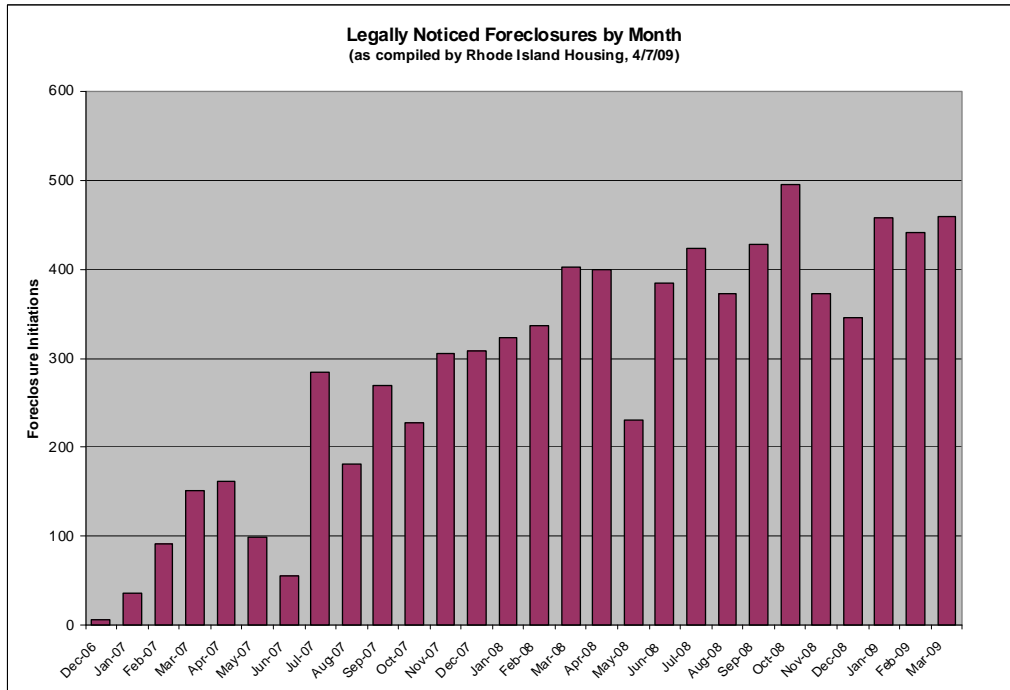


Rhode Island Foreclosure Initiations Tracking Report

Legally Noticed Foreclosures: March 2009

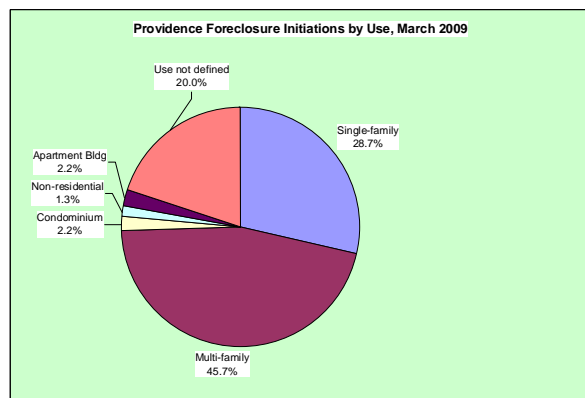
Based on data from the Warren Group, the number of legally-noticed foreclosure initiations in Rhode Island as advertised in the *Providence Journal* during March 2009 was 459, a 3.8 percent increase from the 442 initiations listed during February. This is a 14.2 percent increase from March 2008. Since the Warren Group initiation data is drawn exclusively from the *Providence Journal*, the figures are skewed towards municipalities commonly served by the *Journal*. Many listings for municipalities served by local newspapers, such as Pawtucket and Woonsocket, are not captured.



Source: The Warren Group, 2009.

Providence Foreclosures

Foreclosure initiations in Providence totaled 227 during March 2009, an increase of 26.8 percent from February 2009. Foreclosure initiations in Providence accounted for 49.44 percent of the total Warren Group listings, a higher share than the 40.4 percent share in February.



Multi-family homes represented just under half of all foreclosure initiations in Providence during March 2009, as indicated in the pie chart. Single-family homes represented a third of all foreclosure initiations. The large number of multi-family homes at risk of actual foreclosure is particularly troubling since each foreclosure initiation threatens multiple families living within the same building.

Q4 2008 MBA National Delinquency Survey

The Q4 Survey reports that Rhode Island's foreclosure rate (as measured by inventory) was tied for tenth in the country with Maine at 3.49 percent, and exceeded New England in all other categories. The percentage of seriously delinquent and foreclosure inventory loans in Rhode Island was 6.31, up by almost 100 basis points since Q3 2008, but remaining tenth in this category. Florida ranked first, with more than double Rhode Island's rate—at 13.32 percent. The state ranked fifth in foreclosure starts at 1.33 percent, and fifteenth for total loans past due at 8.75 percent.

MBA Report on Mortgage Fraud

Rhode Island ranked first in the nation for mortgage fraud, according to a recently released report by the Mortgage Asset Research Institute, for the MBA. The *Eleventh Periodic Mortgage Fraud Case Report*, used data from both the Mortgage Industry Data Exchange (MIDEX) and the Home Mortgage Disclosure Act. Rhode Island's reported fraud rate during 2008 and the first quarter of 2009 was more than three times the national average, based on the number of loans originated. The most prevalent type of mortgage fraud in Rhode Island is that of Appraisal/Valuation, followed by Application fraud, and Tax Return/Financial Statement fraud. Compared to the other states with high rates of fraud overall, Rhode Island had a significantly lower percentage of Application fraud. This is the first time Rhode Island has been ranked number one. The state ranked 5th in 2007, and 18th in both 2005 and 2006.