

# Critical Conversations About the Mortgage Crisis

River Falls, Wisconsin  
8-21-08



<sup>LW</sup>  
**Extension**  
Cooperative Extension

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For a copy of today's presentation:

<http://www.uwex.edu/ces/cced/andyLewis.cfm>

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# Recession-Plagued Nation Demands New Bubble To Invest In

ONION FINANCE

WASHINGTON—A panel of top business leaders testified before Congress about the worsening recession Monday, demanding the government provide Americans with a new irresponsible and largely illusory economic bubble in which to invest.

"What America needs right now is not more talk and long-term strategy, but a concrete way to create more imaginary wealth in the very immediate future," said Thomas Jenkins, CFO of the Boston-area Jenkins Financial Group, a bubble-based investment firm. "We are in a crisis, and

that crisis demands an unviable short-term solution."

The current economic woes, brought on by the collapse of the so-called "housing bubble," are considered the worst to hit investors since the equally untenable dot-com bubble burst in 2001. According to investment experts, now that the option of making millions of dollars in a short time with imaginary profits from bad real-estate deals has disappeared, the need for another spontaneous make-believe source of wealth has never been more urgent.

"Perhaps the new bubble could have something to do with watch-

ing movies on cell phones," said investment banker Greg Carlisle of the New York firm Carlisle, Shaloe & Graves. "Or, say, medicine, or shipping. Or clouds. The manner of bubble isn't important—just as long as it creates a hugely overvalued market based on nothing more than whimsical fantasy and saddled with the potential for a long-term accrual of debts that will never be paid back, thereby unleashing a ripple effect that will take nearly a decade to correct."

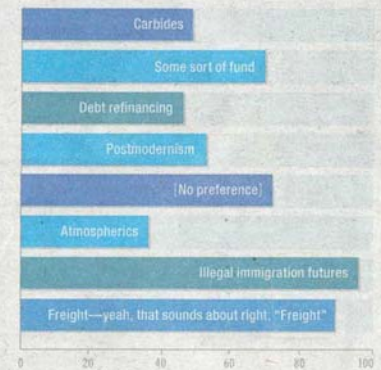
"The U.S. economy cannot survive on sound investments alone," Carlisle added.

Congress is currently consider-

see **BUBBLE**, page 9

## The Next Big Bubble?

These are the economic bubbles Americans would like to foolishly invest in to take their minds off the current fiscal crisis most.



Source: University of Chicago

# Community Indicators

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## Community Indicators

Andy Lewis and Bill Pinkovitz

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Would you like to be able to easily obtain detailed data about your community and others like it? Would you like the data to be in a format that focuses on helping you identify and analyze issues instead of simply providing access to lots of data? Would you like it in a format that is presentation-ready? Would you like it free and easy to use? We thought so.

We have initiated a project to identify several **Community Indicators**. Our intent is to develop and publish online templates that will provide practical thought provoking information and stimulate discussion at the community level. The templates are designed to provide easy access to a variety of data about your community. They will also enable you to obtain similar data about other communities throughout the United States.

Each **Community Indicator** includes an easy-to-use template that will enable even novice users to access, input, and display data in a presentation-ready Excel™ format. Detailed online instructions explaining how to use the templates and how they were developed is included with each **Community Indicator**.

Because we believe that using these templates must be easy, regardless of where you are, we are limiting our indicators to data that is readily available via the WEB.

We invite you to take a look at **Community Indicators**. We'd also like to hear from you. What do you think of **Community Indicators**? How did you use them? What other indicators would you like to see?

**Mobility: A Culture on the Move:** How long have you lived in your community? In the United States, only half the population is living in the same place that they lived in five years ago. According to James M. Jasper, the only group that moves more frequently than Americans are nomadic tribes. What does that mean for your community? How does your community compare? To find out how your community compares, take a look at the following **Community Indicator**.

**Age COHORTS: Lets Compare Apples to Apples:** What happened to all the residents of your community who were age 20 to 29 years old in 1990. By the year 2000, they had all turned 30 to 39 years old. So, why when analyzing communities do people compare the 20 to 29 year olds of 1990 to the 20 to 29 year olds of 2000? Isn't that comparing apples to oranges? If you would like compare apples to apples, take a look at **Age COHORTS**.

**Understanding Worker Flow Data:** While communities can work on becoming more "self-sufficient" and attracting jobs which meet the employment needs of local residents, they can't ignore the need to cooperate regionally on job creation efforts. Recently released "Worker flow data" from the census indicates that 51 Wisconsin counties rely on neighboring counties and states for 20% or more of their workforce employment.

**Location Quotients:** One of the first economic analysis tools learned in any Economic Development 101 course is the **Location Quotient**. Traditionally, **Location Quotients** were used to help identify export and import industries and opportunities within a community. Today, economists are revisiting **Location Quotients** as an easy and inexpensive tool to help identify Industry Clusters. Usually, **Location Quotients** are calculated using national employment data for comparison. In **Community Indicators**, we compare Rhinelander Wisconsin community to several comparable Wisconsin communities. The results may surprise you.

**Philanthropy: Does Charity Begin at Home?:** At an increasing rate, nonprofit organizations rather than government are responding to community needs and individuals are asked to provide charitable donations to support the cause. So, just how charitable are your residents? The results might surprise you.

**Get an Education and Double Your Salary ( Part 1 of a 2-part series):**  
This first part of the 2-part series deals primarily with high school graduates. This issue examines educational attainment rates for Wisconsin communities, the

Internet 100%

<http://www.uwex.edu/ces/cced/economies/communityindicators/index.cfm>

# Who is responsible for monitoring “the problem”?

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While the Wisconsin Department of Financial Institutions mission, “...is to ensure the safety and soundness of Wisconsin's financial institutions, to protect the consumers of financial services, and to facilitate economic growth”, they do not track foreclosures in the State of Wisconsin. In fact, no public agencies were tracking foreclosures prior to Extension’s activities.

