

**MINNESOTA
FORECLOSURE
RECOVERY
UPDATE**

**June 9, 2011
GMHF BOARD MEETING**

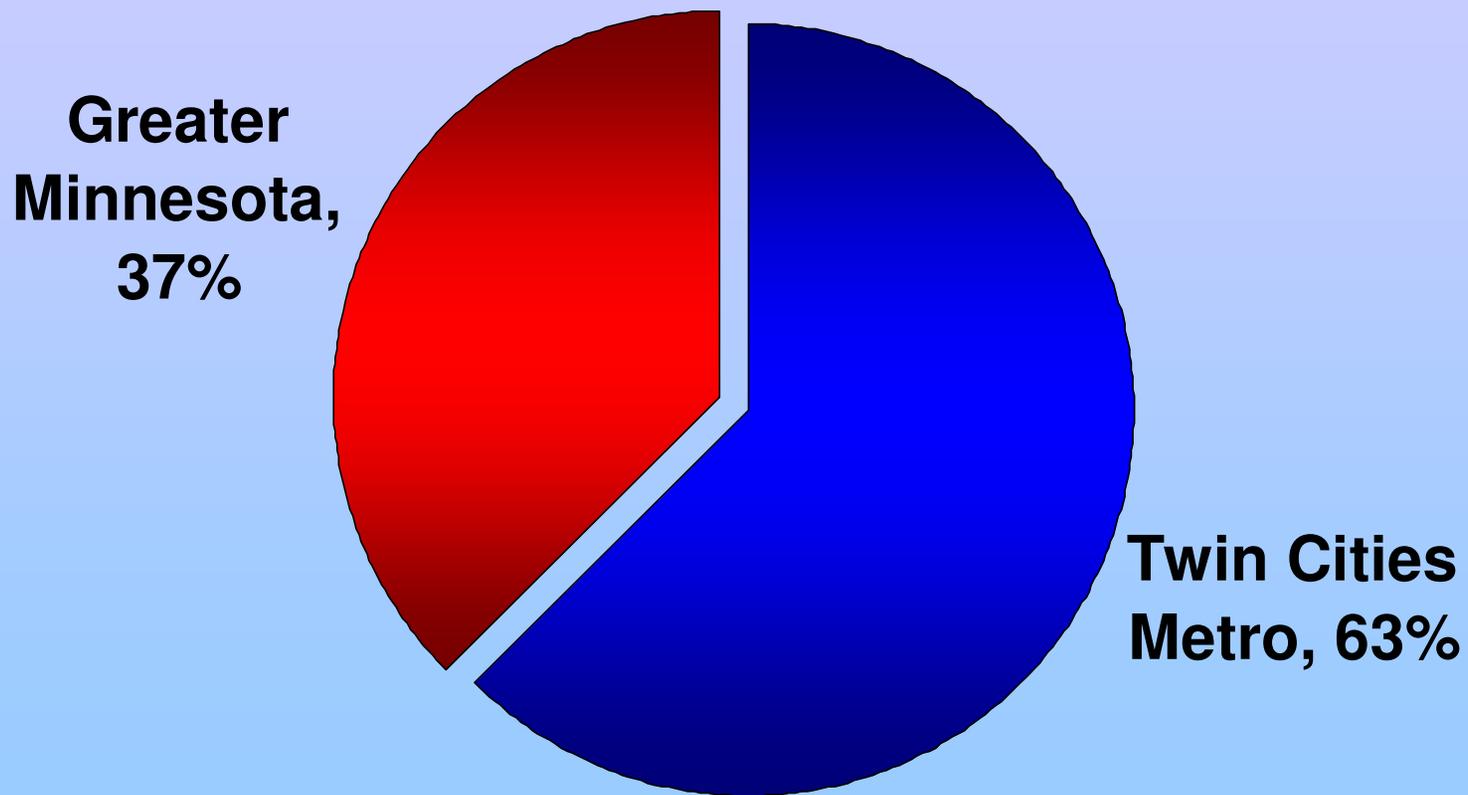
2005-2011

**135,000 HH in Minnesota have
experienced a foreclosure over
