

Foreclosure filings set record in 2008

News spurs lawmakers' push to bring more aid to homeowners

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USA TODAY

Foreclosure filings surpassed 3 million in 2008, setting a record that has Washington, D.C., policymakers calling for more aggressive efforts this year to aid troubled homeowners.

Foreclosures last year were up 81 percent from 2007 and 225 percent from 2006, according to a report out today from RealtyTrac. One in 54 homes received at least one foreclosure filing during the year, RealtyTrac reported.

Banks repossessed more than 850,000 properties in 2008 compared with about 404,000 in 2007.

Houses in some stage of foreclosure totaled 303,410 in December, up 17 percent from the previous month and up nearly 41 percent from December 2007.

As foreclosures mount, other homeowners are jumping on falling interest

rates to lower their monthly mortgage payments. Refinancing applications, now about 85 percent of all mortgage applications, have surged to levels not seen since 2003, the Mortgage Bankers Association said.

The average interest rate for 30-year, fixed-rate mortgages decreased to 4.89 percent from 5.07 percent a week earlier.