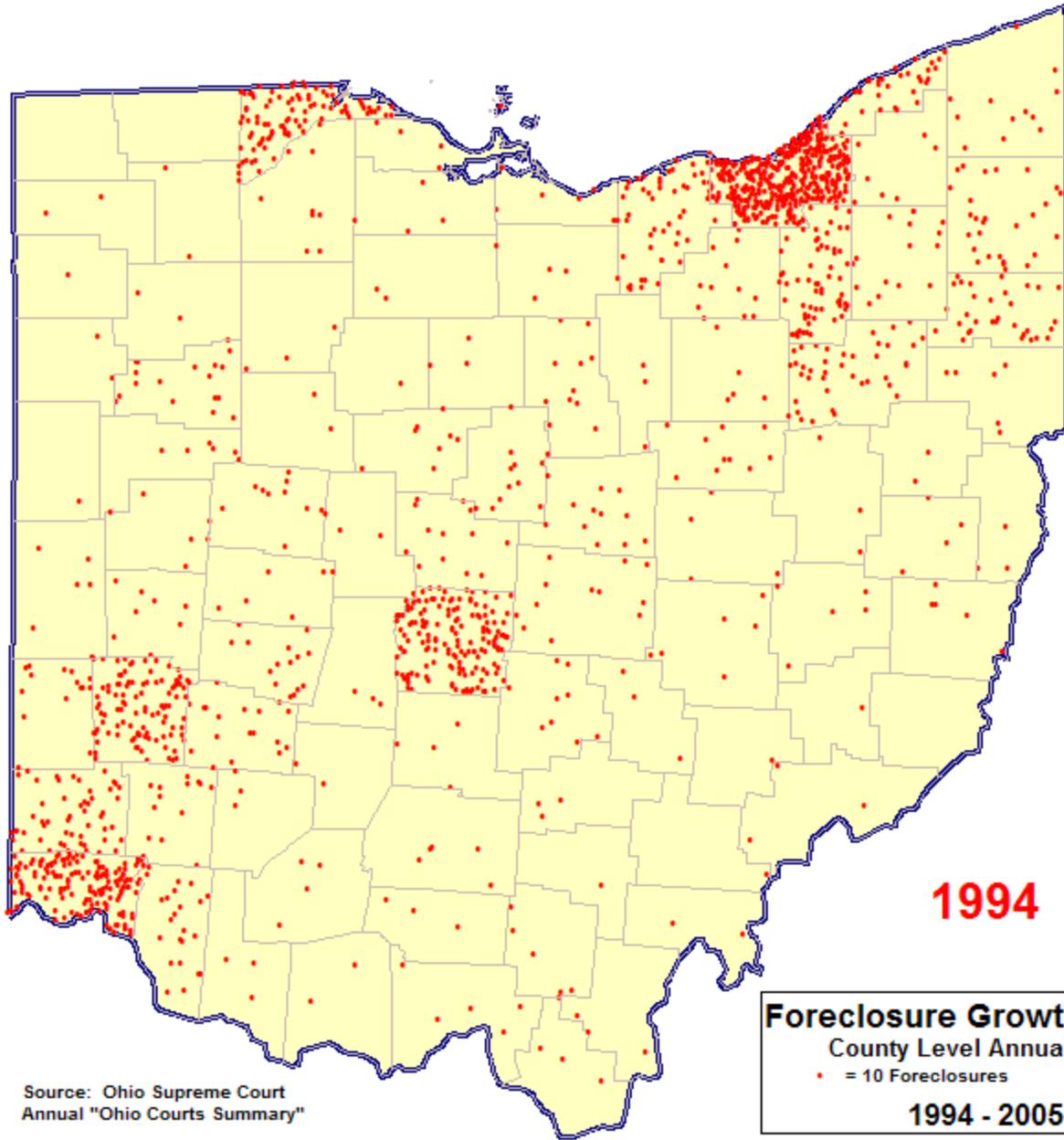


DIMENSIONS OF OHIO'S FORECLOSURE CRISIS

*And the prominent role
subprime lending plays*

QuickTime™ and a
TIFF (Uncompressed) decompressor
are needed to see this picture.

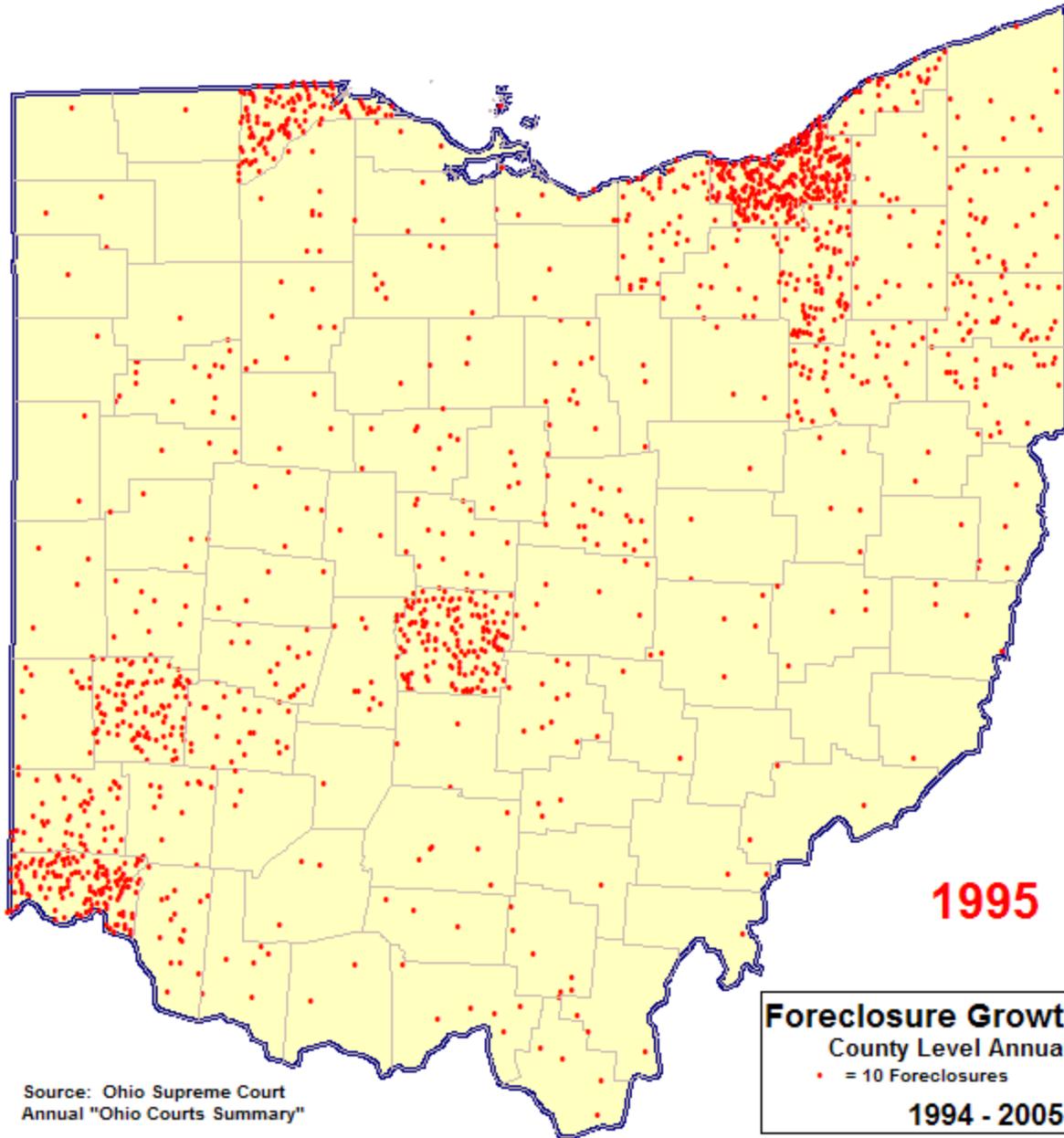
Coalition on Homelessness & Housing in Ohio
175 S. Third Street, Suite 250
Columbus, Ohio 43215 614-280-1984



1994

Foreclosure Growth in Ohio
County Level Annual Filings
• = 10 Foreclosures
1994 - 2005

Source: Ohio Supreme Court
Annual "Ohio Courts Summary"