the past 6 years.**

**This is 1 in every 15
Minnesota HH.**

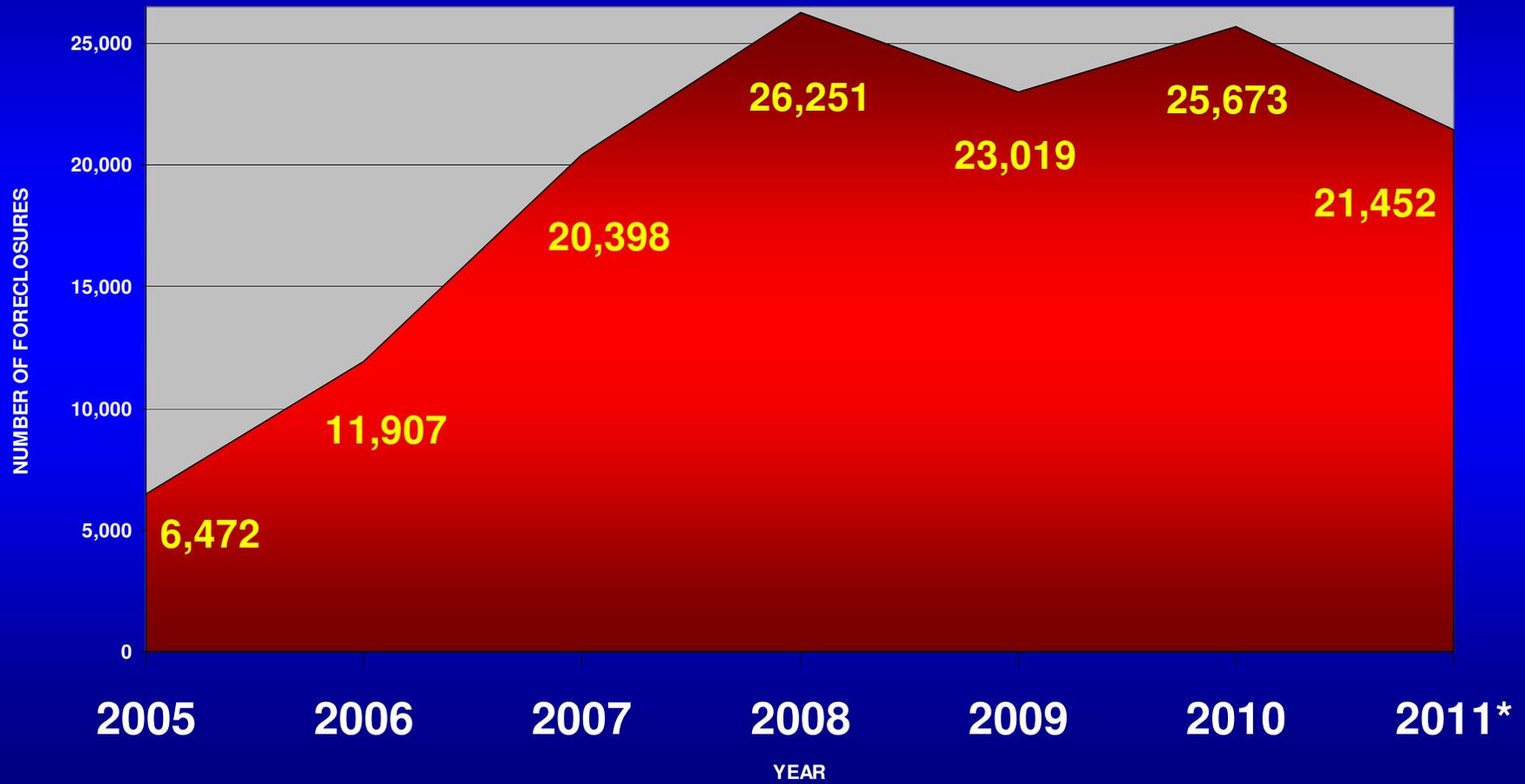
MINNESOTA FORECLOSURES

2005-2011 Projected: 135,000



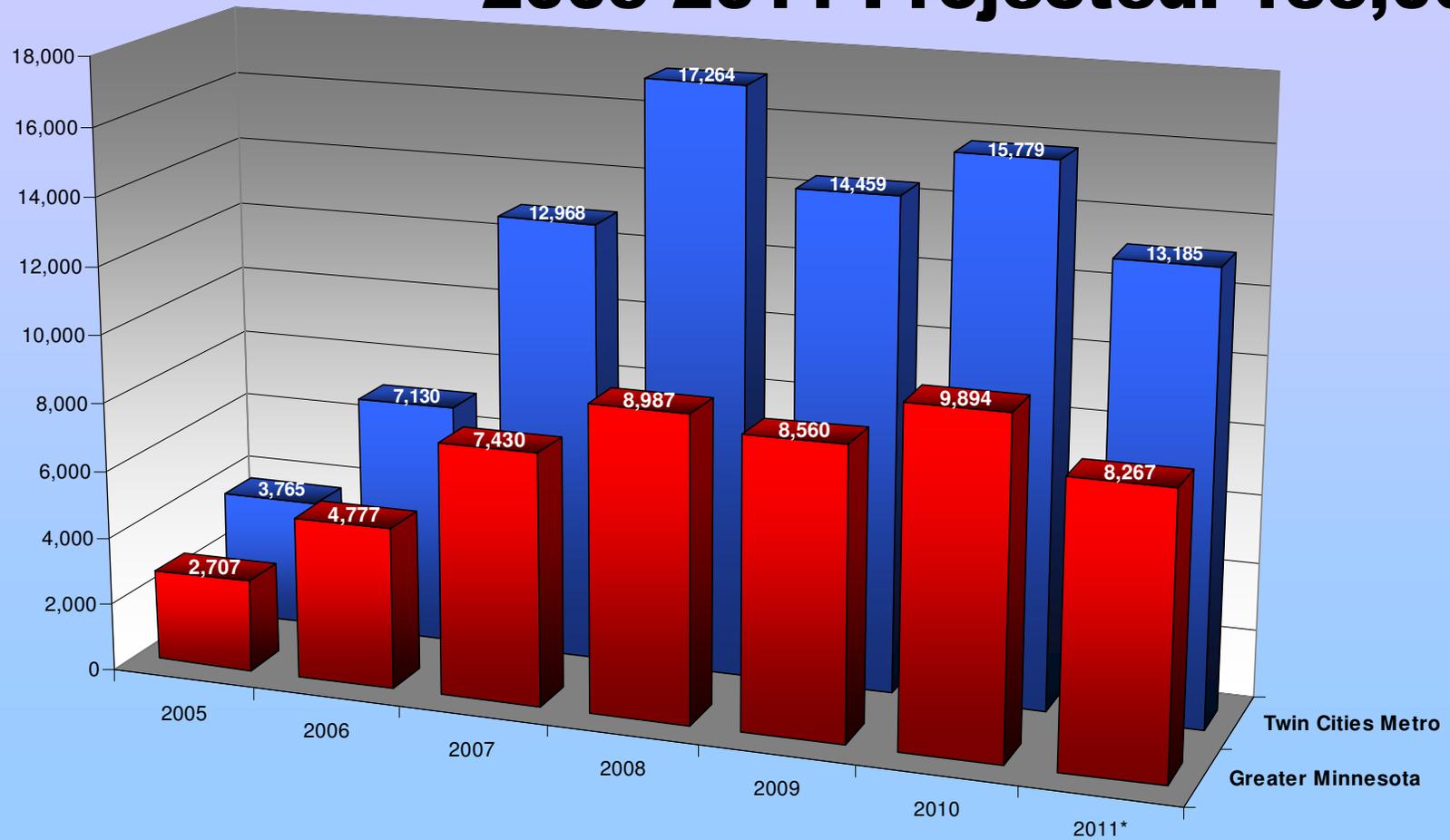
