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Local foreclosures drop

Level of new filings in Brevard down last month to lowest level this year

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New foreclosure filings in Brevard County were down in September to their lowest level this year.

A preliminary count shows there were 688 new foreclosure filings last month, down from 772 in August and 862 in July.

That's the second consecutive month of declines.

The previous low for the year was 770 in May.

Clerk of the Court Scott Ellis, whose office records the filings, said the total could reach 700 when the final numbers are tallied for the month. Still, that would be the second-lowest number of new filings since January 2008.

The slowdown could be a matter of overwhelmed lenders slogging through the voluminous filings.

"I just think they are working through more than they can handle," Ellis said.

Shari Olefson, a South Florida real estate attorney and author of the book "Foreclosure Nation," said she sees no clear-cut trend in filings statewide. "Some areas are up and some areas are down."

Through the end of September, 7,365 foreclosure suits were filed in Brevard this year, compared with 7,014 at the same point of 2008. All told, a record 9,228 foreclosures were filed in the county last year. If new filings continued at about 700 a month for the rest of the year, 2009 would set a record for foreclosures, though the number would fall short of the 10,000 or more some had predicted for the year.

Olefson said a wild card in predicting the future of foreclosures in the state is how many homeowners will use foreclosure as a "financial-planning tool."

Perhaps a third or more of homeowners in the state owe more than their homes are worth. Increasingly, those homeowners are allowing their homes to go into foreclosure. They are figuring that, despite the credit hit, they would be better off moving to a rental property rather than continuing to pour money into a home that might take many years to recover its lost value.

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