

Foreclosed homes sold at auction

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By Sarah Dallof

Going, going, gone. A home auction in Salt Lake tonight highlights the national foreclosure crisis.

One Murray home up for auction was previously assessed at more than \$700,000. Tonight it went for just over \$360,000. And while that may seem like the perfect deal, experts say a good deal like this one isn't right for every buyer.

Homes and custom lots across the state sold to the highest bidder tonight. Eric Nelson, with Eric Nelson Auctioneering, explained, "The banks have foreclosed on these properties."

Tom Johansen bought a lot in South Ogden for \$36,000. It was previously estimated at \$175,000. "Assuming the bank accepts, it's a very good deal," he said.

The promise of a good deal lured about 1,000 people out to the Wells Fargo Building today, hoping to turn someone else's foreclosure failure into a nice profit. A local economist tells KSL News that builders in Utah are in the worst market in 30 years.



Auction organizer Eric Nelson says that means for the right buyer the conditions are perfect. "If you want to get even with the banking crisis, buy at 40-50 cents on the dollar, and turn those extra tax dollars into equity."

But financial experts have a caution. Karissa Berndt, a housing counselor, said, "If people are excited and say, 'Wow, I can get such a good deal on this house,' well it may be a good deal, but not if you can't afford it."

And if a good deal pushes you to bite off more than you can chew, you may find your home back on the auction block.

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