# Wisconsin Circuit Court Access (WCCA)

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The screenshot shows the WCCA website header with the Wisconsin Court System logo and navigation links: Simple Search, Advanced Search, Judgment Search, Reports, and FAQs. Below the header is a table with links for Pay Fees Online, View Cart (0 items), Links, Help, and Home. The main content area is titled "Wisconsin Circuit Court Access (WCCA) Simple Case Search". It features a search bar with a "Search" button, a "Records/Screen" dropdown set to 25, and a "Reset" button. The search criteria include: Party Name (Last, First, Middle fields), Birth Date (with an example "11/10/1977" and a red arrow pointing to the date field), Business Name, County (dropdown set to "Statewide"), and Case Number (with an example "02cf1 for case 2002CF000001"). There are "Search" and "Reset" buttons at the bottom of the form.

<http://wcca.wicourts.gov/index.xsl>

# Advanced Search for Foreclosure of Mortgage

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The screenshot shows two browser windows. The left window is titled 'Case Search' and contains a search form with the following fields: County (Pierce), Case Number(s), Case Type, Case Status, Filing Date (03/01/08), Disposition Date, Last Modified Date, Documents Added Date, Calendar Activity Date, Class Code (30404), State Bar ID Number, Citation Number, JUSTIS ID, DA Case Number, Offense Date, and Prosecuting Attorney. The right window is titled 'Wisconsin Circuit Court Access' and displays a list of Case Type and Class Code entries. A red arrow points from the 'Class Code' field in the search form to the '30404 - Foreclosure of Mortgage' entry in the list.

Case Type	Class Code
CL - Construction Lien	70101 - Construction Lien
CO - Condominium Lien	70102 - Condominium Lien
CV - Civil	30100 - Product Liability
CV - Civil	30101 - Personal Injury/Automo
CV - Civil	30103 - Other-Medical Malpract
CV - Civil	30104 - Medical Malpractice/Ch
CV - Civil	30105 - Wrongful Death
CV - Civil	30106 - Intentional Tort
CV - Civil	30107 - Other-Personal Injury
CV - Civil	30108 - Asbestos
CV - Civil	30201 - Property Damage
CV - Civil	30203 - Minor Settlement
CV - Civil	30301 - Money Judgment
CV - Civil	30302 - Garnishment - Large CI
CV - Civil	30303 - Other-Contract
CV - Civil	30304 - Other-Debt Action
CV - Civil	30402 - Condemnation Review
CV - Civil	30403 - Agricultural Foreclosure
CV - Civil	30404 - Foreclosure of Mortgage
CV - Civil	30405 - Other-Real Estate
CV - Civil	30601 - Appeal From Municipal
CV - Civil	30607 - Administrative Agency I

# Listing of Home Foreclosure Civil Cases

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**WISCONSIN COURT SYSTEM**

Simple Search	Advanced Search	Judgment Search	Reports	FAQs
Pay Fees Online	View Cart (0 items)	Links	Help	Home

Wisconsin Circuit Court Access (WCCA)

