



New York State Banking Department

## **90-Day Pre-Foreclosure Notice Report**

October 7, 2010

*Data analysis and charts prepared by:*

*New York State Banking Department's Research, Applications and Technical Assistance Division*

**A. Introduction:**

This is the second report issued by the New York State Banking Department (Department) outlining the findings from information gathered from 90-day pre-foreclosure notices filed with the Department. The data in this report contains aggregate data from information filed by almost 400 lenders, assignees and mortgage servicers with the Department between February 13, 2010 and August 31, 2010.

Since the June 2010 report, we have seen an increase in the volume of filings submitted each week, which was anticipated as more lenders, assignees and mortgage servicers were added to the system.

On August 2, 2010 the Department launched an online system for submitting filings, making it easier for lenders, assignees and mortgage servicers to file information directly through the Department's website. The online system also makes it easier for filers to manage their filings and update them as needed at a later date.

**B. Background:**

On December 15, 2009, Governor David A. Paterson signed the Mortgage Foreclosure Law (chapter 507 of the laws of 2009), which was part of his 2009 legislative program and was passed on November 16, 2009 at a Special Session of the New York Legislature. This law built on the 2008 Subprime Lending Reform Law, and targets the mortgage crisis in two ways: (1) by providing further assistance to homeowners at risk of losing their homes and assisting tenants in foreclosed properties; and (2) by refining some of the prior amendments to the Banking Law regarding mortgage lending. Two components of this legislation led to this report.

1. The 2009 Mortgage Foreclosure Law amends the pre-foreclosure notice provisions of Section 1304 of RPAPL. Section 1304, as amended, now requires that a pre-foreclosure notice be sent, at least 90 days before the lender commences legal action against the borrower, to all borrowers with home loans — not just to borrowers with high-cost, subprime and non-traditional home loans. The pre-foreclosure notice informs homeowners of steps they can take to avoid foreclosure, including working with their lender to find an affordable solution and consulting with a not-for-profit housing counselor. The amendment makes clear that the requirement to send the notice applies to assignees of mortgages as well as the original lender. It also provides that the notice must be sent to the borrower with respect to all home loans and is not limited to borrowers whose mortgage principal amount is less than the Fannie Mae conforming loan size limit.

2. The 2009 Mortgage Foreclosure Law also requires each lender, assignee or mortgage loan servicer to file with the Superintendent of Banks, within three business days after mailing the 90-day pre-foreclosure notice for residential real property or cooperative apartments, certain information that will aid the Banking Department in assisting borrowers at risk of foreclosure. This includes the name, address and last known telephone number of the borrower, the amount claimed as due and owing on the mortgage, and any other information the Superintendent may require to determine the type of loan product.

The Superintendent may subsequently request such readily available information as may be reasonably necessary to facilitate a review of whether a borrower might benefit from counseling or other foreclosure prevention services.

According to the legislation, the information collected shall be used by the Superintendent for the following purposes:

- to monitor on a statewide basis the extent of foreclosure filings within the state;

- to perform an analysis of loan types which were the subject of a pre-foreclosure notice; and
- to direct, as appropriate, available public and private foreclosure prevention services to borrowers at risk of foreclosure.

The filing requirement went into effect on February 13, 2010 and applies to 90-day pre-foreclosure notices mailed on or after that date.

As of the issuance of this report, County-specific data has been shared with nine housing counseling agencies representing 38 of New York's 62 Counties, including seven of the top 10 most impacted Counties.

#### **C. Next Steps:**

In October, the online filing system will begin accepting lis pendens information. Lis pendens information will be collected on mortgages that have a 90-day pre-foreclosure notice already filed in the system. Lis pendens data will be included in the next report, which will be issued in January 2011.

In February 2011, the online filing system will begin accepting information on mortgages after the Judgment of Foreclosure and Sale. This information will be included in future reports.

	County	*PFF Volume	PFF % of Total
1	Suffolk	19,880	14.8%
2	Queens	15,184	11.3%
3	Nassau	13,611	10.2%
4	Kings	11,037	8.2%
5	Westchester	6,309	4.7%
6	Erie	6,167	4.6%
7	Monroe	5,811	4.3%
8	Orange	4,641	3.5%
9	Bronx	4,639	3.5%
10	Richmond	4,620	3.4%
11	Onondaga	3,295	2.5%
12	New York	2,980	2.2%
13	Dutchess	2,821	2.1%
14	Rockland	2,792	2.1%
15	Ulster	2,490	1.9%
16	Albany	1,942	1.4%
17	Niagara	1,622	1.2%
18	Saratoga	1,395	1.0%
19	Oneida	1,339	1.0%
20	Schenectady	1,280	1.0%
21	Rensselaer	1,198	0.9%
22	Broome	1,107	0.8%
23	Putnam	1,106	0.8%
24	Oswego	913	0.7%
25	Sullivan	872	0.7%
26	Chautauqua	826	0.6%
27	Wayne	743	0.6%
28	Ontario	705	0.5%
29	Jefferson	598	0.4%
30	Washington	585	0.4%
31	Warren	569	0.4%
32	Cayuga	538	0.4%
33	Columbia	518	0.4%
34	Madison	515	0.4%
35	Fulton	509	0.4%
36	Greene	505	0.4%
37	Livingston	484	0.4%
38	Cattaraugus	483	0.4%
39	Chemung	475	0.4%
40	Herkimer	463	0.3%
41	Genesee	450	0.3%
42	Montgomery	441	0.3%
43	Steuben	441	0.3%
44	Clinton	424	0.3%
45	Orleans	396	0.3%
46	Otsego	382	0.3%
47	St Lawrence	372	0.3%
48	Chenango	348	0.3%
49	Cortland	341	0.3%
50	Delaware	334	0.2%
51	Tioga	305	0.2%
52	Schoharie	282	0.2%
53	Allegany	276	0.2%
54	Wyoming	272	0.2%
55	Franklin	249	0.2%
56	Essex	246	0.2%
57	Seneca	239	0.2%
58	Tompkins	233	0.2%
59	Yates	155	0.1%
60	Schuyler	109	0.1%
61	Lewis	102	0.1%
62	Hamilton	36	0.0%
	<b>TOTAL</b>	<b>134,000</b>	<b>100.00%</b>

Between February 13, 2010 and August 31, 2010, **134,000** 90-day pre-foreclosure notices were mailed to borrowers with mortgages on owner-occupied 1-to-4 family residential properties in New York State. Over this six-and-a-half month period, an average of more than 20,600 90-day pre-foreclosure notices were mailed per month.

The corresponding chart represents the breakdown of 90-day pre-foreclosure notices by County. The list is sorted by volume with Suffolk County at the top with 14.8 percent of all notices mailed in the State.

