



MBA's ANNUAL 08 SF
CONVENTION & EXPO
WINNING STRATEGIES FOR THE NEW AGE
OCTOBER 19-22 MOSCONE WEST

2008 Mortgage Market and the State of Credit Risk

Tim Ryan, CMB

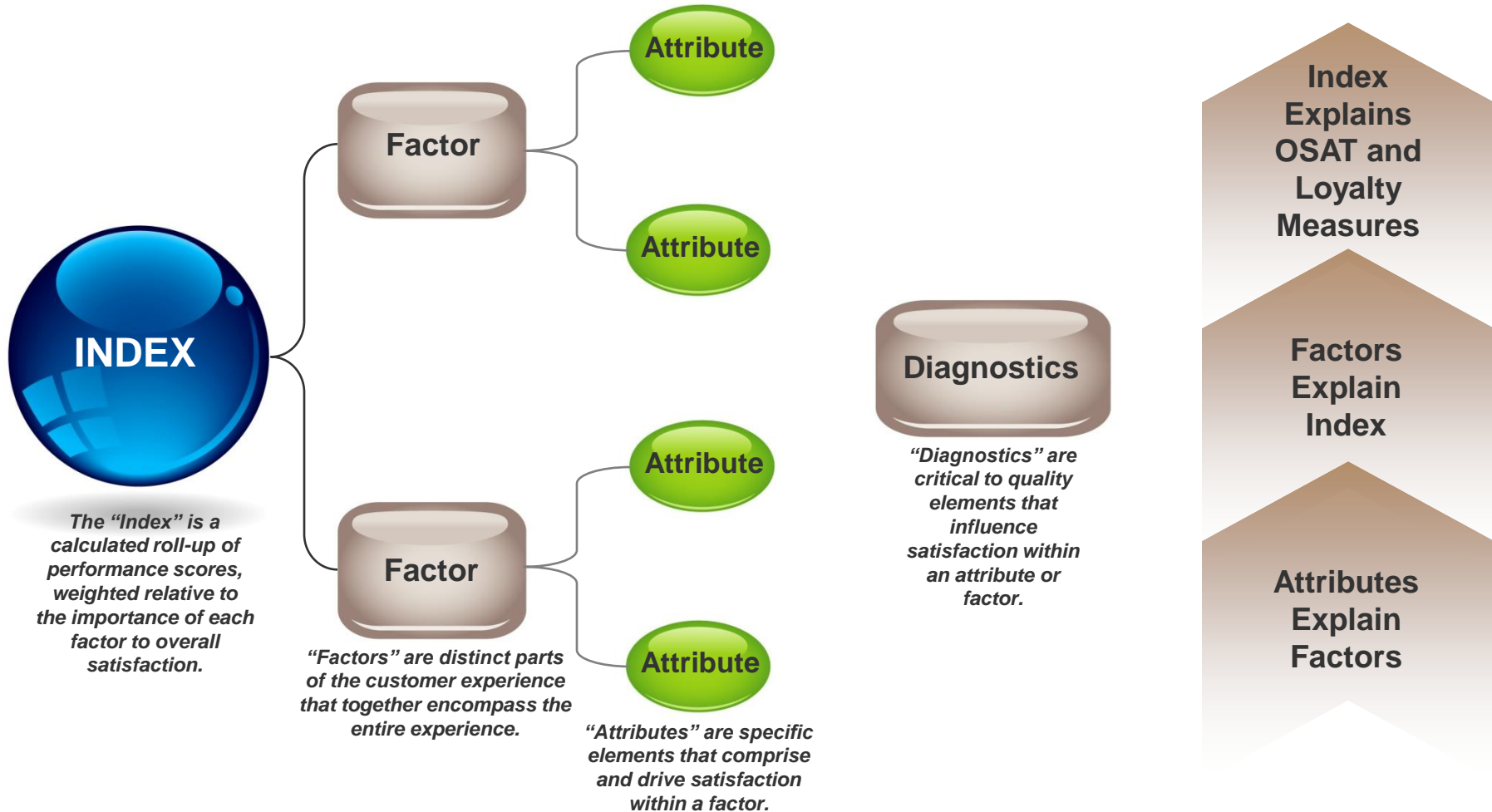
J. D. Power and Associates

J.D. POWER

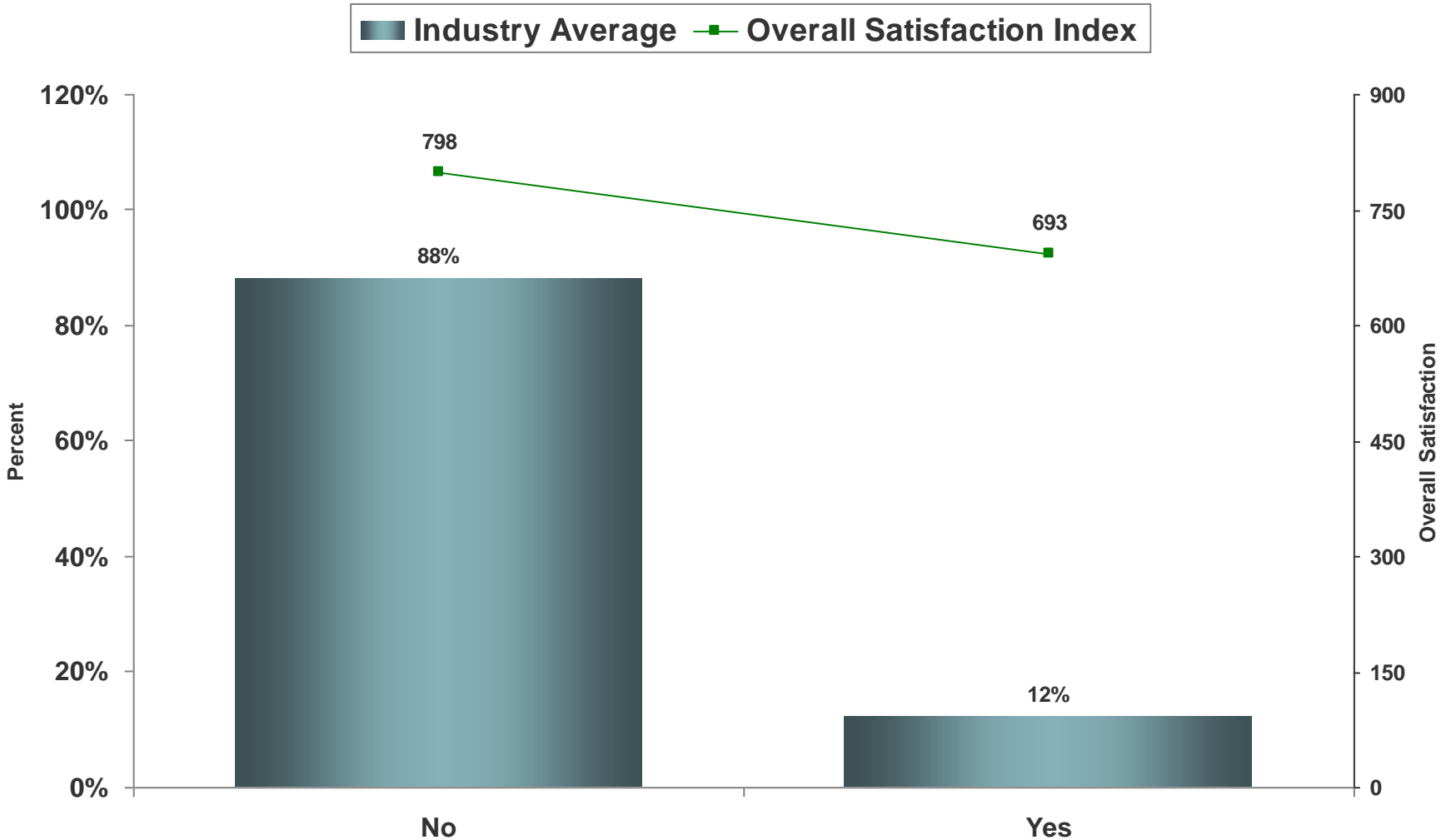
AND ASSOCIATES®

What happens after the delinquency?

- Production has always been, and will continue to be, the lifeblood of mortgage lending
- Production methods, product mix and underwriting will serve to minimize default potential
- Borrower default and dealing with that is difficult for all parties involved
- Many borrowers cure their default but all those who go into default do not forget how they are treated during that experience
- Working with the customer in the optimal manner when in a default situation can salvage potential future business
- Working with borrowers the 'right' way will have them positively recommending your company to other potential customers and increasing future 'share of wallet' product usage
- Working with borrowers the 'right' way can prevent them from negatively recommending your company to other potential customers

