



January 27, 2010

Via FedEx

Mr. C.R. "Rusty" Cloutier
President and Chief Executive Officer
Midsouth Bank, N.A.
P.O. Box 3745
Lafayette, LA 70502

Phil Angelides
Chairman

**Re: Financial Crisis Inquiry Commission Hearing on
January 13, 2010**

Hon. Bill Thomas
Vice Chairman

Dear Mr. Cloutier:

Brooksley Born
Commissioner

On January 20, 2010, Chairman Angelides and Vice Chairman Thomas sent you a letter thanking you for testifying at the January 13, 2010 hearing and informing you that the staff of the FCIC might be contacting you to follow up on certain areas of your testimony and to submit written questions and requests for information related to your testimony. In response to a question from Vice Chairman Thomas, you stated that you could provide data on the extent to which community banks engaged in subprime loan originations. The FCIC would appreciate it if you or the ICBA could provide that information for the years 2001 through 2008.

Byron S. Georgiou
Commissioner

Senator Bob Graham
Commissioner

Keith Hennessey
Commissioner

The Commissioners and staff of the FCIC sincerely appreciate your continued cooperation with this inquiry. If you have any questions or concerns, please do not hesitate to contact Chris Seefer at (202) 292-2799, or cseefer@fcic.gov.

Douglas Holtz-Eakin
Commissioner

Heather H. Murren, CFA
Commissioner

Sincerely,

John W. Thompson
Commissioner

Thomas Greene
Executive Director

Peter J. Wallison
Commissioner

cc: Phil Angelides, Chairman, Financial Crisis Inquiry Commission

Bill Thomas, Vice Chairman, Financial Crisis Inquiry Commission

Thomas Greene
Executive Director

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**INDEPENDENT COMMUNITY
BANKERS of AMERICA**

May 10, 2010

Thomas Greene
Executive Director
Financial Crisis Inquiry Commission
1717 Pennsylvania Avenue, NW, Suite 800
Washington, D.C. 20006-4614

Dear Mr. Greene:

The Independent Community Bankers of America¹ (ICBA) is responding to your request to Mr. Rusty Cloutier for additional information regarding an issue that he discussed when he testified before the Financial Crisis Inquiry Commission on January 13, 2010. Specifically, in a letter to him dated January 27, 2010, you requested that either he or ICBA "provide further data on the extent to which community banks engaged in subprime loan originations."

Mr. Cloutier was correct when he testified that few, if any, community banks engaged in subprime lending. Community banks have always been the conservative mortgage lenders and ICBA can provide you some data to support this assertion.

Although it is difficult to compile definitive information on subprime lending and origination, the two charts that are attached to this letter give you a list of who were the largest subprime producers in 2006 and 2007. According to *Inside Mortgage Finance*², the 20 largest subprime producers during those two years were either large mortgage companies or were affiliated with the large commercial banks, including Citibank, HSBC, Wells Fargo and Countrywide. To the best of our knowledge, no community bank is owned or affiliated with any of

¹ The Independent Community Bankers of America represents nearly 5,000 community banks of all sizes and charter types throughout the United States and is dedicated exclusively to representing the interests of the community banking industry and the communities and customers we serve. ICBA aggregates the power of its members to provide a voice for community banking interests in Washington, resources to enhance community bank education and marketability, and profitability options to help community banks compete in an ever-changing marketplace.

With nearly 5,000 members, representing more than 20,000 locations nationwide and employing nearly 300,000 Americans, ICBA members hold \$1 trillion in assets, \$800 billion in deposits, and \$700 billion in loans to consumers, small businesses and the agricultural community. For more information, visit ICBA's website at www.icba.org.

² Inside Mortgage Finance, March 23, 2007 and March 28, 2008.

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these top 20 subprime producers, which together, control about 90% of the subprime market during those two years.

