

States Aim to Stem Tide of Home Foreclosures with Funds for Refinancing

BY THADDEUS HERRICK

Hoping to slow the quickening pace of home foreclosures, about a half-dozen states are setting up funds to help homeowners with high-risk subprime mortgages refinance to more-affordable loans.

The states -- which include Maryland, Massachusetts, New Jersey, New York, Ohio and Pennsylvania -- are expected to invest a total of more than \$500 million in the effort. That isn't much, given the size of the problem, but state officials hope it will be enough to keep some vulnerable low- and moderate-income neighborhoods from sliding into decline.

Some of the programs will be similar to existing government-lending programs, in which the ...

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