



Civil Justice Subcommittee

Tuesday, September 20, 2011

4:00 PM

404 HOB

Committee Meeting Notice
HOUSE OF REPRESENTATIVES

Civil Justice Subcommittee

Start Date and Time: Tuesday, September 20, 2011 04:00 pm
End Date and Time: Tuesday, September 20, 2011 06:00 pm
Location: 404 HOB
Duration: 2.00 hrs

Introduction of new subcommittee members

Foreclosures - background and trends

NOTICE FINALIZED on 09/13/2011 16:16 by Jones.Missy

Florida: An Overview of Foreclosures

September 20, 2011

Presented by:



The Florida Legislature
Office of Economic and
Demographic Research
850.467.1402
<http://edr.state.fl.us>

Foreclosure Process

- There are 20 states that practice judicial foreclosure only --- Florida is one of them.
- The judicial foreclosure process typically begins after a period of delinquency that results in an alleged default, with the lender filing a pending complaint and a Lis Pendens (notice of intent to begin the foreclosure process in court) with the Clerk of the Court.
- Relative to a non-judicial process:
 - Judicial process takes longer--- can be twice as long.
 - Judicial process has been affected to a greater degree by "Robo-Signing" scandal. In this regard, the shadow inventory pipeline in judicial states has become much larger.



Upstream from Foreclosure...

- **“Exotic” financing practices during the boom.**
 - In 2006, almost 47% of all mortgages in the state were considered to be innovative (interest only and pay option adjustable rate mortgages).
- **High unemployment – and – high long-term unemployment**
 - Florida’s August unemployment rate of 10.7% ranked us 5th in the country for the highest rate.
- **Underwater Homes (owe more than the home is worth)**
 - According to CoreLogic data for the 2nd quarter of CY 2011, Nevada had the highest negative equity percentage with 60% of all of its mortgaged properties underwater, followed by Arizona (49%), Florida (45%), Michigan (36%) and California (30%). At that time, Florida had a projected 1,970,756 underwater homes.
- **Declining Property Values from Peak**
 - Florida’s July median sales price for existing homes was down 47.1% from its peak.

Foreclosure Filings Remain Daunting

2010...2nd Year in a Row

2nd Highest # of Filings
(485,286 properties)

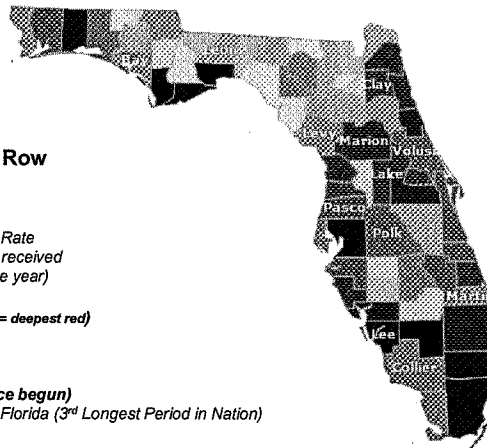
3rd Highest Foreclosure Rate
(5.51% of housing units received
at least 1 filing during the year)

August 2011 (highest rate = deepest red)

FILINGS: 2nd in US
RATE: 7th in US

Foreclosure Process (once begun)

676 Days - 1.8 yrs - in Florida (3rd Longest Period in Nation)



Foreclosure Actions to Housing Units

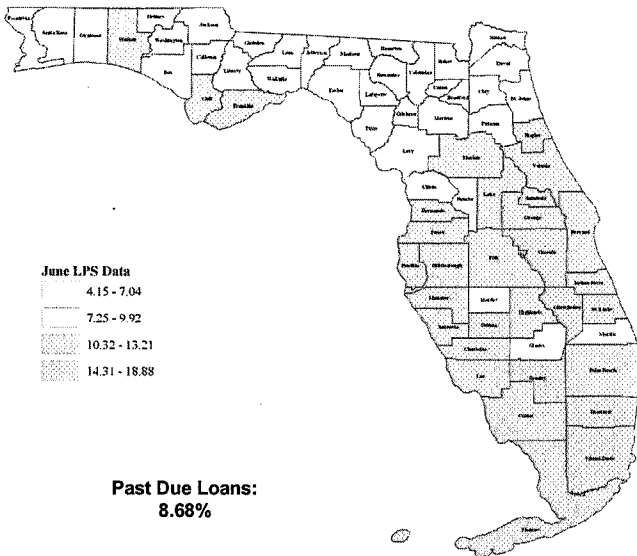
1 in 148 Housing Units

1 in 5,282 Housing Units



Data from RealtyTrac

Percent of Loans in Foreclosure



Highest Counties:

