

Richmond Not in Top 100 Foreclosure Cities

*Carol Hazard
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The Richmond area is out of the top-100 cities with the highest foreclosure rates in the country in the third quarter, according to a report being released this morning.

It was No. 101 on a list of 203 metropolitan areas with populations of 200,000 or more studied by RealtyTrac, an online researcher.

In all, 2,215 households, or one in every 230 households -- 0.44 percent of people with mortgages in the Richmond area -- received a foreclosure filing from July through September.

Foreclosures here rose 24 percent from the previous month but jumped nearly 90 percent from a year ago. Filings include default notices, auction-sale notices and bank repossessions.

The area had a worse ranking a year ago, when it was No. 88 on the list, but the problem wasn't as bad then as it is now. A year ago, 1,166 Richmond-area households, or 0.23 percent of households with mortgages, had trouble making their payments in the third quarter.

Despite the sharp rise in foreclosures, the Richmond area is faring better than the nation.

One in every 136 U.S. households, or 0.73 percent of households, received foreclosure filings in the third quarter, up 22.5 percent from a year ago.

The cities with the 10 highest foreclosure rates in the country were in California, Florida and Nevada. Five of the 10 areas reported decreasing activity in foreclosures, while many others -- including the Richmond area -- reported sharp increases.

"Rising unemployment and a new variety of mortgage resets continued to gradually shift the nation's foreclosure epicenters in the third quarter away from the hot spots of the last two years and toward some metro areas that had avoided the brunt of the first foreclosure wave," said James J. Saccacio, chief executive officer of RealtyTrac.

Subprime mortgages drove much of the first wave of foreclosures, Saccacio said. Rising unemployment and a weak housing market are spreading the flood, he said.

The unemployment rate in the Richmond area was 7.7 percent in August, down from 8 percent in July but up from 4.6 percent in August 2008, as the area continued to deal with the bankruptcies and employment fallout from three major employers: Circuit City Stores Inc., LandAmerica Financial Group Inc. and Qimonda.

The Washington, Arlington County and Alexandria area had the 46th-highest rate in the country, with one in every 110 households in trouble, or 0.91 percent of all mortgage holders. The rate there was up 9.25 percent from a year ago.

Las Vegas had the highest rate, with 5.13 percent, or one in every 20 households, struggling to pay mortgages, nearly seven times the national average.

Others in the top 10 were the California cities of Merced, Stockton, Modesto, Riverside-San Bernardino, Bakersfield and Vallejo-Fairfield; the Reno-Sparks area in Nevada; and Cape Coral-Fort Myers and Port St. Lucie in Florida.