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# Foreclosure filings hit record in April

Survey sees more than 243,000 filings, up 65% from a year earlier, creating problems for local governments.

By Kenneth Musante, CNNMoney.com staff writer  
Last Updated: May 14, 2008: 8:08 AM EDT

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NEW YORK (CNNMoney.com) -- U.S. foreclosure filings reached a record high in April, rising almost 65% over the previous year and putting municipalities at risk by cutting into the value of taxed property, according to a study released Wednesday.

Some 243,353 households, nearly one in 519, received a foreclosure filing during April, according to the U.S. Foreclosure Market Report from RealtyTrac, an online marketplace that tracks foreclosed properties. That was up 4% from March, and surpassed the record of 239,851 set in August 2007.

It's "the highest monthly total we've seen since we began issuing the report in January 2005," said chief executive James J. Saccacio in a statement.

RealtyTrac's measure of foreclosure filings includes notices of default, auction sales and bank repossessions. According to the report, 54,574 were fully repossessed by banks in April.

**Property tax plunge:** The record number of foreclosures added their weight to an already saturated real estate market, pulling down home prices. Plunging home values reduce the money that cities, villages and towns collect in property taxes.

In particular jeopardy are parts of Nevada, California, Arizona and Florida, whose states maintained the highest foreclosure rates, according to RealtyTrac.

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"For example, the city council in Vallejo, Calif. - part of a metropolitan area with a foreclosure rate that ranked sixth highest in the nation in April - last week voted to have the city file for bankruptcy," said Saccacio.

The state of California had the second-highest foreclosure rate in the nation, up 112% over the previous year and affecting about one in 204 households. The top spot among states was held by Nevada, which maintained a foreclosure

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S&P 500	1,414.47	▲ 11.43 / 0.81%
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U.S.Dollar	1 euro = \$1.546	▼ -0.001

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rate 3.6 times the national average, affecting about one in 146 homes.

Nationwide, single-family [home prices have fallen 7.7%](#) since the beginning of the year to the lowest level since at least 1982, according to the National Association of Realtors, and data from real-estate broker Zip Realty showed that the number of houses on the market [grew by 3.5%](#) in April.

With more homes being seized by banks, local governments also lose out on tax revenue from sale transactions. "It's really hitting the municipalities from multiple fronts," said RealtyTrac marketing vice president Rick Sharga in an interview.

**Ten hardest hit metro areas:** Cities in California and Florida have been particularly hard-hit. Areas in those states accounted for 9 of the top 10 metropolitan foreclosure rates.

The California metro areas of Merced, Stockton, Modesto and Riverside-San Bernardino took the top four spots. In Merced, one out of 66 households was hit by foreclosure in April.

In Florida, Cape Coral-Fort Myers came in at number 5, Port St. Lucie-Fort Pierce and Fort Lauderdale came in at numbers 9 and 10.

Also making an appearance was Las Vegas, a city that had seen heavy real estate speculation, at number 7 with one in 116 households receiving foreclosure notices.

As Congress [debates plans](#) to prop up troubled homeowners, the foreclosure rate shows little signs of slowing. Delinquent mortgage payments, which lead to foreclosure, will [likely rise](#) over the next six to 12 months, according to a key mortgage trend statistic from First American CoreLogic. ■

First Published: May 14, 2008: 5:03 AM EDT

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