- Miami-Dade at 18.88%
- Osceola at 16.92%
- St. Lucie at 16.12%

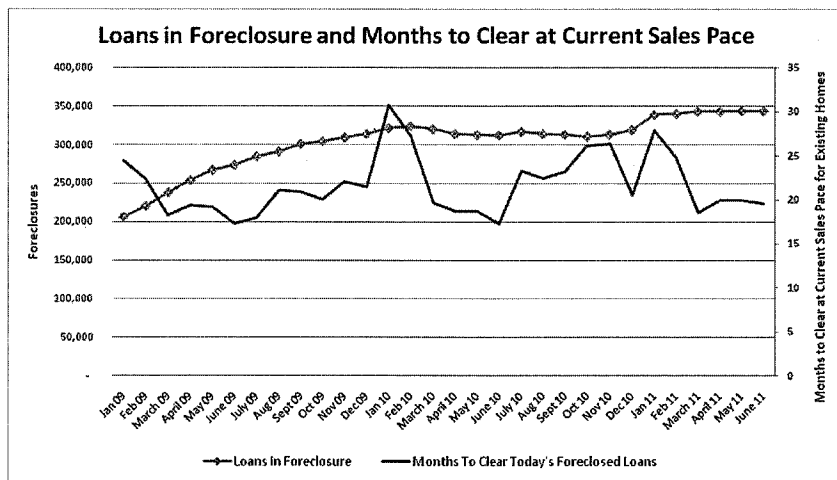
Lowest Counties:

- Jefferson at 4.15%
- Sumter at 5.13%
- Leon at 5.21%

Past Due Loans:
8.68%

Foreclosure Inventory:
12.29%

Residential Loans in Foreclosure



Loan Data from LPS

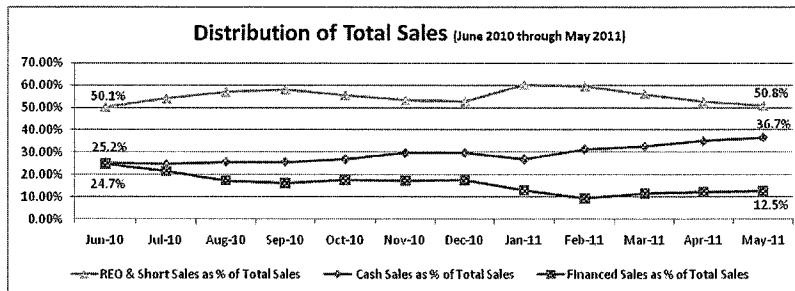
Foreclosures & Shadow Inventory

| State | Sales | Foreclosures | Shadow Inventory | Ratio |
|----------|-------|--------------|------------------|-------|
| National | 8.34% | 4.11% | 12.45% | 203% |
| FL | 9.1% | 13.8% | 22.9% | 66% |
| MS | 14.6% | 3.5% | 18.1% | 422% |
| NV | 10.6% | 7.1% | 17.7% | 150% |
| NJ | 7.8% | 7.3% | 15.2% | 107% |
| IL | 8.2% | 6.6% | 14.8% | 124% |
| GA | 11.5% | 3.1% | 14.6% | 373% |
| OH | 9.7% | 4.8% | 14.4% | 203% |
| IN | 9.8% | 4.7% | 13.8% | 209% |
| LA | 10.4% | 3.3% | 13.6% | 315% |
| MD | 10.0% | 3.2% | 13.2% | 313% |
| SC | 9.4% | 3.8% | 13.2% | 250% |
| RI | 8.8% | 4.3% | 13.1% | 205% |
| TN | 10.6% | 2.5% | 13.1% | 429% |
| NY | 7.9% | 5.2% | 13.1% | 152% |
| WV | 10.3% | 2.5% | 12.9% | 408% |
| AL | 10.8% | 1.8% | 12.5% | 615% |
| MI | 9.8% | 2.7% | 12.5% | 364% |

| State | Sales | Foreclosures | Shadow Inventory | Ratio |
|----------|-------|--------------|------------------|-------|
| National | 8.34% | 4.11% | 12.45% | 203% |
| FL | 9.1% | 13.8% | 22.9% | 66% |