The top 10 Counties, which are also represented on the graph on the following page, are consistent with the top 10 counties reported in the Department's report issued in June 2010. The top 10 counties combined represent 68.5 percent of all filings mailed in the state. While there are minor adjustments in the order of the top 10, the counties included in the top 10 list did not change. New York City and Long Island counties represent six of the top 10 counties.

#### 90-day pre-foreclosure notice vs. formal foreclosure process:

Receipt of a 90-day pre-foreclosure notice does not indicate that the formal foreclosure process has commenced or that all borrowers receiving a 90-day pre-foreclosure notice will enter into the foreclosure process.

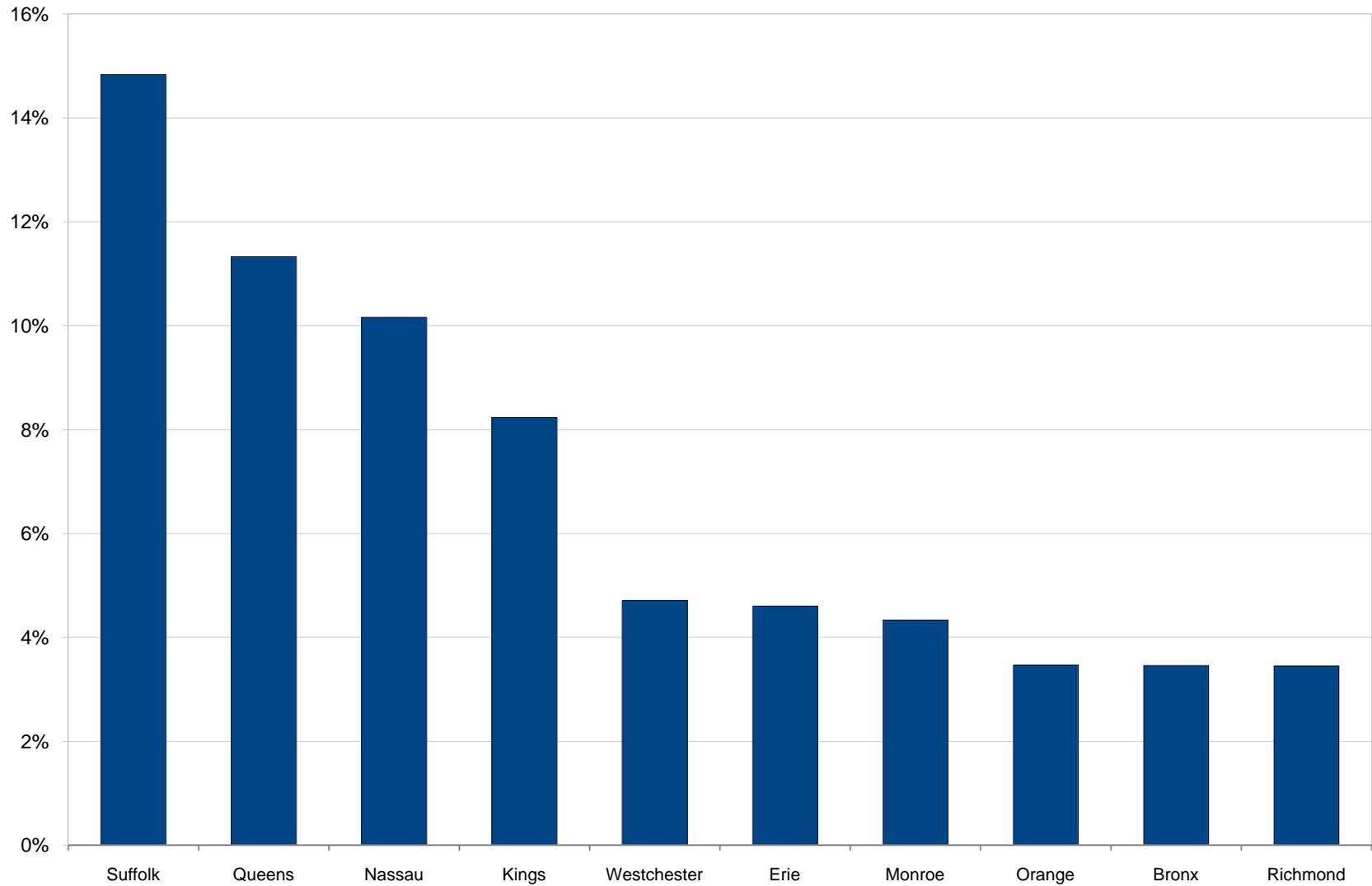
If a borrower does not become current on their mortgage within 90 days of receiving the 90-day pre-foreclosure notice, the lender has the right to begin the formal foreclosure process by filing a 'lis pendens' on the property.