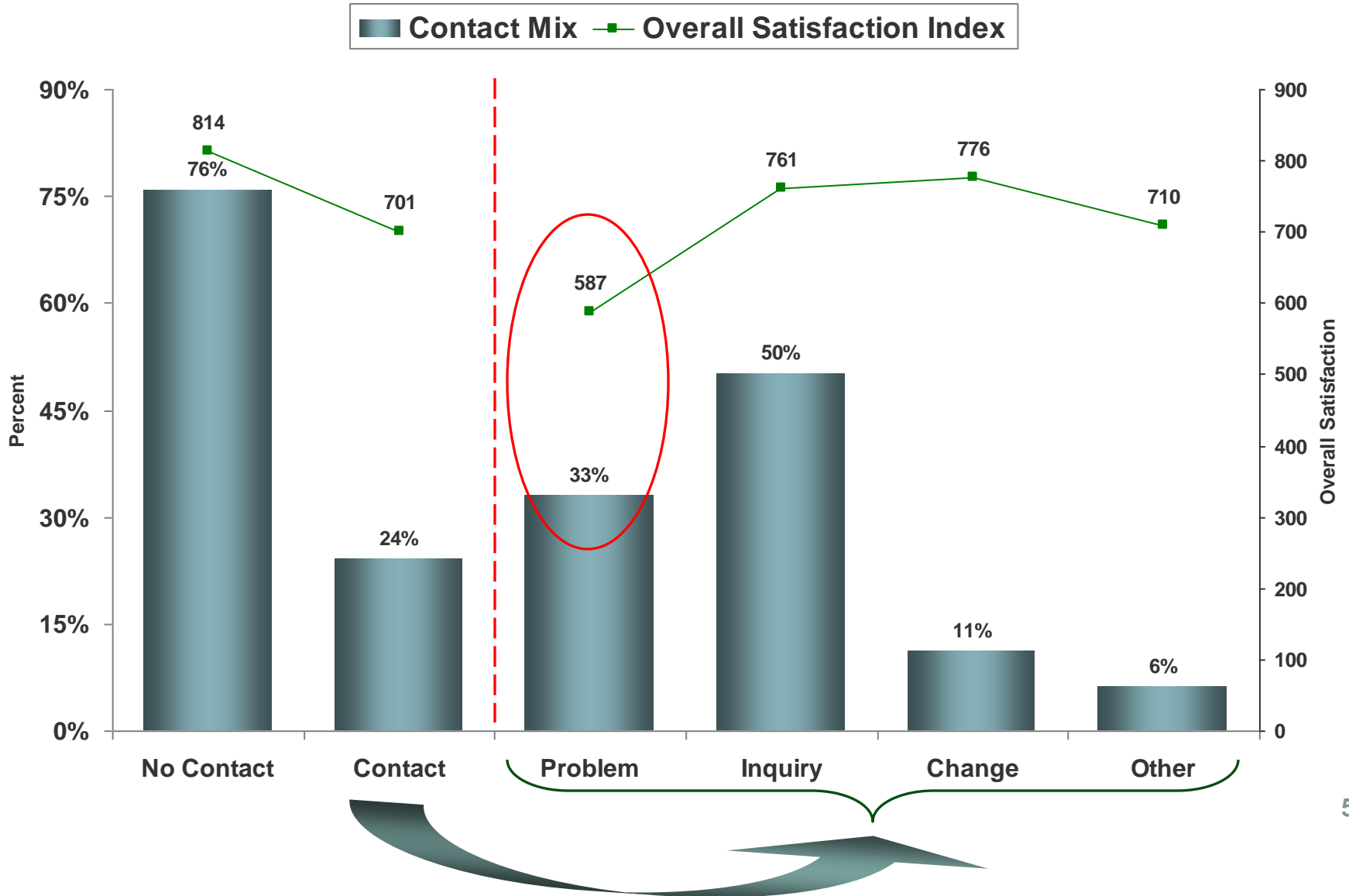


People that had a late payment in the prior 12 months

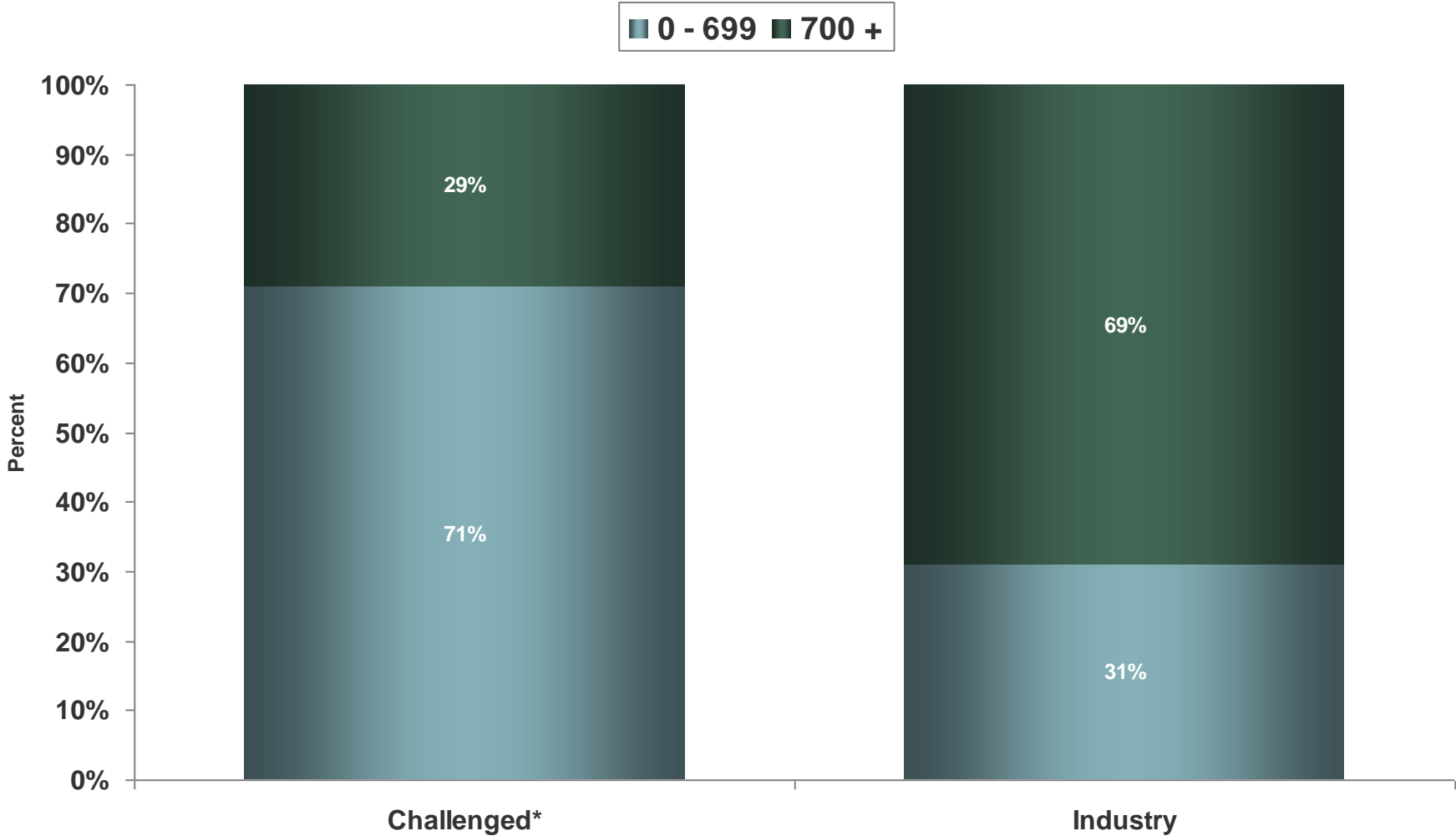