The same should also be noted about the attached list of the largest originators of Alt A mortgages during 2006 and 2007 from *Inside Mortgage Finance*. Again, this list is made of the large mortgage companies or commercial banks including Countrywide, IndyMac and Wamu. Few community banks were involved in Alt A lending. With respect to Taylor, Bean & Whitaker Mortgage Corporation, we know that several community banks were selling loans to Taylor, Bean & Whitaker but to the best of our knowledge, at least 95% of the loans sold by community banks to that company were conforming, fixed rate mortgages.

Also attached is a chart that was compiled by the National Community Law Center and that was cited in an Appendix to Comptroller of the Currency's John Dugan written testimony before the FCIC.³ The NCLC chart reveals again that the top national bank originators of subprime loans during 2006 were the large banks such as Citibank, Wells Fargo and Wamu and that community banks had little to do with the origination of most of the subprime loans during that period. Also attached are charts from the OCC appendix referred to above which list the 21 companies that made up the "Worse Ten" subprime mortgage originators list of the "Worse Ten" MSAs—those MSAs that experienced the worse rate of foreclosures from subprime and Alt A mortgages. Again, this list is almost entirely made up of large mortgage companies and the large banks. To the best of our knowledge, none of these institutions are community banks.

If the FCIC would like further information about the types of mortgage loans that community banks originated during the period 2005-2008, we would recommend that you obtain that information from Fannie Mae and Freddie Mac. Either of the two sponsored enterprises may be able to provide information regarding the characteristics of the mortgage loans they purchase from community banks.

Hopefully, this information should convince you that community banks did not engage in significant subprime lending and did not contribute to the economic crisis that our nation now faces because of the reckless lending practices of several large banks and unregulated mortgage lenders. Please let me know if you need any further information.

Sincerely,



Christopher Cole
Senior Vice President and Senior Regulatory Counsel

³ Testimony of John Dugan, Comptroller of the Currency, before the FCIC dated April 8, 2010, Appendix B.

INSIDE MORTGAGE FINANCE – MARCH 23, 2007

Top 20 Subprime Producers in 2006

(For 12 Months - Dollars in Billions)

Rank	Lender	2006 Subprime Originations			2005 Subprime Originations		
		Volume	Pct of Total	Mkt Share	Volume	Pct of Total	Mkt Share
1	HSBC Finance, IL	\$52.80	100.0%	8.8%	\$58.61	100.0%	9.4%
2	New Century Financial, CA	\$51.60	86.3%	8.6%	\$52.70	83.9%	8.4%
3	Countrywide Financial, CA	\$40.60	8.8%	6.8%	\$44.64	9.1%	7.1%
4	CitiMortgage, NY	\$38.04	20.7%	6.3%	\$20.51	16.5%	3.3%
5	Fremont Investment & Loan, CA	\$32.30	99.4%	5.4%	\$36.24	100.0%	5.8%
6	Ameriquest Mortgage, CA	\$29.50	100.0%	4.9%	\$75.56	100.0%	12.1%
8	Option One Mortgage, CA	\$28.79	82.3%	4.8%	\$40.33	100.7%	6.5%
9	Wells Fargo Home Mortgage, IA*	\$27.87	7.0%	4.6%	\$30.34	7.7%	4.9%
10	First Franklin Financial Corp, CA	\$27.67	100.0%	4.6%	\$29.33	100.0%	4.7%
11	Washington Mutual, WA	\$26.80	13.6%	4.4%	\$33.90	13.6%	5.4%
12	Residential Capital Group, MN	\$21.20	22.4%	3.5%	\$25.26	34.5%	4.0%
13	Aegis Mortgage Corp., TX	\$17.00	100.0%	2.8%	\$17.84	100.0%	2.9%
14	Accredited Home Lenders, CA	\$15.77	100.0%	2.6%	\$16.58	100.0%	2.7%
16	BNC Mortgage, CA	\$13.70	100.0%	2.3%	\$15.00	96.3%	2.4%
17	Chase Home Finance, NJ	\$11.55	6.7%	1.9%	\$9.65	5.3%	1.5%
15	American General Finance, IN	\$11.50	100.0%	1.9%	\$15.43	100.0%	2.5%
18	WMC Mortgage, CA	\$11.30	34.0%	1.9%	\$10.60	33.3%	1.7%
18	Equifirst, NC	\$10.75	100.0%	1.8%	\$8.84	100.0%	1.4%
19	NovaStar Financial, KS	\$10.23	91.2%	1.7%	\$9.28	100.0%	1.5%
20	Owinit Mortgage Solutions, CA	\$9.50	100.0%	1.6%	\$8.29	100.0%	1.3%
Estimated Totals for All Lenders:		\$600.0	20.1%		\$625.0	20.0%	