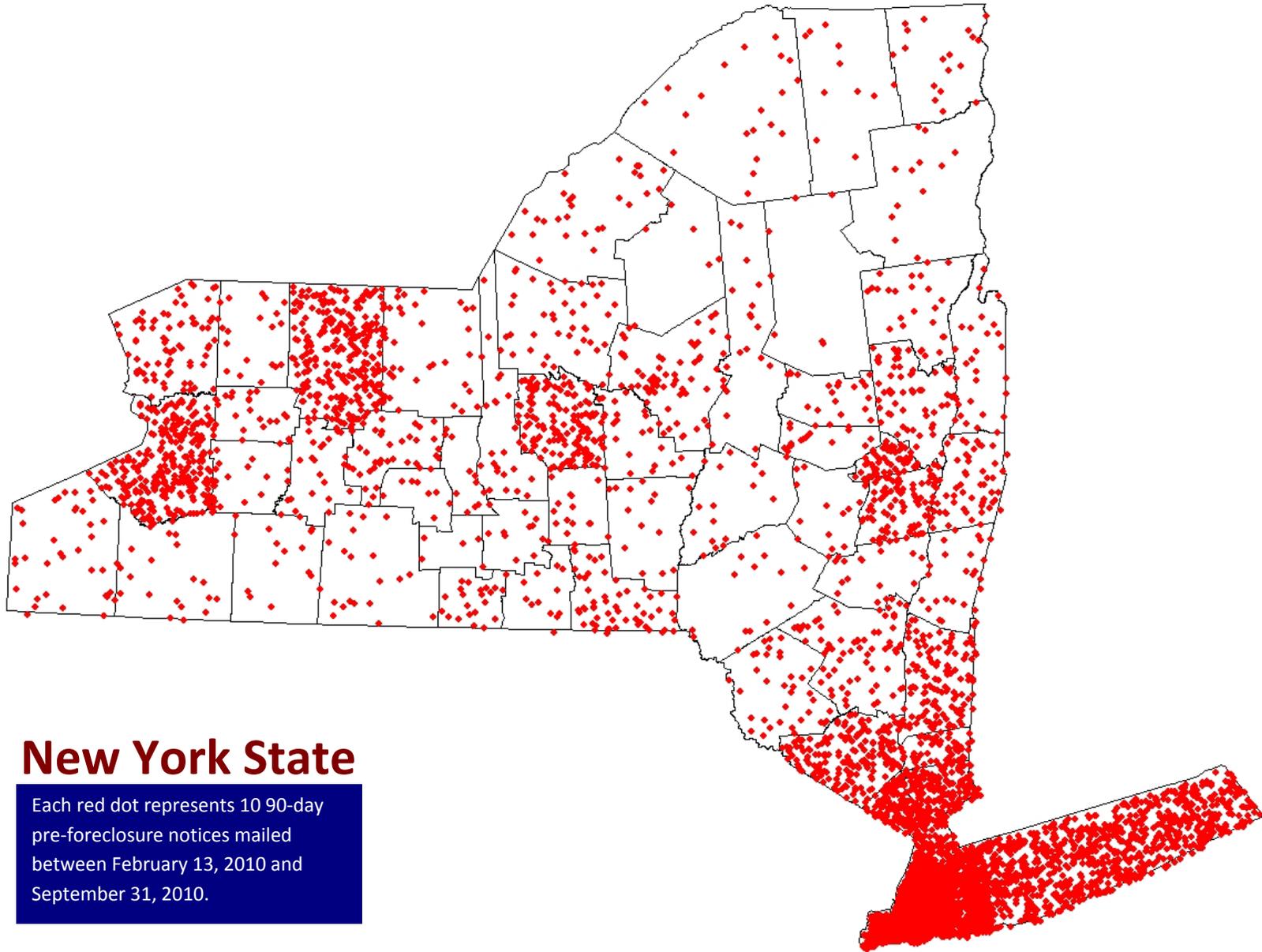
Within five days of a 'lis pendens' filing, the lender must update the original filing with the Banking Department to include more specific detail on the loan. The Department's online filing system, which launched in August, will begin accepting these filings in October 2010. Once the system begins accepting lis pendens filings, filers will have five business days to file lis pendens information on loans that received a 90-day pre-foreclosure filing notice on or after February 13, 2010. Going forward, filers will have five business days from the date of the lis pendens filing.

Lis pendens information will provide data that can be used to identify the conversion rate of borrowers going into default to those that enter the formal foreclosure process.

\* Filings of 90-day pre-foreclosure notices are represented on all charts as "PFF"

Distribution of Top 10 Represented Counties



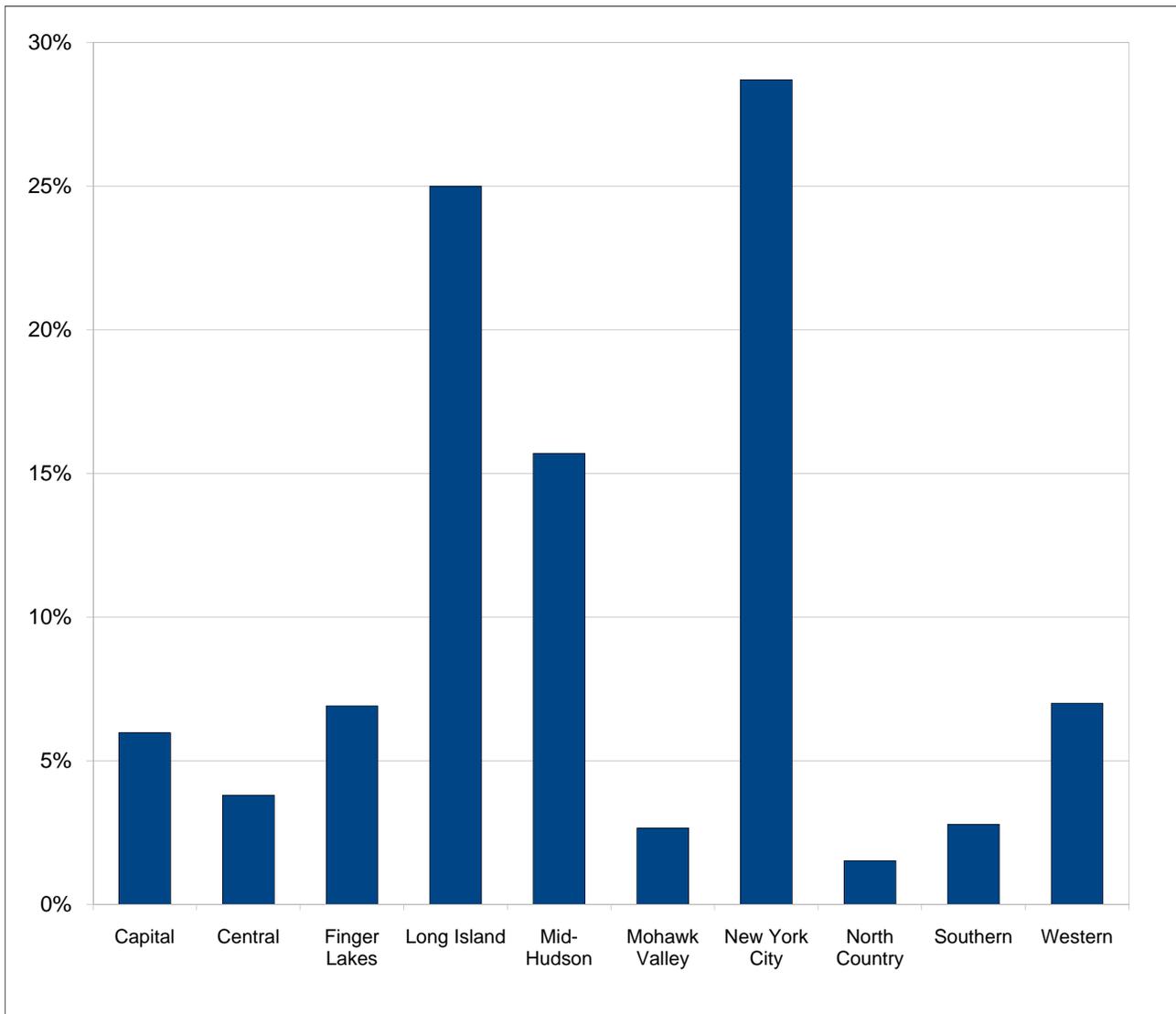


Region	PFF Volume	PFF % of Total
Capital	7,992	6.0%
Central	5,087	3.8%
Finger Lakes	9,255	6.9%
Long Island	33,491	25.0%
Mid-Hudson	21,031	15.7%
Mohawk Valley	3,549	2.6%
New York City	38,460	28.7%
North Country	2,027	1.5%
Southern	3,734	2.8%
Western	9,374	7.0%
<b>TOTAL</b>	<b>134,000</b>	<b>100.0%</b>

New York State is made up of 10 Regions representing all 62 Counties. A breakdown of Counties within each Region is outlined below.

