compared with the same period in 2008. Both Lowell and Methuen had about 11% fewer deeds recorded in the first half of 2009 than during the first six months of 2008. Haverhill totals were only one percent more. On the other hand, the number of mortgages (refinances) recorded within Methuen increased 12.5% and 1.5% in Lowell from the first six months of 2008 to 2009, while Haverhill mortgage filings declined by 7.8% and Lawrence 3.4%.

In conclusion, the fact that deed and mortgage filings have not changed significantly in the first half of 2009 may not accurately reflect the increased activity that is being reported by real estate professionals on the ground due to lag time in current sales and refinancing cycles. The next few months should give us a better indication to what extent sales and refinancing activity have changed. █

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fields – property address and book/page number of the most recent deed. Because of these common fields, it would be relatively easy to link these two databases together. Once that has been accomplished, a variety of applications would be available to allow third parties to run queries on the combined data of the registry and the assessors. While access might not be made available to everyone, other governmental agencies, academic institutions, non-profits, and other trusted entities could be provided read-only access. This arrangement would give these entities great latitude in designing queries and reports that best suited their own particular needs.

The beauty of the system described here is that it dramatically increases the value of existing data at very little cost. The registry would maintain its own data, just as it does today; and the assessors would do the same. In a couple of hours, a handful of skilled IT professionals could link the databases and provide secure, reliable access to them. Why isn't such a system already in place? There are a variety of reasons, none of them related to cost or capability. Perhaps those who would benefit most from the existence of such a system should start asking for it. Without demand, there's little reason for a data custodian, already stretched thin performing his primary mission, to take on even more responsibility. █

Deeds, Mortgages, and Foreclosures recorded

Jan-June 2008 to Jan-June 2009 compared

Haverhill								
	Jan	Feb	Mar	Apr	May	Jun	Total	Percent Change
Deeds '08	56	84	89	101	101	106	537	0.93%
Dedds '09	77	77	87	89	101	111	542	
Mortgages '08	132	180	215	282	197	171	1177	-7.82%
Mortgages '09	130	167	181	180	197	230	1085	
Foreclosures '08	10	14	16	28	21	14	103	-21.36%
Foreclosure '09	10	17	13	11	21	9	81	

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Lawrence								
	Jan	Feb	Mar	Apr	May	Jun	Total	Percent Change
Deeds '08	74	51	82	100	98	98	503	14.91%
Dedds '09	91	90	105	97	82	113	578	
Mortgages '08	111	81	130	138	132	138	730	-3.42%
Mortgages '09	110	90	133	107	115	150	705	
Foreclosures '08	34	28	42	46	57	43	250	-48%
Foreclosure '09	30	18	34	23	13	12	130	

Lowell								
	Jan	Feb	Mar	Apr	May	Jun	Total	Percent Change
Deeds '08	111	111	125	151	156	171	825	-10.79%
Dedds '09	89	116	147	106	132	146	736	
Mortgages '08	222	196	259	254	253	181	1365	-1.54%
Mortgages '09	158	199	266	237	227	299	1386	
Foreclosures '08	23	21	39	37	47	36	203	-38.92%
Foreclosure '09	29	25	20	20	11	19	124	

Methuen								
	Jan	Feb	Mar	Apr	May	Jun	Total	Percent Change
Deeds '08	74	54	89	65	103	85	470	-11.49%
Dedds '09	36	56	76	81	83	84	416	
Mortgages '08	143	135	197	199	193	153	1020	-12.55%
Mortgages '09	132	168	195	195	222	236	1148	
Foreclosures '08	6	4	11	10	10	8	49	-46.94%
Foreclosure '09	5	6	4	5	5	1	26	

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