



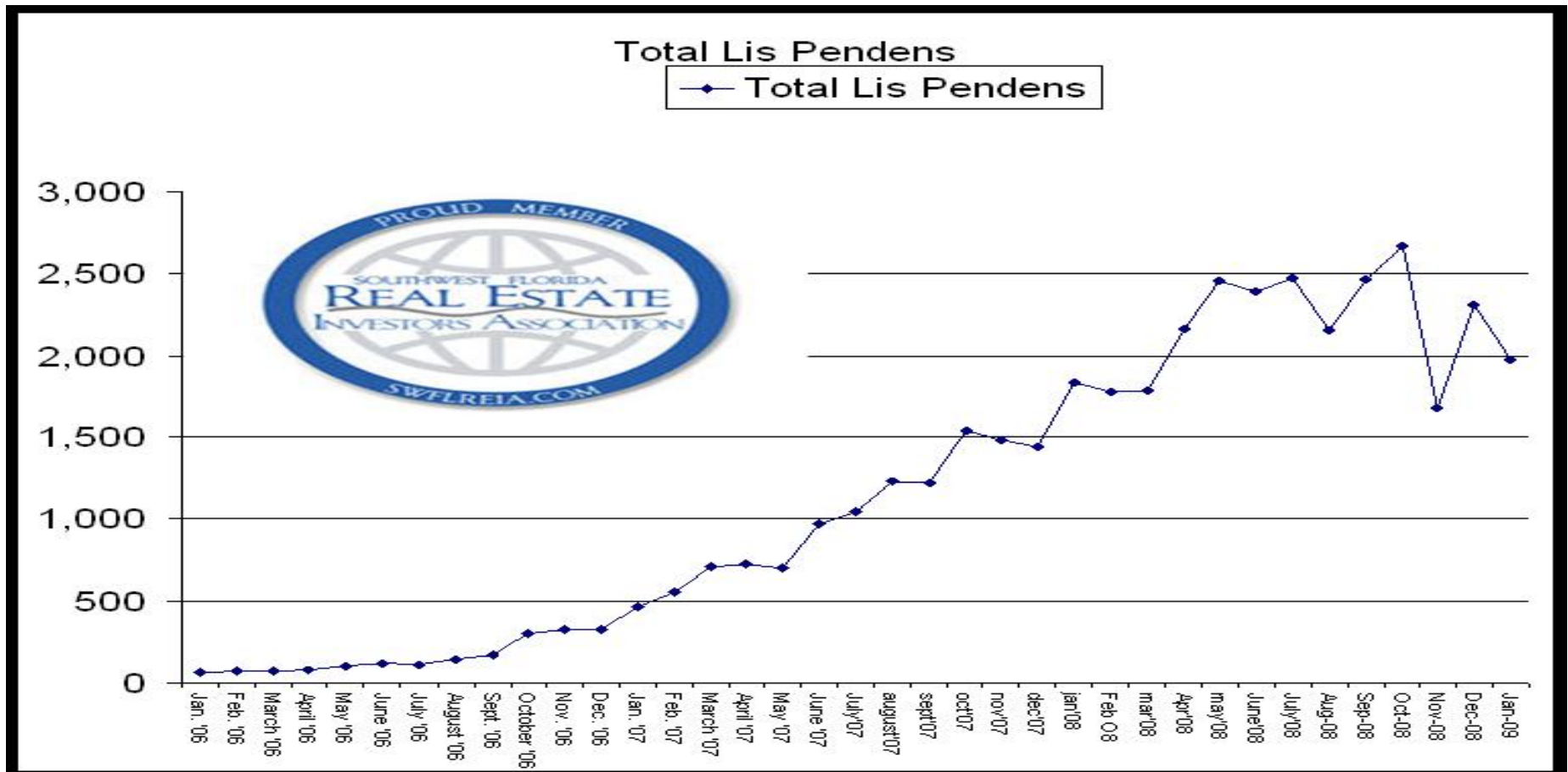
Jan 2009 Foreclosure Report

Southwest Florida Real Estate
Investment Association