The corresponding charts represent the breakdown of 90-day pre-foreclosure notices mailed to borrowers by Region.

New York City and Long Island have received the greatest number of notices with a combined total of more than 53 percent of all 90-day pre-foreclosure notices mailed in the State. According to census data, New York City and Long Island make up 58 percent of New York State’s population.



- o **Capital:** Albany, Columbia, Greene, Rensselaer, Saratoga, Schenectady, Warren, Washington
- o **Central:** Cayuga, Cortland, Onondaga, Oswego
- o **Finger Lakes:** Genesee, Livingston, Monroe, Ontario, Orleans, Seneca, Wayne, Wyoming, Yates
- o **Long Island:** Nassau, Suffolk
- o **Mid-Hudson:** Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster, Westchester
- o **Mohawk Valley Region:** Fulton, Herkimer, Madison, Montgomery, Oneida, Schoharie
- o **New York City:** Bronx, Kings, New York, Queens, Richmond
- o **North County:** Clinton, Essex, Franklin, Hamilton, Jefferson, Lewis, St. Lawrence
- o **Southern Region:** Broome, Chemung, Chenango, Delaware, Otsego, Schuyler, Stuben, Tioga, Tompkins
- o **Western Region:** Allegany, Cattaraugus, Chautauqua, Erie, Niagara

## 90-Day Pre-Foreclosure Filings by County as a Percentage of Mortgages

	County	PFF Volume	* Mortgages	% of Mortgages
1	Ulster	2,490	30,623	8.1%
2	Bronx	4,639	62,226	7.5%
3	Sullivan	872	12,209	7.1%
4	Orange	4,641	65,216	7.1%
5	Suffolk	19,880	282,027	7.0%
6	Queens	15,184	223,351	6.8%
7	Greene	505	7,950	6.4%
8	Kings	11,037	175,471	6.3%
9	Fulton	509	8,812	5.8%
10	Montgomery	441	7,656	5.8%
11	Nassau	13,611	237,190	5.7%
12	Orleans	396	6,932	5.7%
13	Rockland	2,792	50,278	5.6%
14	Dutchess	2,821	51,337	5.5%
15	Washington	585	10,769	5.4%
16	Schoharie	282	5,269	5.4%
17	Richmond	4,620	87,260	5.3%
18	Putnam	1,106	21,995	5.0%
19	Schenectady	1,280	26,257	4.9%
20	Cortland	341	7,013	4.9%
21	Warren	569	12,070	4.7%
22	Herkimer	463	9,840	4.7%
23	Delaware	334	7,154	4.7%
24	Chenango	348	7,456	4.7%
25	Essex	246	5,323	4.6%
26	Rensselaer	1,198	26,638	4.5%
27	Columbia	518	11,599	4.5%
28	Seneca	239	5,457	4.4%
29	Oswego	913	20,883	4.4%
30	Westchester	6,309	146,399	4.3%
31	Wayne	743	17,494	4.2%
32	Genesee	450	10,619	4.2%
33	Niagara	1,622	38,318	4.2%
34	Monroe	5,811	137,812	4.2%
35	Livingston	484	11,564	4.2%
36	Onondaga	3,295	81,032	4.1%
37	Madison	515	12,670	4.1%
38	Albany	1,942	49,553	3.9%
39	Wyoming	272	6,984	3.9%
40	Chautauqua	826	21,248	3.9%
41	Cayuga	538	13,872	3.9%
42	Erie	6,167	159,503	3.9%
43	Otsego	382	9,937	3.8%
44	Allegany	276	7,388	3.7%
45	Oneida	1,339	35,970	3.7%
46	Yates	155	4,224	3.7%
47	Jefferson	598	16,364	3.7%
48	Cattaraugus	483	13,234	3.6%
49	Ontario	705	20,122	3.5%
50	Broome	1,107	31,729	3.5%
51	Chemung	475	13,824	3.4%
52	Franklin	249	7,403	3.4%
53	Saratoga	1,395	43,228	3.2%
54	Tioga	305	9,457	3.2%
55	Clinton	424	13,313	3.2%
56	New York	2,980	108,125	2.8%
57	Steuben	441	16,119	2.7%
58	Lewis	102	4,030	2.5%
59	St Lawrence	372	16,603	2.2%
60	Tompkins	233	12,253	1.9%
61	Hamilton**	36		
62	Schuyler**	109		
	<b>TOTAL</b>	<b>134,000</b>	<b>2,576,652</b>	
	<b>STATE AVERAGE</b>			<b>5.2%</b>

This chart represents the percentage of 1-to-4 family residential properties with a mortgage within a County that have received a 90-day pre-foreclosure notice between February 13, 2010 and August 31, 2010.

The average for 90-day pre-foreclosure filings as of percent of total mortgages on comparable properties is 5.2 percent.

\* The number of 1-to-4 family residential properties with a mortgage is based on US Census statistics from the 2006-2008 American Community Survey three-Year Estimates. This analysis controls for population.