Foreclosures adding more to inventory than Sales are subtracting – nationally 3:1.
 Average delinquency at Florida foreclosure start --- 385 days.
 (LPS Data for July)

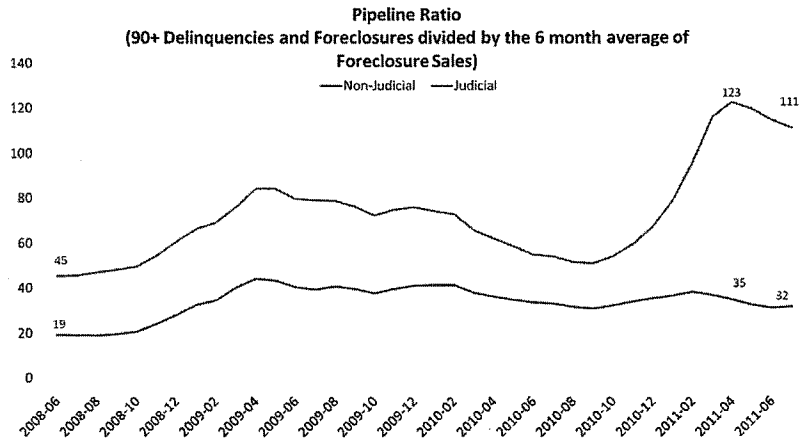
Sales Mix Points to Lower Prices



LPS: Lender Processing Services

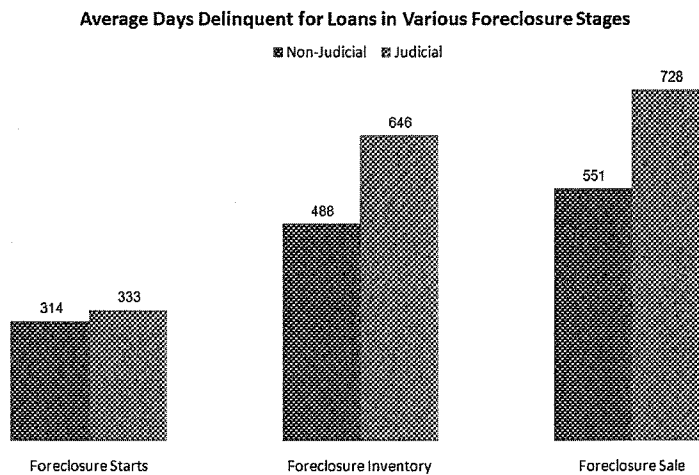
Cash Sales have been growing as a percentage of all sales and financed sales have been declining. While short sales have been increasing in some states, that is not yet the case in Florida.

Moratorium impact has dropped, but remains very high in judicial states



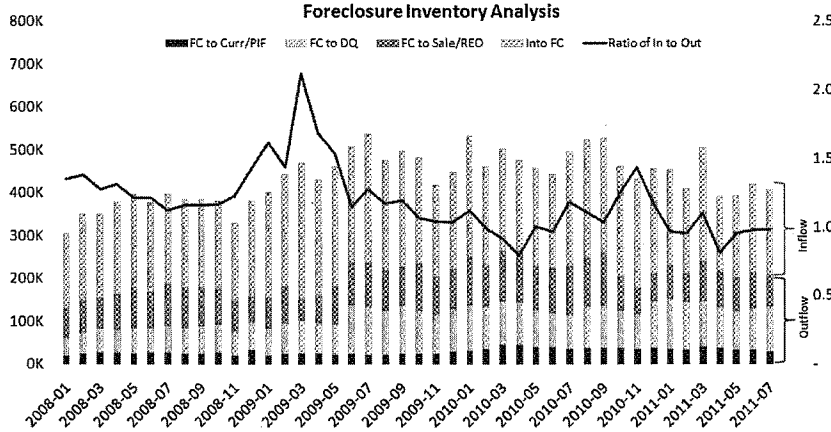
Slide Reproduced from LPS Presentation Based on July Data