**Case Search Results**

Displaying records 1 to 25 of 31

First Back [Return to Search Form](#) Next Last

Click column headers to sort

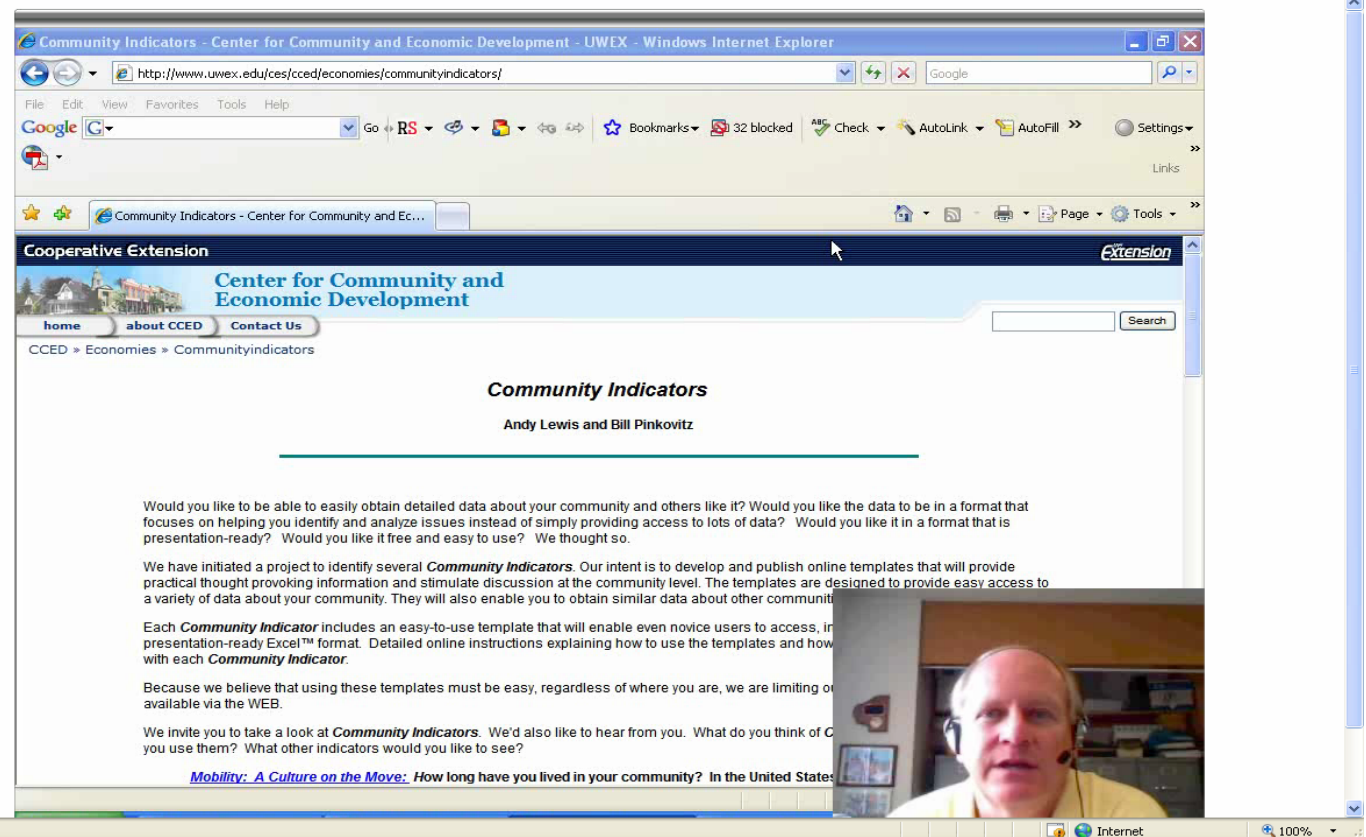
Case Number	Filing Date	County Name	Case Status	Name	Date of Birth	Caption
<a href="#">2008CV000055</a>	01-30-2008	Pierce	Closed	Aurora Loan Services LLC	-	Aurora Loan Services LLC vs. Steven M Layman et al
<a href="#">2008CV000054</a>	01-29-2008	Pierce	Closed	JPMorgan Chase Bank NA	-	JPMorgan Chase Bank NA vs. Douglas Marten et al
<a href="#">2008CV000053</a>	01-29-2008	Pierce	Closed	Mortgage Electronic Registration Systems Inc	-	Mortgage Electronic Registration Systems Inc vs. Shaun E Morgan et al
<a href="#">2008CV000048</a>	01-25-2008	Pierce	Closed	Countrywide Home Loans Inc	-	Countrywide Home Loans Inc vs. Leonard M Blank et al
<a href="#">2008CV000046</a>	01-25-2008	Pierce	Closed	Countrywide Home Loans Inc	-	Countrywide Home Loans Inc vs. Donald L Vogl et al
<a href="#">2008CV000045</a>	01-25-2008	Pierce	Closed	US Bank NA	-	US Bank NA vs. Theresa Meskill et al
<a href="#">2008CV000044</a>	01-25-2008	Pierce	Closed	First National Bank Of Baldwin	-	First National Bank Of Baldwin vs. Aaron J Hannack et al
<a href="#">2008CV000042</a>	01-24-2008	Pierce	Closed	Westconsin Credit Union	-	Westconsin Credit Union vs. Claudia M Heffron et al
<a href="#">2008CV000041</a>	01-24-2008	Pierce	Closed	Associated Bank NA	-	Associated Bank NA vs. Brandon S Hines et al
<a href="#">2008CV000040</a>	01-24-2008	Pierce	Closed	Bank Mutual	-	Bank Mutual vs. Mark Allen Nielsen et al
<a href="#">2008CV000039</a>	01-24-2008	Pierce	Closed	Wells Fargo Bank NA	-	Wells Fargo Bank NA vs. Scott A Morgan et al
<a href="#">2008CV000038</a>	01-23-2008	Pierce	Closed	GMAC Mortgage LLC	-	GMAC Mortgage LLC vs. Kenneth B Diercks et al
<a href="#">2008CV000037</a>	01-23-2008	Pierce	Closed	Popular Financial Services LLC	-	Popular Financial Services LLC vs. Jacqueline L Koehler et al
<a href="#">2008CV000036</a>	01-22-2008	Pierce	Closed	Hiawatha National Bank	-	Hiawatha National Bank vs. Henry P Bartel et al
<a href="#">2008CV000035</a>	01-22-2008	Pierce	Closed	CitiMortgage Inc	-	CitiMortgage Inc vs. John R Parsons et al
<a href="#">2008CV000032</a>	01-18-2008	Pierce	Closed	Bank of New York	-	Bank of New York vs. Marcus T Zarbinski et al
<a href="#">2008CV000031</a>	01-18-2008	Pierce	Closed	Central Mortgage Company	-	Central Mortgage Company vs. Jason L Waller et al
<a href="#">2008CV000030</a>	01-18-2008	Pierce	Closed	Countrywide Home Loans	-	Countrywide Home Loans vs. Ryan D Jurek et al
<a href="#">2008CV000029</a>	01-18-2008	Pierce	Closed	Bank of New York	-	Bank of New York vs. Brittney A Lee et al
<a href="#">2008CV000028</a>	01-17-2008	Pierce	Closed	US Bank National Association	-	US Bank National Association vs. Diana S Dekarske et al
<a href="#">2008CV000027</a>	01-16-2008	Pierce	Closed	Wells Fargo Bank NA	-	Wells Fargo Bank NA vs. Daniel E Schwartz et al
<a href="#">2008CV000024</a>	01-15-2008	Pierce	Closed	Fetzer, Timothy J	-	Timothy J Fetzer vs. David J Bechel et al

# Ten Minute Video Tutorial on Web

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[http://www.uwex.edu/li/camtasia/foreclosures/foreclosure\\_filings.html](http://www.uwex.edu/li/camtasia/foreclosures/foreclosure_filings.html)