1995

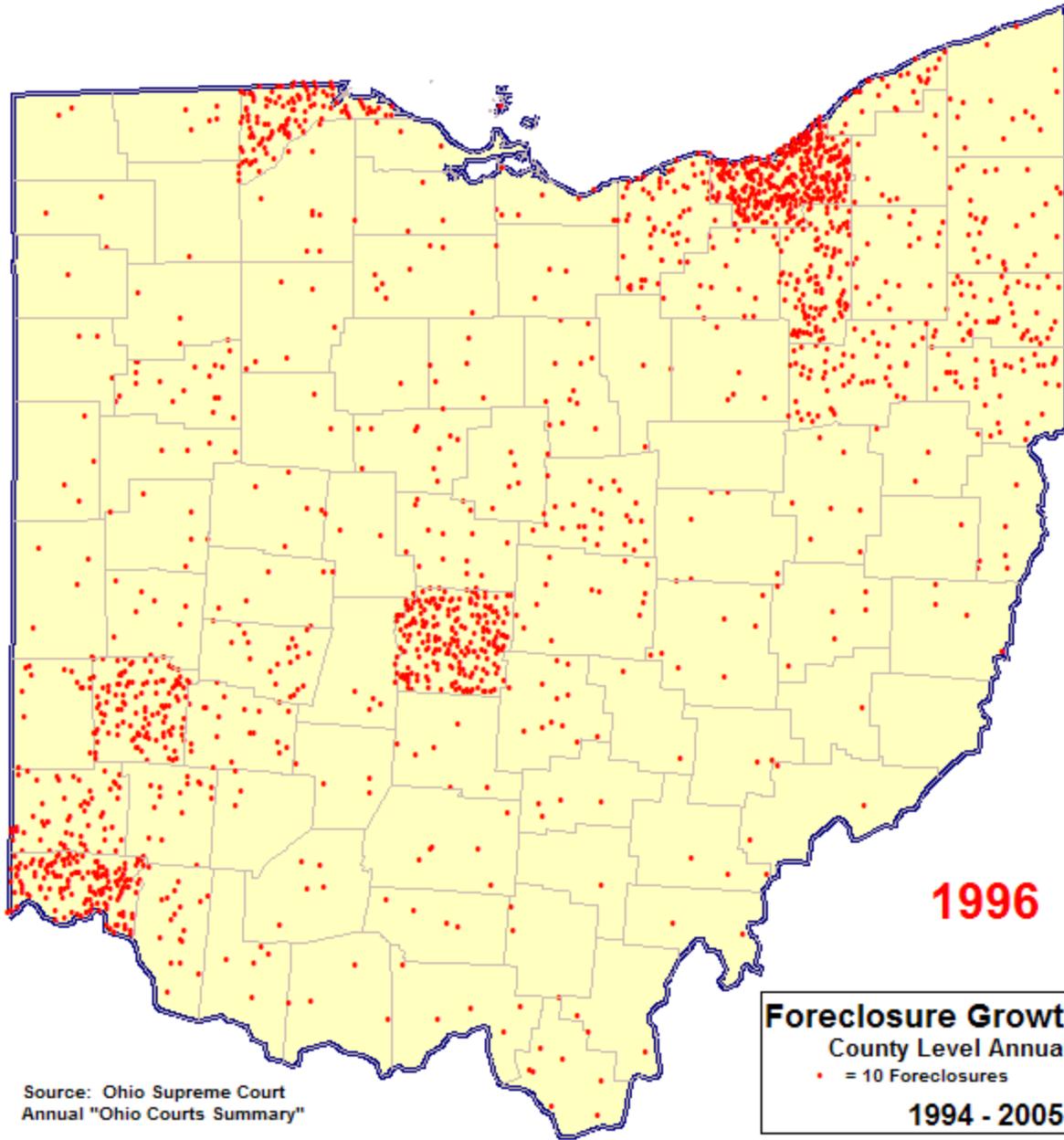
Foreclosure Growth in Ohio

County Level Annual Filings

• = 10 Foreclosures

1994 - 2005

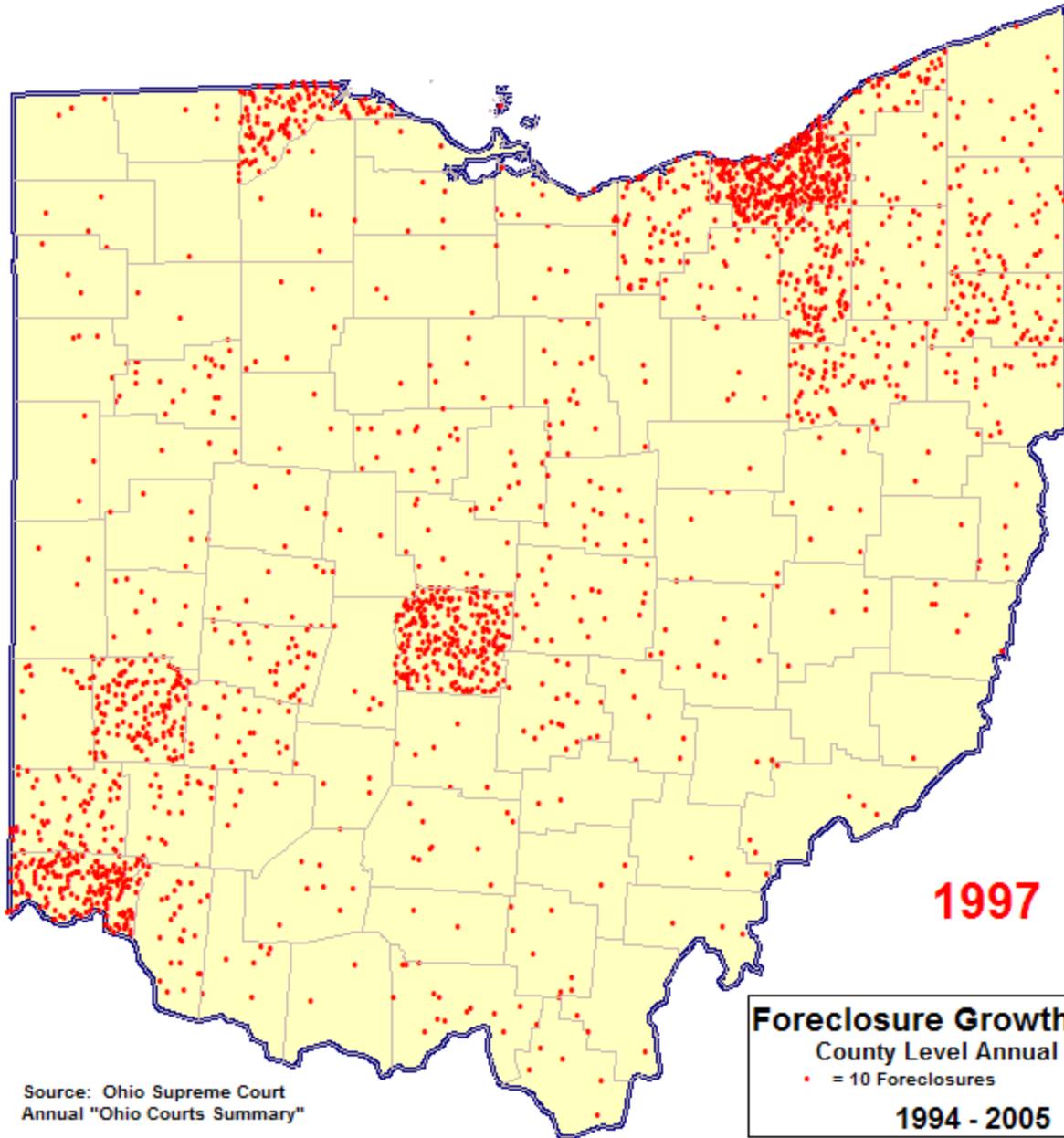
Source: Ohio Supreme Court
Annual "Ohio Courts Summary"



1996

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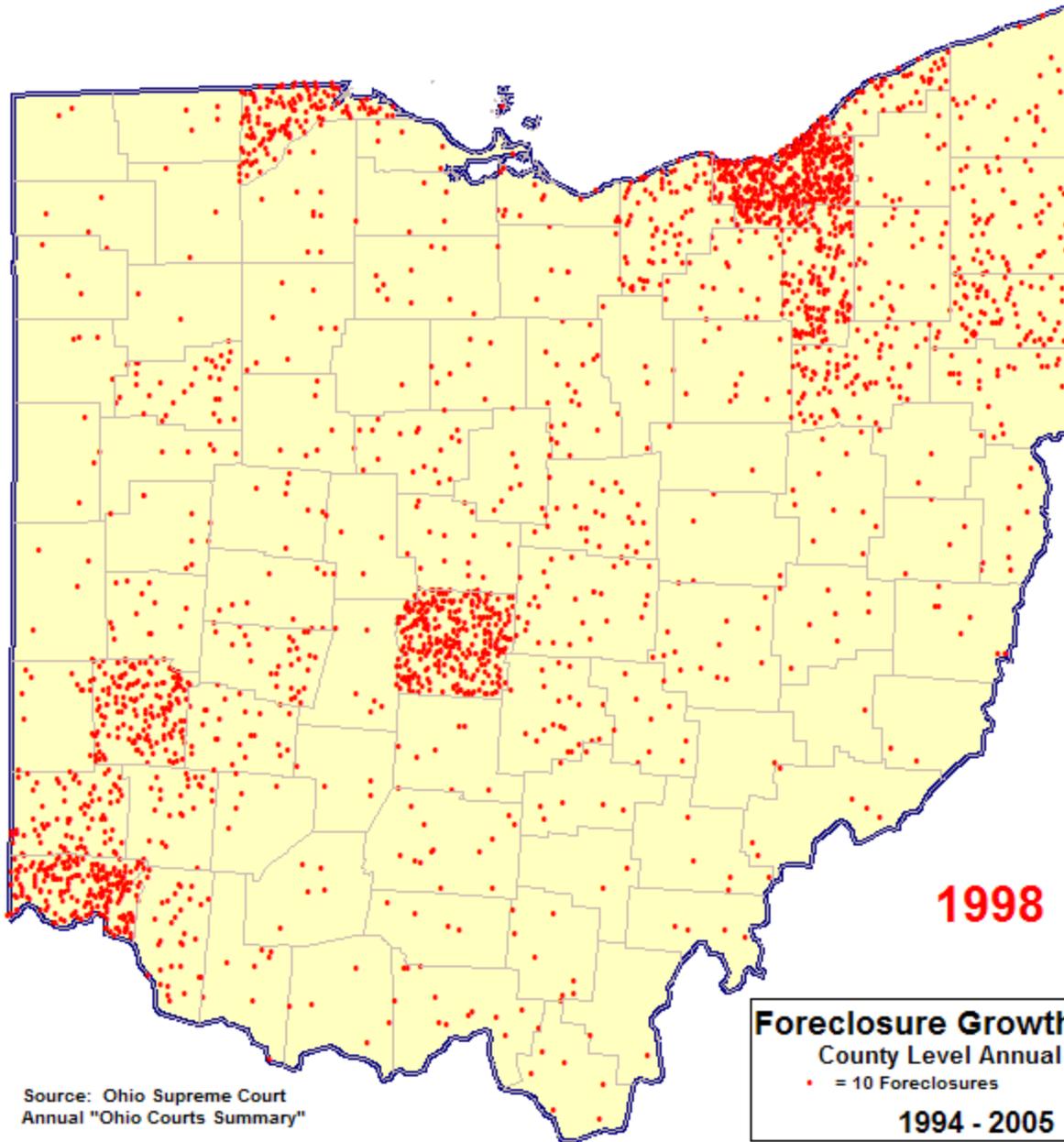
Source: Ohio Supreme Court
Annual "Ohio Courts Summary"



1997

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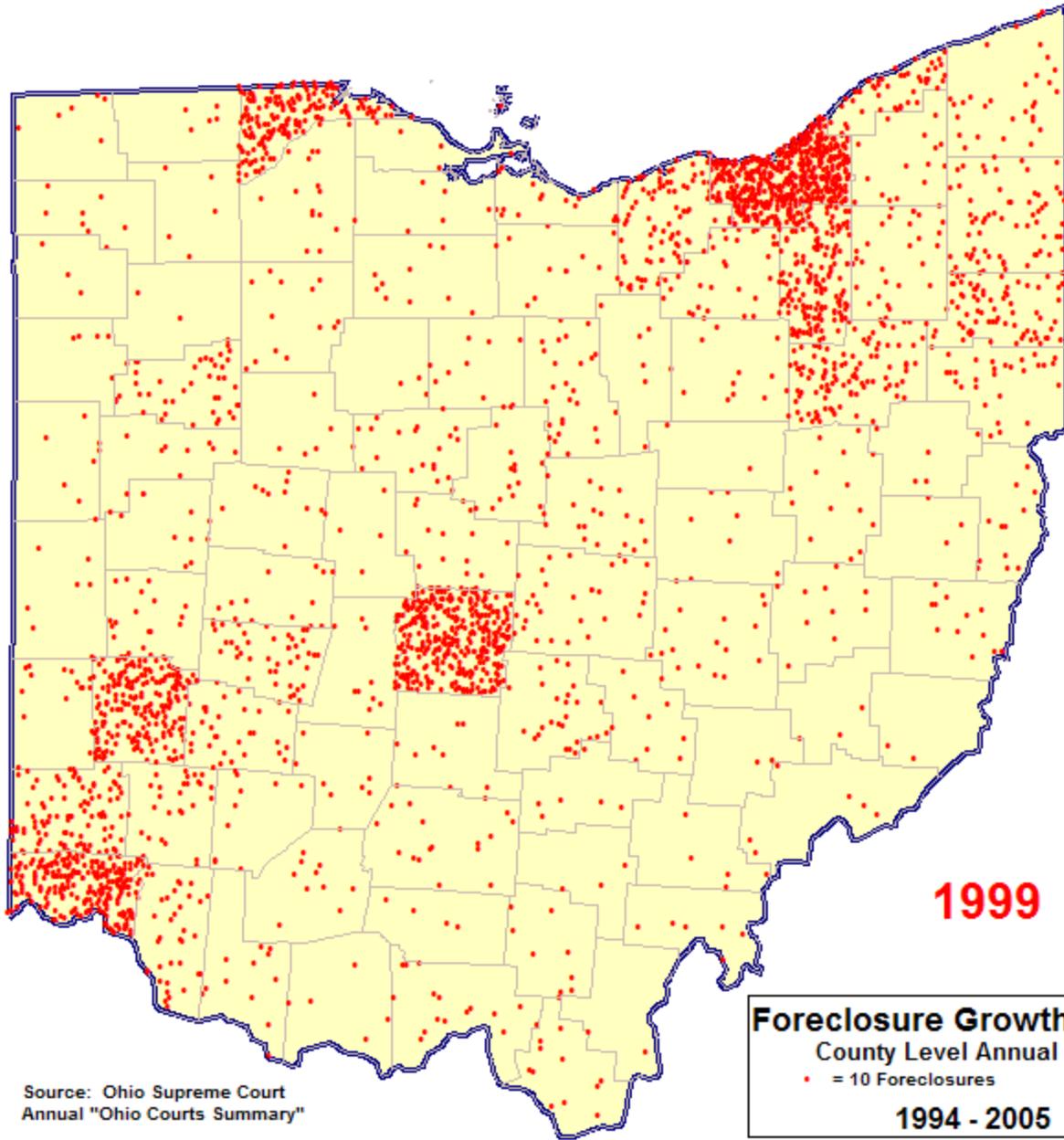
Source: Ohio Supreme Court
Annual "Ohio Courts Summary"