Q. Had a late payment (more than 30 days) in past 12 months

Nature of Most Recent Contact

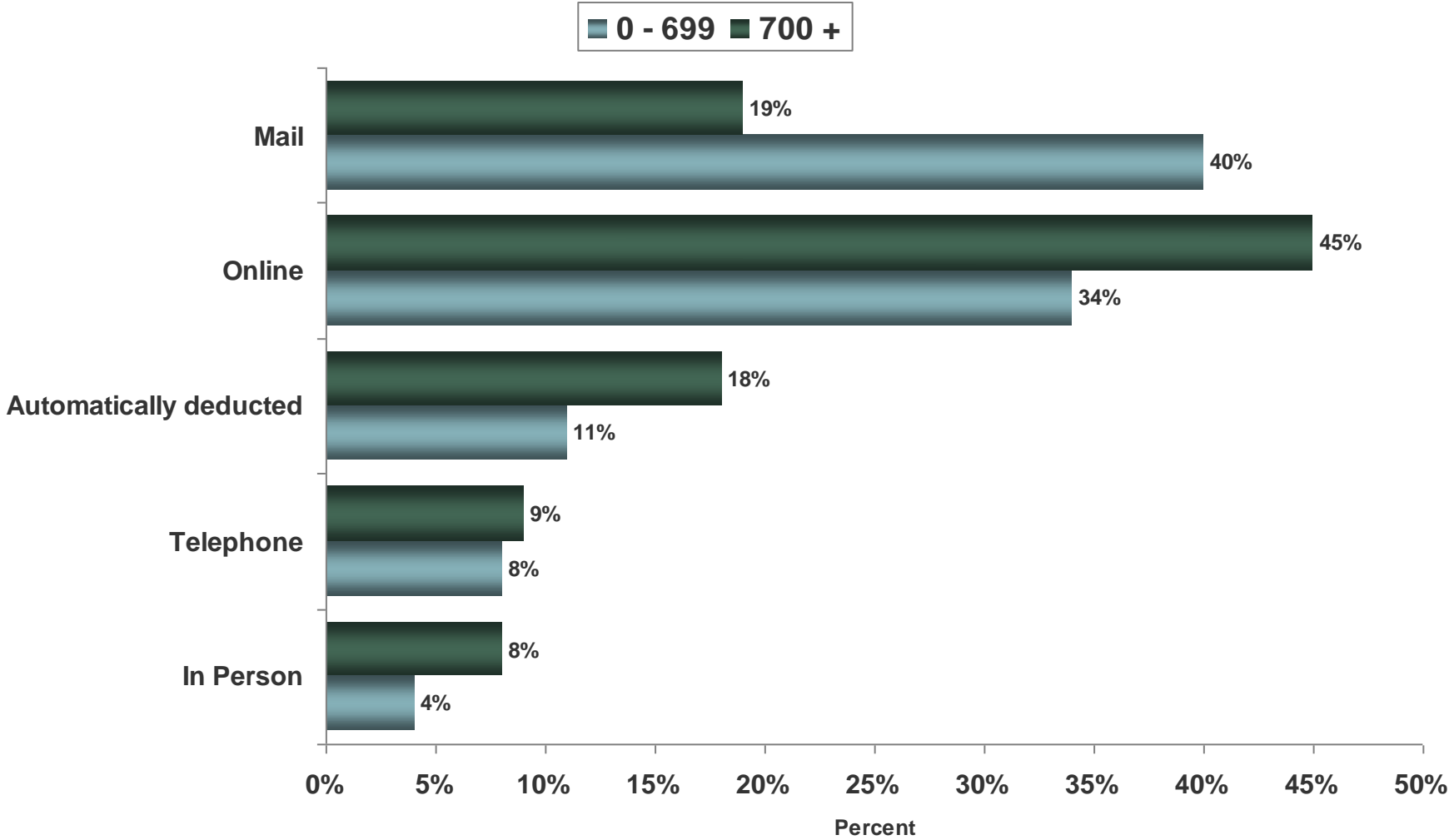


Satisfaction for Challenged* customers vs. the Industry



