



Second Mortgage Registrants
&
Small Loan Licensees

ANNUAL REPORT

For the calendar year ending
December 31, 2009

Ted Strickland
Governor

Kimberly A. Zurz
Director of Commerce

OHIO SMALL LOAN ACT

2009 Annual Report

"OSLA"

Ohio Revised Code

Sections 1321.01 to 1321.19

For business conducted during calendar year 2009

Number of active licenses held at any time during 2009		569
Number of active licenses held as of December 31, 2009		482
Current assets as defined by Administrative Rule 1301:8-2-04 as of December 31		\$7,045,638,807
	Number	Dollar Amount of Loans
Total number of loans made under the OSLA in calendar year 2009	1,691,560	\$670,802,132
Number of loans between \$0 - \$1,000	1,690,901	\$669,940,780
Number of loans between \$1,001 - \$2,500	613	\$674,687
Number of loans between \$2,501 - \$5,000	46	\$186,666
A. Total Interest collected on OSLA loans during 2009	\$67,760,484	
Interest collected on licensees' behalf	\$67,760,484	
Interest collected on behalf of others	\$0	
B. Origination fees collected on OSLA loans during 2009	\$17,730,474	
C. Credit line charges collected on OSLA loans during 2009	\$26,910	
Total of lines A, B, and C	\$57,852,642	
	Number	Dollar Amount of Loans
Number of OSLA loans sold to other business entities in the calendar year 2009	115	\$767,043
Number sold to OSLA registrants	115	\$767,043
Number sold to entities exempt from the OSLA	0	0
	Number	Dollar Amount of Loans
Number of OSLA loans owned as of December 31, 2009	219,726	\$313,558,423
Number of OSLA loans serviced as of December 31, 2009	165,760	\$291,272,958
Number of loans serviced on licensees' behalf	165,760	\$291,272,958
Number of loans serviced on behalf of others	0	0

	Number	Dollar Amount of Loans
Total number of loans made under the OSLA in the calendar year 2009	1,691,559	\$670,802,133
Number of loans repayable in regular substantially equal monthly installments	1,936	\$1,028,574
Loans repayable in less than 3 monthly installments	1,887	\$838,693
Loans repayable in more than 3 but less than 6 monthly installments	0	0
Loans repayable in more than 6 but less than 12 monthly installments	1	\$800
Loans repayable in more than 12 but less than 24 monthly installments	25	\$98,375
Loans repayable in more than 24 monthly installments	23	\$90,707
Number of loans repayable in other than substantially equal monthly installments	1,682,989	\$667,917,408
Loans repayable as single payment demand loan	333,170	\$136,564,818
Loans repayable as balloon loan	0	0
Other	1,349,819	\$531,352,590
Number of unsecured loans where the consumer was provided their loan proceeds in the form of a check	1,622,650	\$643,660,051
Number of unsecured loans where the consumer was provided their loan proceeds in the form of cash	33,182	\$11,094,907
Number of unsecured loans where the consumer was provided their loan proceeds in a form other than cash or check	35,749	\$16,046,876

OHIO MORTGAGE LOAN ACT

2009 Annual Report

"OMLA"

Ohio Revised Code

Sections 1321.51 to 1321.60

For business conducted during calendar year 2009

Number of active certificates of registration held at any time during 2009	1,751
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Number of active certificates of registration held as of December 31, 2009	1,601
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Assets as defined by Administrative Rule 1301:8-3-03(A)	\$238,761,215,197
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Net Worth as defined by Administrative Rule 1301:08-03-03(B)	\$33,221,608,747
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	Number	Unpaid Principal Balance at Time of Origination
Number of loans made under the OMLA in the calendar year 2009	4,465,305	\$3,621,956,133
Total number of unsecured loans made under the OMLA in the calendar year 2009	4,386,087	\$2,082,456,623
Number of unsecured loans between \$0 - \$1,000	4,207,782	\$1,782,410,273
Number of unsecured loans between \$1,001 - \$2,500	127,493	\$160,240,858
Number of unsecured loans between \$2,501 - \$5,000	4,627	\$17,488,050
Total number of OMLA loans secured by a mortgage on real estate in the calendar year 2009	7,441	\$833,971,211
Number of loans that were first mortgages	6,848	\$821,701,809
Number of loans that were second mortgages	593	\$11,996,872