\*\* US Census data is not available for Hamilton or Schuyler Counties

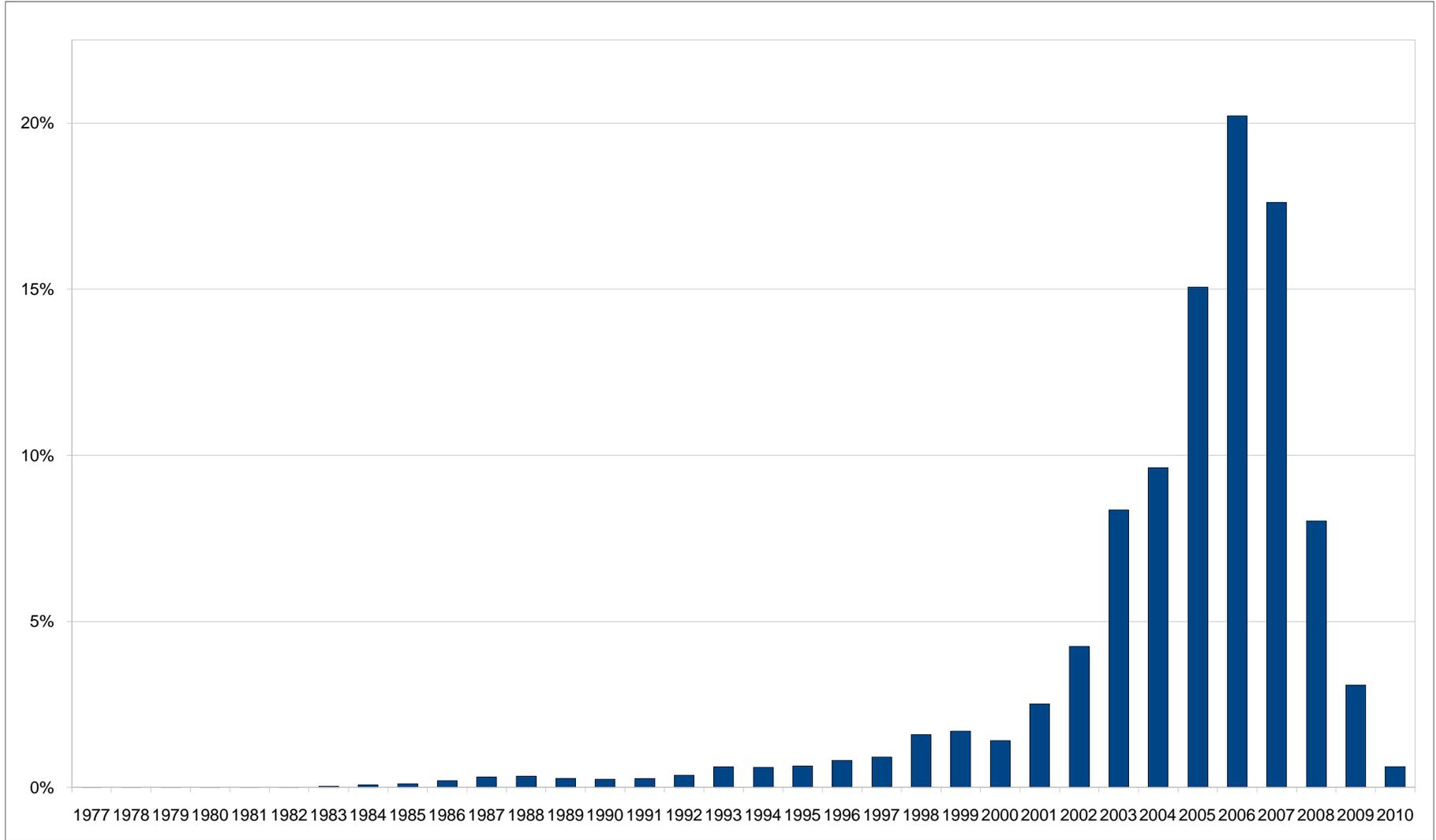
Year of Original Loan	PFF Volume	PFF % of Total
1977	2	0.00%
1978	3	0.00%
1979	8	0.01%
1980	14	0.01%
1981	13	0.01%
1982	14	0.01%
1983	53	0.0%
1984	99	0.1%
1985	155	0.1%
1986	282	0.2%
1987	423	0.3%
1988	458	0.3%
1989	372	0.3%
1990	334	0.2%
1991	355	0.3%
1992	498	0.4%
1993	833	0.6%
1994	818	0.6%
1995	867	0.6%
1996	1,095	0.8%
1997	1,231	0.9%
1998	2,129	1.6%
1999	2,273	1.7%
2000	1,893	1.4%
2001	3,377	2.5%
2002	5,693	4.2%
2003	11,202	8.4%
2004	12,904	9.6%
2005	20,187	15.1%
2006	27,095	20.2%
2007	23,589	17.6%
2008	10,754	8.0%
2009	4,133	3.1%
2010	844	0.6%
<b>TOTAL</b>	<b>134,000</b>	<b>100.0%</b>

90-day pre-foreclosure notices are being mailed to borrowers with mortgages that were originated as early as 1977.

A total of 70,871 of the 90-day pre-foreclosure notices were filed against borrowers with mortgages that were originated between 2005 and 2007, the height of the mortgage boom.

This represents 52.9 percent of all 90-day pre-foreclosure notices mailed between February 13, 2010 and August 31, 2010.

## 90-Day Pre-Foreclosure Filings by Year of Origination



County	Loan Orig. Volume	PFF Volume	PFF as % HMDA*
1. Sullivan	9,443	658	7.0%
2. Bronx	58,203	3,648	6.3%
3. Ulster	28,294	1,757	6.2%
4. Delaware	4,119	248	6.0%
5. Orange	61,687	3,637	5.9%
6. Queens	208,455	11,946	5.7%
7. Suffolk	270,656	15,438	5.7%
8. Rockland	36,502	2,054	5.6%
9. Kings	153,039	8,429	5.5%
10. Richmond	65,489	3,584	5.5%
11. Nassau	190,395	10,320	5.4%
12. Putnam	16,848	843	5.0%
13. Montgomery	5,587	274	4.9%
14. Greene	7,574	349	4.6%
15. Fulton	6,828	314	4.6%
16. Schoharie	4,009	184	4.6%
17. Orleans	4,388	198	4.5%
18. Dutchess	48,697	2,181	4.5%
19. Chenango	5,189	227	4.4%
20. Genesee	5,480	233	4.3%
21. Columbia	8,147	342	4.2%
22. Westchester	109,845	4,596	4.2%
23. Otsego	5,934	248	4.2%
24. Washington	9,454	385	4.1%
25. Essex	4,538	172	3.8%
26. Wyoming	4,077	154	3.8%
27. Herkimer	7,615	287	3.8%
28. Allegany	4,188	156	3.7%
29. Livingston	7,313	272	3.7%
30. Oswego	13,576	504	3.7%
31. Warren	10,663	394	3.7%
32. Cortland	4,866	177	3.6%
33. Chautauqua	11,925	427	3.6%
34. Niagara	22,711	810	3.6%
35. Rensselaer	22,870	810	3.5%
36. Schenectady	24,915	880	3.5%
37. Jefferson	10,919	381	3.5%
38. Hamilton	729	25	3.4%
39. Monroe	90,207	3,034	3.4%
40. Franklin	5,101	171	3.4%
41. Cattaraugus	7,676	255	3.3%
42. Albany	41,337	1,337	3.2%
43. Erie	94,586	3,023	3.2%
44. Wayne	12,394	396	3.2%
45. Seneca	4,260	135	3.2%
46. Broome	20,961	655	3.1%
47. Cayuga	9,169	280	3.1%
48. Madison	9,336	281	3.0%
49. Onondaga	60,112	1,799	3.0%
50. Clinton	8,825	257	2.9%
51. Oneida	27,892	788	2.8%
52. Yates	2,973	81	2.7%
53. Ontario	15,470	420	2.7%
54. Tioga	6,490	171	2.6%
55. St Lawrence	8,177	213	2.6%
56. Saratoga	40,157	993	2.5%
57. Chemung	10,940	270	2.5%
58. New York	81,653	1,949	2.4%
59. Steuben	9,815	228	2.3%
60. Schuyler	2,289	53	2.3%
61. Lewis	3,035	69	2.3%
62. Tompkins	10,106	129	1.3%
<b>TOTAL</b>	<b>2,058,128</b>	<b>94,520</b>	

When the number of filings received by the Banking Department is compared to HMDA\* data for the same time period, the percent of loans originated during that time period that have received a 90-day pre-foreclosure notice is identified.