Top 20 Alt A Mortgage Producers in 2006

(For 12 Months - Dollars in Billions)

Rank	Lender	2006 Alt A Originations			2005 Alt A Originations		
		Volume	Pct of Total	Mkt Share	Volume	Pct of Total	Mkt Share
1	IndyMac, CA	\$70.15	78.0%	17.5%	\$47.22	77.7%	12.4%
2	Countrywide Financial, CA	\$68.00	14.7%	17.0%	\$63.00	12.8%	16.6%
3	Residential Capital Group, MN	\$44.00	46.6%	11.0%	\$22.24	30.3%	5.9%
4	EMC Mortgage, TX	\$28.27	39.0%	7.1%	\$32.76	36.1%	8.6%
5	Washington Mutual, WA	\$25.30	12.9%	6.3%	\$0.83	0.3%	0.2%
6	Aurora Loan Services, CO	\$19.40	52.7%	4.9%	\$39.88	76.8%	10.5%
7	GreenPoint Mortgage Funding Inc., CA	\$18.30	50.3%	4.6%	\$18.42	43.6%	4.8%
8	WMC Mortgage Corp., CA	\$17.70	53.3%	4.4%	\$17.70	55.7%	4.7%
9	First Magnus Financial, AZ	\$13.32	44.3%	3.3%	\$10.53	38.9%	2.8%
10	Impac Mortgage Holdings, CA	\$11.57	92.1%	2.9%	\$21.46	96.2%	5.6%
11	SunTrust Mortgage Inc., VA	\$10.09	17.9%	2.5%	\$8.71	18.3%	2.3%
12	Chase Home Finance, NJ	\$9.40	5.4%	2.4%	\$5.40	2.9%	1.4%
13	National City Mortgage Co., OH	\$8.74	20.3%	2.2%	\$5.94	10.1%	1.6%
14	CitiMortgage Inc., MO	\$8.22	4.5%	2.1%	\$0.90	0.7%	0.2%
15	New Century Financial Corp., CA	\$8.10	13.5%	2.0%	\$7.70	13.7%	2.0%
16	First Horizon Home Loans, TX	\$7.25	23.2%	1.8%	\$11.55	26.8%	3.0%
17	American Mortgage Network, CA	\$6.61	48.1%	1.7%	\$5.01	33.7%	1.3%
18	PHH Mortgage, NJ	\$6.50	15.8%	1.6%	\$2.51	5.2%	0.7%
19	Taylor, Bean, & Whitaker Mortgage Corp., FL	\$6.27	25.3%	1.6%	\$4.61	24.1%	1.2%
20	American Home Mortgage Corp., NY	\$5.24	8.9%	1.3%	\$5.24	11.6%	1.4%
Estimated Totals for All Lenders:		\$400.0	13.4%		\$380.0	12.2%	

Notes: Ranking of top subprime and Alt A mortgage originators is derived from a survey of 60 lenders by Inside Mortgage Finance, the Inside Mortgage Finance MBS Database, company earnings and other public sources. *Wells Fargo restated its subprime production to exclude co-issuance.