Source: Ohio Supreme Court
Annual "Ohio Courts Summary"

1998

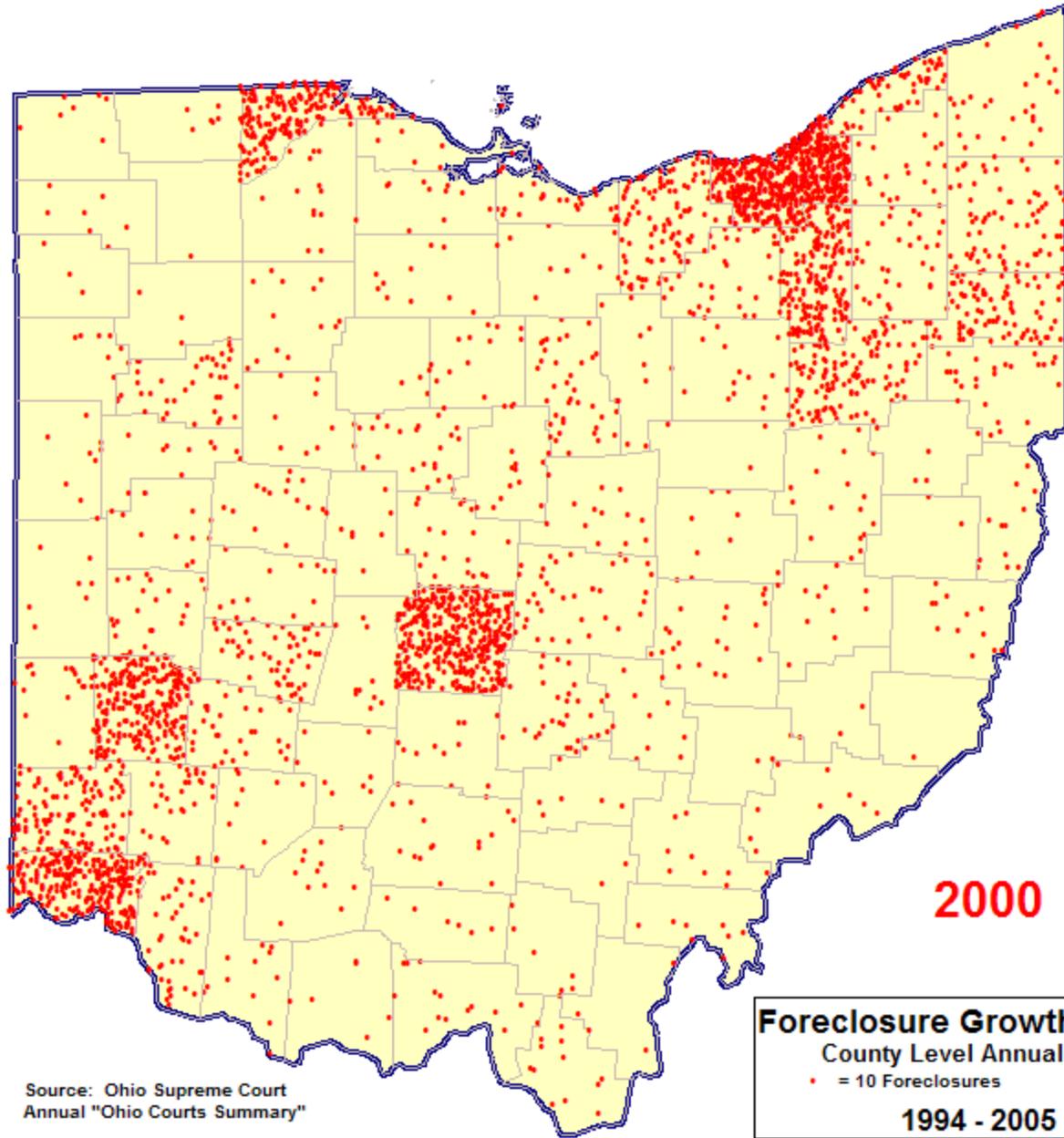
Foreclosure Growth in Ohio
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• = 10 Foreclosures
1994 - 2005



1999

Foreclosure Growth in Ohio
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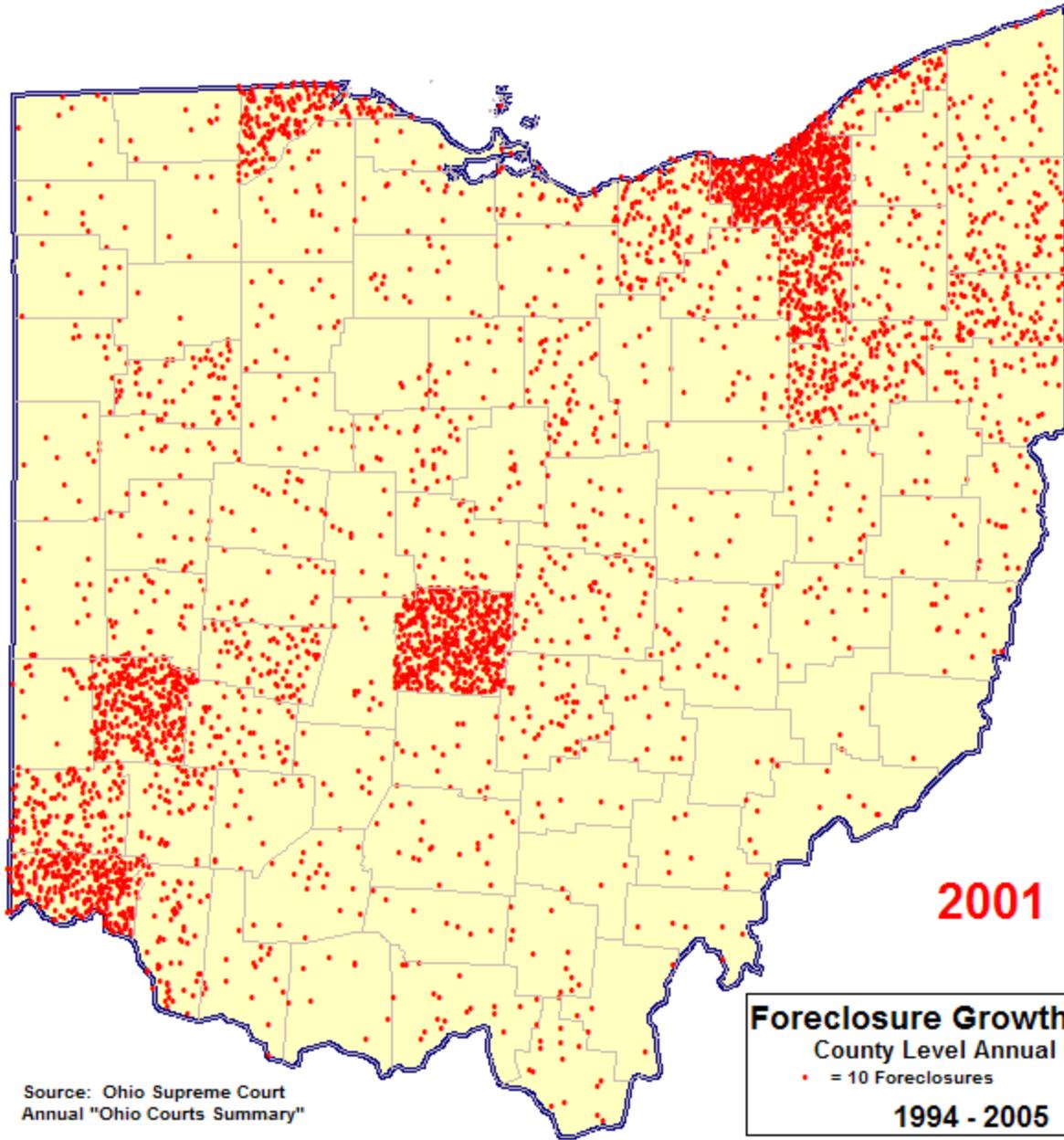
Source: Ohio Supreme Court
Annual "Ohio Courts Summary"



2000

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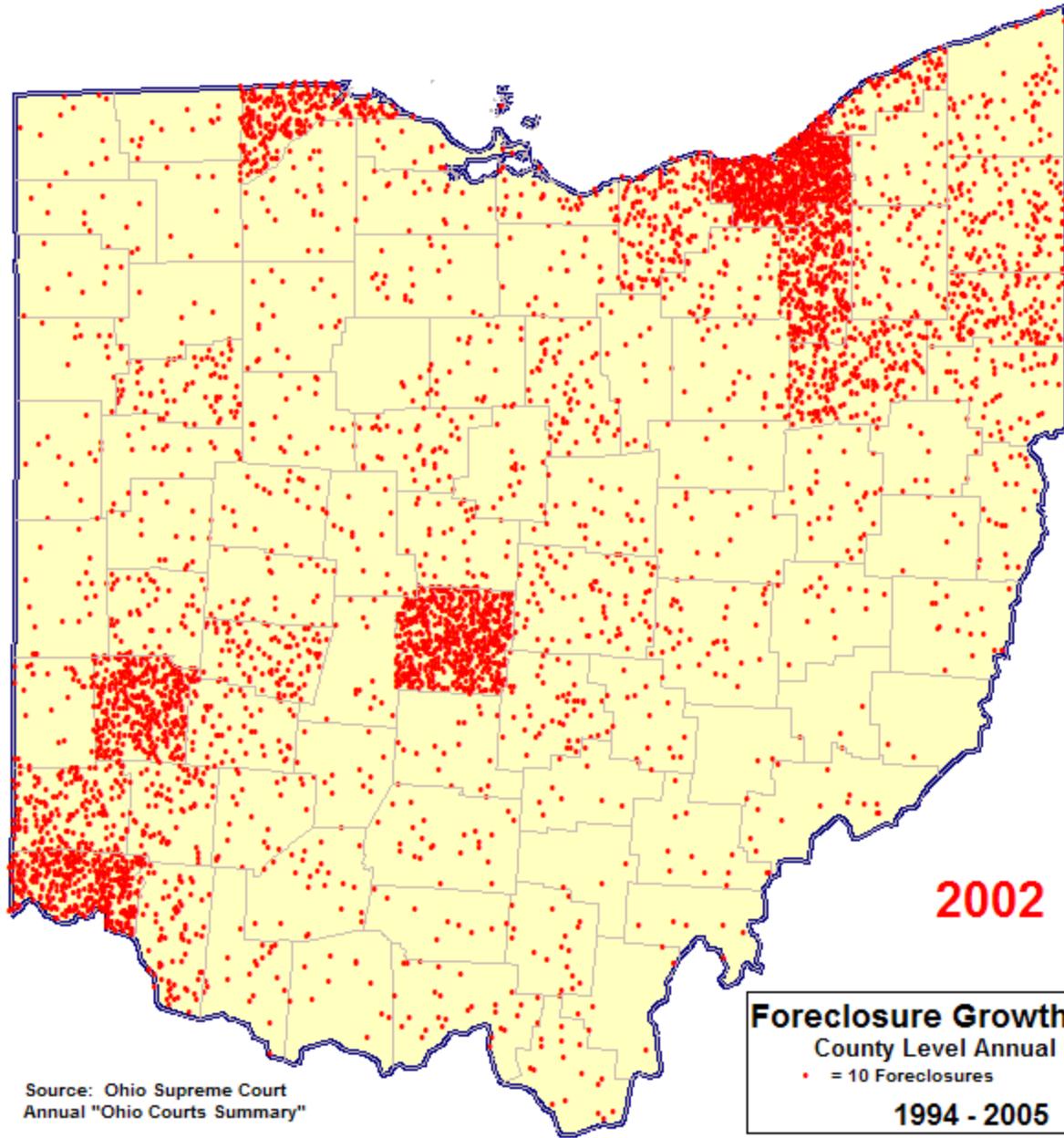
Source: Ohio Supreme Court
Annual "Ohio Courts Summary"



