


FORECLOSURE 2008

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A stylized silhouette of a mountain range in shades of teal, located at the bottom right of the slide.

Recent Stats.....

- ◆ U.S. Foreclosures as of Nov 2007
 - 201,950
 - down 10% from October 2007
 - up 68% from November 2006
 - Natl FC rate is 1 foreclosure for every 617 Households

Who ranks at the top ?

- ◆ Nevada 1FC/152 hh 6,694 filed
– Up 167% since Nov 2006
- ◆ Florida 1FC/282 hh 29,238 filed
– Up 212% since Nov 2006
- ◆ Ohio 1FC/307 hh 16,308 filed
– Up 98% since Nov 2006
- ◆ Colorado 1FC/320 hh 6,425 filed
– Up 27% since Nov 2006
- ◆ California 1FC/325 hh 39,992 filed
– Up 107% since Nov 2006

New Laws

- ◆ House Bill 1387 effective Jan 1, 2008
 - Eliminates owner redemption period
 - 125 days to cure or payoff loan
 - Eliminates consensual liens, owner and liens must be of record at start of FC

1099 Elimination

- ◆ HR 3648
- ◆ Federal Gov't removes the tax on forgiven mortgage debt.
- ◆ No 1099 reporting on deficiency for the next 3 years.

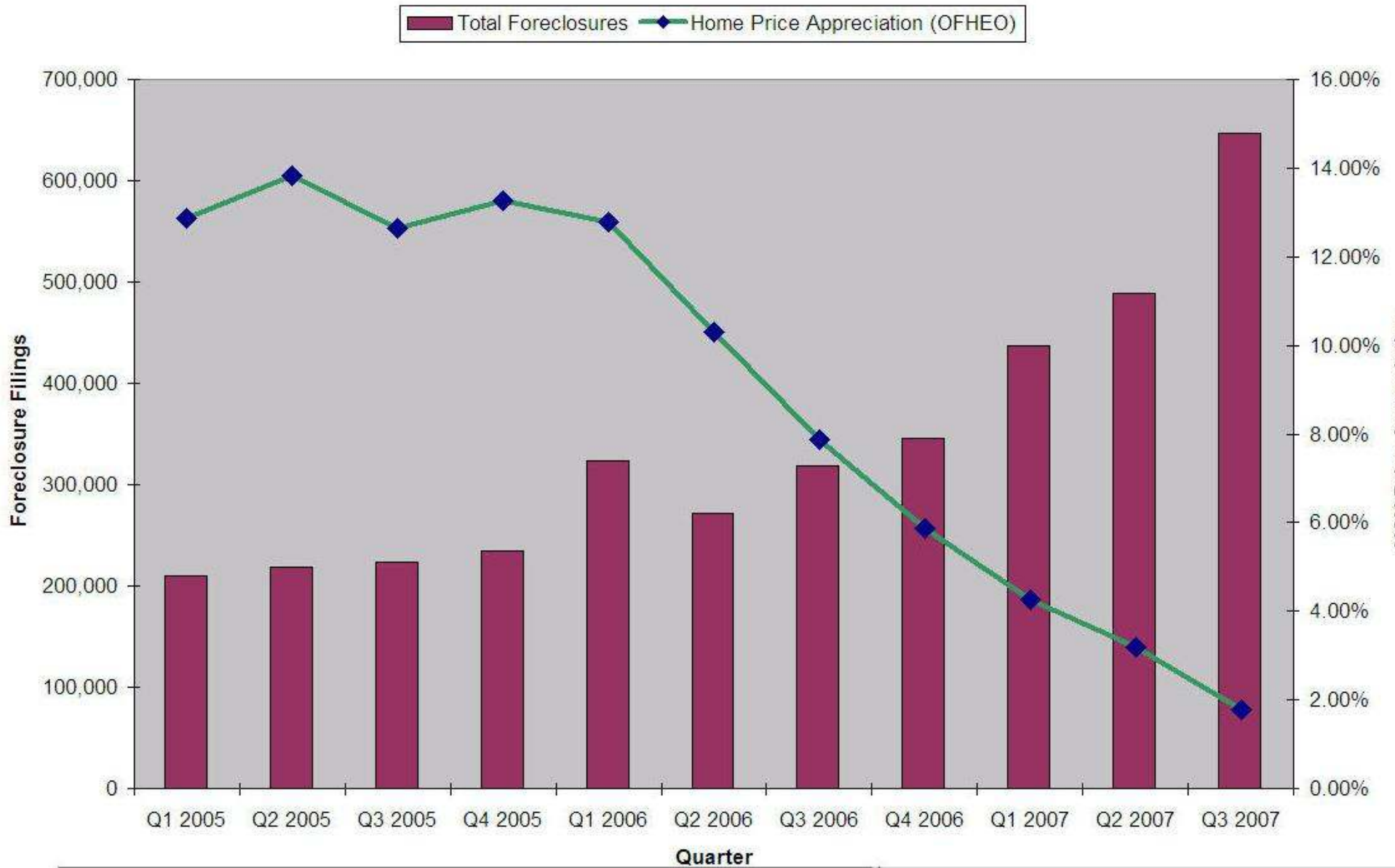
Mortgage Reform and Anti-Predatory Lending Act.

- ◆ HR 3915
- ◆ More stringent regulatory oversight of the mortgage industry
 - Prohibits steering incentives to mortgage originators
 - Prohibits originators steering consumers to loans not in their best interest
 - Sets licensing and registration requirements
 - Requires verified documentation of consumer to have ability to repay loan
 - Revises requirements of prepayment penalties

What will happen ?

- ◆ Foreclosure filings will still increase
 - New wave of resetting mortgages in addition to regular surge of defaults
- ◆ More Short sales
- ◆ More FHA refinancing – FHA Secure program for strong credit, timely payments before rate adjust
- ◆ Owners have more time to sell
- ◆ Recession still possible ??
 - Yes = Rising foreclosures and decrease in home values
 - No = slow growth ahead, interest rate cuts may be needed
 - Sources: www.realtytrac.com....www.hud.gov
 - Graphs: www.realtytrac.com... Office of Federal Housing Enterprise Oversight

U.S. Foreclosures and Home Price Appreciation



NEW TIMELINE EFFECTIVE JANUARY 1, 2008