Source: Inside Mortgage Finance, Copyright 2007

INSIDE MORTGAGE FINANCE – MARCH 28, 2008

Top 20 Subprime Producers in 2007

(For 12 Months - Dollars in Billions)

Rank	Lender	2007 Subprime Originations				Mkt Share	Change 2006-07
		2007	4Q07	3Q07	2Q07		
1	Citi, NY	\$19.70	\$2.30	\$3.50	\$5.80	10.2%	-48.2%
2	HSBC Finance, IL	\$17.99	\$2.14	\$3.51	\$4.71	9.3%	-65.9%
3	Countrywide Financial, CA	\$16.99	\$0.07	\$3.33	\$5.72	8.8%	-58.1%
4	Wells Fargo Home Mortgage, IA	\$15.42	\$2.27	\$3.38	\$4.11	8.0%	-44.7%
5	First Franklin Financial Corp, CA	\$13.48	\$0.50	\$1.72	\$5.30	7.0%	-51.3%
6	Chase Home Finance, NJ	\$11.52	\$2.30	\$2.90	\$3.30	6.0%	-0.3%
7	Option One Mortgage, CA	\$11.18	\$0.00	\$1.59	\$3.39	5.8%	-61.2%
8	EMC Mortgage Corp, TX	\$7.91	\$0.11	\$0.86	\$2.81	4.1%	-16.6%
9	Ameriquest Mortgage, CA	\$6.40	\$0.00	\$0.40	\$2.10	3.3%	-78.3%
10	BNC Mortgage, CA	\$6.10	\$0.10	\$1.00	\$2.40	3.2%	-55.5%
11	Washington Mutual, WA	\$5.50	\$0.00	\$0.50	\$2.00	2.9%	-79.3%
12	WMC Mortgage, CA	\$5.00	\$0.00	\$0.00	\$1.60	2.6%	-84.9%
13	New Century Financial, CA	\$4.70	\$0.00	\$0.00	\$0.00	2.4%	-90.9%
14	American General Finance, IN	\$4.50	\$1.00	\$1.25	\$1.15	2.3%	-70.1%
15	Equifirst, NC	\$4.35	\$0.55	\$0.70	\$1.30	2.3%	-59.5%
16	Aegis Mortgage Corp., TX	\$4.30	\$0.00	\$0.20	\$1.20	2.2%	-74.7%
17	Residential Capital LLC	\$4.24	\$0.10	\$0.20	\$0.69	2.2%	-86.1%
18	Saxon Mortgage, VA	\$4.13	\$0.60	\$0.90	\$1.43	2.1%	24.5%
19	Accredited Home Lenders, CA	\$4.00	\$0.38	\$0.66	\$1.33	2.1%	-74.6%
20	Della Financial Corp., NY	\$3.58	\$0.18	\$0.81	\$1.35	1.9%	-11.3%
Estimated Totals for All Lenders:		\$192.50	\$13.50	\$28.00	\$56.00	100.0%	-67.9%

Top 20 Alt A Mortgage Producers in 2007

(For 12 Months - Dollars in Billions)