Jeff Tumbarello, Director

Mortgage Foreclosure Filings

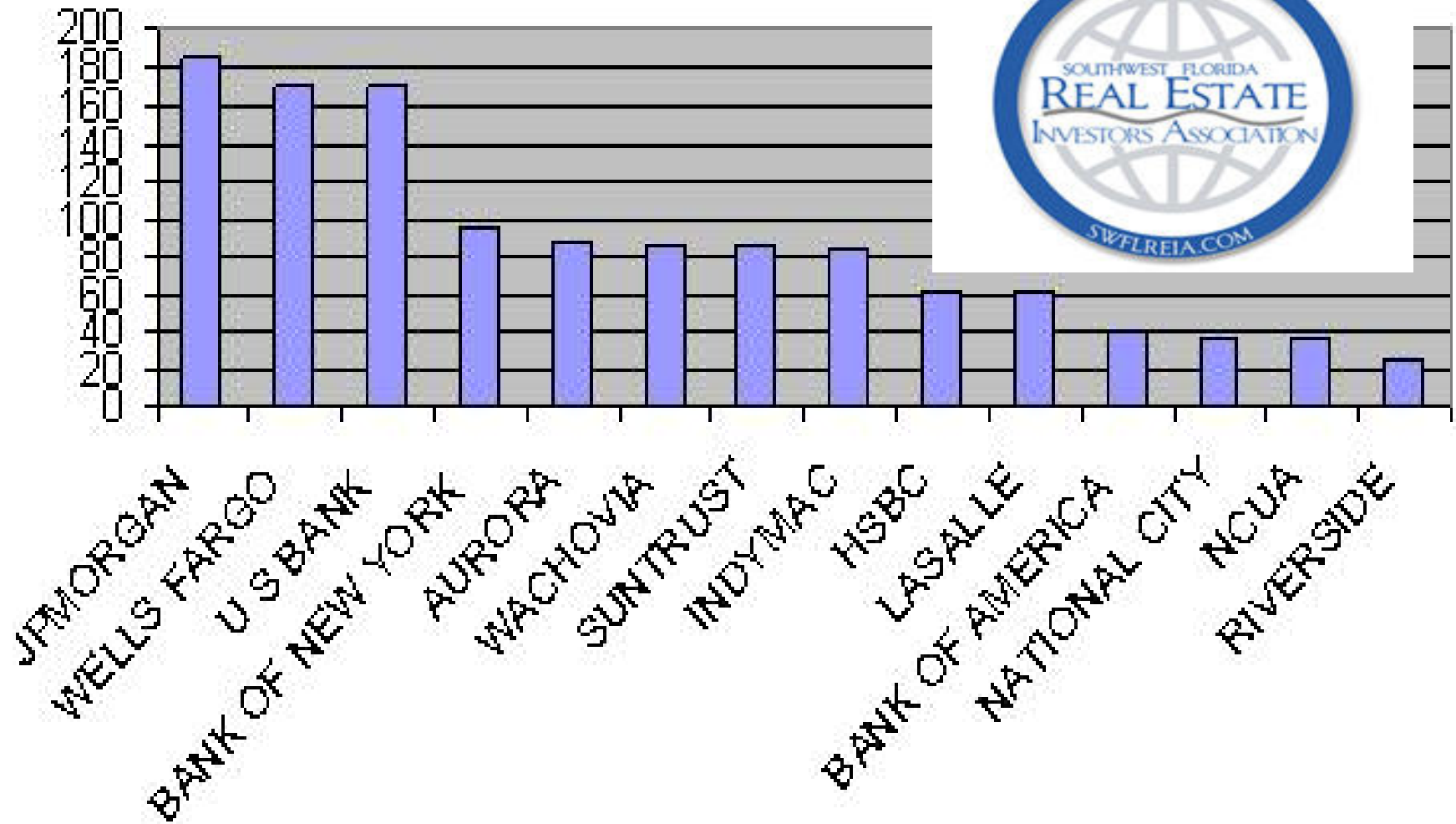
- 1973 Foreclosures filed



By Lender Top 5