2001

Foreclosure Growth in Ohio
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Source: Ohio Supreme Court
Annual "Ohio Courts Summary"



2002

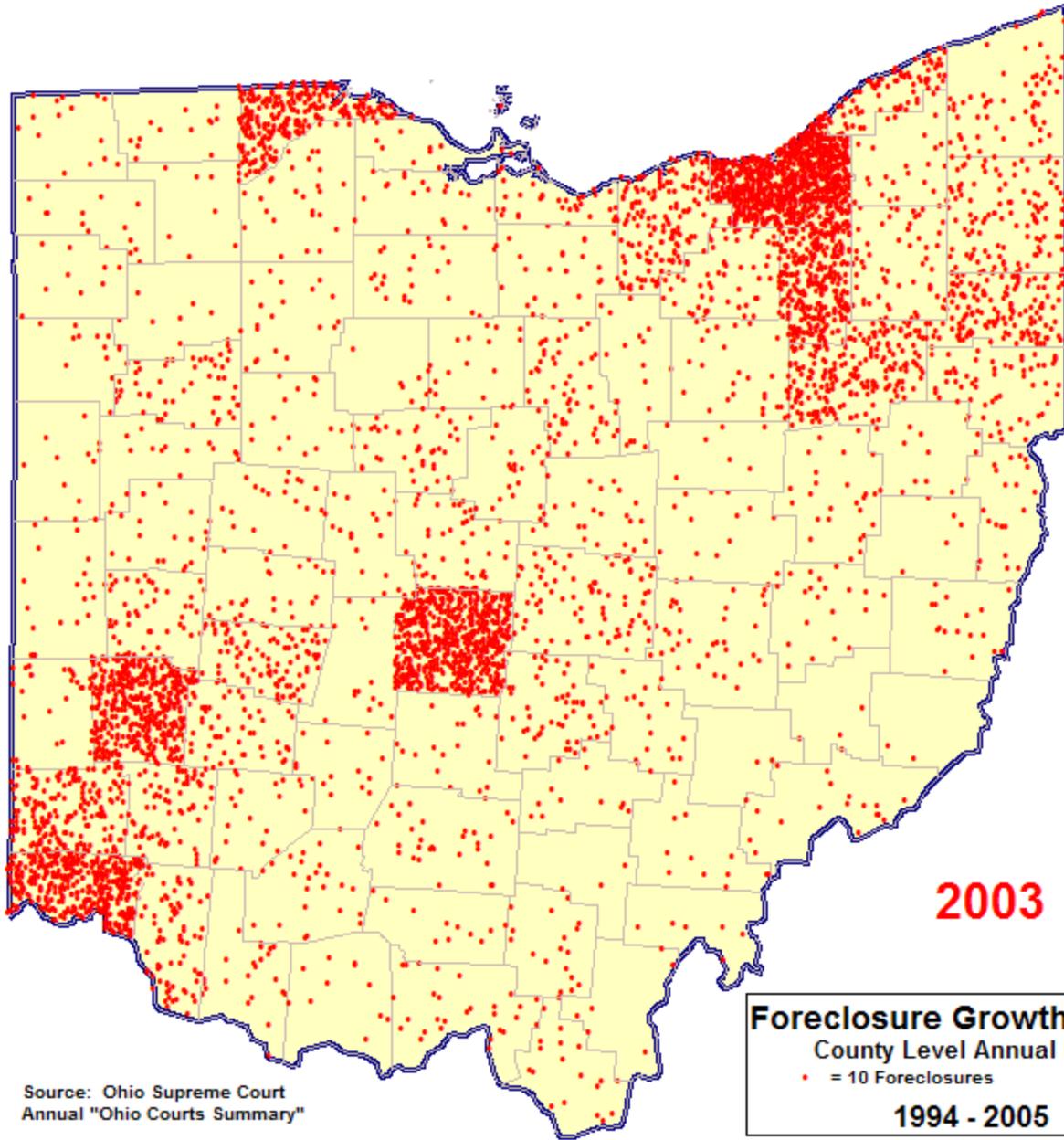
Foreclosure Growth in Ohio

County Level Annual Filings

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1994 - 2005

Source: Ohio Supreme Court
Annual "Ohio Courts Summary"



2003

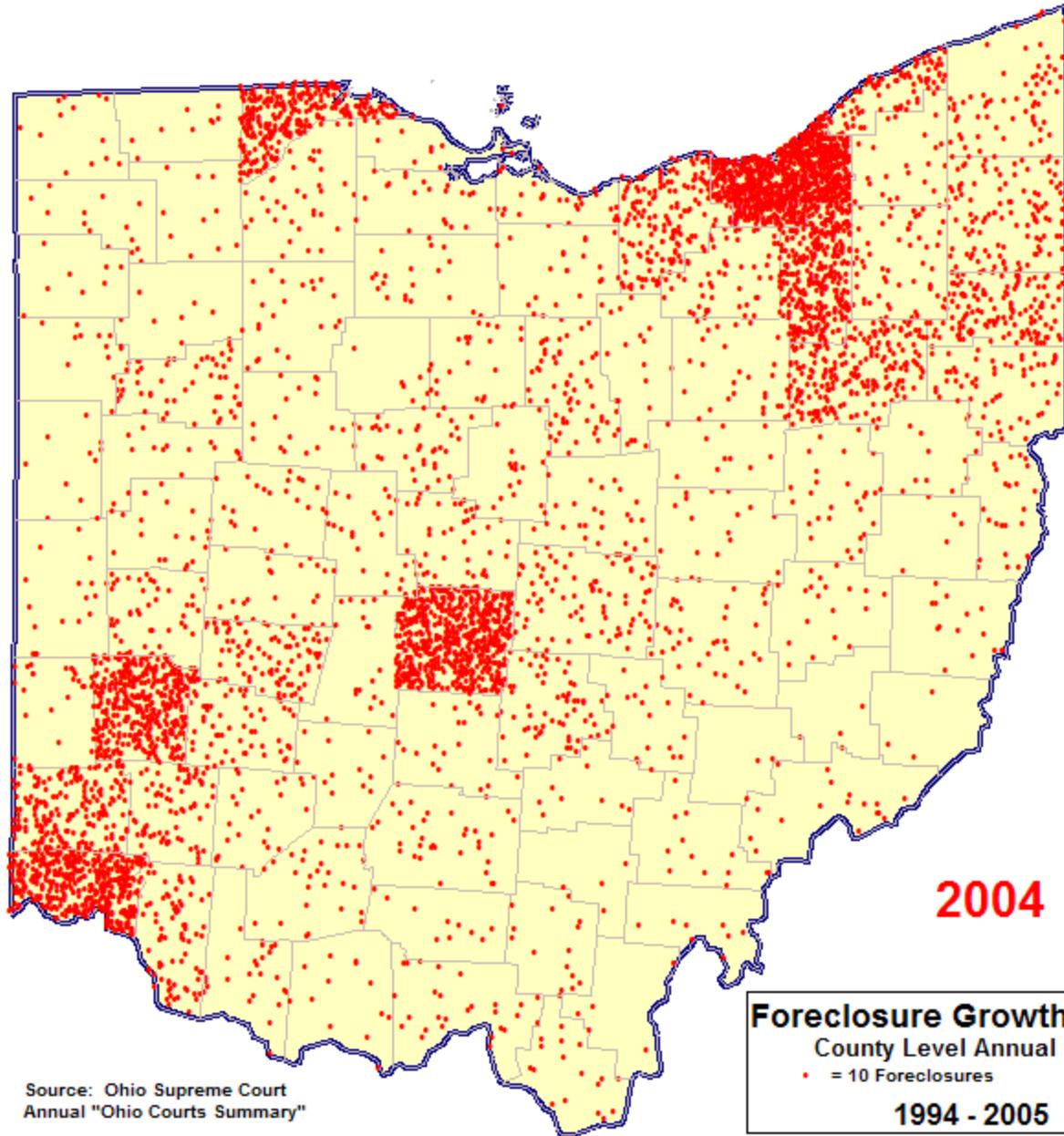
Foreclosure Growth in Ohio

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1994 - 2005

Source: Ohio Supreme Court
Annual "Ohio Courts Summary"