Loans in foreclosure are 158 days more delinquent in judicial states



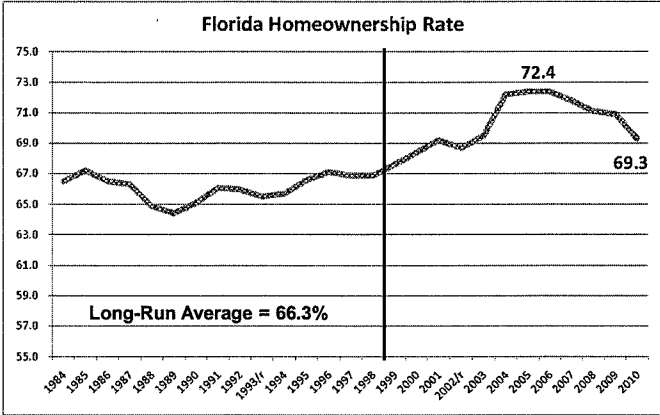
Slide Reproduced from LPS Presentation Based on June Data

Most of the foreclosure “outflow” is back into delinquency



Slide Reproduced from LPS Presentation Based on July Data

Vulnerability



The 2010 percentage is the lowest since 2002. If the 2010 rate dropped immediately back to the long-run average, about 222,600 homeowners would be affected and \$30.8 billion of value.

Credit Conditions Remain Tight

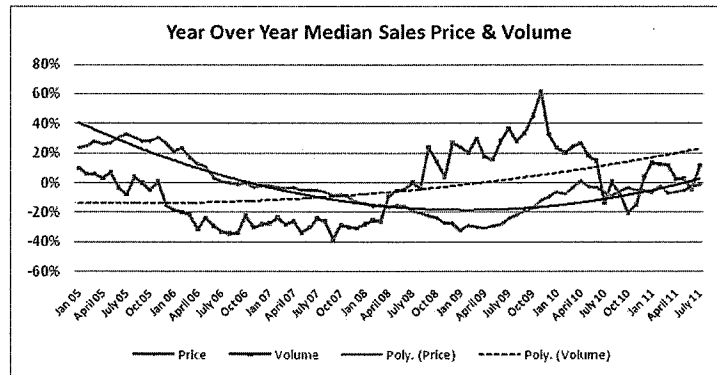
Question to Senior Loan Officers:

Over the past three months, how have your bank's credit standards for approving applications from individuals for **prime residential mortgage loans** to purchase homes changed?

| All Respondents | | | | | |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| | July '11 % | April '11 % | Jan '11 % | Oct '10 % | July '10 % |
| Tightened considerably | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Tightened somewhat | 5.7 | 3.8 | 3.7 | 13.0 | 3.6 |
| Remained basically unchanged | 86.8 | 92.5 | 94.4 | 83.3 | 87.3 |
| Eased somewhat | 7.5 | 2.0 | 1.9 | 3.7 | 9.1 |
| Eased considerably | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

July 2011 Senior Loan Officer Opinion Survey on Bank Lending Practices (Federal Reserve Board)

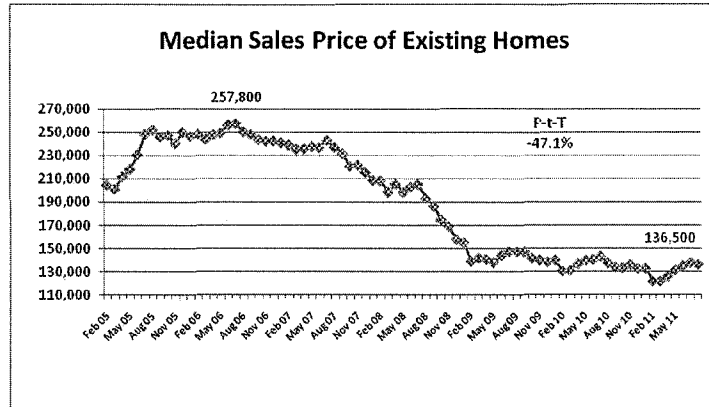
Existing Homes Sales Are Sputtering



Data through July 2011

Sales Level in CY 2010 was 70.1% of 2005 boom level.

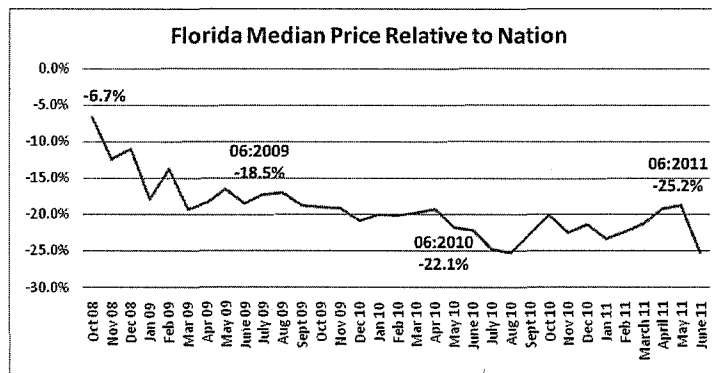
And, Existing Home Prices Are Flat



Data through July 2011

Median Sales Prices for Existing Homes have been essentially flat since February 2009 --- 28 months --- with a slight downward drift.