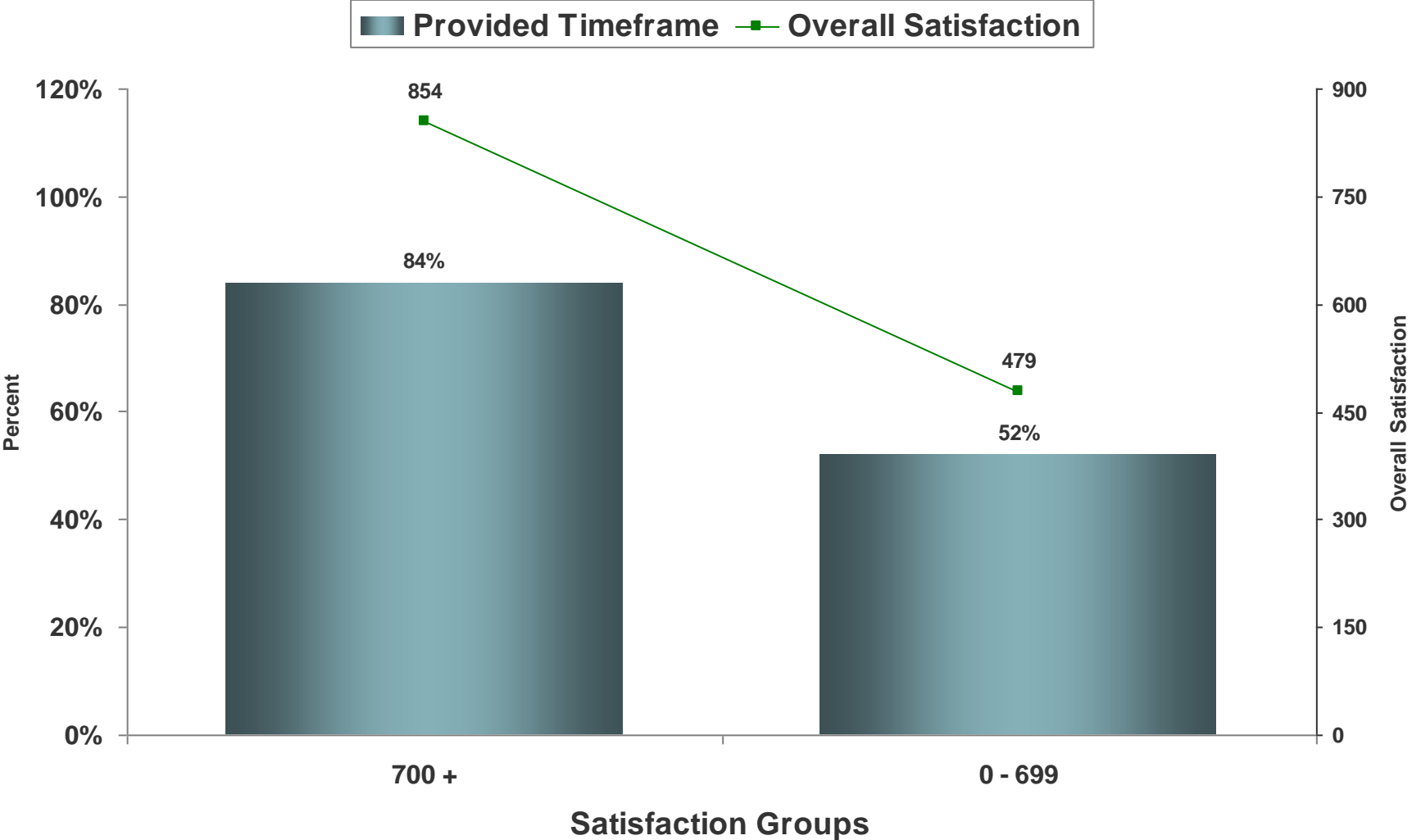
* Respondents that 1) made contact, 2) had a problem, and 3) were more than 30 days late in the prior 12 months.

