

Rates on rise in area

Increase began last year and includes commercial and residential properties

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BusinessDen

Foreclosure filings are on the rise in the Denver area.

Through the end of August, 495 properties in Denver had been the subject of a notice of election and demand, a formal filing from a lender following a loan default that initiates the county foreclosure process.

For comparison, foreclosure had been initiated on 426 Denver properties by the same time in 2025, according to online filings.

The recent increases began last year. Prior to that, there were three relatively stable years. There were 347 foreclosure starts by Aug. 31 in both 2024 and 2023, and 354 in 2022.

The 2026 number represents a 16% jump from 2025 and a 43% increase compared to 2024.

The filings represent both commercial and residential properties, from townhomes to skyscrapers.

On the commercial side, the office sector is in an unprecedented state of distress. Downtown's Denver Energy Center was foreclosed on in 2022, and a host of other buildings have entered foreclosure. Many owners opt to give their property back to the lender rather than go through the auction process.

But residential properties account for the majority of foreclosure starts, given the sheer volume of single-family homes. Across Colorado, 5% of mortgages were delinquent in the first quarter, according to Business Insider. That means that one in 20 homeowners were at least 30 days behind on a payment.

Individuals with a lien on a property, including homeowner associations, can also foreclose.

Patrick Noonan, program director for Colorado Housing Connects, a helpline for various housing issues run by housing nonprofit Brothers Redevelopment, said foreclosure-related calls are up 44% so far this year compared to 2025.

"We've seen a dramatic uptick in volume the last several years," Noonan said.

The foreclosure uptick extends to the suburbs, which are seeing even higher numbers.

Arapahoe County had seen 587 foreclosure starts through the end of August, compared to 511, 392 and 389 at the same point in the three years prior.

Adams County was at 581 filings, up from 519, 383 and 416.

Noonan said some calls are from working-age homeowners struggling with a decrease in income, while others come from the elderly struggling with the cost of living and reverse mortgage payments.

"Since COVID, there was a lot of financial assistance ... That largely sunset in the fall of 2025," Noonan said. His organization often advises people on how to increase their income, from taking on a second job to renting a room in their home.

Not all notices of election and demand result in foreclosure. Counties generally schedule auctions several months out, and a fair deal of notices are withdrawn by lenders, generally because they have reached a deal with their borrower or their borrower has refinanced into a new loan.

In Denver, 149 properties were auctioned off through Aug. 31, compared to 81 in 2025, records show. In Arapahoe County, that number was 177 this year, compared to 78 in 2025.

Those big year-over-year jumps — 84% in Denver and 127% in Arapahoe County — likely reflect how long foreclosures take from filing to auction. Many of the properties that received notices last year, when the spike began, were likely auctioned off this year.

Even with the jump, foreclosure numbers are well below those during the housing crisis and Great Recession. Denver saw 8,240 foreclosure filings in 2007.

Realtor Tom Ladtkow estimates he sold 3,000 homes between 2001 and 2011, most of them on behalf of a lender that foreclosed. But he said most lenders now turn around and sell them to wholesalers.

"Typically what they'll do is they'll just put it out to a group of investors — whoever is on their list," he said.

Noonan said he doesn't see any signs that suggest the growth in foreclosures will reverse.

"All the economic indicators that you hear about in the news don't seem to be showing any signs of easing up."