Total Interest collected on OMLA loans during 2009	\$1,109,645,682
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Interest collected on registrants' behalf	\$758,098,403
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Interest collected on behalf of others	\$351,547,280
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Origination fees collected on OMLA loans during 2009	\$130,285,193
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Points collected on OMLA loans during 2009	\$13,812,976
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Credit line charges collected on OMLA loans during 2009	\$4,961,239
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	Number	Unpaid Principal Balance at Time of Sale
Number of OMLA loans sold to other business entities in the calendar year 2009	24,914	\$959,176,082
Number sold to other OMLA registrants	7,910	\$402,928,024
Number sold to entities exempt from the OMLA	17,004	\$556,248,058

	Number	Unpaid Principal Balance at Year End
Number of OMLA loans owned as of December 31, 2009	703,101	\$8,220,281,342
Number of OMLA loans serviced as of December 31, 2009	1,108,396	\$19,519,774,839
Number of loans serviced on registrants' behalf	950,363	\$8,185,558,642
Number of loans serviced on behalf of others	153,340	\$10,872,379,551

	Number	Dollar Amount of Loans
Total number of unsecured loans made under the OMLA in the calendar year 2009	4,385,194	\$2,082,851,629
Number of unsecured loans repayable in regular substantially equal monthly installments	35,684	\$157,817,484
Loans repayable in less than 3 monthly installments	10,976	\$3,590,501
Loans repayable in more than 3 but less than 6 monthly installments	388	\$557,392
Loans repayable in more than 6 but less than 12 monthly installments	1,298	\$1,587,067
Loans repayable in more than 12 but less than 24 monthly installments	1,959	\$3,990,236
Loans repayable in more than 24 monthly installments	18,878	\$120,601,668
Number of unsecured loans repayable in other than substantially equal monthly installments	4,351,695	\$1,952,524,802
Unsecured loans repayable as single payment demand loan	1,662,742	\$743,288,000
Unsecured loans repayable as balloon loan	0	0
Other	2,688,953	\$1,209,236,802
Number of unsecured loans where the consumer was provided their loan proceeds in the form of a check	1,025,467	\$577,428,575
Number of unsecured loans where the consumer was provided their loan proceeds in the form of cash	1,579,823	\$747,862,699
Number of unsecured loans where the consumer was provided their loan proceeds in a form other than cash or check	1,779,904	\$767,560,356

OMLA loans serviced and secured by real estate in Ohio:

	Number	Unpaid Principal Balance
Total Loans Serviced	239,366	\$16,831,940,768
Serviced loans originated or funded by an unaffiliated party	90,481	\$6,816,911,282
Serviced loans originated or funded by an affiliated party	35,889	\$1,937,281,418
Serviced loans secured by owner-occupied residence	200,373	\$14,803,118,026
Serviced loans secured by a second home	2,717	\$120,335,634
Serviced loans secured by an investment property	16,255	\$1,054,448,460
Loans which are secured by a first mortgage only	144,532	\$13,975,512,460
Loans which are secured by a second mortgage only	76,702	\$1,957,768,656
Loans which registrant serviced both the first and second mortgage	14,477	\$863,842,060
Number of Prime Loans	33,683	\$5,317,980,975
Fixed rate, fully amortizing	28,337	\$1,624,765,627
Hybrid ARMs (i.e. 2/28, 3/27 or similar)	455	\$49,641,308
Adjustable rate, fully amortizing	1,190	\$172,929,243
Loans with interest only feature	2,069	\$358,819,030
Loans with negative amortization feature	230	\$30,449,135
Other	1,436	\$49,755,639
Number of Alt-A Loans	13,753	\$1,032,792,341
Fixed rate, fully amortizing	9,702	\$645,667,839
Hybrid ARMs (i.e. 2/28, 3/27 or similar)	1,826	\$197,230,816
Adjustable rate, fully amortizing	1,167	\$71,302,657
Loans with interest only feature	372	\$43,683,643
Loans with negative amortization feature	173	\$32,004,912
Other	546	\$44,852,312

Total Loans Serviced continued...

	Number	Unpaid Principal Balance
Number of Subprime Loans	156,393	\$9,942,898,049
Fixed rate, fully amortizing	123,010	\$7,258,656,249
Hybrid ARMs (i.e. 2/28, 3/27 or similar)	15,587	\$1,646,666,650
Adjustable rate, fully amortizing	4,429	\$283,120,910
Loans with interest only feature	1,752	\$247,348,742
Loans with negative amortization feature	26	\$3,442,159
Other	11,459	\$417,027,450

Prime Loans

Total number and unpaid principal balance of the prime loans where the interest rate had or will have its initial rate reset by quarter.

Number and unpaid principal balance of these loans that are currently over 30 days past due by quarter.