Price Holding Below National Level



The chart above is for single-family residences. Data from the American Community Surveys suggests that Florida was above the national median price for owner-occupied housing units from 2005 through most of 2008.

REC Foreclosure Forecast

| Cal Year | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 Est | 2012 Est | 2012 Est |
|--------------|--------|--------|---------|---------|---------|---------|----------|----------|----------|
| Total | 57,106 | 73,981 | 182,044 | 368,743 | 399,118 | 243,114 | 144,067 | 287,340 | 205,236 |

Fiscal Year: Revenue Receipt Lagged By One Month

| FY | FY 2011-12 | | | | | | | | | | | TOTAL |
|------------------------|------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Month | Jul | Aug | Sep | Oct | Nov | Dec | Feb | Mar | Apr | May | Jun | |
| FY 2011-12 Mo. Filings | 11,675 | 11,014 | 12,812 | 13,942 | 15,172 | 16,511 | 19,552 | 21,277 | 23,154 | 25,197 | 27,420 | 215,695 |

| FY | FY 2012-13 | | | | | | | | | | | TOTAL |
|------------------------|------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Month | Jul | Aug | Sep | Oct | Nov | Dec | Feb | Mar | Apr | May | Jun | |
| FY 2012-13 Mo. Filings | 29,899 | 31,009 | 27,039 | 24,043 | 20,103 | 19,603 | 18,603 | 18,103 | 17,603 | 17,203 | 16,803 | 259,054 |

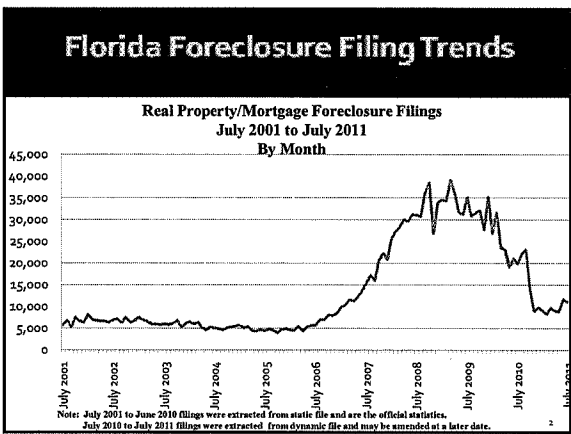
| FY | FY 2013-14 | | | | | | | | | | | TOTAL |
|------------------------|------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Month | Jul | Aug | Sep | Oct | Nov | Dec | Feb | Mar | Apr | May | Jun | |
| FY 2013-14 Mo. Filings | 16,703 | 16,703 | 16,703 | 16,703 | 16,703 | 16,703 | 16,702 | 16,702 | 16,702 | 16,702 | 16,702 | 200,431 |

Robo-Signing Disruption and Moratorium: October 2010

**Florida's Court System
Responds to the
Mortgage Foreclosure Crisis**

Lisa Goodner
State Courts Administrator

September 20, 2011



**Florida Courts'
Three-Prong Approach**

- ☒ Foreclosure and Economic Recovery Initiative
- ☒ Revised Procedural Rules to Improve Case Processing
- ☒ Managed Mediation of Mortgage Foreclosure Cases Involving Homestead Properties

Foreclosure and Economic Recovery Initiative

During 2010 Session, Legislature approved a statewide Foreclosure and Economic Recovery Plan to mitigate rising backlog of real property and foreclosure cases

- ▣ Authorized courts to use \$6 million out of the State Courts Revenue Trust Fund
- ▣ Authorized county clerks of court to use \$3.6 million from Clerk of Court Trust Fund

Foreclosure and Economic Recovery Initiative

- ✓ **43.6% of Foreclosure Backlog Cleared**
- ✓ **Clearance Rates Jumped Dramatically**