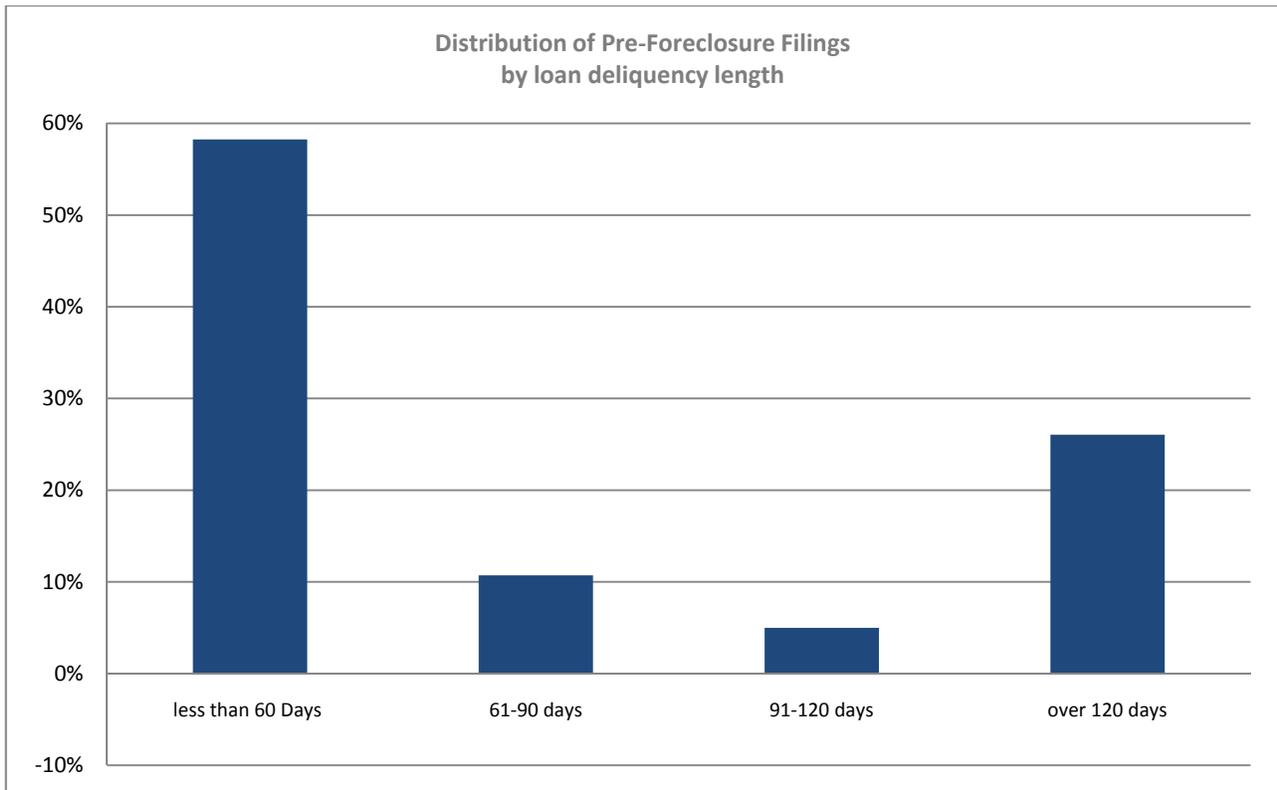
The corresponding chart is based on available HMDA data for 2004, 2005, 2006, 2007 and 2008. These five years combined represent more than 70 percent of all 90-day pre-foreclosure notices filed with the Department.

\* HMDA (Home Mortgage Disclosure Act) data represents every mortgage originated during the specific time period.

Delinquency Length	PFF Volume	PFF % of Total
Less than 60 Days	78,046	58.2%
61-90 days	14,350	10.7%
91-120 days	6,694	5.0%
Over 120 days	34,910	26.1%
	<b>134,000</b>	<b>100.0%</b>

This data and corresponding graph show the distribution of 90-day pre-foreclosure notices, based on the amount of time the mortgage was delinquent at the time of the mailing.

The majority (58.2 percent) of these filings have been delinquent for less than 60 days, while the next highest percentage (26.1 percent) comes from loans that have been delinquent for more than 120 days.



Interest Rate	Percent
Under 4%	7.5 %
4% to 5.9%	25.1%
6% to 7.9%	47.9%
8% to 9.9%	12.9%
10% to 11.9%	4.9%
12% to 13.9%	1.4%
Above 14%	0.3%

**Interest Rate**

The corresponding graph and chart below show the distribution of 90-day pre-foreclosure notices, based on the percentage rate of the loan at the time of the issuance of the notice.

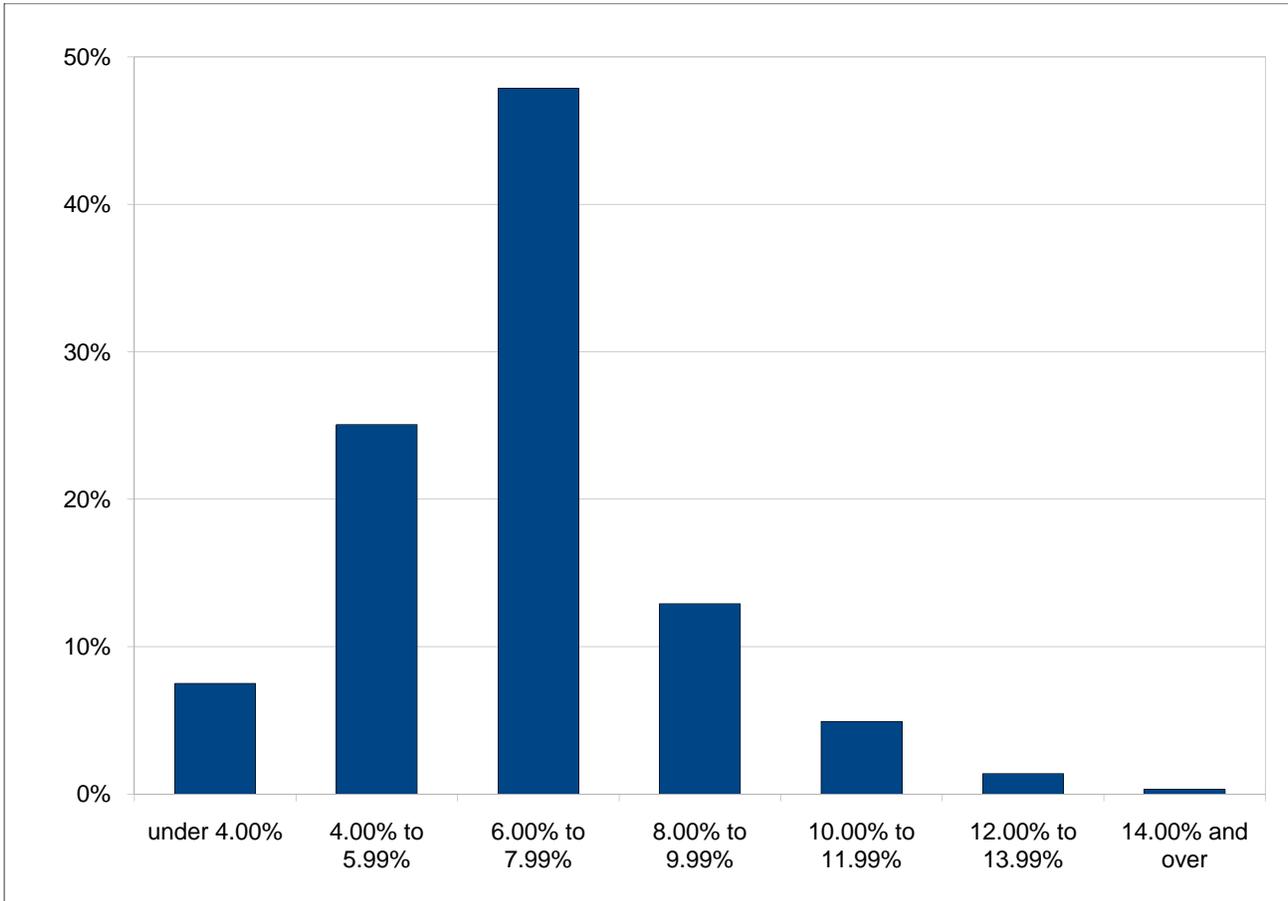
More than 30 percent of 90-day pre-foreclosure notices were issued on loans with an interest rate of less than 6 percent, and more than 80 percent were issued on loans with an original interest rate of less than 8 percent.