2004

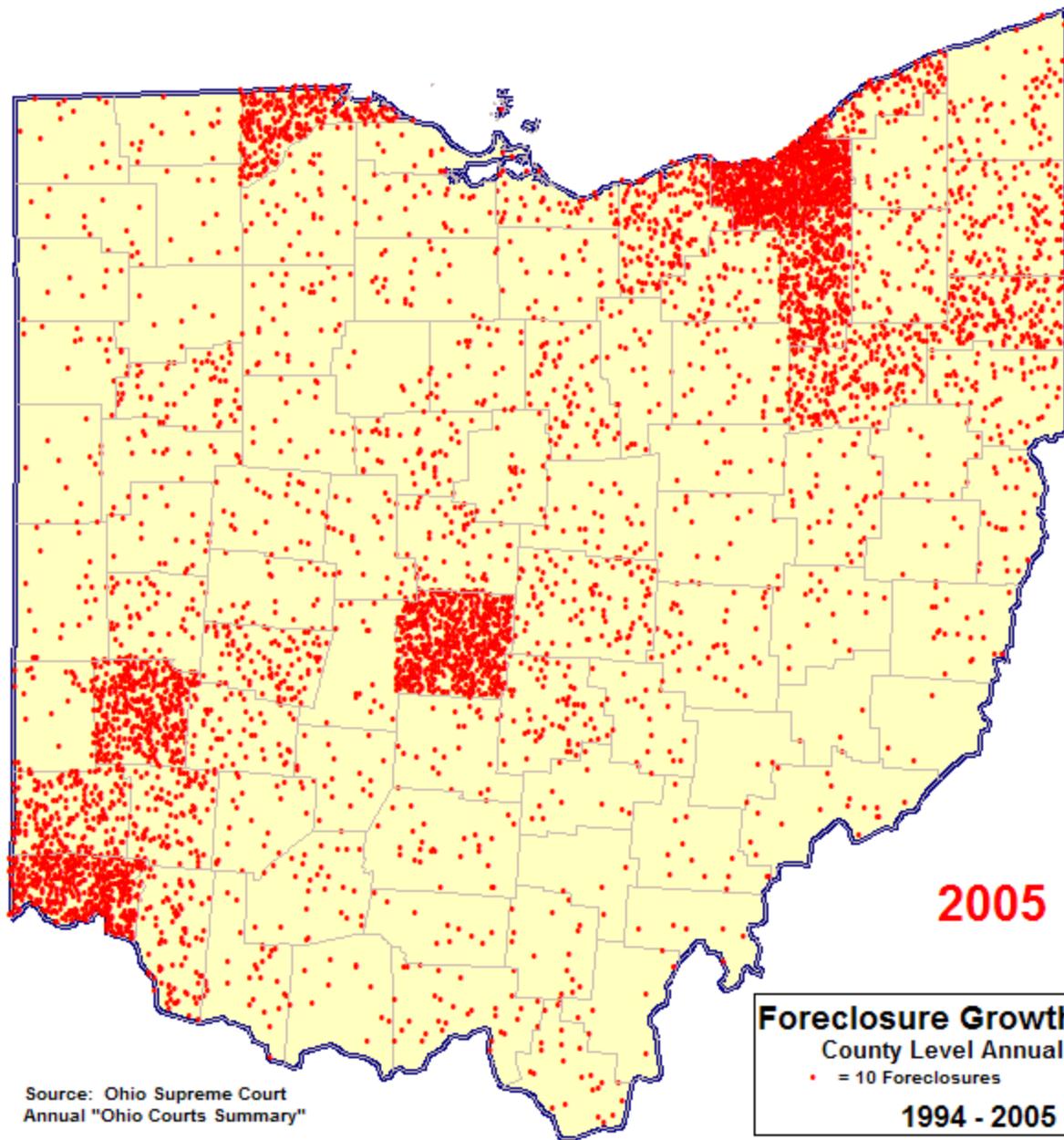
Foreclosure Growth in Ohio

County Level Annual Filings

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1994 - 2005

Source: Ohio Supreme Court
Annual "Ohio Courts Summary"

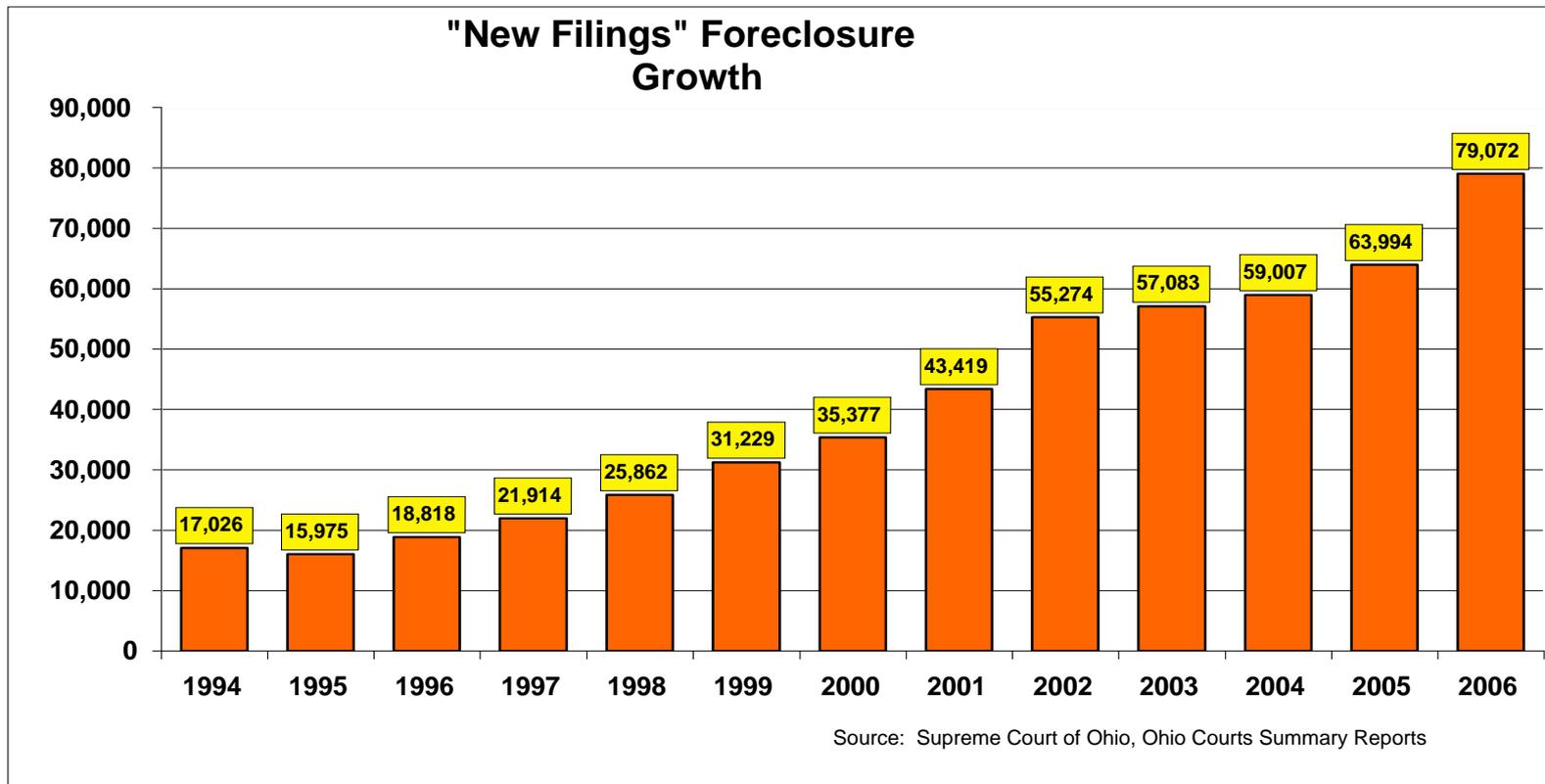


2005

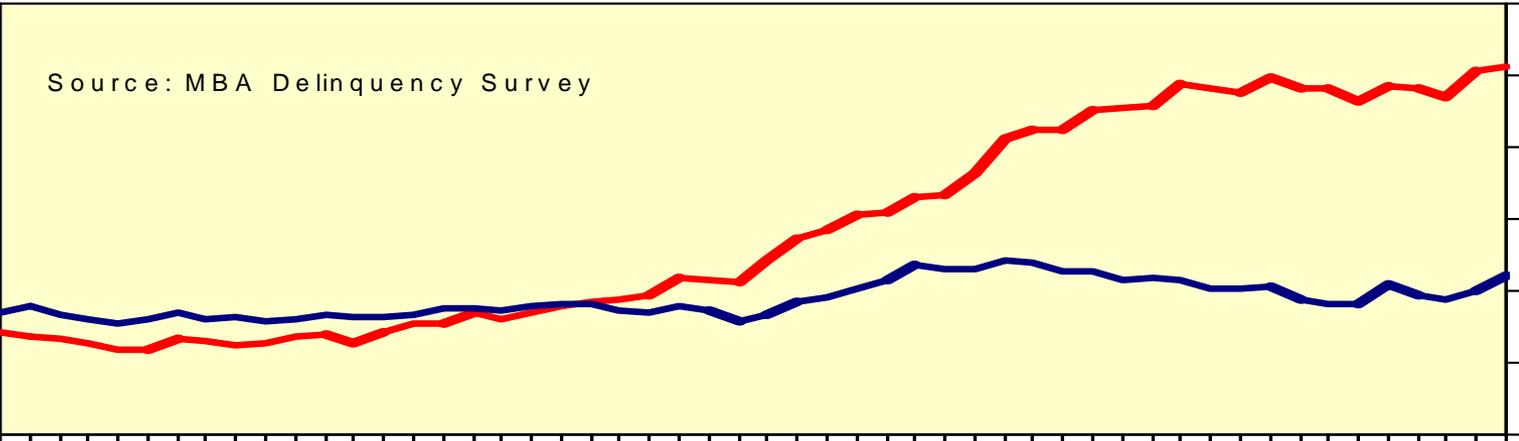
Foreclosure Growth in Ohio
County Level Annual Filings
• = 10 Foreclosures
1994 - 2005

Source: Ohio Supreme Court
Annual "Ohio Courts Summary"