Reasons Backlog Continues

- ▣ Paperwork Problems, Resulting in:
 - ▣ Voluntary Moratorium by Major Lenders
 - ▣ Voluntary Cancellation of Hearings by Major Lenders
 - ▣ Voluntary Dismissals of Cases by Major Lenders
- ▣ Foreclosure Mills Discontinue Operations:
 - ▣ Withdrawal of David Stern Law Firm from estimated 140,000 Cases
 - ▣ Fannie Mae Pulled 15,000 Cases from Ben-Ezra & Katz Law Firm

Revised Procedural Rules to Improve Case Processing

- Amended rules to require verification of mortgage foreclosure complaints involving residential real property
- Adopted new form **Affidavit of Diligent Search and Inquiry** to standardize affidavits and provide information to court regarding methods used to attempt to locate and serve defendant

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Revised Procedural Rules to Improve Case Processing

- Adopted new **Motion to Cancel and Reschedule Foreclosure Sale** form that requires the plaintiff to explain reason, thereby promoting effective case management and keeping properties out of extended limbo

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Revised Procedural Rules to Improve Case Processing

- Amended **Final Judgment of Foreclosure** form to, among other changes:
 - Add a notice to lienholders and directions to property owners as to how to claim a right to funds remaining after public auction
 - Accommodate the option of clerks conducting judicial sales via electronic means

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Managed Mediation of Foreclosure Cases Involving Homestead Properties

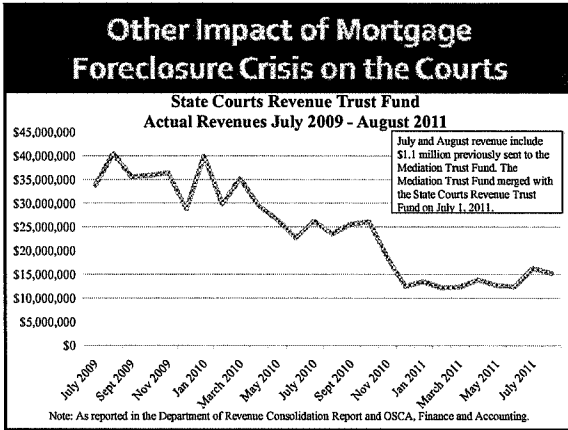
- In December 2009, Supreme Court established Residential Mortgage Foreclosure Mediation Program
- Mandatory adoption of a uniform, statewide managed mediation program to be implemented through a model administrative order to be issued by each circuit chief judge

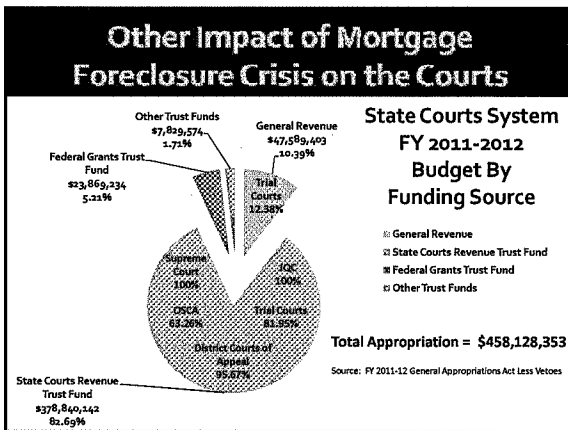
Managed Mediation of Foreclosure Cases Involving Homestead Properties

- All foreclosure cases that involve residential homestead property are referred to mediation, unless:
 - plaintiff and borrower agree otherwise, or
 - effective pre-suit mediation that substantially complies with the managed mediation program requirements has been conducted

Key Determinant Report:
Residential Mortgage Foreclosure Managed Mediation Programs
 Based on Referrals Received from March 2010 to March 2011

| | |
|--|-------|
| Percentage cases referred to program resulting in program manager successfully contacting borrowers | 42.0% |
| Percentage of scheduled mediations failing to go forward because plaintiff's representative did not appear | 2.4% |
| Percentage of scheduled mediations failing to go forward because borrower did not appear | 5.5% |
| Percentage of scheduled mediations failing to go forward because borrower and lender did not appear | 0.4% |
| Percentage of mediations conducted resulting in written agreement | 25.4% |
| Percentage of mediations conducted that did not result in a written agreement | 66.6% |





Questions?