Electronic payment methods equate to higher satisfaction



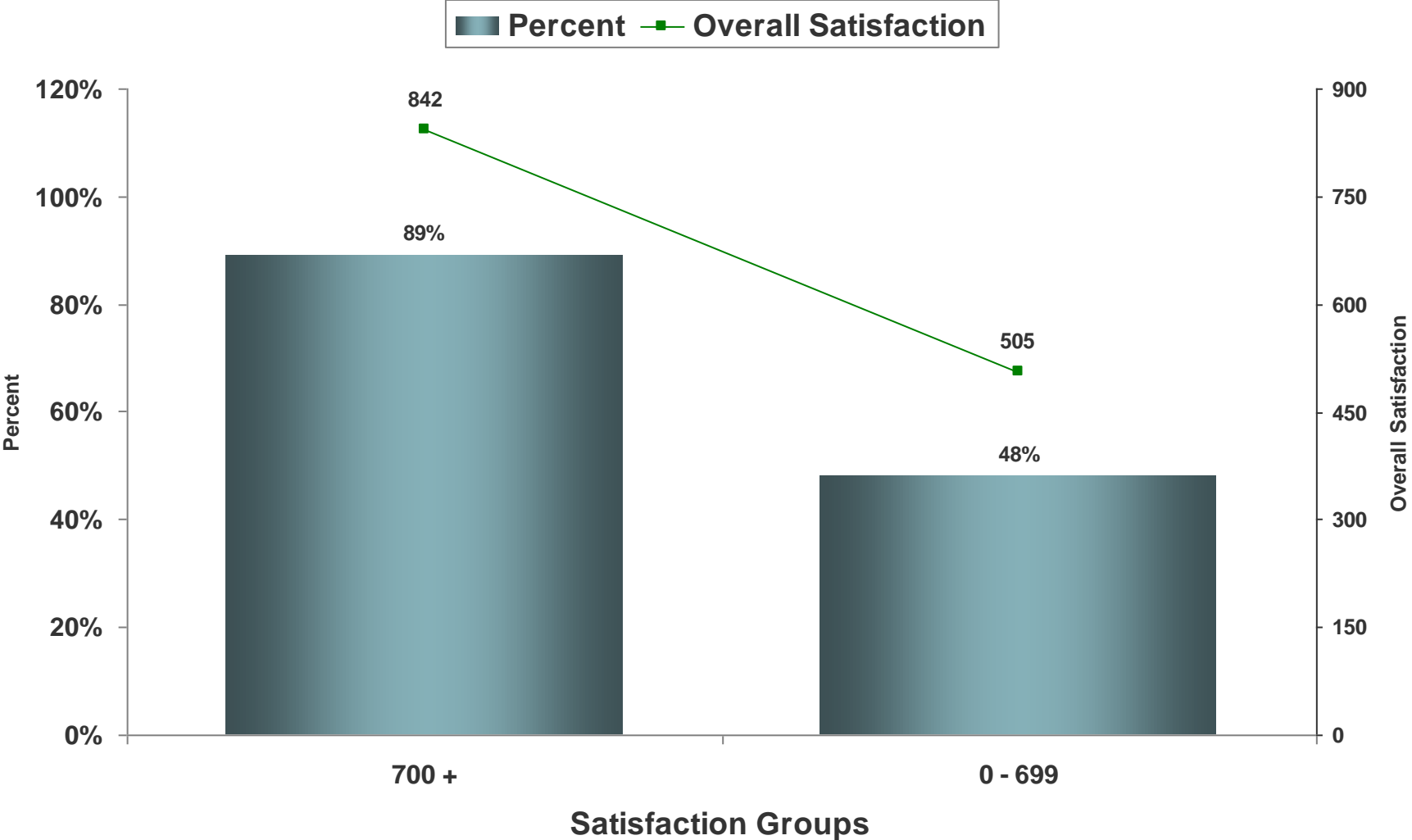
Respondents that 1) made contact, 2) had a problem, and 3) were more than 30 days late in the prior 12 months.

People were provided a time frame when problem would be resolved



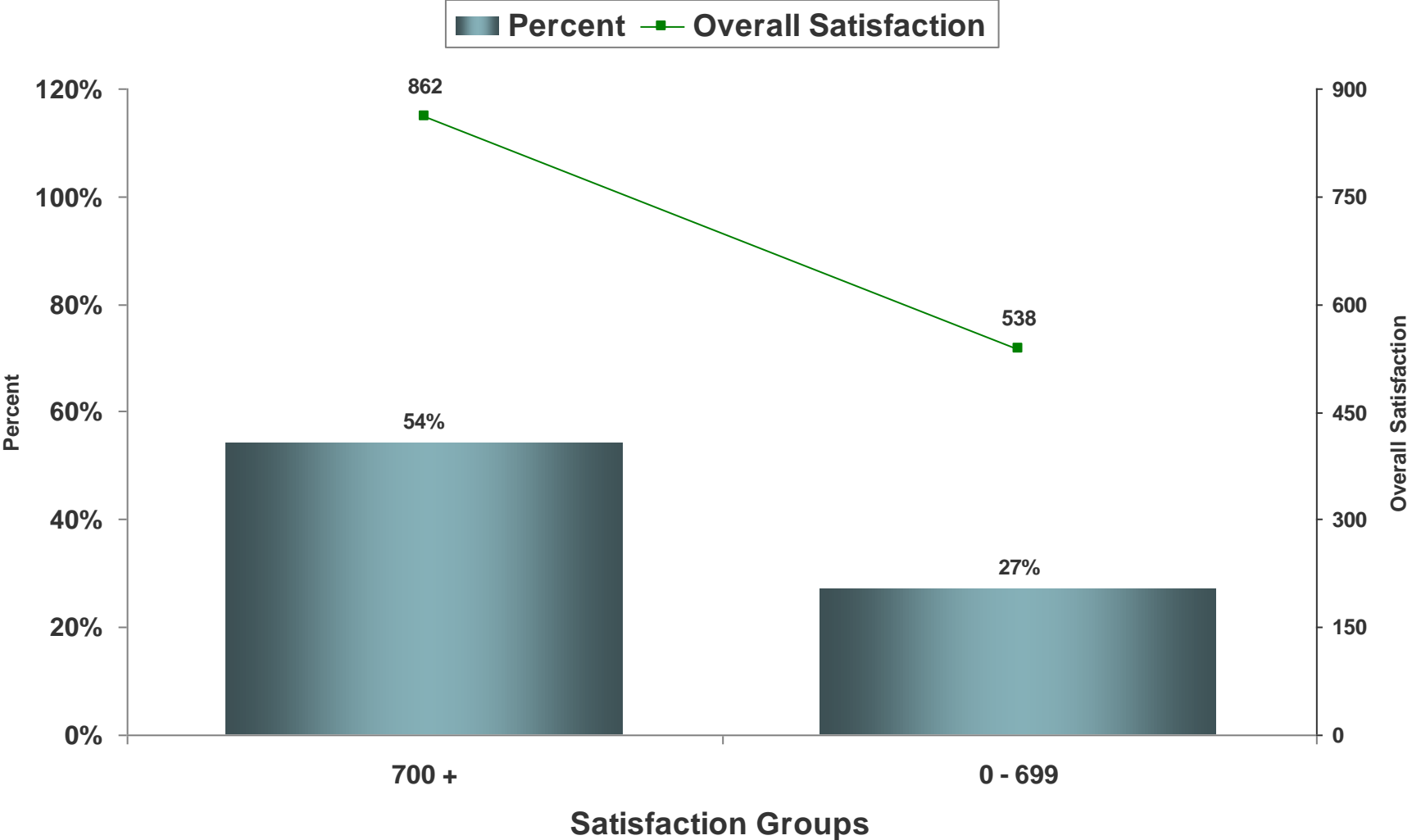
Respondents that 1) made contact, 2) had a problem, and 3) were more than 30 days late in the prior 12 months.