Rank	Lender	2007 Alt A Originations				Mkt Share	Change 2006-07
		2007	4Q07	3Q07	2Q07		
1	Countrywide Financial, CA	\$41.45	\$3.90	\$6.65	\$15.10	15.1%	-38.0%
2	IndyMac, CA	\$30.70	\$1.70	\$3.50	\$10.50	11.2%	-56.2%
3	Lehman Brothers, NY	\$19.25	\$1.10	\$4.70	\$7.45	7.0%	-0.8%
4	Citi, MO	\$16.50	\$1.00	\$2.50	\$6.00	6.0%	100.7%
5	Washington Mutual, WA	\$14.70	\$0.10	\$1.80	\$5.40	5.3%	-41.9%
6	Residential Capital LLC, NY	\$14.70	\$0.00	\$3.50	\$4.00	5.3%	-67.0%
7	Chase Home Finance, NJ	\$9.90	\$0.70	\$2.50	\$3.80	3.6%	5.3%
8	EMC Mortgage, TX	\$9.42	\$0.14	\$1.39	\$3.18	3.4%	-66.7%
9	GreenPoint Mortgage Funding Inc., CA	\$7.76	\$0.00	\$1.80	\$2.82	2.8%	-57.6%
10	Wells Fargo & Company, IA	\$6.80	\$0.18	\$1.10	\$2.97	2.5%	72.6%
11	First Magnus Financial, AZ	\$6.39	\$0.00	\$0.25	\$2.87	2.3%	-52.0%
12	AmTrust Bank, OH	\$6.18	\$1.78	\$1.85	\$1.83	2.2%	120.0%
13	National City Mortgage Co., OH	\$5.75	\$0.03	\$0.97	\$2.22	2.1%	-34.2%
14	Flagstar Bank, MI	\$5.40	\$0.60	\$1.34	\$2.11	2.0%	65.6%
15	Quicken Loans Inc., MI	\$5.20	\$0.20	\$1.00	\$2.00	1.9%	11.1%
16	Wachovia Corporation, NC	\$4.29	\$0.02	\$0.66	\$1.26	1.6%	-63.9%
17	Impac Mortgage Holdings, CA	\$4.58	\$0.50	\$0.58	\$1.30	1.7%	-60.5%
18	First Horizon Home Loans, TX	\$3.67	\$0.40	\$0.77	\$1.21	1.3%	-49.4%
19	Bank of America Mtg. & Affiliates, NC	\$3.40	\$0.20	\$0.80	\$1.40	1.2%	385.7%
20	HSBC Mortgage Corp., NY	\$3.30	\$0.73	\$0.71	\$0.78	1.2%	-19.7%
Estimated Totals for All Lenders:		\$275.0	\$27.0	\$54.0	\$96.0		-31.3%

Notes: Ranking of top subprime and Alt A mortgage originators is derived from a survey of 60 lenders by Inside Mortgage Finance, the Inside Mortgage Finance MBS Database, company earnings and other public sources. *Wells Fargo restated its subprime production to exclude co-issuance.

Source: Inside Mortgage Finance, Copyright 2008

From NCLC White Paper:**Table 1: Subprime Loans By National Banks and Federal Thrifts 2006**
(includes operating subsidiaries)

LENDER	RANK	\$ (BILLIONS)	MARKET SHARE
CitiMortgage, NY*	4	\$38	6.3%
WMC Mortgage (GE), CA	5	33	5.5%
Wells Fargo Home Mort., IA	9	28	4.6%
First Franklin (National City Bank), CA	10	28	4.6%
Washington Mutual, WA	11	27	4.4%
BNC Mortgage, CA (Lehman Bros. Bank)	16	15	2.4%
Chase Home Finance, NJ	17	12	1.9%
Equifirst, NC (Regions Bank)	18	11	1.8%
TOTAL		\$190	31.5%

Source: Inside Mortgage Finance

*CitiMortgage became an operating subsidiary of CitiBank in October 2006. Its volume of subprime originations rose in the 4th quarter, and its market share increased to 10%.

NCLC incorrectly characterizes Equifirst as a national bank when in fact it was a subsidiary of state-chartered Regions Bank, and the figures given for some lenders (most notably WMC Mortgage) differ somewhat from the original source numbers provided by *Inside Mortgage Finance*. Removing Equifirst and correcting other data errors reduces the total “market share” of these federally supervised institutions to 26 percent.⁶ However, as noted above, little confidence should be placed even in this corrected figure, due to the unreliable estimate of the overall size of the subprime market used as its denominator.

C. OCC Analysis of Subprime and Alt-A Loan Performance

National banks and their operating subsidiaries engaged in subprime mortgage lending to a relatively modest extent, as demonstrated above. However, not all subprime loans have subsequently caused problems for borrowers, lenders, and others. Subprime and Alt-A loans may be appropriate for some borrowers in some situations. The quality of the underwriting process – that is, determining through analysis of the borrower and market conditions that a borrower is highly likely to be able to repay the loan as promised – is a major determinant of subsequent loan performance. The quality of underwriting varies across lenders, a factor that is evident through comparisons of rates of delinquency, foreclosure, or other loan performance measures across loan originators. Through analysis of the available data, the OCC has determined that subprime loans originated by OCC-supervised institutions have generally performed better than similar loans originated by other lenders.