2006 foreclosures were higher than any of the last 13 years

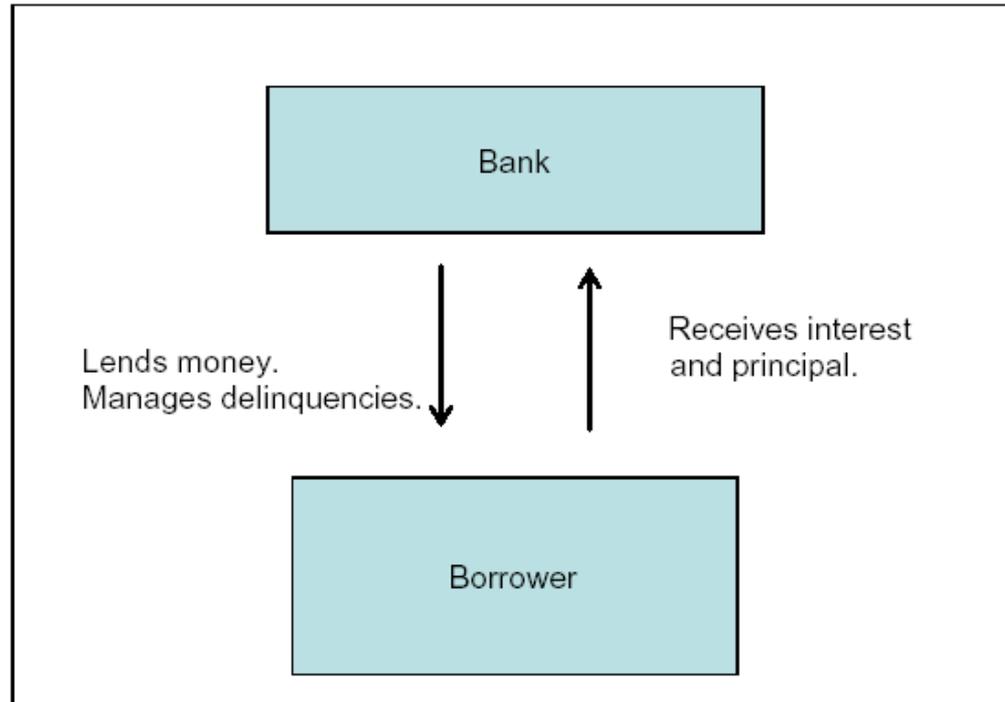


High Foreclosures in Ohio since 1999

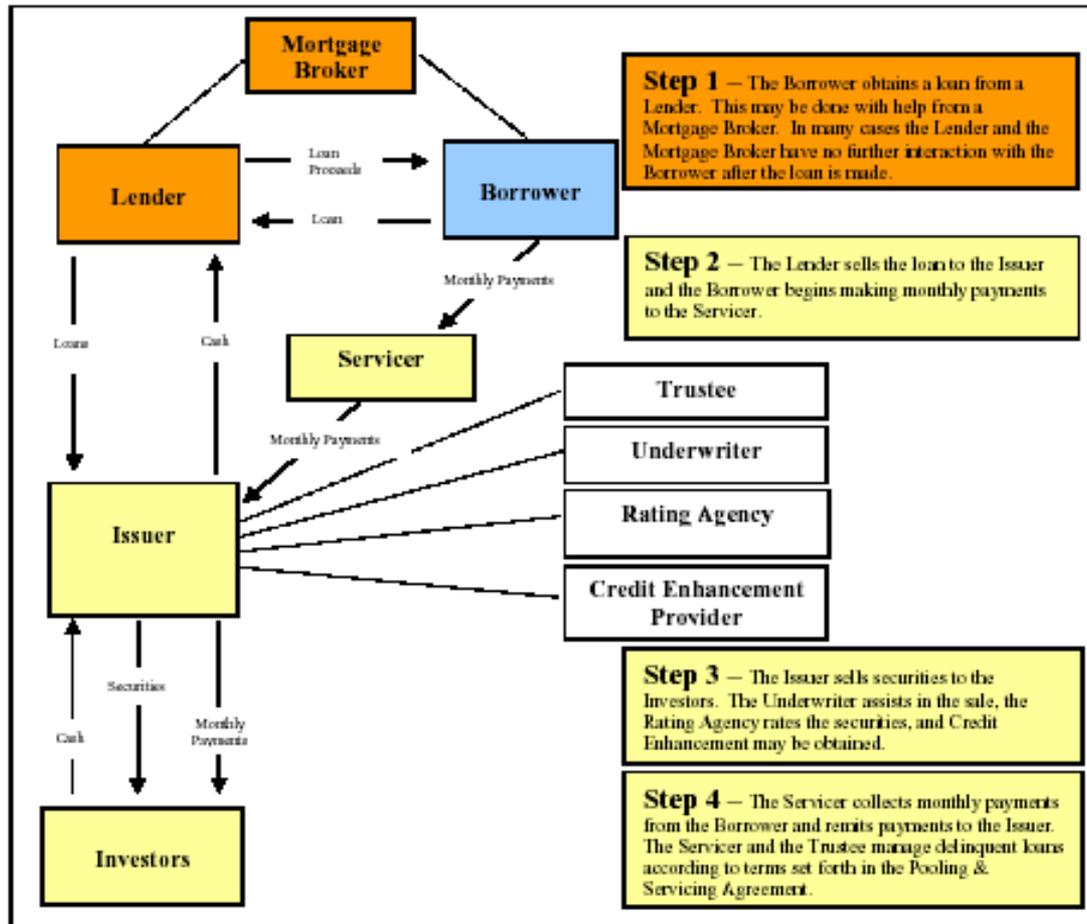


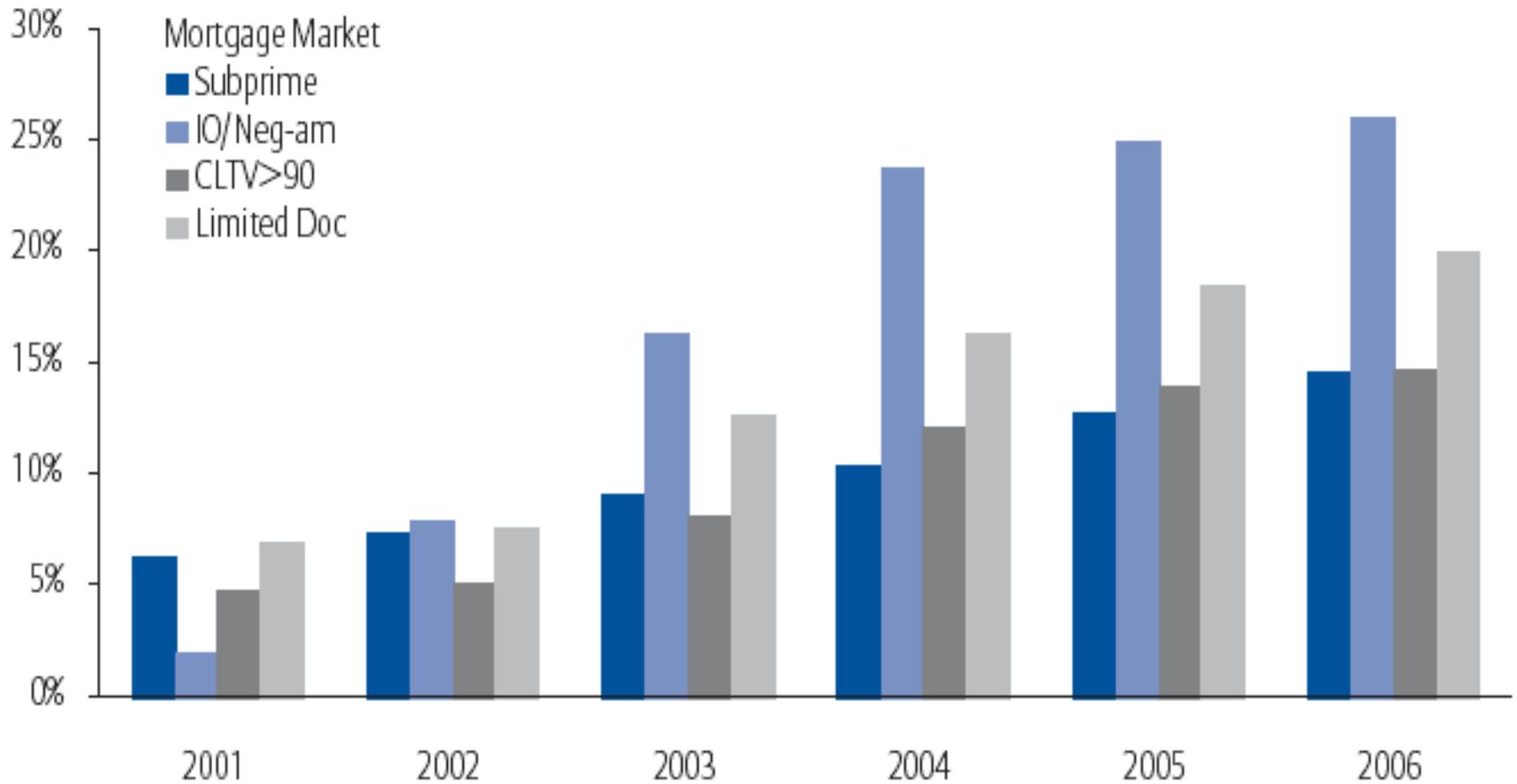
— Seriously Delinquent, 90 Days+ Foreclosure Inv. Ohio
— Seriously Delinquent, 90 Days+ Foreclosure Inv. U.S.

Home Lending in the Olden Days . . .