TOTAL FORECLOSURE TREND IN MINNESOTA

2005-2011 Projected 135,000



Greater Mn vs Metro Foreclosures

2005-2011 Projected: 135,000



2010 Foreclosure Rates and Counts

Figure 2

Minnesota Foreclosures in 2010 by County

Actual number of foreclosures is indicated along with each county name

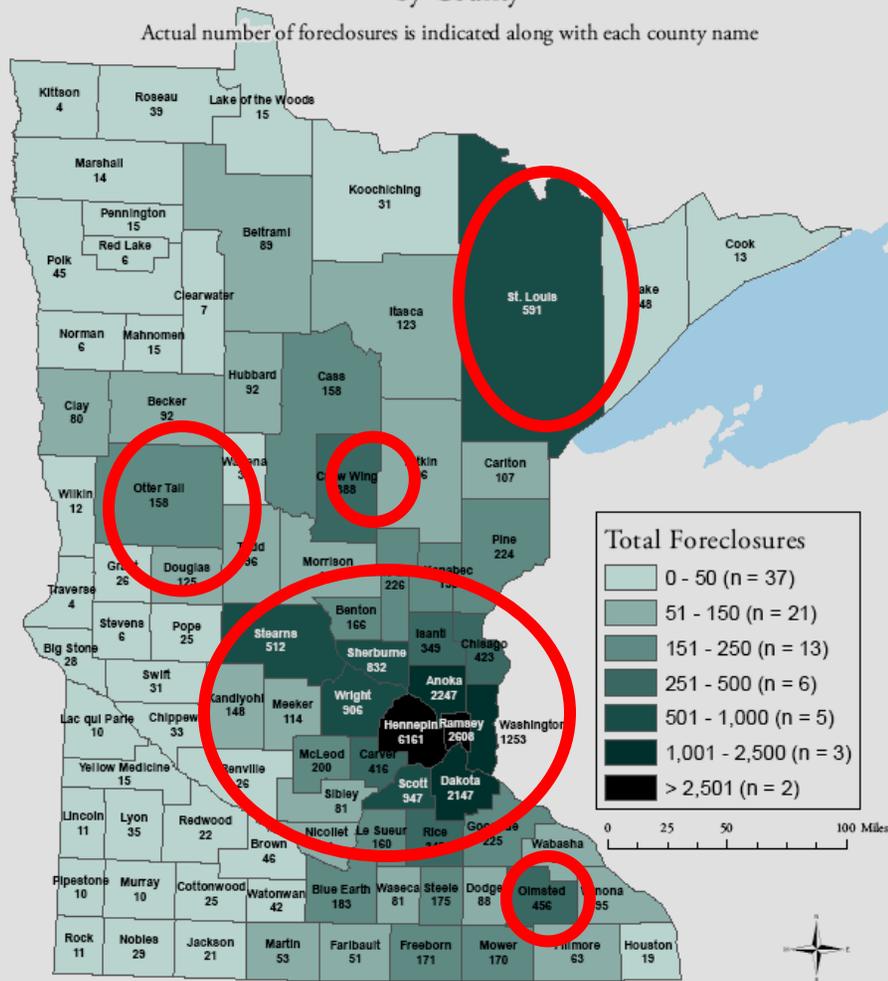
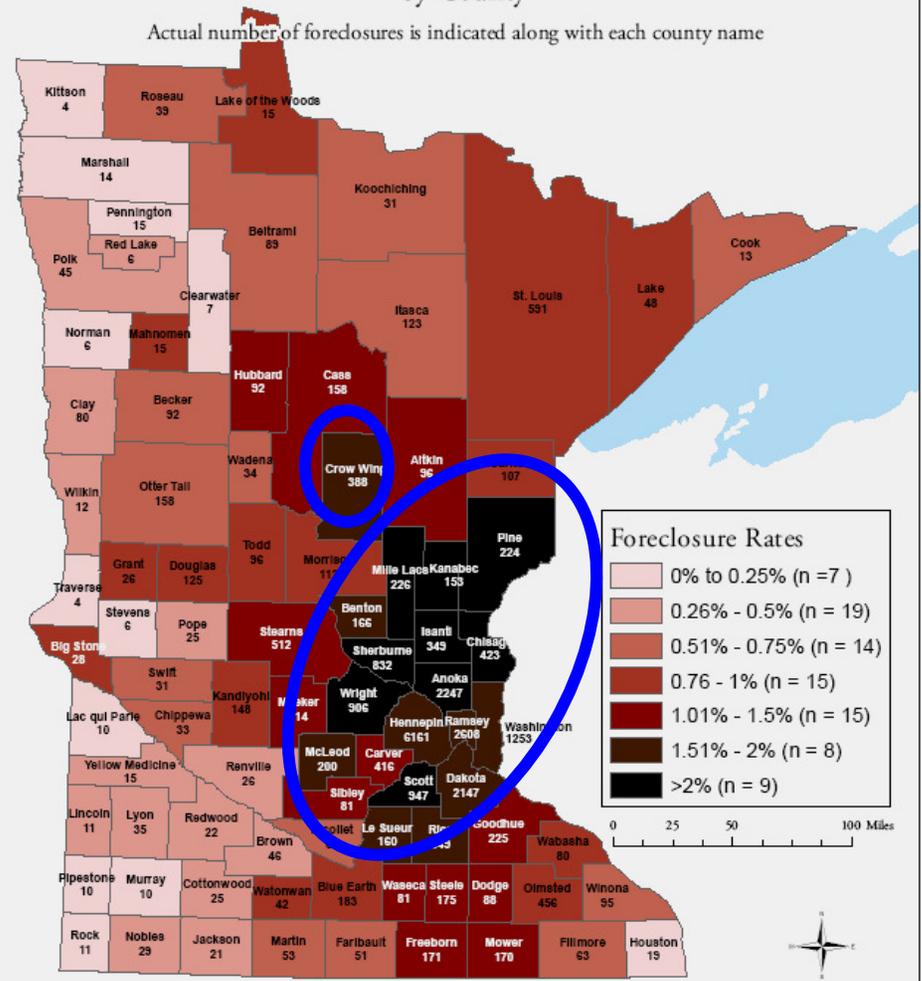