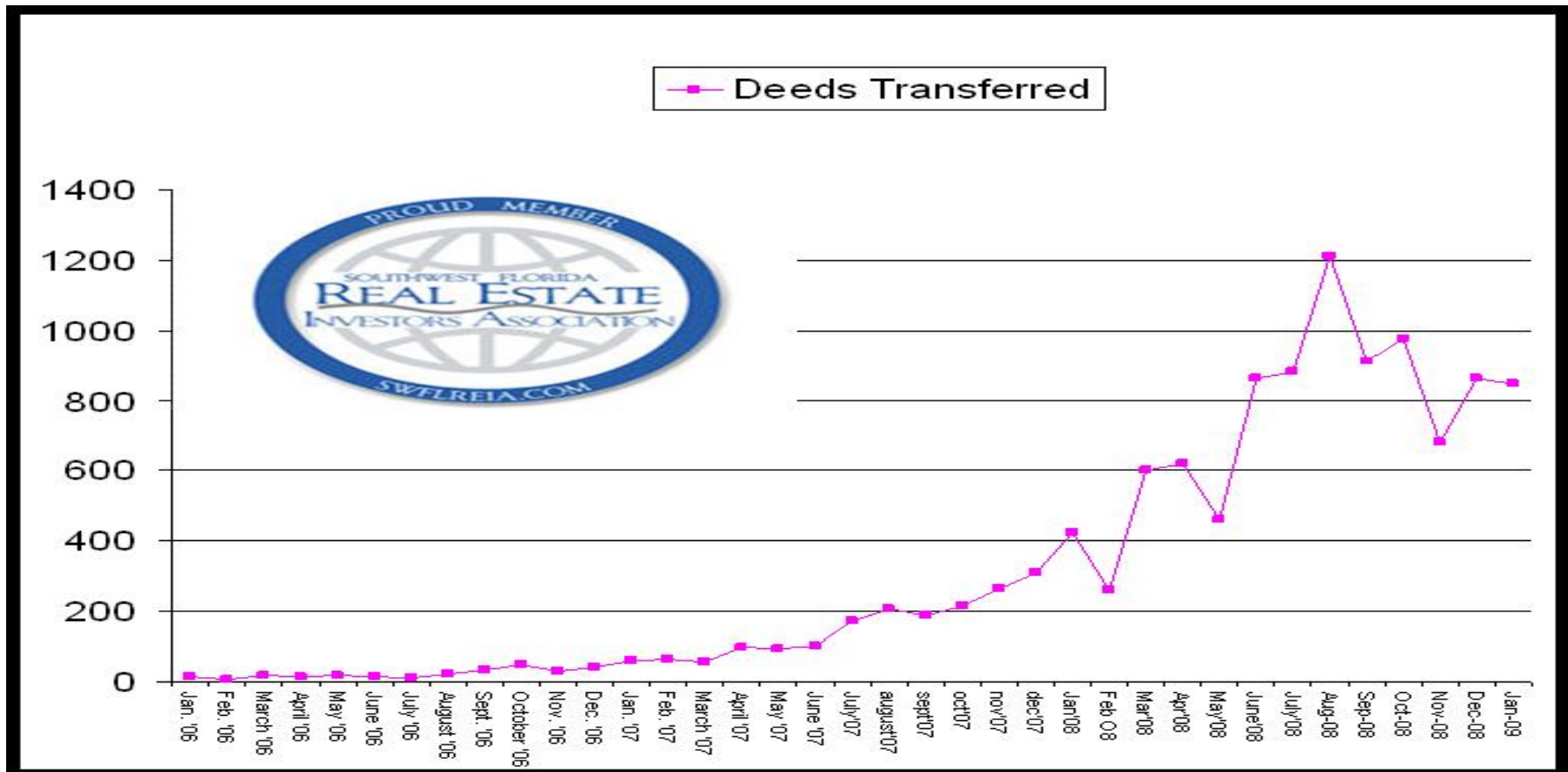
JPMORGAN	184
WELLS FARGO	170
U S BANK	169
BANK OF NEW YORK	95
AURORA	87
WACHOVIA	86