The subprime data from LPC used for the analysis of market share above also contains information on how loans have performed since they were originated. In analysis done in 2008, the OCC used that information to analyze the foreclosure experience in the ten metropolitan areas hardest hit by foreclosures, and to identify the ten originators with the largest number of non-prime loans that went into foreclosure in those markets. The results are described in the

⁶ The correct figure for BNC Mortgage is \$14 billion, and for WMC Mortgage \$11 billion.

Attachment 1

11/13/2008

Worst Ten in the Worst Ten

- The table below sets forth the ten metropolitan areas experiencing the highest rates of foreclosure as reported by RealtyTrac (the "Worst Ten" MSAs). Foreclosure rates for sub-prime and Alt-A mortgages originated from 2005 through 2007 in these MSAs were computed using data from Loan Performance.

Rank	MSA	Non-prime Mortgage Foreclosure Rate
1	Detroit	22.9%
2	Cleveland	21.6%
3	Stockton	21.5%
4	Sacramento	18.0%
5	Riverside/San Bernardino	16.1%
6	Memphis	15.6%
7	Miami/Fort Lauderdale	14.3%
8	Bakersfield	14.3%
9	Denver	14.0%
10	Las Vegas	13.9%

- For each of these metro areas, the "Worst Ten" originators were identified: the ten originators in each MSA with the largest number of non-prime mortgage foreclosures in the Loan Performance database for 2005-2007 originations.
- Only 21 companies in various combinations (see attached tables for MSA-level details) occupy the Worst Ten slots in the Worst Ten metro areas:

AEGIS FUNDING CORPORATION	GREENPOINT MORTGAGE FUNDING
AMERICAN HOME MORTGAGE CORP.	INDYMAC BANK, F.S.B.
AMERIQUEST MORTGAGE COMPANY	LONG BEACH MORTGAGE CO.
ARGENT MORTGAGE COMPANY	NEW CENTURY MORTGAGE
BNC MORTGAGE	OPTION ONE MORTGAGE CORP
COUNTRYWIDE	OWNIT MORTGAGE SOLUTIONS INC.
DECISION ONE MORTGAGE	PEOPLE'S CHOICE FINANCIAL CORP
DELTA FUNDING CORPORATION	RESMAE MORTGAGE CORPORATION
FIELDSTONE MORTGAGE COMPANY	WELLS FARGO
FIRST FRANKLIN CORPORATION	WMC MORTGAGE CORP.
FREMONT INVESTMENT & LOAN	

- Of these 21 firms, 12 were exclusively supervised by the states; overall, such originators accounted for nearly 60 percent of non-prime mortgage loans and foreclosures in the Worst Ten metro areas in 2005-2007.
- Only three firms on the list were subject to OCC supervision during 2005-2007, and those three accounted for fewer than 12 percent of foreclosures in the Worst Ten metro areas.
- Results for the U.S. as a whole are similar to those for the Worst Ten metropolitan areas. OCC-supervised institutions accounted for approximately 12 to 14 percent of the non-prime originations; moreover, foreclosure rates for OCC-supervised institutions were markedly lower on average than for other types of originators.