The Brave New World of Mortgage Lending

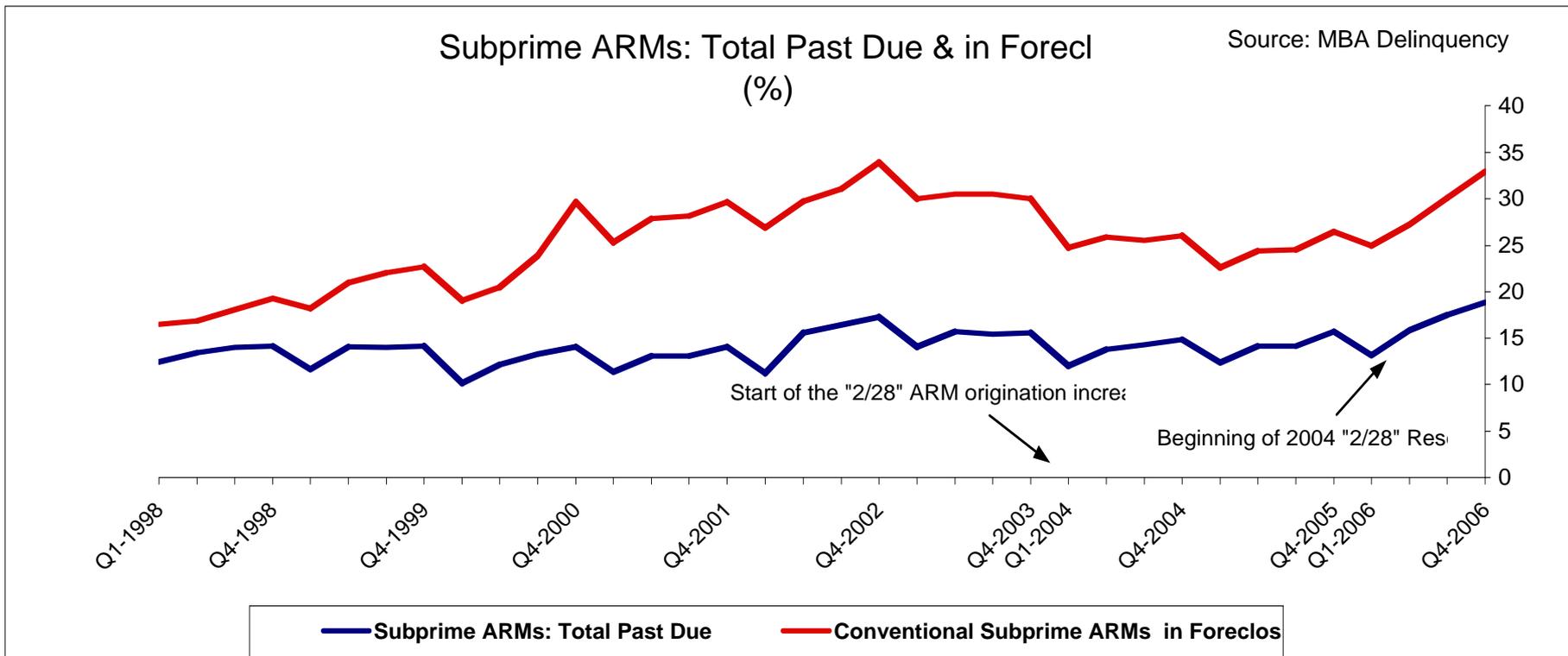




Source: Lehman Brothers

Underwriting on the Wild Side

Subprime ARM loans are fueling foreclosures



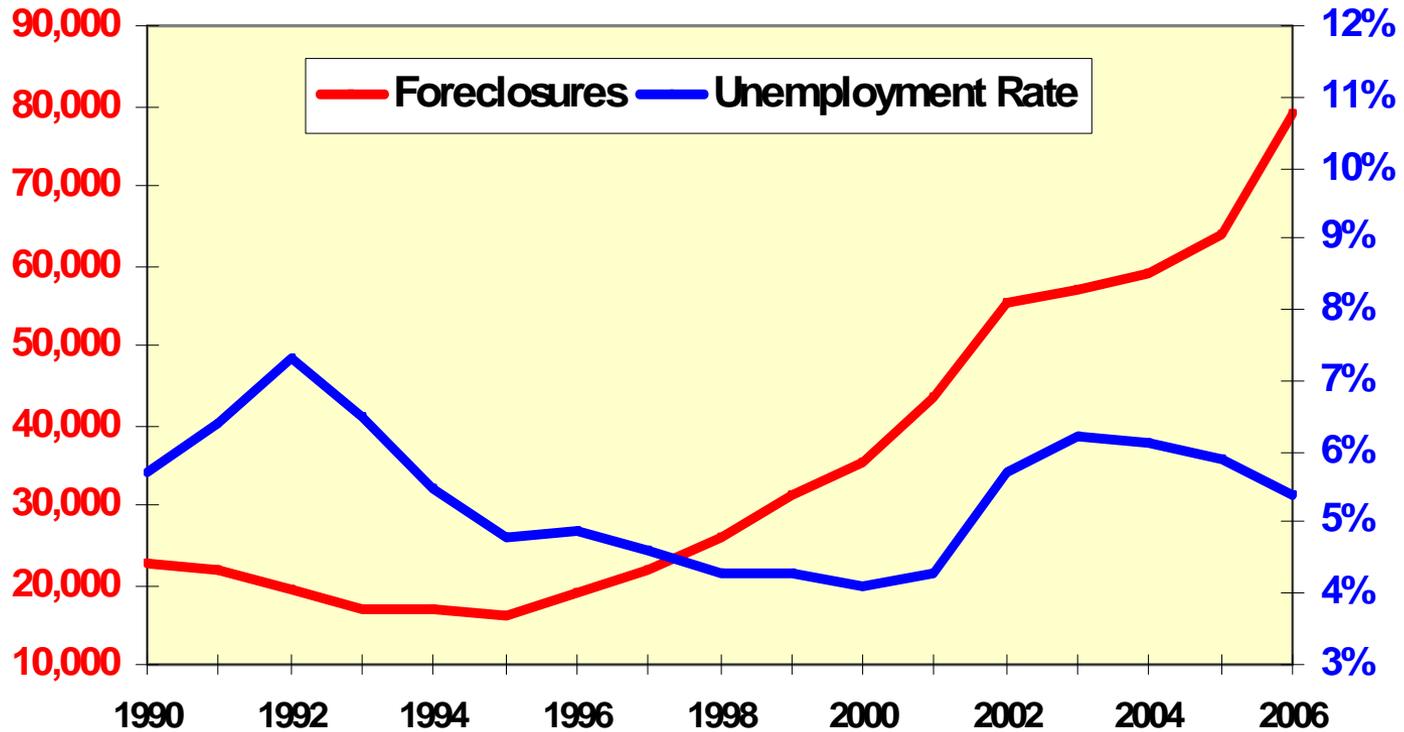
Subprime loan features that contribute to foreclosure

- Significantly higher interest rates than prime
- More than half subprime borrowers could have been prime borrowers
- More recently most common subprime loans were ARMS
- Little or no income verification
- Excessively high debt-to-income ratios
- Prepayment penalties trap borrowers
- Lack of escrow for property taxes and insurance

Foreclosures escalating in 2007 and 2008 because:

- large number of subprime ARM loans that will be reset at much higher rates
- tightened credit standards due to the subprime industry meltdown
- collapse of housing values - appraisal inflation and depreciation
- all of this created a credit crunch so homeowners can't refinance out of bad mortgages

Annual Foreclosures & Unemployment Rate Ohio 1990-2006

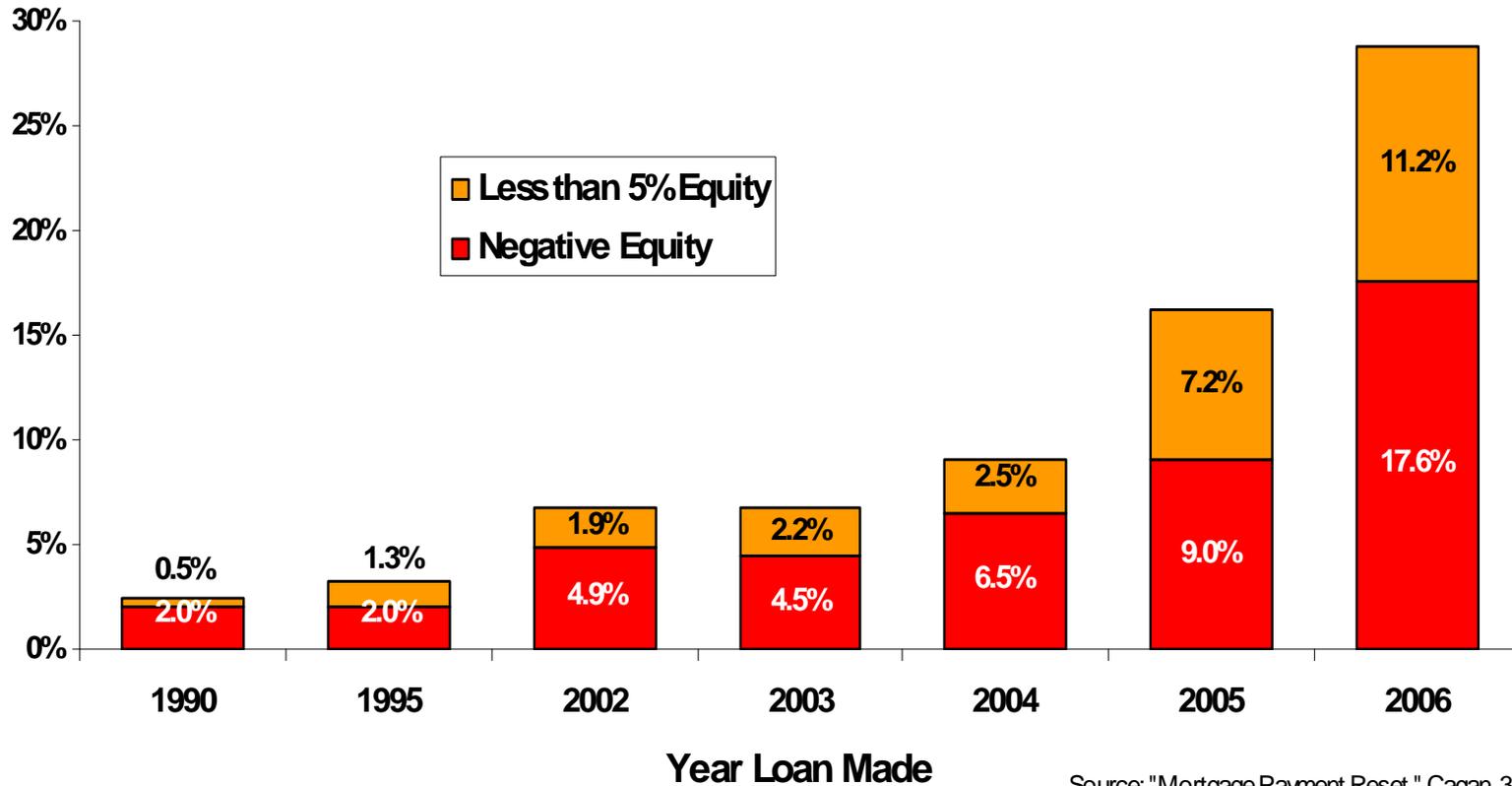


Source: Ohio Supreme Court & Ohio Bureau of Labor Statistics

For first 6 months of 2007, the median downpayment by first-time buyers was 2 percent, but 45 percent purchased with no money down – the same as in 2006.

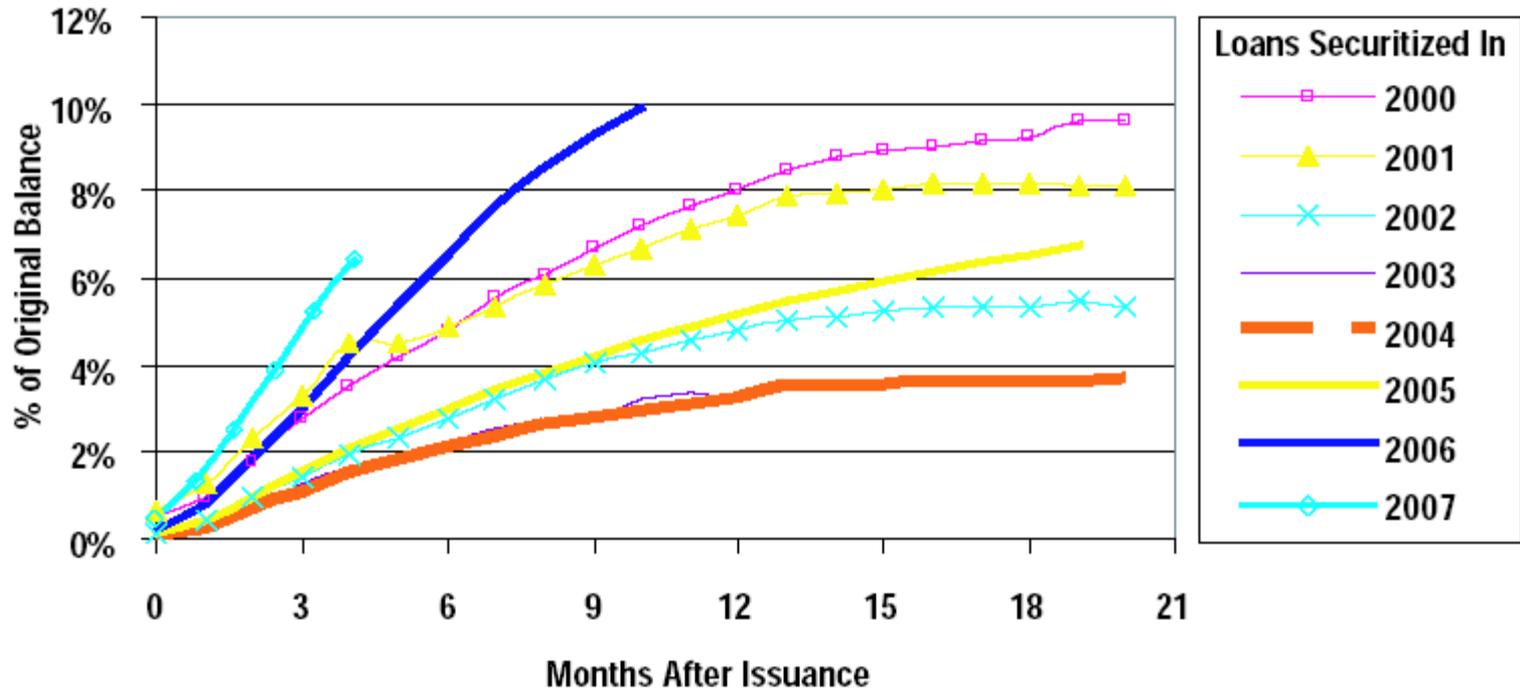
Source: National Association of Realtors, National Survey, Nov. 2007

Low & Negative Equity Mortgage Lending, By Year, U.S.