# 2000-2007 Data by County + Quarterly Updates

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- [Keeping Them Down on the Farm](#) - If you would prefer a Microsoft Word version of the document that you could edit for pieces like your own newsletter, [click here](#)
  - [Excel Worksheet\\*](#) includes national, state, and Wisconsin County data on the number of days that the principal farm operator worked off of farm (You have the option of selecting the county you are interested in from the drop-down menu and creating a pie chart to illustrate the data).
  - [Excel Worksheet\\*](#) This worksheet includes national, state and Wisconsin County data on nontraditional ag sales for the years 1997 & 2002
  - [Map of the U.S. Data \(Off Farm Employment Days\) on the National Ag Statistics Service Web Site](#). For access to dozens of [Agricultural Atlas Maps](#), [click here](#).
  - [Link to: Health Status, Use of Medical Services and Health Insurance Coverage: A Comparison Between Farmers, Other Self-Employed, and Wage/Salary Workers in Wisconsin](#)
  - [For a copy of a County or State Profile on Agriculture](#), [click here](#).
- [Increased Fuel Expenditures Flowing Out-of-State... Revisited \(Updated to reflect increased fuel prices as of 9-2-05\)](#) - If you would prefer a Microsoft Word version of the document that you could edit for pieces like your own newsletter, [click here](#).
  - [Excel Worksheet\\*](#): [Estimated added fuel expenditures for all Wisconsin Counties, Cities, and Villages \(Updated to reflect increased fuel prices as of 9-2-05\)](#)
  - [New! Excel Worksheet\\*](#): [Estimated added fuel expenditures for all Wisconsin Counties, Cities, and Villages \(Updated to reflect increased fuel prices as of 6-30-08\)](#)
- [It's Tax Time: Do you know where Your Federal Tax Dollars are Going?](#) - If you would prefer a Microsoft Word version of the document that you could edit for pieces like your own newsletter, [click here](#).
  - [Excel Worksheet\\*](#): [Federal expenditures and obligations data for Wisconsin Counties \(2000-2004\)](#).
- [High Speed Internet Access](#) - If you would prefer a Microsoft Word version of the document that you could edit for pieces like your own newsletter, [click here](#).
- [Increasing Public Investments in Economic Development](#) - If you would prefer a Microsoft Word version of the document that you could edit for pieces like your own newsletter, [click here](#).
  - [Excel Worksheet\\*](#) with data and charts on [County expenditures for economic development activities](#)
- [Lending Data Offers Insight Into Housing Issues](#) - If you would prefer a Microsoft Word version of the document that you could edit for pieces like your own newsletter, [click here](#)
  - [A brief Powerpoint presentation illustrating how to access the data highlighted in this issue of the "Community Indicator Series"](#)
- [County Foreclosure Data](#) - If you would prefer a Microsoft Word version of the document that you could edit for pieces like your own newsletter, [click here](#)
  - [A ten minute video tutorial that shows you how to download mortgage foreclosure civil case data for your county.](#)
  - [Excel Worksheet with Wisconsin County foreclosure data from RealtyTrac \(Mid-Year report data from 2006 & 2007\)](#)
  - [Excel Worksheet with Wisconsin County foreclosure civil case data for the period 8-1-07 to 9-13-07](#)
- [County Civil Court Data is the Key to Understanding Foreclosure Issues](#) - If you would prefer a Microsoft Word version of the document that you could edit for pieces like your own newsletter, [click here](#)
  - [Excel Worksheet with Wisconsin County Foreclosure data from the Wisconsin's Consolidated Court Automation Programs \(CCAP\) system. Includes data for 71 of Wisconsin's 72 Counties for the years 2000-2007.](#)

We will be providing quarterly updates on foreclosures by County for 2008. The first set of data is for Jan-April, future updates will be done in 3 month increments. A big thank-you to Dr. Russ Kashian, U.W. Whitewater and Ryan Wade, a student at Marquette University for their work on this effort. The updates are being funded by the UWEX Affordable Housing Team (Thank-you Laurie Boyce!):

[Data for 71 counties from Jan. 1 - April 30, 2008](#). This worksheet includes pivot charts which compares Jan-April, 2007 to the same period in 2008. The data includes the total number of civil mortgage foreclosure cases (all) as well as adjusted numbers which subtract multiple cases for the same property.

[Data for 71 counties for Jan-June, 2008 is now available!](#) This worksheet includes pivot charts which compares Jan-June, 2007 to the same period in 2008. The data includes the total number of civil mortgage foreclosure cases (all) as well as adjusted numbers which subtract multiple cases for the same property.

\*Note: Excel worksheets are best viewed by saving the file to disk and then viewing the file within Excel rather than opening the file from its current location. If your browser is not configured in a way that prompts you for the option you would prefer, you can right click on an Excel hypertext link, and select "save target as", and then determine where you would like to place the file on your system (file name and directory).

# “Unadjusted” Foreclosure Cases (1-1-08 to 8-4-08)

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## **Pierce County**

147 cases

.68 cases per day

1 per 106 housing units

(7 months, '07 housing units estimate)

2007: 1 case per 82\*

(1.2% of housing units)

