

# California cities fill top 10 foreclosure list

## Stockton, Calif. records highest foreclosure rate among nation's metro areas according to a new survey.

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NEW YORK (CNNMoney.com) -- The binge that many housing markets went on in the early- to mid-2000s is over, and some of the hottest markets like California are now experiencing the worst hangovers.

But other areas, especially many that recorded slower home price growth earlier this decade, have seen little increase in foreclosure rates, according to the latest data released Tuesday from RealtyTrac, the online marketer of foreclosure properties.

"While foreclosure activity has skyrocketed over the past year in many cities, particularly in California, Ohio and the Northeast," James Saccaccio, RealtyTrac's chief executive, said in a statement, "foreclosure activity seems to be subsiding in parts of Texas, South Carolina and other states."

"Still," he said, "the overall trend is toward escalating foreclosure rates, with 82 of the top 100 metro areas reporting year-over-year increases in the number of homes affected by foreclosure."

[Stockton](#), California now leads the nation in foreclosures. Of RealtyTrac's top 10 metro areas for foreclosures, four are in Central California.

Coastal California cities are doing relatively well, although foreclosures are up there too. [San Francisco](#) had one foreclosure for every 263 households, a fairly low rate, but up 83 percent from the first six months of 2006.

Stockton city drew thousands of home buyers to the Central Valley area from the prohibitively expensive Bay-area markets during the housing boom and saw home prices nearly double in the four years ended December 31, 2005, according to the Office of Federal Housing Enterprise Oversight.

### [The most ruthless foreclosure states](#)

Because of California's outsized home prices, option and hybrid adjustable-rate mortgages (ARMs) interest-only loans became widespread. They enabled home buyers to get into properties they could not otherwise afford.

But often these loans were time bombs; hybrid ARMs, for example, reset to much higher rates - and payments - after the first two or three years of low fixed rates.

Many buyers were also approved for expensive mortgages based on applications in which income or assets went unproven, the so-called no- or low-doc loans, AKA "liar loans."

Lenders underwrote mortgages for these borrowers based on their income or asset claims without proof and many times the claims were exaggerated. When hard times hit, these borrowers had fewer resources to fall back on than the lenders anticipated and foreclosures followed.

### [Mortgage meltdown contagion](#)

Seven of the nation's top 10 metro areas are in the Sun Belt. Only three are in economically hard-hit areas, historically the kinds of places that once produced the highest rates of foreclosure filings.

Stockton recorded one foreclosure filing for every 27 households during the six months ended June 30, a 256 percent increase compared with the first six months of 2006.

Number two in the nation was [Detroit](#), where job losses in the auto industry drove foreclosures higher. One of every 29 households recorded a foreclosure filing there, almost double the rate of a year ago. [Las Vegas](#) (one of 31, up 142 percent) was third.

The other California cities in the top 10 were [Riverside/San Bernardino](#) (one in 33, up 198 percent), [Sacramento](#) (one in 36, up 231 percent) and [Bakersfield](#) (one in 47, up 222 percent).

The lowest foreclosure rate recorded by RealtyTrac among the 100 metro areas surveyed was in [Richmond, Virginia](#). It had just one for every 2,319 households, about the same as a year ago and a rate barely more than 1 percent of Stockton's.

Other low foreclosure metro areas included [Greenville, South Carolina](#) (one in 1,721, down 66 percent), [McAllen, Texas](#) (one in 1,494, down 35 percent) and [Honolulu](#) (one in 1,151, up 68 percent). ■

**Foreclosure rates for top 100 metro areas.**

<b>Rate Rank</b>	<b>MSA</b>	<b>Foreclosure Filings</b>	<b>1 filing for every #HH</b>	<b>%Δ from First Half 2006</b>
1	STOCKTON, CA	8,169	27	256
2	DETROIT/LIVONIA/DEARBORN, MI	28,705	29	99
3	LAS VEGAS/PARADISE, NV	22,928	31	142
4	RIVERSIDE/SAN BERNARDINO, CA	41,351	33	198
5	SACRAMENTO, CA	20,516	36	241
6	DENVER/AURORA, CO	23,842	42	11
7	MIAMI, FL	20,275	46	74
8	BAKERSFIELD, CA	5,365	47	222
9	MEMPHIS, TN	10,800	49	17
10	CLEVELAND/LORAIN/ELYRIA/MENTOR, OH	18,844	50	106
11	FORT LAUDERDALE, FL	15,720	50	72
12	ATLANTA/SANDY SPRINGS/MARIETTA, GA	36,502	54	17
13	FORT WORTH/ARLINGTON, TX	13,221	57	-10
14	FRESNO, CA	4,867	60	183
15	INDIANAPOLIS, IN	11,677	62	-6
16	DAYTON, OH	5,966	63	96
17	DALLAS, TX	23,284	65	-15
18	AKRON, OH	4,378	70	85
19	OAKLAND, CA	13,482	70	152
20	COLUMBUS, OH	10,706	70	85
21	JACKSONVILLE, FL	7,513	73	20
22	PHOENIX/MESA, AZ	21,378	74	139
23	SAN DIEGO, CA	14,859	75	164
24	TAMPA/ST PETERSBURGH/CLEARWATER, FL	15,905	79	68
25	WARREN/FARMINGTON HILLS/TROY, MI	13,093	80	92
26	TOLEDO, OH	3,530	84	47
27	VENTURA, CA	3,100	86	183
28	NEWHAVEN/MILFORD, CT	4,017	86	547
29	LOS ANGELES/LONG BEACH, CA	38,199	87	125