**Key Determinant 120 Day Quarterly Status Report
Residential Mortgage Foreclosure Managed Mediation Programs**

**Number of Events - Based on Referrals Received from March 2010 to March 2011 (Each Referral Tracked 120 Days)
As of August 2011
State Total by Type of Event and Quarter**

| Type of Event | 120 Day Status for Referrals Received from March 2010 to March 2011 | | | | | |
|---|---|--|---|--|--|--|
| | March 2010 | Fourth Quarter FY 2009-10 (April 2010 to June 2010) | First Quarter FY 2010-11 (July 2010 to September 2010) | Second Quarter FY 2010-11 (October 2010 to December 2010) | Third Quarter FY 2010-11 (January 2011 to March 2011) | Total (March 2010 to March 2011) |
| Total Form A Referrals Received for the Month - Case Eligible | 3,196 | 10,390 | 28,505 | 21,212 | 14,773 | 78,076 |
| Total Borrowers Contacted | 1,575 | 4,420 | 11,318 | 8,891 | 6,594 | 32,798 |
| Total Mediations Scheduled | 878 | 2,596 | 4,709 | 3,567 | 2,669 | 14,419 |
| Total Mediations Conducted | 540 | 1,838 | 3,844 | 2,877 | 2,052 | 11,151 |
| Total Form A Referrals Closed with Failure to Appear - Borrower Only | 39 | 116 | 279 | 206 | 150 | 790 |
| Total Form A Referrals Closed with Failure to Appear - Lender Only | 11 | 66 | 156 | 60 | 60 | 353 |
| Total Form A Referrals Closed with Failure to Appear - Both Borrower and Lender | 0 | 2 | 24 | 10 | 16 | 52 |
| Total Form A Referrals Closed with Written Agreements | 204 | 596 | 946 | 644 | 445 | 2,835 |
| Total Form A Referrals Closed without Written Agreements | 331 | 1,184 | 2,517 | 1,957 | 1,437 | 7,426 |
| Total Form A Referrals Pending After 120 Days | 227 | 838 | 2,282 | 1,917 | 1,311 | 6,575 |

Notes:

1. March 2010 includes Circuits 1, 4, 11, and 19. April 2010 and May 2010 include Circuits 1, 3, 4, 11, 14, and 19. June 2010 includes Circuits 1, 2, 3, 4, 11, 14, 17, 18, and 19. July 2010 includes all circuits except Circuit 13 (program began in August 2010). All circuits are included from August 2010 forward.
2. Total Form A Referrals Pending After 120 Days includes, but is not limited to, cases in Bankruptcy, returned cases after a notice of non participation was issued, mediations adjourned, plaintiff's counsel withdrawing, unpaid fees, cases dismissed, and mediations re-scheduled.
3. This report does not include statistics for Osceola and Seminole Counties.

**Key Determinant 120 Day Quarterly Status Report
Residential Mortgage Foreclosure Managed Mediation Programs**

**Percentages - Based on Referrals Received from March 2010 to March 2011 (Each Referral Tracked 120 Days)
As of August 2011
State Total by Type of Event and Quarter**

| Type of Event | 120 Day Status for Referrals Received from March 2010 to March 2011 | | | | | |
|---|---|--|---|--|--|--|
| | March 2010 | Fourth Quarter FY 2009-10 (April 2010 to June 2010) | First Quarter FY 2010-11 (July 2010 to September 2010) | Second Quarter FY 2010-11 (October 2010 to December 2010) | Third Quarter FY 2010-11 (January 2011 to March 2011) | Total (March 2010 to March 2011) |
| The percentage of cases referred to the program that result in the program manager successfully contacting borrowers. | 49.3% | 42.5% | 39.7% | 41.9% | 44.6% | 42.0% |
| The percentage of scheduled mediations failing to go forward because plaintiff's representative did not appear. | 1.3% | 2.5% | 3.3% | 1.7% | 2.2% | 2.4% |
| The percentage of scheduled mediations failing to go forward because the borrower did not appear. | 4.4% | 4.5% | 5.9% | 5.8% | 5.6% | 5.5% |
| The percentage of scheduled mediations failing to go forward because the borrower and lender did not appear. | 0.0% | 0.1% | 0.5% | 0.3% | 0.6% | 0.4% |
| The percentage of mediations conducted resulting in a written agreement. | 37.8% | 32.4% | 24.6% | 22.4% | 21.7% | 25.4% |
| The percentage of mediations conducted that did not result in a written agreement. | 61.3% | 64.4% | 65.5% | 68.0% | 70.0% | 66.6% |

Notes:

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Key Determinant 120 Day Quarterly Status Report