## **St. Croix County**

396 cases

1.82 cases per day

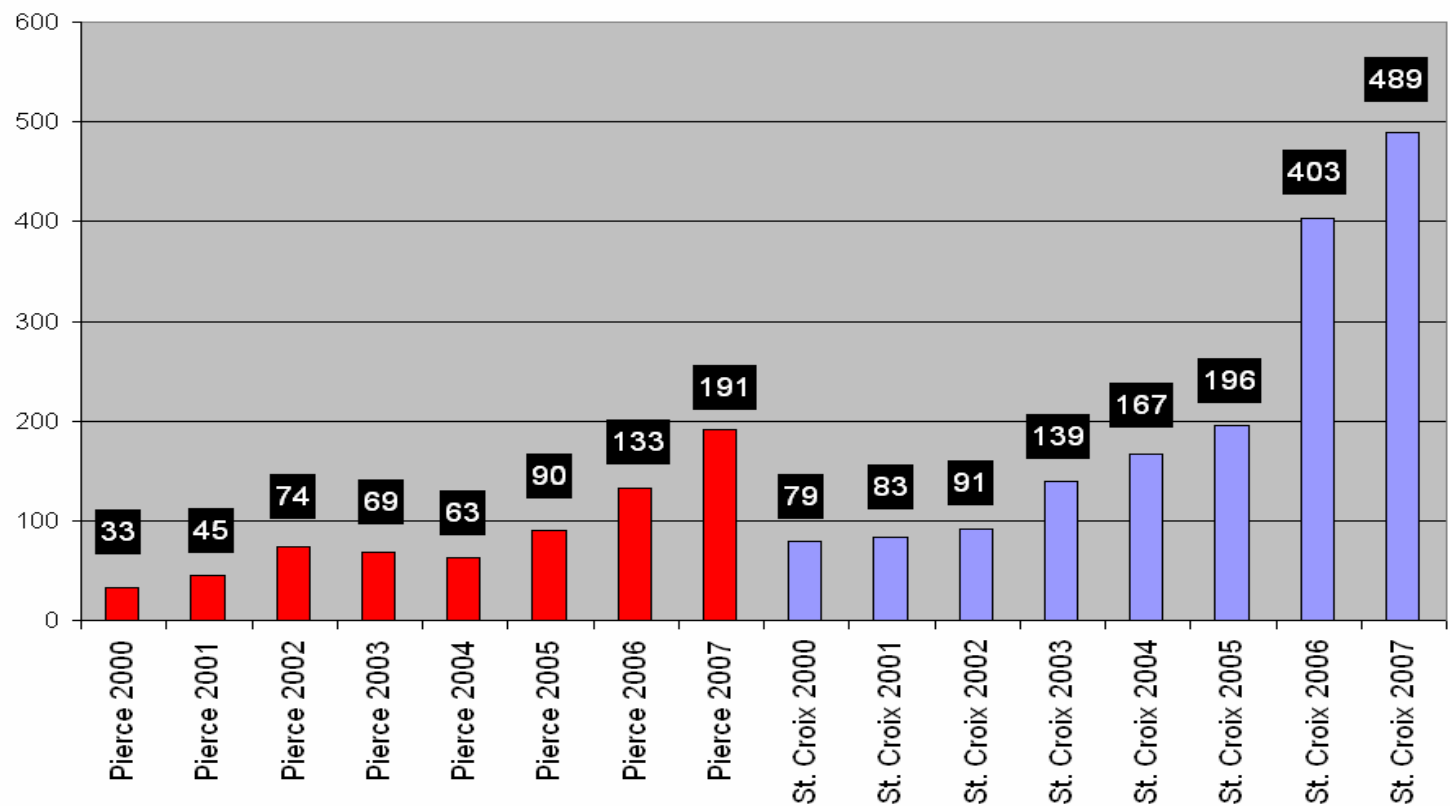
1 per 83.5 housing units

\*Compared to 1 case per 167 housing units for WI (.6%)

# # of "Adjusted" Foreclosure Cases (2000-2007)

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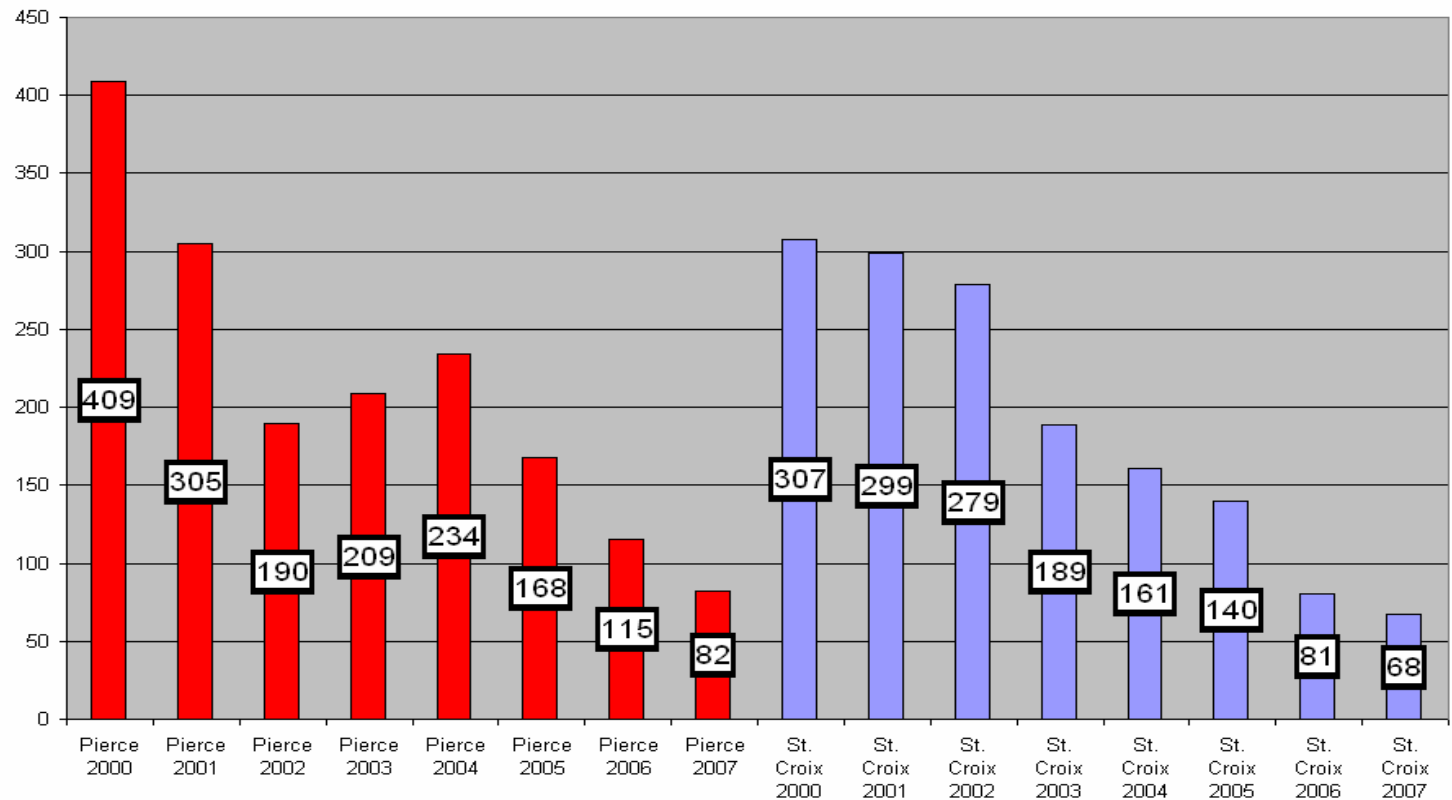


**+479% Pierce (#5)    +519% St Croix (#2)**

# Housing Units Per “Adjusted” Foreclosure Case 2000-2007

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Pew Foundation Report:

- **1 in 60** Wisconsin **homeowners** is projected to experience foreclosure on their home as a result of their high-cost loan over the next **two years** (1 in 33 for U.S.)
- **23 percent** of all loans made in 2005-2006 were subprime
- **35 percent** of all homeowners will likely feel the ripple effects of foreclosures from subprime loans
- Affected homeowners are expected to lose **\$3,410** on average in property values
- **\$1.9 billion** is projected to be lost from the combined state and local tax base

# Pierce County

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- 6,227 Owner-occupied single family home owners
- 4,676 Owner-occupied homes with a mortgage (75%)
- 1 foreclosure case per 25 owner-occupied homes with a mortgage (4%) in 2007 (may be misrepresentative given second home, condos, etc.)

[http://www.factfinder.census.gov/servlet/SAFFacts?\\_event=Search&geo\\_id=&geoContext=&street=&county=Pierce+county&cityTown=Pierce+county&state=04000US55&zip=&lang=en&ss\\_e=on&pctxt=fph&pgsl=010&show\\_2003\\_tab=&redirect=Y](http://www.factfinder.census.gov/servlet/SAFFacts?_event=Search&geo_id=&geoContext=&street=&county=Pierce+county&cityTown=Pierce+county&state=04000US55&zip=&lang=en&ss_e=on&pctxt=fph&pgsl=010&show_2003_tab=&redirect=Y)

# St. Croix County

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- 13,027 Owner-occupied single family home owners
- 10,345 Owner-occupied homes with a mortgage (79%)
- 1 foreclosure case (adjusted) per 21 owner-occupied homes with a mortgage (4.7%) in 2007 (may be misrepresentative given second home, condos, etc.)