Upside-Down Nation

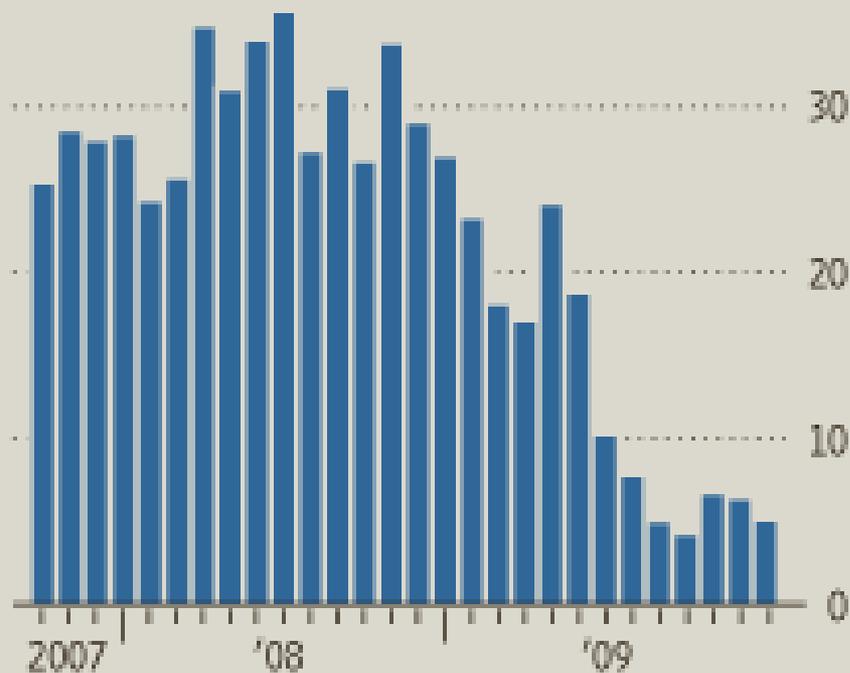
Figure 1
2000 to 2007* Subprime Vintages
Loans 60 or More Days Delinquent, in Foreclosure or Held for Sale
By Closing Year of Securitization



*Delinquencies on transactions closed in the first half of 2007

Still Ahead

Adjustable rates on many subprime loans are set to rise. Balance of loans, shown by date of the reset; \$40 in billions

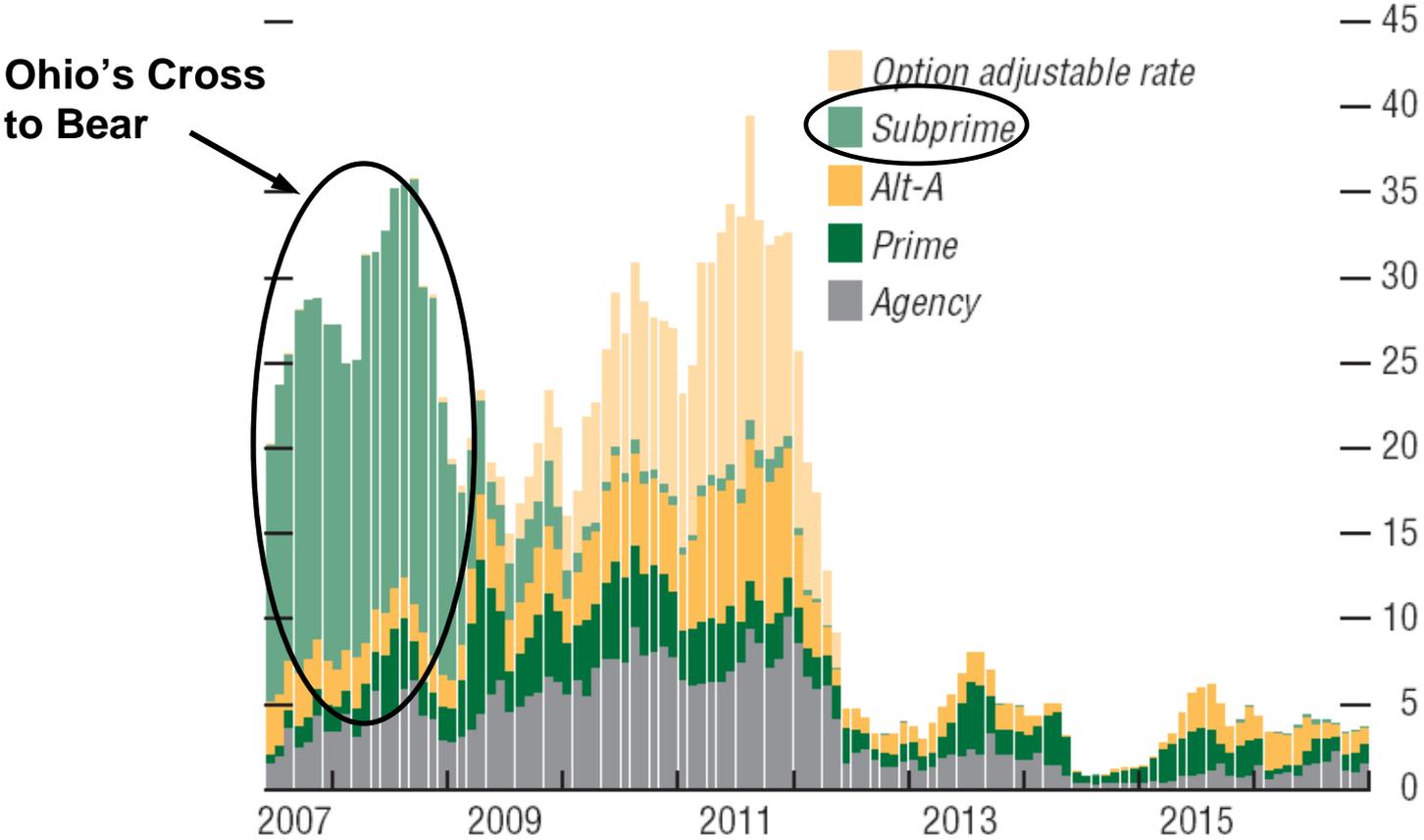


Note: Data are as of Sept. 1

Source: Banc of America Securities

Figure 1.7. Monthly Mortgage Rate Resets

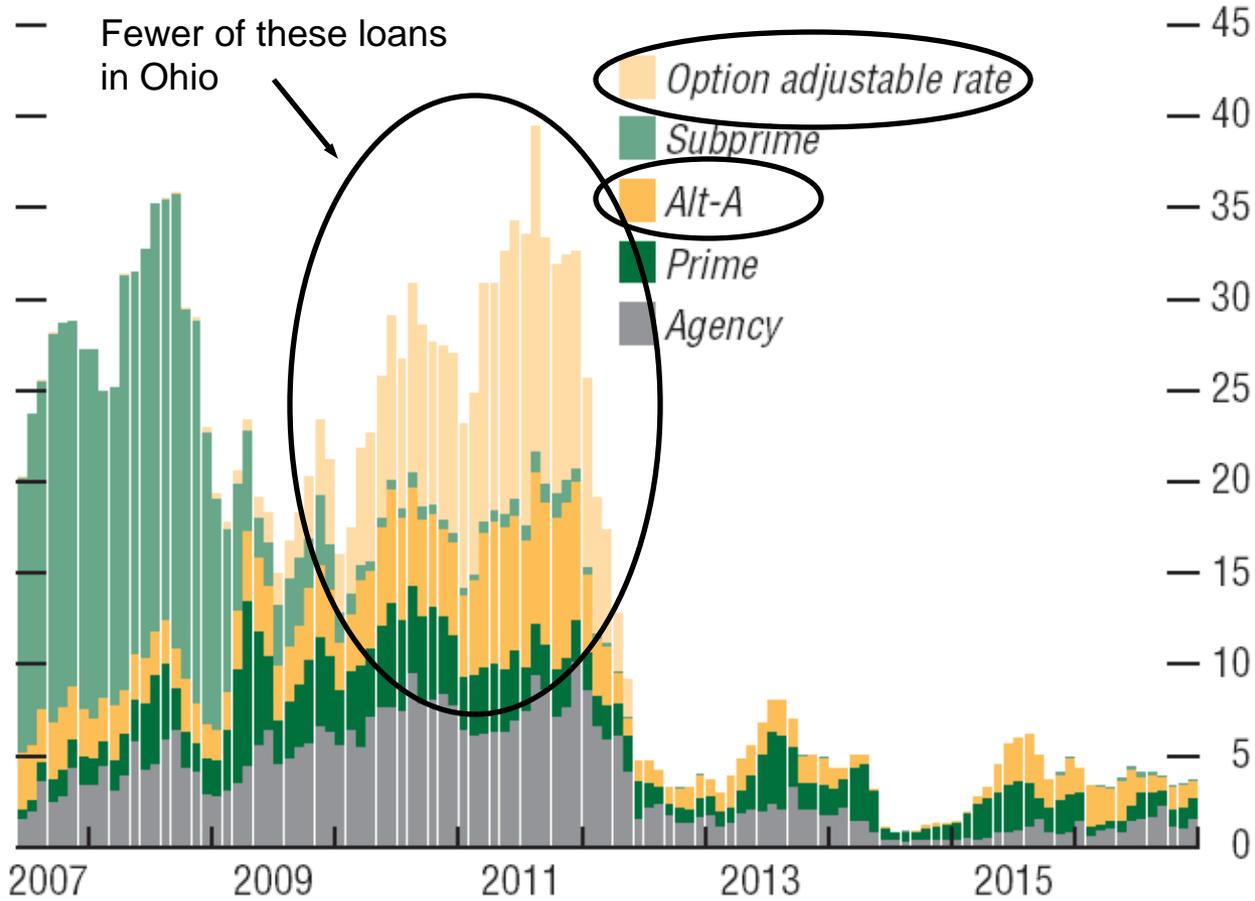
(First reset in billions of U.S. dollars)



Source: Credit Suisse.

Figure 1.7. Monthly Mortgage Rate Resets

(First reset in billions of U.S. dollars)



Source: Credit Suisse.

**TOP AND BOTTOM 10 STATES FOR
LOSS SEVERITY* AS OF MARCH 2007 DATA**

STATE	% BAL SEVERITY
INDIANA	65.29
OHIO	64.84
PENNSYLVANIA	62.48
WEST VIRGINIA	62.04
SOUTH CAROLINA	55.65
MISSISSIPPI	55.64
IOWA	53.34
KENTUCKY	52.37
MICHIGAN	52.04
ARKANSAS	48.20
NATIONAL	41.13
HAWAII	33.18
MINNESOTA	32.90
MASSACHUSETTS	32.59
WYOMING	30.26
COLORADO	29.88
UTAH	29.46
NEW HAMPSHIRE	29.43
CALIFORNIA	29.34
ALASKA	27.56
WASHINGTON	27.49
OREGON	27.35

*LOSS SEVERITY IS NET LOSS AMOUNT DIVIDED BY PAYOFF BALANCE.
PAYOFF BALANCE IS LOAN BALANCE AT TIME OF LIQUIDATION.

What we are working on:

- Beef up capacity for counseling and prevention services
- State Treasurer - Save Our Homes Coalitions, education
- Governor's Task Force - Compact - agreement with subprime servicers
- Attorney General - Suing everyone in the industry
- Ohio Supreme Court - Mediation in foreclosure cases

State Legislation

- More resources for counseling - prevention services
 - small rescue loans
- Hold foreclosing lenders more accountable
 - expedite deed filings - responsible party
 - protect renters - tenancy survives or better notice
- Improve landbanking for local governments - expedite tax delinquent foreclosures
- Improve bankruptcy process for consumers
- Anti-scam - lease purchase - fake prevention services