**Worst Ten in the Worst Ten:
Results for individual metropolitan areas**

Bakersfield

Rank	Originator	Foreclosure Starts	Originations	Foreclosure Rate
1	WMC MORTGAGE CORP.	731	3998	18.3%
2	LONG BEACH MORTGAGE CO.	680	2817	24.1%
3	NEW CENTURY MORTGAGE	647	3884	16.7%
4	OPTION ONE MORTGAGE CORP	302	1673	18.1%
5	ARGENT MORTGAGE COMPANY	276	1527	18.1%
6	OWNIT MORTGAGE SOLUTIONS INC.	232	1069	21.7%
7	FREMONT INVESTMENT & LOAN	207	1288	16.1%
8	FIRST FRANKLIN CORPORATION	206	1186	17.4%
9	AMERIQUEST MORTGAGE COMPANY	124	1002	12.4%
10	COUNTRYWIDE	106	1232	8.6%

Memphis

Rank	Originator	Foreclosure Starts	Originations	Foreclosure Rate
1	LONG BEACH MORTGAGE CO.	668	1859	36.1%
2	WMC MORTGAGE CORP.	376	2141	17.6%
3	FIRST FRANKLIN CORPORATION	355	3290	10.8%
4	OPTION ONE MORTGAGE CORP	300	1224	24.5%
5	NEW CENTURY MORTGAGE	295	1705	17.3%
6	WELLS FARGO	202	1249	16.2%
7	AMERIQUEST MORTGAGE COMPANY	184	900	20.4%
8	ARGENT MORTGAGE COMPANY	159	536	29.7%
9	DECISION ONE MORTGAGE	119	518	23.0%
10	FREMONT INVESTMENT & LOAN	92	393	23.4%

Cleveland

Rank	Originator	Foreclosure Starts	Originations	Foreclosure Rate
1	ARGENT MORTGAGE COMPANY	1327	3251	40.8%
2	NEW CENTURY MORTGAGE	912	2437	37.4%
3	LONG BEACH MORTGAGE CO.	525	988	53.2%
4	FIRST FRANKLIN CORPORATION	425	2932	14.5%
5	AEGIS FUNDING CORPORATION	412	1276	32.3%
6	OPTION ONE MORTGAGE CORP	370	1539	24.1%
7	AMERIQUEST MORTGAGE COMPANY	245	1186	20.6%
8	WELLS FARGO	239	1275	18.7%
9	PEOPLE'S CHOICE FINANCIAL CORP	217	550	39.5%
10	DELTA FUNDING CORPORATION	155	570	27.2%

Miami

Rank	Originator	Foreclosure Starts	Originations	Foreclosure Rate
1	FREMONT INVESTMENT & LOAN	1655	8961	18.5%
2	ARGENT MORTGAGE COMPANY	1393	8967	15.4%
3	LONG BEACH MORTGAGE CO.	1176	5255	22.4%
4	WMC MORTGAGE CORP.	1168	5861	19.9%
5	NEW CENTURY MORTGAGE	1018	7456	13.7%
6	OPTION ONE MORTGAGE CORP	893	4637	19.0%
7	FIRST FRANKLIN CORPORATION	777	3846	19.7%
8	AMERIQUEST MORTGAGE COMPANY	538	4002	13.4%
9	AMERICAN HOME MORTGAGE CORP.	508	4114	12.3%
10	COUNTRYWIDE	504	5688	8.1%

Denver

Rank	Originator	Foreclosure Starts	Originations	Foreclosure Rate
1	LONG BEACH MORTGAGE CO.	758	2570	29.5%
2	NEW CENTURY MORTGAGE	709	3585	19.8%
3	ARGENT MORTGAGE COMPANY	670	1737	38.6%
4	FREMONT INVESTMENT & LOAN	670	3129	21.4%
5	OPTION ONE MORTGAGE CORP	613	2770	22.1%
6	FIRST FRANKLIN CORPORATION	533	3325	16.0%
7	OWNIT MORTGAGE SOLUTIONS INC.	404	2292	17.6%
8	AMERIQUEST MORTGAGE COMPANY	293	1173	25.0%
9	FIELDSTONE MORTGAGE COMPANY	275	981	28.0%
10	WMC MORTGAGE CORP.	280	1099	25.5%