30	CHICAGO, IL	34,818	88	45
31	SARASOTA/BRADENTON/VENICE, FL	3,919	94	166
32	EDISON, NJ	9,462	98	58
33	ORLANDO, FL	8,325	98	49
34	CINCINNATI, OH	8,949	100	166
35	WORCESTER, MA	3,097	101	374
36	LAKE/KENOSHA, IL-WI	2,454	101	27
37	CAMDEN, NJ	2,761	101	56
38	CHARLOTTE/GASTONIA, NC	6,498	101	116
39	PALM BEACH, FL	6,063	102	32
40	GARY, IN	2,614	108	49
41	LITTLE ROCK/NORTH LITTLE ROCK, AR	2,617	108	-39
42	KANSAS CITY, MO-KS	7,703	111	117
43	SAN ANTONIO, TX	6,409	112	-1
44	HARTFORD, CT	4,326	112	446
45	ORANGE, CA	9,012	113	153
46	AUSTIN/ROUND ROCK, TX	5,155	115	-21
47	SPRINGFIELD, MA	2,424	116	234
48	BRIDGEPORT/STAMFORD/NORWALK, CT	2,847	122	552
49	TUCSON, AZ	3,323	122	55
50	NEWARK, NJ	6,745	124	20
51	TACOMA, WA	2,427	125	23
52	HOUSTON/BAYTOWN/SUGARLAND, TX	16,057	127	1
53	ESSEX, MA	2,179	135	409
54	OKLAHOMA CITY, OK	3,660	138	-22
55	TULSA, OK	2,712	143	-12
56	SAN JOSE/SUNNYVALE/SANTA CLARA, CA	4,197	148	105
57	SUFFOLK/NASSAU, NY	6,624	150	17
58	ST LOUIS, MO-IL	8,023	151	55
59	BOSTON/QUINCY, MA	4,862	153	342
60	RALEIGH/CARY, NC	2,505	158	105
61	NASHVILLE/DAVIDSON, TN	3,788	161	31
62	LOUISVILLE, KY	3,150	169	7
63	SALT LAKE CITY, UT	2,185	172	-39

64	EL PASO, TX	1,306	187	-2
65	CAMBRIDGE/NEWTON/FRAMINGHAM, MA	3,045	193	313
66	WASHINGTON/ARLINGTON/ALEXANDRIA, DC-VA-MD	8,483	195	430
67	PHILADALPHIA, PA	8,086	198	2
68	ALBUQUERQUE, NM	1,635	208	-38
69	ROCHESTER, NY	2,041	215	208
70	GREENSBORO/HIGHPOINT, NC	1,336	225	75
71	BIRMINGHAM/HOOVER, AL	1,986	227	157
72	OMAHA/COUNCIL BLUFFS, NE-IA	1,480	229	158
73	MILWAUKEE/WAUKESHA/WST ALLIS, WI	2,782	231	22
74	SCRANTON/WILKES/BARRE/HAZLETON, PA	1,076	239	110
75	MINNEAPOLIS/ST PAUL/BLOOMINGTON, MN	5,270	245	201
76	SEATTLE/BELLEVUE/EVERETT, WA	4,302	246	7
77	KNOXVILLE, TN	1,211	246	9
78	SAN FRANCISCO, CA	2,765	263	83
79	NEW ORLEANS, LA	2,178	267	610
80	PITTSBURGH, PA	3,917	281	-22
81	PROVIDENCE/NEW BEDFORD, RI	1,489	301	473
82	NEW YORK/WAYNE/WHITE PLAINS, NY	14,300	305	47
83	BUFFALO/CHEEKTOWAGA/TONAWANDA, NY	1,565	332	76
84	PORTLAND/VANCOUVER/BEAVERTON, OR	2,426	353	7
85	BETHESDA/FREDERICK/GAITHERSBURG, MD	1,196	368	581
86	BALTIMORE/TOWSON, MD	2,816	387	275
87	WICHITA, KS	633	399	0
88	POUGHKEEPSIE/NEWBURGH/MIDDLETOWN, NY	566	428	2
89	ALBANY/SCHENECTADY/TROY, NY	690	544	82
90	CHARLESTON, SC	483	547	-23
91	WILMINGTON, DE	469	588	108
92	SYRACUSE, NY	441	643	3
93	BATON ROUGE, LA	456	668	265
94	ALLENTOWN/BETHLEHEM/EASTON, PA	403	756	34
95	COLUMBIA, SC	392	757	-49

96	NORFOLK/VIRGINIA BEACH/NEWPORT NEWS, VA	747	787	191
97	HONOLULU, HI	286	1,151	68
98	MCALLEN/EDINBURG/PHARR, TX	155	1,494	-35
99	GREENVILLE, SC	151	1,721	-66
100	RICHMOND, VA	213	2,319	-1

Source: [Realtytrac.com](https://www.realtytrac.com)

Courtesy of JB Goodwin