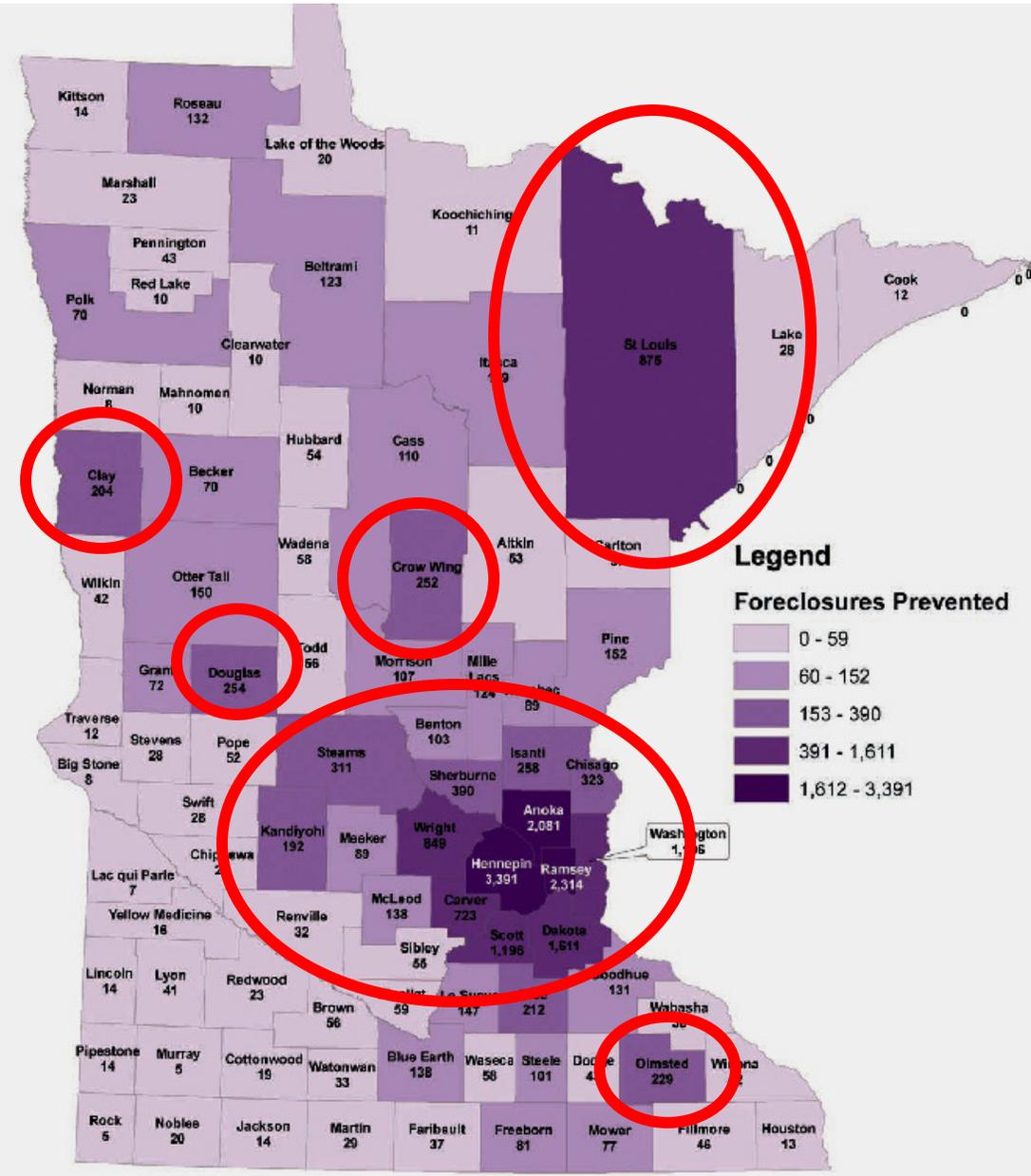
Figure 3

Minnesota Foreclosure Rates in 2010 by County

Actual number of foreclosures is indicated along with each county name



25,000 HH SAVED FROM FORECLOSURE



25,000

SAVED

FROM
FORECLOSURE
VIA MORTGAGE
COUNSELING
NETWORK

Managed by the Minnesota
Home Ownership Center

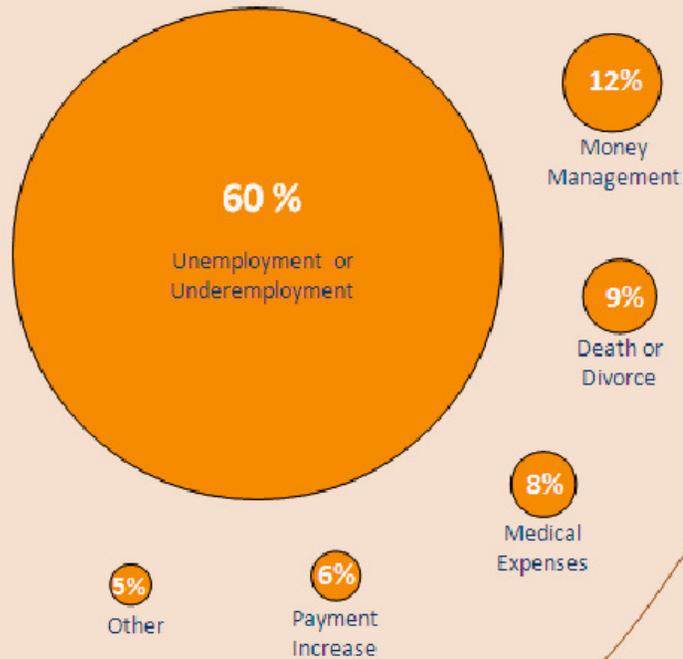
The Face of Foreclosure In Minnesota