Market Share	PFF %
<b>Fixed Rate</b>	
87%	81.3%
<b>Other</b>	
13%	18.7%

**Fixed Rate vs. Adjustable Rate, Option Arm and Interest Only**

According to the Mortgage Bankers Association’s National Delinquency Survey, fixed rate mortgages represent 87 percent of the mortgage market, while others (such as Adjustable Rate Mortgages (ARM), Option ARM and Interest Only) make up 13 percent of the market.

According to the information filed with the Department, while Fixed Rate mortgages represent 87 percent of the market, they represent 81.3 percent of 90-day pre-foreclosure notices mailed in New York. And, while other mortgages represent only 13 percent of the market, they represent 18.7 percent of 90-day pre-foreclosure notices mailed in New York.



**Breakdown of PFFs by Type of Loan Within each Year**

Year	Fixed Rate	Adj Rate (AR)	Pay Option AR	Int Only
1977-1989	52%	48%	0%	0%
1990-1999	88%	12%	0%	0%
2000	89%	10%	0%	1%
2001	93%	7%	0%	0%
2002	92%	8%	0%	0%
2003	92%	8%	0%	0%
2004	83%	15%	0%	1%
2005	75%	21%	1%	3%
2006	72%	23%	1%	3%
2007	79%	16%	2%	4%
2008	93%	6%	1%	1%
2009	95%	4%	0%	0%
2010	57%	43%	0%	0%

**Breakdown of PFFs by Type of Loan across Years**

Year	Fixed Rate	Adj Rate (AR)	Pay Option AR	Int Only
1977	0.0%	0.0%	0.0%	0.0%
1978	0.0%	0.0%	0.0%	0.0%
1979	0.0%	0.0%	0.0%	0.0%
1980	0.0%	0.0%	0.0%	0.0%
1981	0.0%	0.0%	0.0%	0.0%
1982	0.0%	0.0%	0.0%	0.0%
1983	0.0%	0.1%	0.0%	0.0%
1984	0.0%	0.3%	0.0%	0.0%
1985	0.0%	0.5%	0.0%	0.0%
1986	0.2%	0.5%	0.0%	0.0%
1987	0.2%	0.9%	0.1%	0.0%
1988	0.2%	1.2%	0.0%	0.0%
1989	0.2%	0.7%	0.0%	0.0%
1990	0.2%	0.4%	0.0%	0.0%
1991	0.3%	0.3%	0.0%	0.0%
1992	0.4%	0.4%	0.0%	0.0%
1993	0.7%	0.5%	0.0%	0.0%
1994	0.6%	0.7%	0.2%	0.0%
1995	0.7%	0.5%	0.1%	0.0%
1996	0.9%	0.7%	0.2%	0.0%
1997	1.0%	0.7%	0.1%	0.0%
1998	1.8%	0.6%	0.1%	0.1%
1999	1.9%	0.8%	0.0%	0.1%
2000	1.5%	0.9%	0.1%	0.4%
2001	2.9%	1.1%	0.0%	0.1%
2002	4.8%	2.1%	0.1%	0.5%
2003	9.4%	4.1%	0.9%	1.2%
2004	9.9%	9.2%	5.7%	4.8%
2005	13.9%	19.8%	16.4%	22.5%
2006	17.9%	29.7%	37.0%	34.1%
2007	17.1%	17.8%	33.6%	31.2%
2008	9.2%	2.8%	5.4%	4.7%
2009	3.6%	0.8%	0.0%	0.2%
2010	0.4%	1.7%	0.0%	0.1%

**Breakdown of High-Cost vs Non High-Cost Loans\***

	Originations	PFF
Non high-cost loans	81%	75%
High cost-loans	19%	25%

The statistics above are based on the 1,674,840 originations for owner-occupied, first-lien mortgages in New York State between 2004 and 2008 that appear in the HMDA data. We estimate that 83,153 (or about 5.0 percent) of those mortgages appear in the Pre-Foreclosure Filing database, which yields an overall incidence of 5.0 percent.

As seen on this chart, high-cost loans\* have been more likely to receive a 90-day pre-foreclosure filing. For example, while only 19 percent of loans originated were high-cost loans, they made up 25 percent of the 90-day pre-foreclosure filings mailed.

\* High-cost loans are defined as loans where the interest rate at origination was over three percentage points above the interest rate on a comparable US Treasury.

Approximately 90 percent of the loans in our database that were originated prior to 2004 were Fixed Rate loans. However, beginning in 2004, Adjustable Rate Mortgages (ARMs) became much more common, as seen in this chart. After the subprime crisis peaked in 2007 and 2008, the trend toward ARMs reversed itself and the Fixed Rate mortgage share increased to over 90 percent.

Based on the information received by the Banking Department, more than 70 percent of Payment Option ARMs and more than 65 percent of Interest Only mortgages receiving 90-day pre-foreclosure notices were originated in 2006 and 2007.