[http://www.factfinder.census.gov/servlet/SAFFFacts?\\_event=Search&geo\\_id=05000US55093&\\_geoContext=01000US%7C04000US55%7C05000US55093&\\_street=&\\_county=St.+Croix+county&\\_cityTown=St.+Croix+county&\\_state=04000US55&\\_zip=&\\_lang=en&\\_sse=on&ActiveGeoDiv=geoSelect&\\_useEV=&pctxt=fph&pgsl=050&\\_submenuId=factsheet\\_1&ds\\_name=DEC\\_2000\\_SAFF&\\_ci\\_nbr=null&qr\\_name=null&reg=null%3Anull&\\_keyword=&\\_industry=](http://www.factfinder.census.gov/servlet/SAFFFacts?_event=Search&geo_id=05000US55093&_geoContext=01000US%7C04000US55%7C05000US55093&_street=&_county=St.+Croix+county&_cityTown=St.+Croix+county&_state=04000US55&_zip=&_lang=en&_sse=on&ActiveGeoDiv=geoSelect&_useEV=&pctxt=fph&pgsl=050&_submenuId=factsheet_1&ds_name=DEC_2000_SAFF&_ci_nbr=null&qr_name=null&reg=null%3Anull&_keyword=&_industry=)

# # of Cases by Institution (3 or more cases) 1-1-08 to 8-4-08 for Pierce County:

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Associated Bank	4
Aurora Loan Services	6
<b>Countrywide Home Loans Inc</b>	<b>13</b>
<b>CitiMortgage</b>	<b>9</b>
Deutsche Bank Trust Company	5
GMAC Mortgage	6
HSBC Mortgage Services	5
Indymac Bank	3
PHH Mortgage Corporation	3
Bank of New York	6
<b>US Bank</b>	<b>18</b>
Washington Mutual Bank	4
<b>Wells Fargo Bank</b>	<b>19</b>
WM Specialty Mortgage LLC	3
Others (less than 3 each)	52



*Pace Picante Sauce Ad from the 80's....  
"Why, this here sauce is made in New York  
City!"  
"New York City? Git a rope!"*

# Who Are the Plaintiff's?

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40% of the civil cases (59) during this 7 month period were initiated by 4 financial institutions:

- CitiMortgage, 5280 Corporate Drive, Frederick, MD 21703
- Countrywide Home Loans Inc., 400 Countrywide Way, Simi Valley, CA 93065\*
- U.S. Bank, 4801 Frederic Street, Owensboro, KY 42301\*
- Wells Fargo Bank, 3476 Stateview Boulevard, Fort Mill, SC 29715\*

**Only 10% (15 cases) had a Plaintiff that resided in Wisconsin**

\*Not all cases have the same “home” address

# How Does Wisconsin Compare to the Nation?

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### U.S. FORECLOSURE ACTIVITY INCREASES 75 PERCENT IN 2007

By RealtyTrac Staff

*More Than 2.2 Million Foreclosure Filings on Nearly 1.3 Million Properties Reported*

**IRVINE, Calif. – Jan. 29, 2008** – RealtyTrac® ([realtytrac.com](#)), the leading online marketplace for foreclosure properties, today released year-end data from its 2007 U.S. Foreclosure Market Report, which shows a total of 2,203,295 foreclosure filings – default notices, auction sale notices and bank repossessions – were reported on 1,285,873 properties nationwide during the year, up 75 percent from 2006. The report also shows that more than 1 percent of all U.S. households were in some stage of foreclosure during the year, up from 0.58 percent in 2006.

A total of 215,749 foreclosure filings were reported in December, up 97 percent from December 2006 and bringing the fourth-quarter total to 642,150 filings on 527,740 properties – up 1 percent from the previous quarter and up 86 percent from the fourth quarter of 2006.

"The year ended with a monthly increase of 7 percent in December, making it the fifth straight month with more than 200,000 foreclosure filings reported and giving the fourth quarter the highest quarterly total we've seen since we began issuing our report in January 2005," said James J. Saccacio, chief executive officer of RealtyTrac. "It also pushed the foreclosure filing total for 2007 well over 2 million. And

<http://www.realtytrac.com/ContentManagement/pressrelease.aspx?ChannelID=9&ItemID=3988&acct=64847>

# How Does Wisconsin Compare to the Nation?

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U.S. Foreclosure Market Statistics by State – 2007 Totals