Information collected by the Foreclosure Counselors of the Homeownership Advisors Network in 2010 helps shed new light on the lives, struggles and challenges of homeowners facing mortgage distress in Minnesota.



Reason for Default

Unemployment and underemployment are, by far, the primary reason MN homeowners are struggling

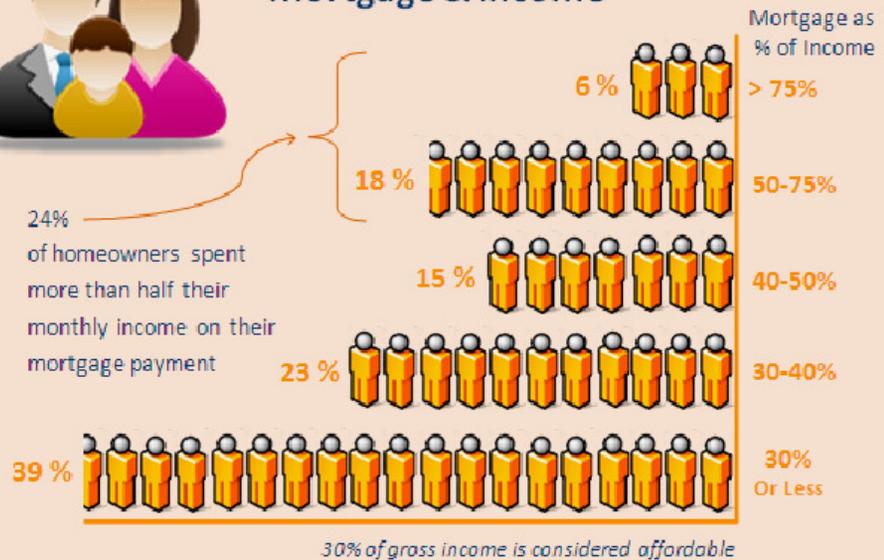


Mortgage Type



90% had Prime mortgages, while only 10% had subprime mortgages.