Riverside

Rank	Originator	Foreclosure Starts	Originations	Foreclosure Rate
1	NEW CENTURY MORTGAGE	4600	22736	20.2%
2	WMC MORTGAGE CORP.	4577	21191	21.6%
3	FREMONT INVESTMENT & LOAN	2390	11584	20.6%
4	LONG BEACH MORTGAGE CO.	2374	7508	31.2%
5	FIRST FRANKLIN CORPORATION	2301	10701	21.5%
6	ARGENT MORTGAGE COMPANY	2175	9138	23.8%
7	OPTION ONE MORTGAGE CORP	2175	10752	20.2%
8	RESMAE MORTGAGE CORPORATION	1717	5783	29.8%
9	COUNTRYWIDE	1304	13280	9.8%
10	BNC MORTGAGE	876	3591	24.4%

Detroit

Rank	Originator	Foreclosure Starts	Originations	Foreclosure Rate
1	ARGENT MORTGAGE COMPANY	2532	5582	45.4%
2	LONG BEACH MORTGAGE CO.	1956	3818	51.3%
3	NEW CENTURY MORTGAGE	1894	6376	29.7%
4	OPTION ONE MORTGAGE CORP	1757	5780	30.4%
5	FIRST FRANKLIN CORPORATION	1578	7733	20.4%
6	FREMONT INVESTMENT & LOAN	1306	3589	36.5%
7	AMERIQUEST MORTGAGE COMPANY	910	3347	27.2%
8	WELLS FARGO	671	2821	23.8%
9	AMERICAN HOME MORTGAGE CORP.	518	3365	15.4%
10	PEOPLE'S CHOICE FINANCIAL CORP	479	1284	37.3%

Sacramento

Rank	Originator	Foreclosure Starts	Originations	Foreclosure Rate
1	LONG BEACH MORTGAGE CO.	1997	4836	41.3%
2	NEW CENTURY MORTGAGE	1510	5878	25.7%
3	WMC MORTGAGE CORP.	1155	4092	28.3%
4	FREMONT INVESTMENT & LOAN	889	3444	25.8%
5	OPTION ONE MORTGAGE CORP	886	3518	25.2%
6	ARGENT MORTGAGE COMPANY	637	2067	30.8%
7	FIRST FRANKLIN CORPORATION	626	2686	23.3%
8	COUNTRYWIDE	585	4687	12.0%
9	GREENPOINT MORTGAGE FUNDING	535	4101	13.0%
10	RESMAE MORTGAGE CORPORATION	460	1472	31.3%

Las Vegas

Rank	Originator	Foreclosure Starts	Originations	Foreclosure Rate
1	NEW CENTURY MORTGAGE	1671	8623	19.4%
2	ARGENT MORTGAGE COMPANY	1093	4598	23.8%
3	WMC MORTGAGE CORP.	989	4886	20.4%
4	COUNTRYWIDE	957	9638	9.9%
5	FIRST FRANKLIN CORPORATION	945	4743	19.9%
6	FREMONT INVESTMENT & LOAN	878	4174	21.1%
7	OPTION ONE MORTGAGE CORP	686	3710	18.5%
8	AMERICAN HOME MORTGAGE CORP.	489	4804	10.0%
9	GREENPOINT MORTGAGE FUNDING	468	4863	9.6%
10	INDYMAC BANK, F.S.B.	423	4289	9.9%

Stockton

Rank	Originator	Foreclosure Starts	Originations	Foreclosure Rate
1	LONG BEACH MORTGAGE CO.	1213	3056	39.7%
2	NEW CENTURY MORTGAGE	870	3263	26.7%
3	WMC MORTGAGE CORP.	877	2258	38.0%
4	ARGENT MORTGAGE COMPANY	476	1402	34.0%
5	FREMONT INVESTMENT & LOAN	466	1762	26.4%
6	OPTION ONE MORTGAGE CORP	362	1448	25.0%
7	GREENPOINT MORTGAGE FUNDING	343	1978	17.3%
8	FIRST FRANKLIN CORPORATION	291	1046	27.8%
9	COUNTRYWIDE	263	1931	13.6%
10	AMERIQUEST MORTGAGE COMPANY	217	920	23.6%