However, as a whole, mortgages generated in 2006 and 2007 only represented 37.8 percent of mortgages receiving 90-day pre-foreclosure notices (see page 8), indicating that these types of loans made in 2006 and 2007 are disproportionately represented.

Given the fact that ARMs account for a disproportionately high share of the loans in our Pre-Foreclosure filing data, it is not surprising that the incidence of 90-day letters among loans originated in 2006 and 2007 is higher than the incidence of loans originated in 2008.

Dollar Amount *	PFF Volume	PFF % of Total
Under \$50	12,233	9.1%
\$50 to \$99	27,384	20.4%
\$100 to \$149	16,683	12.5%
\$150 to \$199	11,868	8.9%
\$200 to \$249	10,805	8.1%
\$250 to \$299	11,733	8.8%
\$300 to \$349	12,097	9.0%
\$350 to \$399	9,888	7.4%
\$400 to \$449	7,463	5.6%
\$450 to \$499	4,222	3.2%
\$500 and up	9,624	7.2%
	<b>134,000</b>	<b>100.0%</b>

**Pre-foreclosure Notices by Loan Dollar Amount**

This data and corresponding graph below show the distribution of 90-day pre-foreclosure notices, based on the original dollar amount of the mortgage at time of origination.

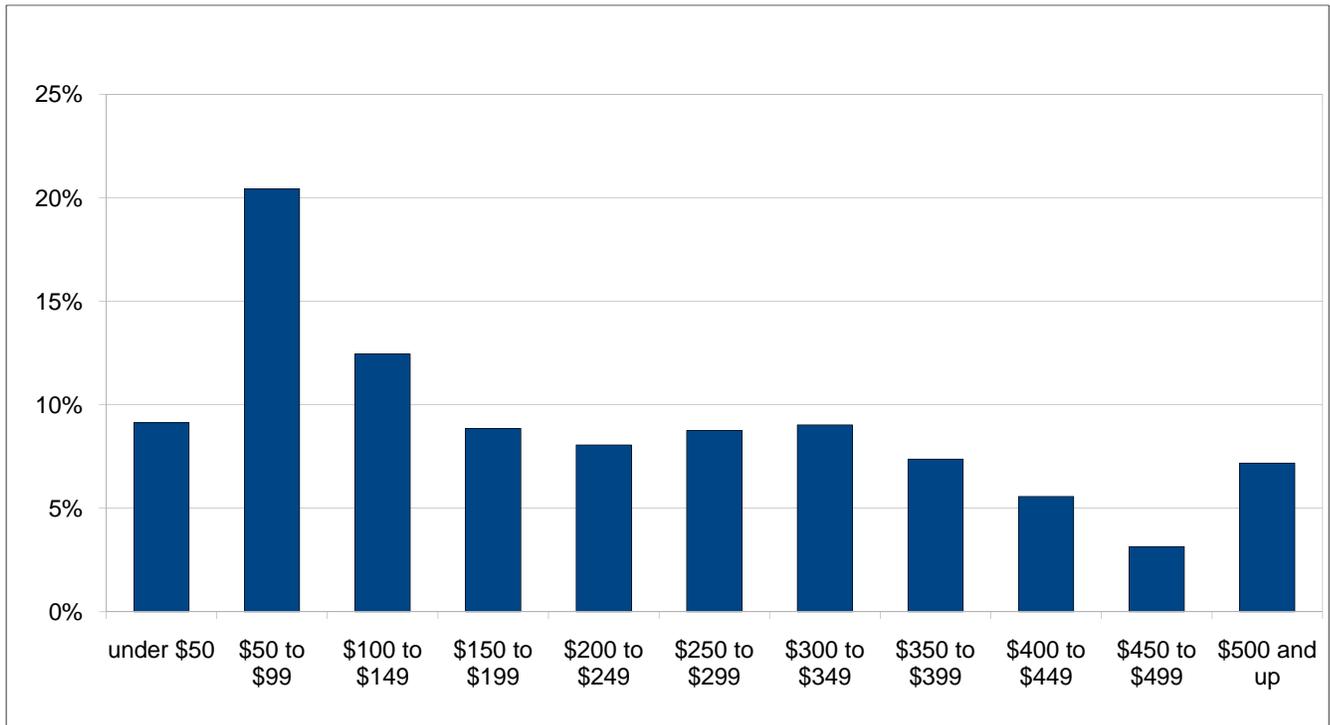
The greatest number of 90-day pre-foreclosure notices — more than 50 percent — were issued on mortgages less than \$200,000.

Dollar Amount*	HMDA Originations	PFF Volume
Under \$50	5%	3%
\$50 to \$99	16%	13%
\$100 to \$149	15%	11%
\$150 to \$199	11%	8%
\$200 to \$249	10%	9%
\$250 to \$299	10%	11%
\$300 to \$349	10%	12%
\$350 to \$399	7%	11%
\$400 to \$449	6%	8%
\$450 to \$499	3%	5%
\$500 and up	9%	10%

**Relationship Between Loan Amount and Pre-foreclosure Filing**

When 90-day pre-foreclosure notice filing data is compared with HMDA data for 1,674,840 owner-occupied, first-lien mortgages that were originated between 2004 and 2008, the data shows that original loan amounts of less than \$250 thousand are under-represented while larger loan amounts are over represented. For example, while loans between \$350 thousand and \$399 thousand account for 7 percent of HMDA originations for the specified time period, they account for 11 percent of 90-day pre-foreclosure notices mailed to mortgages generated during that period.

\* Dollar amounts are in thousands



The New York State Banking Department (Department) continues to focus efforts on addressing the ongoing foreclosure crisis and providing assistance for the thousands of New Yorkers facing delinquency. As the data in this report highlights, the number of New York homeowners facing delinquency is still a major concern. While the total number of filings received per month since our last report in June increased, this increase was anticipated as the number of lenders, assignees and mortgage servicers filing pre-foreclosure information has doubled since our June report. We anticipate that the volume per month will level off in the coming months.

It is important that borrowers and the public understand that the receipt of a 90-day pre-foreclosure notice does not indicate the initiation of the foreclosure process. That process is not initiated until the lis pendens is filed and a summons and complaint is served on the borrower, at least 90 days after the pre-foreclosure notice. During that window of time, borrowers are encouraged to work with housing counselors and their lenders to either come current on their loan or work out a potential loan modification in an effort to keep their home.

Later this month, the Department will begin collecting information on lis pendens filings. For our next report, we will begin assessing the effects of pre-foreclosure notices and the conversion from 90-day pre-foreclosure notices to lis pendens filings.

Finally, the Department continues to work on expanding our network of non-profit partners that provide direct support to borrowers. By expanding our network, we can assure that more borrowers are getting the much needed help they need.