Mortgage & Income



Information in this infographic from the 2010 Foreclosure Counseling Program Report. Information is collected from homeowners that voluntarily request services from the Homeownership Advisors Network and does not include all delinquent borrowers in Minnesota. The full report is available at www.hocmn.org.

GOALS

Prevent Foreclosures

Affordable Mortgages

Acq-Rehab Foreclosed Homes



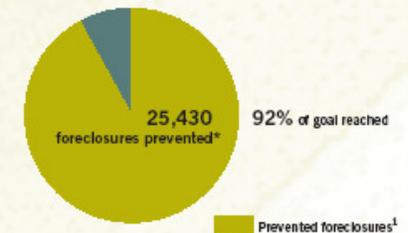
Minnesota Foreclosure Partners Council Progress Toward Recovery Goals 2007–2012

Goals The three goals illustrated below were developed by consensus among the members of the Minnesota Foreclosure Partners Council. The goals are statewide and should not be interpreted as a reflection of any individual member's goals. Numeric goals are updated annually to reflect changes in available funding, capacity, and products.

Goal 1: Prevent Foreclosures

Numeric Goal: 27,500 foreclosures prevented by 2012.

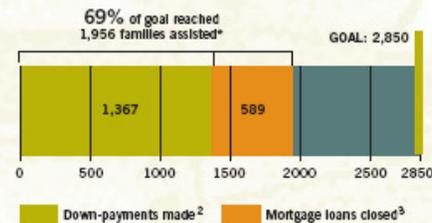
1 Foreclosure prevention is exclusively measured as a result of counseling efforts by the Minnesota Home Ownership Center's network of foreclosure counselors.



* Numbers current through March 2011.

Goal 2: Deliver and Expand Access to New Mortgages

Numeric Goal: 2,850 new mortgages accessed by 2012.



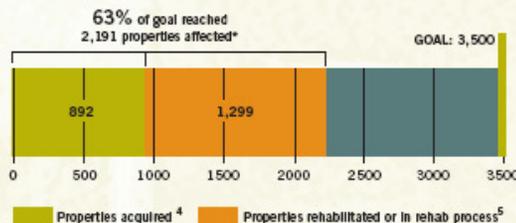
2 Refers to any program assisting the homebuyer with one-time initial expenses incurred when securing a first mortgage.

3 Refers to any mortgage closed with the assistance of a mortgage product that stays with the homeowner throughout a portion of the repayment process.

* Numbers current through December 2010.

Goal 3: Acquire, Hold, or Rehabilitate Foreclosed and Abandoned Properties

Numeric Goal: Take action on 3,500 foreclosed properties by 2012.



4 Refers to vacant and/or foreclosed property that has been acquired with the eventual intent to rehabilitate and resale, or to demolish and hold.

5 Refers to property that has been acquired and is currently being, or has been, rehabilitated for resale.

* Numbers current through December 2010.

Foreclosure Recovery

- Crises changed: from “greed & fraud” to unemployment driven
- Crises spread from cities to exurban and rural communities
- Pace slowing, slightly, but still 4X the rate of 2005 “norm”
- Far from over, could get worse...AGAIN
- Fewer public resources to stabilize homeowners & neighborhoods.
- Still not “yesterdays’ crises.

END

The Data:

Minnesota Foreclosure Counts

	2005	2006	2007	2008	2009	2010	2011*	TOTAL	
Twin Cities Metro	3,765	7,130	12,968	17,264	14,459	15,779	13,185	84,550	63%
Greater Minnesota	2,707	4,777	7,430	8,987	8,560	9,894	8,267	50,622	37%
Minnesota	6,472	11,907	20,398	26,251	23,019	25,673	21,452	135,172	100%

↑ Estimate to be down by this
 -16% much 2010-2011
 Higher than the pre-recession
 231% "norm" of 2005.

Households in Minnesota

Percent of HH who have been in Foreclosure since 2006

2,061,882
6.6%

HH have endured a foreclosure



1 in 15

135,000 HH in Minnesota have experienced a foreclosure between 2005-2011. This is 1 in every 15 Minnesota HH.