	Interest rate reset		30+ Days Past Due	
	Number	Unpaid principal balance	Number	Unpaid principal balance
1st quarter 2009	105	\$4,643,088	107	\$4,312,096
2nd quarter 2009	97	\$3,646,774	114	\$4,394,856
3rd quarter 2009	42	\$2,986,542	113	\$4,954,758
4th quarter 2009	50	\$3,566,098	101	\$4,151,852
1st quarter 2010	49	\$6,610,331	108	\$3,826,076
2nd quarter 2010	65	\$7,566,242	9	\$1,035,312
3rd quarter 2010	84	\$12,662,133	6	\$825,567
4th quarter 2010	94	\$10,672,144	12	\$1,039,214

Alt-A Loans

Total number and unpaid principal balance of the Alt-A loans where the interest rate had or will have its initial rate reset by quarter.

Number and unpaid principal balance of these loans that are currently over 30 days past due by quarter.

	Interest rate reset		30+ Days Past Due	
	Number	Unpaid principal balance	Number	Unpaid principal balance
1st quarter 2009	117	\$11,391,506	50	\$5,883,614
2nd quarter 2009	79	\$7,077,707	29	\$3,917,412
3rd quarter 2009	54	\$4,425,888	24	\$2,408,893
4th quarter 2009	31	\$4,114,181	14	\$1,300,421
1st quarter 2010	30	\$3,579,727	17	\$1,990,977
2nd quarter 2010	56	\$6,797,376	16	\$1,669,496
3rd quarter 2010	70	\$8,051,959	41	\$4,912,021
4th quarter 2010	38	\$5,854,589	11	\$1,367,672

Sub-Prime Loans

Total number and unpaid principal balance of the sub-prime loans where the interest rate had or will have its initial rate reset by quarter.

Number and unpaid principal balance of these loans that are currently over 30 days past due by quarter.

	Interest rate reset		30+ Days Past Due	
	Number	Unpaid principal balance	Number	Unpaid principal balance
1st quarter 2009	1,530	\$122,945,953	350	\$38,833,568
2nd quarter 2009	1,482	\$118,006,505	357	\$35,483,607
3rd quarter 2009	1,338	\$104,231,026	305	\$31,958,695
4th quarter 2009	1,245	\$92,305,736	283	\$27,751,885
1st quarter 2010	1,322	\$74,671,902	451	\$20,700,163
2nd quarter 2010	137	\$12,309,045	70	\$5,226,315
3rd quarter 2010	109	\$12,512,391	43	\$4,330,715
4th quarter 2010	108	\$12,696,937	42	\$4,187,837

Delinquency & Default

Prime Loans

	Number	Unpaid principal balance
Total number of loans past due as of 12/31/09	3,580	\$253,400,850
30 to 59 days past due	848	\$63,369,917
60 to 89 days past due	402	\$25,265,343
90+ days past due	2,326	\$164,312,008
Loans (from above) which were modified in the last 12 months	126	\$6,450,910
Loans number that received permanent modifications	92	\$5,591,887
Loans that received temporary modifications (i.e. 6-24 months)	34	\$859,023
Loans in the process of foreclosure	621	\$65,312,894
Loans where notice of default has been sent	2,907	\$161,914,666
Loans where formal foreclosure proceedings have started	321	\$32,123,707
Loans where foreclosure proceeding is complete	325	\$24,134,347
Loans which entered delinquency within 12 months of closing	121	\$9,428,015
Loans which entered delinquency within 3 payments of initial rate reset	92	\$10,796,357

Alt-A Loans

	Number	Unpaid principal balance
Total number of loans past due as of 12/31/09	2,996	\$288,126,523
30 to 59 days past due	517	\$41,875,776
60 to 89 days past due	284	\$23,376,614
90+ days past due	2,195	\$222,874,133
Loans (from above) which were modified in the last 12 months	171	\$20,471,334
Loans number that received permanent modifications	157	\$18,510,879
Loans that received temporary modifications (i.e. 6-24 months)	14	\$1,960,455
Loans in the process of foreclosure	844	\$101,885,856
Loans where notice of default has been sent	2,778	\$245,482,060
Loans where formal foreclosure proceedings have started	232	\$25,152,402
Loans where foreclosure proceeding is complete	535	\$33,323,929
Loans which entered delinquency within 12 months of closing	545	\$54,090,223
Loans which entered delinquency within 3 payments of initial rate reset	571	\$72,779,748