Representative followed up when they said they would



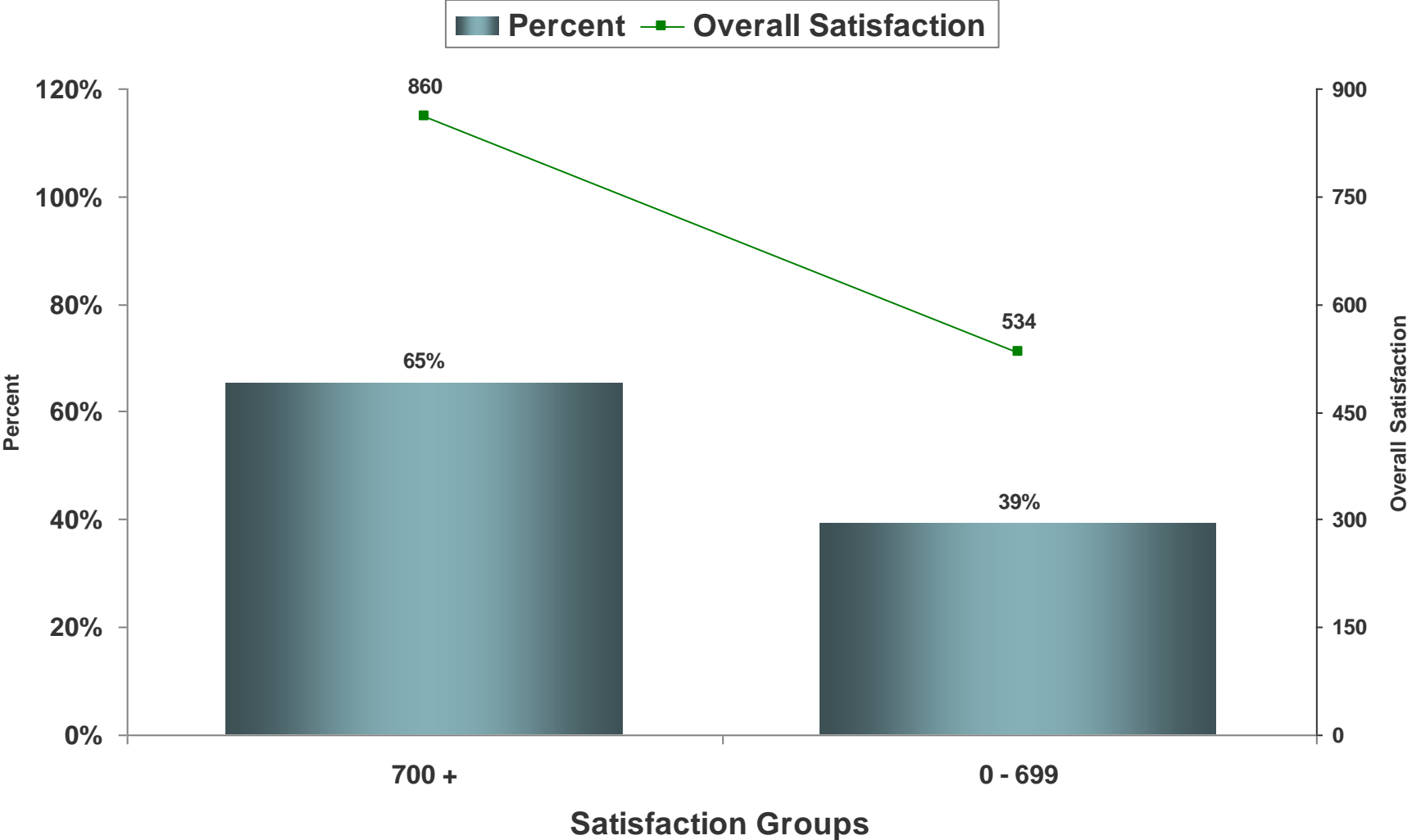
Respondents that 1) made contact, 2) had a problem, and 3) were more than 30 days late in the prior 12 months.

Less than 24 hours to resolve most recent problem



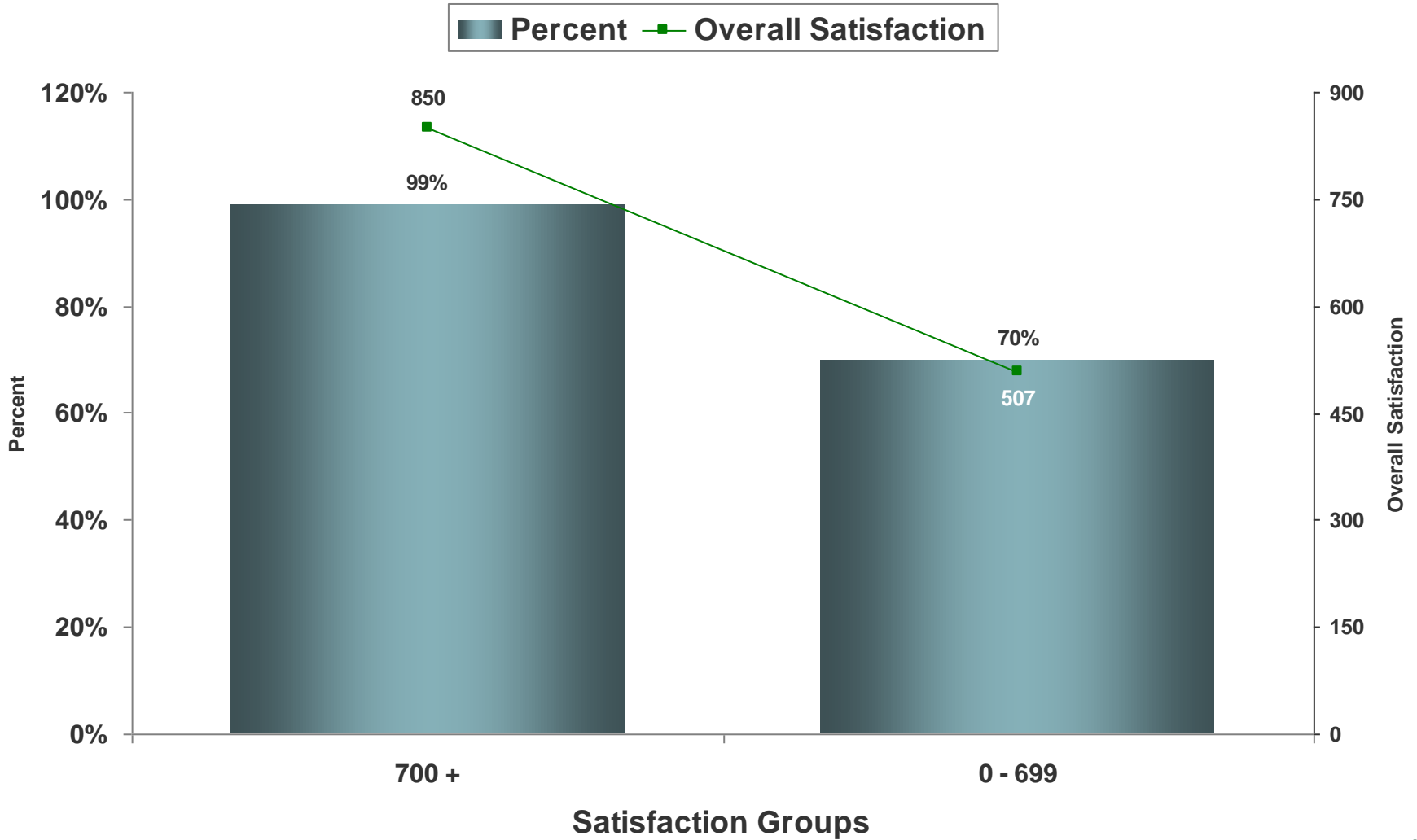
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One contact to the mortgage servicer to resolve problem