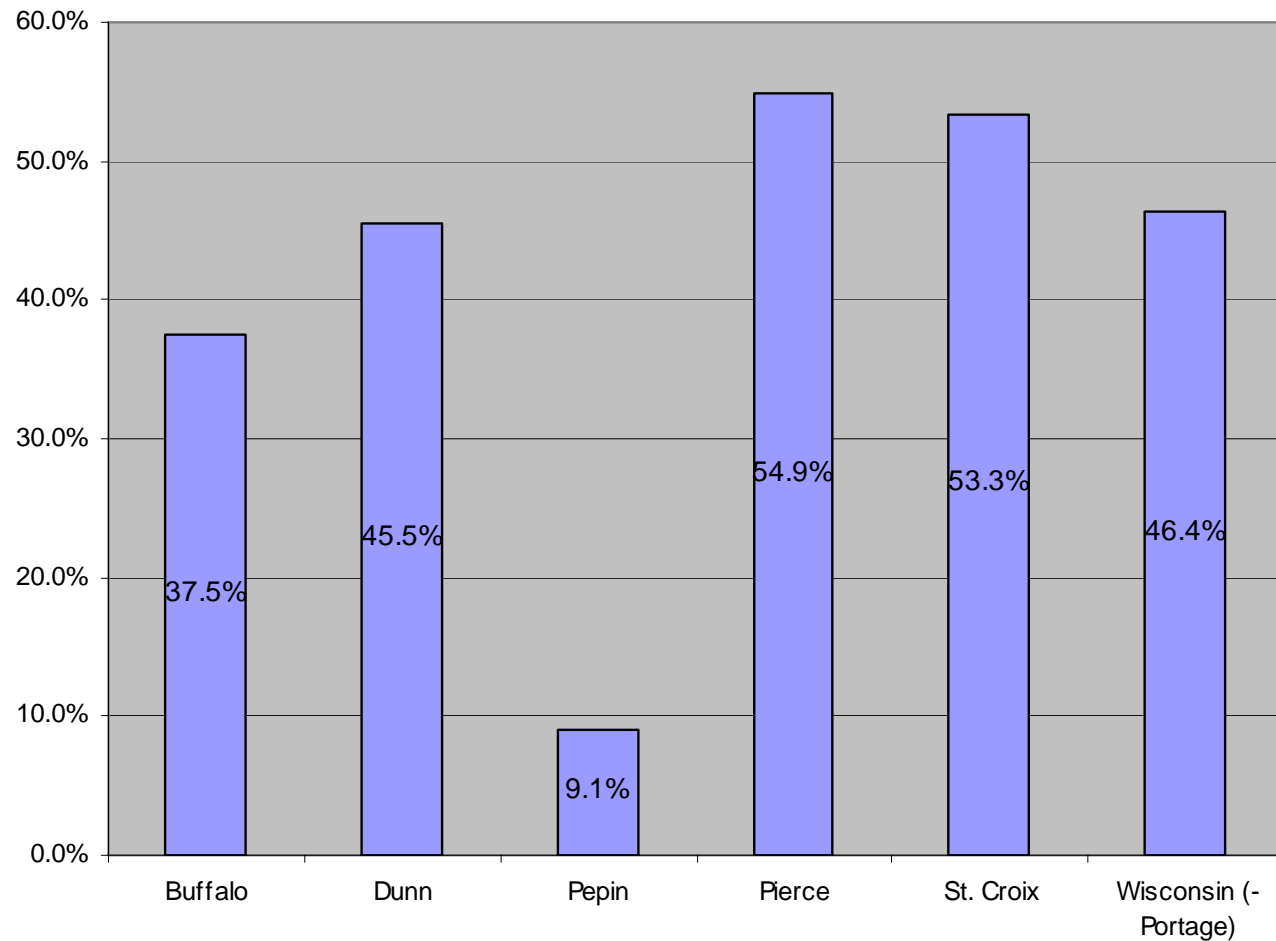
Rate Rank	State Name	Total Foreclosure Filings	%Change from 2006	%Change from 2005	Total Properties with Filings	%Households (foreclosure rate)
--	United States	2,203,295	74.99	148.83	1,285,873	1.033
9	<u>Illinois</u>	90,782	25.29	94.3	64,310	1.25
10	<u>Indiana</u>	52,930	11.31	73.57	27,980	1.027
33	<u>Iowa</u>	7,404	114.92*	251.90*	4,103	0.314
3	<u>Michigan</u>	136,205	68.32	282.22	87,210	1.947
					11,557	
25	<u>Minnesota</u>	13,615	127.11*	506.73*		0.513
					12,133	
29	<u>Wisconsin</u>	17,503	131.15*	241.79*		0.486

<http://www.realtytrac.com/ContentManagement/pressrelease.aspx?ChannelID=9&ItemID=3988&acct=64847>

# Percent Increase in Civil Foreclosure Cases (unique properties) for May-June 2007 to May-June 2008

SLIDE **21**

Critical  
Conversations  
About the Mortgage  
Crisis  
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# Defaulting on the Dream: 2008 Pew Foundation Report

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About the Mortgage  
Crisis  
8-21-08



Select findings here.....the impact on the state....discuss the different ways of looking at foreclosure:

Filings, civil cases, actual foreclosures

Foreclosures per household, foreclosure per home owners, foreclosure per home owners with mortgage

# Now...What Do We Do About the Problem?

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- Ideas on how to prevent foreclosure
- How do we mitigate what can't be prevented
- What one thing should homeowners know about foreclosure?

# How to prevent foreclosure?

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Timing is everything. If you are a homeowner and you aren't going to be able to pay your mortgage, contact your lender immediately. You may be able to delay a payment or arrange a lower payment. Take along a budget that reflects your reduced income. Most lenders would rather avoid the time and cost involved in a foreclosure if they can work out an alternative.

# Request Foreclosure Prevention Counseling As Soon As Possible...

SLIDE

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A screenshot of a web browser displaying the 888-995-HOPE website. The page features a teal header with logos for 'homeownership preservation foundation', 'NeighborWorks', and 'Ad Council'. The main content area is white with a teal border, containing text about the service and a list of benefits. To the right, there is a 'Contact Us' button and a 'Privacy Policy' link. Below the text is a photograph of a coat closet with jackets and a hat hanging on a rack. The browser's address bar shows the URL 'http://www.foreclosurehelpandhope.org/'.

Home  
888-995-HOPE: The Basics  
Success Stories  
Tips to Avoid Foreclosure  
Campaign Central  
Resources for Counselors  
About Us

homeownership preservation foundation NeighborWorks Ad Council

888-995-HOPE is available:

- To any homeowner in America having trouble paying their mortgage
- 24 hours a day/7 days a week

888-995-HOPE offers:

- Absolutely free foreclosure prevention counseling by expert counselors at HUD-approved agencies

When a homeowner calls 888-995-HOPE:

- Service begins immediately—the counselors themselves answer the phone
- Homeowners can get budgeting help, a written financial plan, assistance contacting their lender
- If they'd like face-to-face counseling or need local resources, homeowners are referred to their local [NeighborWorks](#) organization or other counseling organizations

For foreclosure counseling call  
**1-888-995-HOPE**  
or visit [www.995hope.org](http://www.995hope.org)

For more info about this program  
[Contact Us >](#)

[Privacy Policy](#)

Done Internet 100%

<http://www.foreclosurehelpandhope.org/>

# Legal Counsel

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In Milwaukee, a study done by Legal Aid Society of Milwaukee, Chief Staff Attorney Catey Doyle, demonstrated that 97% of homeowners in Milwaukee go through the foreclosure process unrepresented.

# Learn From Others...

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Suzanne M. Dennik, Consumer and Housing Education Coordinator, UW-Extension, Milwaukee and Racine Counties

Has developed several effective educational pieces for use in her service area....