Sub-prime Loans

	Number	Unpaid principal balance
Total number of loans past due as of 12/31/09	40,729	\$2,932,066,481
30 to 59 days past due	8,297	\$623,238,837
60 to 89 days past due	4,350	\$321,744,226
90+ days past due	28,078	\$1,915,043,770
Loans (from above) which were modified in the last 12 months	11,428	\$977,462,340
Loans number that received permanent modifications	6,626	\$599,502,786
Loans that received temporary modifications (i.e. 6-24 months)	4,802	\$377,959,524
Loans in the process of foreclosure	8,887	\$869,802,300
Loans where notice of default has been sent	14,558	\$1,149,456,419
Loans where formal foreclosure proceedings have started	4,834	\$476,643,353
Loans where foreclosure proceeding is complete	3,231	\$210,138,591
Loans which entered delinquency within 12 months of closing	7,828	\$697,919,328
Loans which entered delinquency within 3 payments of initial rate reset	2,826	\$306,529,886

Loss Mitigation and Modifications

	In Process		Closed	
	Number	Unpaid principal balance	Number	Unpaid principal balance
Prime Loans	560	\$50,648,737	2,117	\$114,363,780
Deed in lieu	5	\$596,060	24	\$2,393,992
Short sale	76	\$3,304,316	214	\$4,292,821
Forbearance	49	\$5,063,766	81	\$8,791,148
Repayment plan	38	\$4,364,928	111	\$6,346,536
Refinance or paid in full	6	\$703,086	333	\$4,495,642
Reinstatement/Account made current	88	\$3,484,719	122	\$11,348,926
Modification (principal reduction, interest rate and/or term of debt)	296	\$30,638,495	1,229	\$76,342,057
Alt A Loans	525	\$79,944,637	1,668	\$143,015,537
Deed in lieu	6	\$277,860	8	\$561,032
Short sale	13	\$642,625	115	\$1,970,950
Forbearance	17	\$1,215,370	210	\$22,702,239
Repayment plan	143	\$16,306,704	116	\$13,431,898
Refinance or paid in full	1	\$171,769	254	\$1,593,898
Reinstatement/Account made current	7	\$348,249	305	\$32,366,832
Modification (principal reduction, interest rate and/or term of debt)	338	\$36,587,146	814	\$87,667,517
Subprime Loans	3,004	\$277,145,739	28,441	\$2,444,946,101
Deed in lieu	21	\$1,921,838	159	\$17,658,995
Short sale	131	\$11,737,452	1,140	\$66,808,990
Forbearance	545	\$47,035,273	3,537	\$340,809,783
Repayment plan	546	\$52,452,966	1,118	\$121,503,057
Refinance or paid in full	19	\$1,067,948	1,419	\$42,522,965
Reinstatement/Account made current	239	\$14,091,490	2,239	\$169,057,987
Modification (principal reduction, interest rate and/or term of debt)	1,493	\$147,434,202	18,831	\$1,686,623,085
Prepayment penalty waived for <u>any</u> of the above loss mitigation efforts	12	\$1,603,257	46	\$4,446,553

Loss Mitigation and Modifications continued...

	Number	Unpaid principal balance
Time horizon for <u>closed</u> loan modifications		
Total modifications effective for less than life of the loan	10,885	\$997,246,476
Effective 6 months or less	8,820	\$802,193,285
Effective more than 6 months but less than 12 months	231	\$19,862,897
Effective more than 12 months but less than 24 months	998	\$104,982,661
Modification effective for life of loan	9,629	\$837,553,910
Types of modifications <u>closed</u>		
Modification by freezing interest rate at the initial/start rate	701	\$46,456,343
Modification by reducing the interest rate below the initial/start rate	8,737	\$823,104,660
Modification by reducing the interest rate below scheduled reset rate but above start rate	2,390	\$246,275,484
Modification with extension of term	342	\$30,367,011
Modification with reduction in principal balance	77	\$5,289,537
Modification using two or more of above modifications (i.e., rate reduction and term change)	3,586	\$309,073,607
Other modification	14,115	\$1,130,719,607

The following table provides a breakdown of the 30-day, 60-day, and 90-plus-day combined delinquency and foreclosure rates for the registrant's OMLA residential mortgage loans as of the ending date of each month in 2009, calculated using a generally accepted industry method of delinquency reporting:

	30-day	60-day	90+ day
January	1.33%	0.89%	4.07%
February	1.24%	0.90%	4.00%
March	1.17%	0.85%	6.32%
April	1.60%	0.90%	5.28%
May	1.61%	0.96%	5.42%
June	1.18%	1.30%	5.69%
July	1.30%	0.77%	5.52%
August	1.33%	0.92%	5.34%
September	1.54%	0.96%	5.37%
October	2.52%	0.82%	5.35%
November	1.54%	0.82%	5.45%
December	1.27%	1.13%	5.41%

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**Department
of Commerce**

Division of Financial Institutions

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