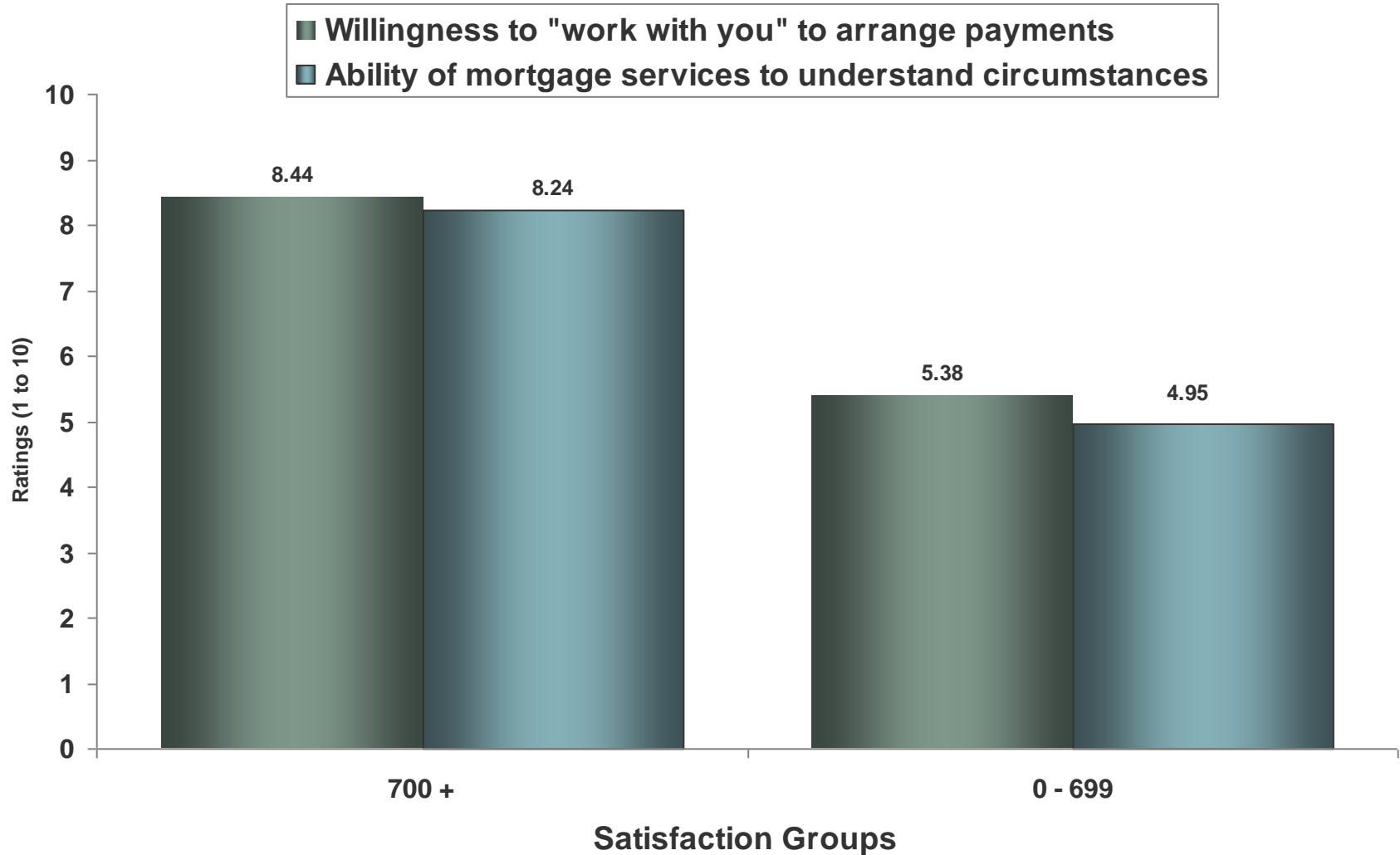
Respondents that 1) made contact, 2) had a problem, and 3) were more than 30 days late in the prior 12 months.