Lis Pendens by Lender Jan, 2009

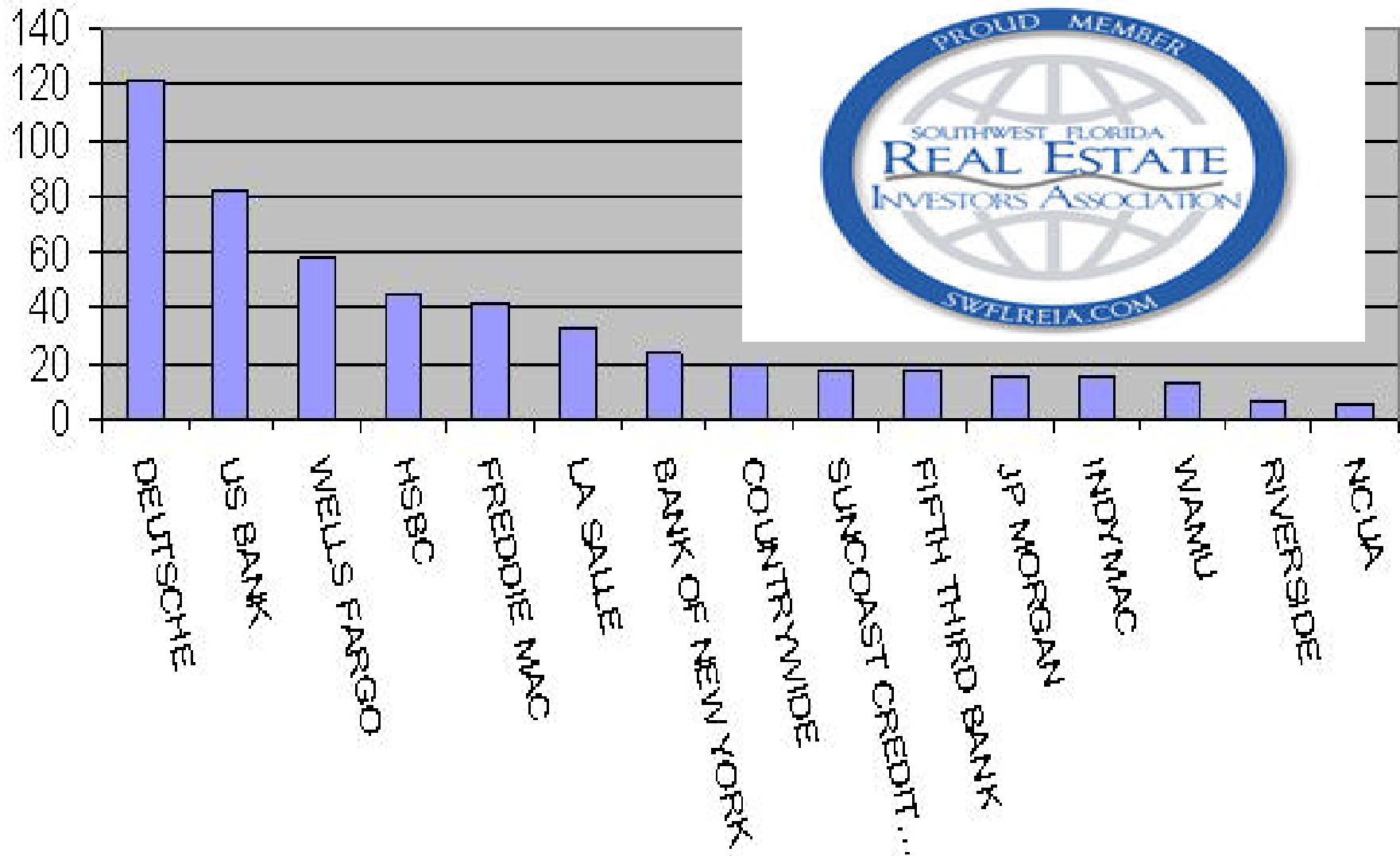


Deeds Conveyed

- 849 Certificates of Title



Number of Deeds Coveyed Jan 2008 Lee County Florida



Notes

- Fannie Mae had no deeds conveyed last month per the moratorium
- The Trend appears to be moving down. This has to be evaluated each month as the SWFL REIA destroyed the crystal ball last year in May.
- The effect of resets is widely spoke of, the impact can not be speculated as we are into this crisis far enough for drastic action to be taken. I expect RESO TRUST 2.0 to emerge shortly. The problem will be a forced fix. We recently reviewed the balance sheets of the Top 4 banks in the country. The picture was quite scary, even more so with the ground level data from this market factored into what constitutes “Assets” on those balance sheets.
- The lenders are on average losing at least 70 percent of the principal balance loaned on each REO sold. A 50 Percent Principal write down followed by the resumption of interest payments sounds like a much better deal.
- We are seeing less and less Condo associations filing. I think this is due to lack of funds and the ability to do anything meaningful with the property.

Notes Continued

- Expect a flood of REO's. The auction numbers on the court house steps last month was impressive. A hat tip to Charlie Green and his staff. Expect some national media coverage on this as well.
- Hopefully the recent changes in Banking Regulations will allow the banks more room to maneuver during this crisis.
- the cash requirement for banks has just fallen by 33%.
- The Bank Act provides that each Bank must hold total capital equal to at least 5 percent of its total assets, provided that in determining compliance with this ratio, a Bank's total capital shall be calculated by multiplying its permanent capital by 1.5 and adding to this product any other component of total capital. See 12 U.S.C. 1426(a)(2). See also 12 CFR 932.2(b). The Bank Act also requires that when total capital is calculated without application of the multiplier of 1.5, a Bank's total capital must equal at least 4 percent of its total assets"
- Now for The BRIGHT News: Lee County sales counts MTD/YTD '09 are up over 100% over Jan 2008 - though pricing is falling like a rock. Inventory of SF/CND has fallen almost 1,000 in less than 60 days. Affordability is its own driving force - the better it gets, the better it gets.