In-person help nights in conjunction with the County Treasurer in both Milwaukee and Racine and will continue throughout 2008. They dispersed over 10,000 flyers with the HOPE Hotline information through mail inserts.

# Public Education

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## CONSUMER ALERT

*Provided as a public service by the Racine County Treasurer's Office and the City of Racine Treasurer's Office.*

### Afraid you may lose your home?

- Worried about paying your tax or mortgage bill?
- Considering refinancing? Seek homeowner counseling first!
- Unsure if you have an adjustable rate mortgage?

#### **YOU MUST:**

*Seek advice immediately.*

*Steer clear of high-pressure sales suggesting you refinance your mortgage.*

*Report any suspicious mortgage refinancing scams.*

### WHERE TO GET HELP

Foreclosure and Homeowner Counseling:

*The Homeownership Preservation Hotline*

1-888-995-HOPE (4673)

*For information on reporting suspected mortgage scam: Call - 211*

*For in person help*

Racine Gateway Technical College:

Date: January 16th 2008

Time: 6pm - 8pm

Michigan Room



# Resources for Those Facing Foreclosure or Affected By Predatory Lending

SLIDE **29**

Critical Conversations About the Mortgage Crisis 8-21-08



## Resources for Those Facing Foreclosure or Affected By Predatory Lending

As the housing industry continues to experience turbulence, more consumers face the effects of rising interest rates and an expanded sub-prime lending market. As foreclosures continue to rise, it became clear that organizations, government agencies and private lenders need to come together to reach out to homeowners facing foreclosure, help them preserve their homes if possible, and identify and eliminate predatory lending practices in our community.

This list of resources is intended to be shared throughout the community, and used as a reference piece by representatives in government, community-based and faith-based organizations, and others. Its purpose is to direct consumers and homeowners to trusted sources of help and reputable agencies that can provide them with counseling, options and advice specific to their circumstance.

### What You Can Do

- Encourage homeowners to seek help early when they are experiencing trouble making their mortgage payments. If they are at least 30 days delinquent they should talk to their lender! For a list of tips on how to avoid foreclosure, visit the HUD website at: [www.hud.gov/foreclosure/index.cfm](http://www.hud.gov/foreclosure/index.cfm).
- Raise awareness of lender options, nonprofit resources and counseling.
- Refer homeowners and consumers to the hotlines or a website listed below.



### Homeownership Preservation Foundation (HPF) Hotline: 1-888-995-HOPE

Provides FREE counseling 24 hours a day, 7 days a week in English and Spanish. Counselors will link callers as appropriate with their lender or a local NeighborWorks® organization. This hotline is part of a three-year public service campaign by NeighborWorks® America and the Ad Council.

### Information for homeowners, counselors and others is also available online:



- Hope Now: [www.hopenow.com](http://www.hopenow.com)
- Homeownership Preservation Foundation: [www.995hope.org](http://www.995hope.org) and [www.ForeclosureHelpandHope.org](http://www.ForeclosureHelpandHope.org)
- National Foundation for Credit Counseling (NFCC): [www.housinghelpnow.org](http://www.housinghelpnow.org)
- The NeighborWorks® Center for Foreclosure Solutions: [www.nw.org](http://www.nw.org)

To find a local HUD-approved housing counseling agency, call 1-800-569-4287 or visit the Hope Now website. From there you can link to a HUD website that allows you to search for a counselor near you.

This document was developed by the Predatory Lending & Foreclosure Prevention Task Force. Its members include ACOBE Housing, ACTS CDC, Chase, City of Milwaukee, Consumer Credit Counseling Service, Consumer Center for Women, Inc., FDIC, Housing Resources, Inc., Internal Revenue Service, Landmark Credit Union, Larkin Institute West Highline, League of Women Voters, Legacy Bank, Legal Action of WI, Legal Aid Society of Milwaukee, LISC Milwaukee, LSLAC, MRU Community Development Corp., Marquette University Law School, Metropolitan Milwaukee Fair Housing Council, Milwaukee Christian Center, NEI, National Bank, National City Bank, Office of the Comptroller of Currency (OCC), Office of U.S. Representative Christopher Menon, Office of U.S. Senator Mark Kashi, Office of U.S. Senator Russ Feingold, Indian Health Services, Rural Development Cooperative, Urban Community Development Association of WI, US Bank, UW Extension, UW Law School, UW Milwaukee Employment and Training Institute, White Pines Home Mortgage, WI Catholic Conference, WI Housing & Economic Development Authority and the WI Partnership for Housing Development, with support from the U.S. Department of Housing and Urban Development.

# Who Could Distribute These Kinds of Informational Pieces in Pierce County?

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- County Treasurer
- Utility Bills (Already happening?)
- Newspaper
- Newsletters
- Banks
- ????

# Federal Housing Finance Regulatory Reform Act of 2008 (HR 3221)

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1. Greater resources for community development and affordable housing including foreclosure prevention, housing counseling, homeownership and manufactured housing. Specifically, the bill:
  - authorizes a three-year program that permits the Federal Housing Administration to insure up to \$300 billion in new mortgages for distressed borrowers. The program is expected to help about 400,000 families avoid foreclosure by providing 30-year fixed mortgages to troubled borrowers;
  - provides \$180 million for financial and legal counseling for troubled borrowers;
  - provides nearly \$4 billion to aid communities with high numbers of foreclosures;
  - creates an affordable housing trust fund with 4.2% of profits from Fannie Mae and Freddie Mac; and
  - creates a one-time tax credit for first-time low- and moderate-income homebuyers. Up to \$7,500 is available which must be repaid over 15 years (so it is more like a no-interest loan);
  - provides a deduction for property taxes of up to \$500 for single tax filers and \$1,000 for joint filers who do not itemize;
- includes manufactured housing as an underserved market for Fannie Mae and Freddie Mac; and sets stringent criteria for reverse mortgage fees.
2. Increased access to capital for Community Development Financial Institutions through access to Federal Home Loan Bank (FHLBank) advances and access to 35% of the new Housing Trust Fund resources.
3. Expanded mission investment oversight for the FHLBanks.
4. Stronger roles for community interest and public interest directors on the boards of the FHLBanks.