The first representative spoke clearly



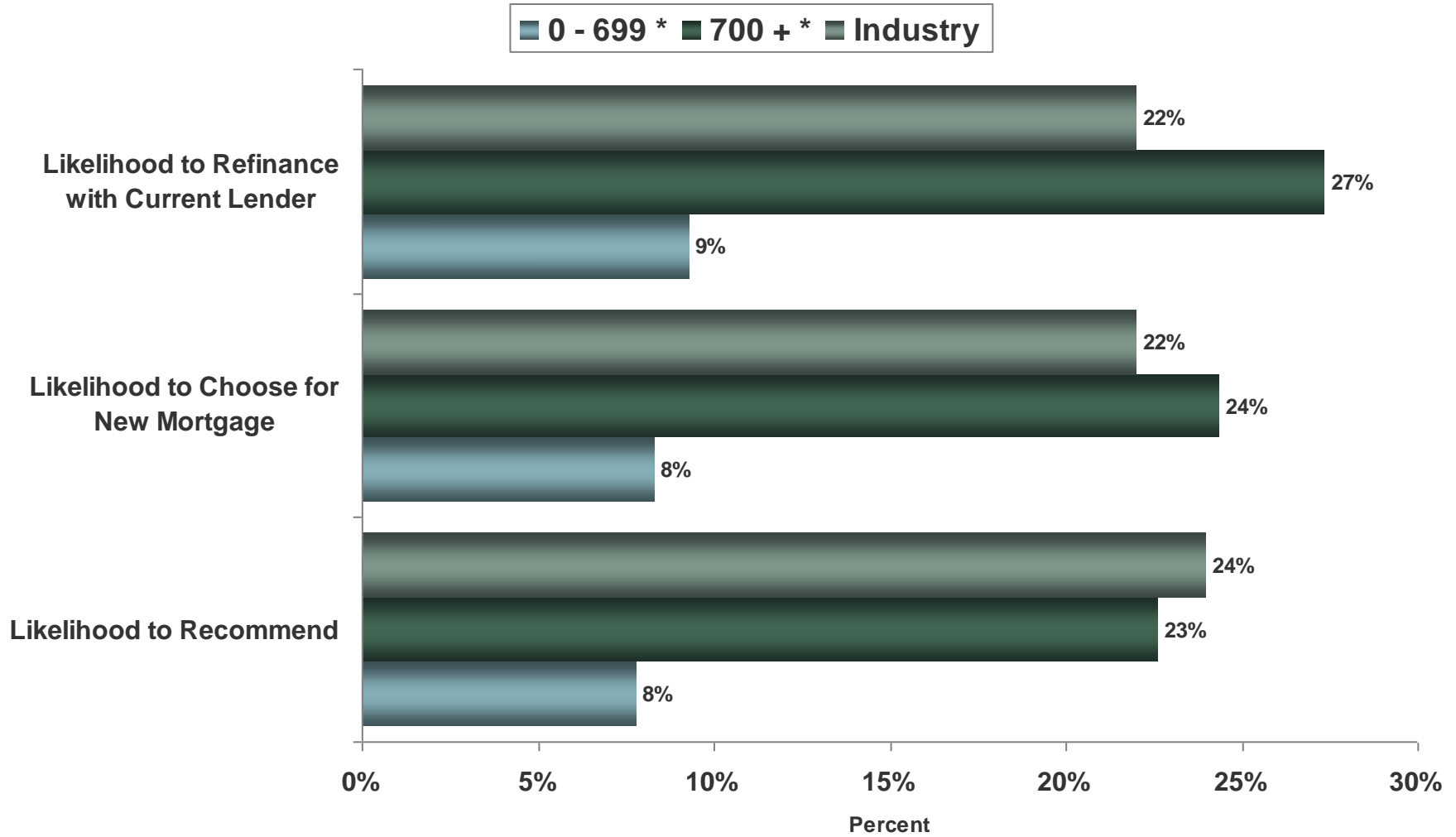
Respondents that 1) made contact, 2) had a problem, and 3) were more than 30 days late in the prior 12 months.

The ability to exhibit empathy pays dividends



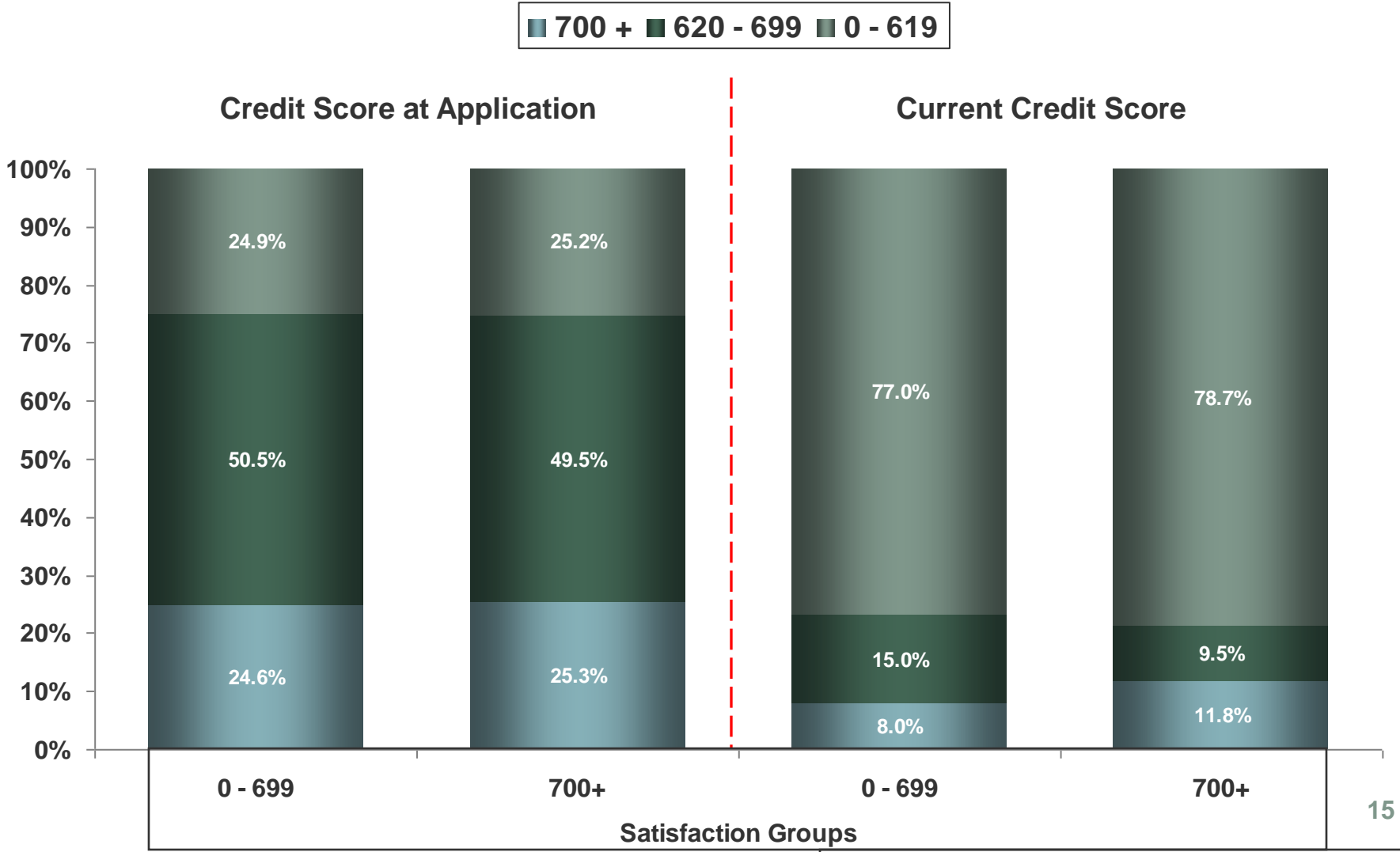
Respondents that 1) made contact, 2) had a problem, and 3) were more than 30 days late in the prior 12 months.

Propensity to Do More Business – Those that say they “Definitely Will”



** Respondents that 1) made contact, 2) had a problem, and 3) were more than 30 days late in the prior 12 months.*

Credit score profile does not drive satisfaction



Respondents that 1) made contact, 2) had a problem, and 3) were more than 30 days late in the prior 12 months.

Questions?