Residential Mortgage Foreclosure Managed Mediation Programs

Number of Events - Based on Referrals Received from March 2010 to March 2011 (Each Referral Tracked 120 Days)

As of August 2011

By Circuit and Type of Event

| Circuit | Total Form A Referrals Received for the Month-Case Eligible | Total Borrowers Contacted | Total Mediations Scheduled | Total Mediations Conducted | Referrals Closed with Failure to Appear-Borrower Only | Total Form A Referrals Closed with Failure to Appear-Lender Only | Referrals Closed with Failure to Appear-Both Borrower and Lender | Total Form A Referrals Closed with Written Agreements | Total Form A Referrals Closed without Written Agreements | Total Form A Referrals Pending After 120 Days |
|--------------|---|---------------------------|----------------------------|----------------------------|---|--|--|---|--|---|
| 1 | 2,962 | 1,446 | 761 | 584 | 44 | 33 | 2 | 277 | 307 | 348 |
| 2 | 829 | 511 | 307 | 272 | 6 | 29 | 0 | 126 | 92 | 81 |
| 3 | 411 | 174 | 84 | 79 | 1 | 6 | 0 | 28 | 41 | 3 |
| 4 | 6,630 | 2,073 | 695 | 534 | 25 | 8 | 2 | 108 | 349 | 204 |
| 5 | 4,266 | 1,449 | 766 | 725 | 29 | 12 | 0 | 155 | 545 | 146 |
| 6 | 5,680 | 3,011 | 1,287 | 1,105 | 56 | 2 | 0 | 229 | 715 | 245 |
| 7 | 2,873 | 877 | 332 | 50 | 2 | 0 | 2 | 7 | 39 | 496 |
| 8 | 597 | 274 | 90 | 85 | 4 | 1 | 2 | 27 | 36 | 42 |
| 9 | 4,258 | 1,291 | 536 | 404 | 19 | 1 | 1 | 73 | 326 | 263 |
| 10 | 2,042 | 772 | 351 | 306 | 19 | 6 | 4 | 76 | 230 | 200 |
| 11 | 16,806 | 7,335 | 3,668 | 2,611 | 209 | 73 | 5 | 740 | 1,871 | 2,488 |
| 12 | 2,333 | 830 | 335 | 292 | 11 | 6 | 0 | 90 | 202 | 395 |
| 13 | 3,567 | 1,764 | 446 | 348 | 18 | 7 | 0 | 82 | 213 | 149 |
| 14 | 796 | 363 | 171 | 156 | 7 | 4 | 0 | 82 | 74 | 85 |
| 15 | 4,632 | 1,407 | 699 | 419 | 45 | 8 | 2 | 77 | 340 | 336 |
| 16 | 416 | 299 | 80 | 72 | 2 | 6 | 0 | 31 | 37 | 80 |
| 17 | 7,238 | 3,303 | 1,279 | 1,213 | 159 | 53 | 16 | 206 | 687 | 160 |
| 18 | 3,019 | 1,320 | 558 | 511 | 47 | 52 | 15 | 78 | 294 | 68 |
| 19 | 4,750 | 2,316 | 1,079 | 849 | 47 | 35 | 1 | 213 | 636 | 481 |
| 20 | 3,971 | 1,983 | 895 | 536 | 40 | 11 | 0 | 130 | 392 | 305 |
| Total | 78,076 | 32,798 | 14,419 | 11,151 | 790 | 353 | 52 | 2,835 | 7,426 | 6,575 |

Notes:

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**Key Determinant 120 Day Quarterly Status Report
Residential Mortgage Foreclosure Managed Mediation Programs**

Percentages - Based on Referrals Received from March 2010 to March 2011 (Each Referral Tracked 120 Days)

As of August 2011

By Circuit and Key Determinate

| Circuit | Borrower Contacted Percentage | Mediations-Lender Failure to Appear Percentage | Mediations-Borrower Failure to Appear Percentage | Mediations-Both Borrower and Lender Failure to Appear Percentage | Mediations With Written Agreement Percentage | Mediations Without Agreement Percentage |
|--------------|-------------------------------|--|--|--|--|---|
| 1 | 48.8% | 4.3% | 5.8% | 0.3% | 47.4% | 52.6% |
| 2 | 61.6% | 9.4% | 2.0% | 0.0% | 46.3% | 33.8% |
| 3 | 42.3% | 7.1% | 1.2% | 0.0% | 35.4% | 51.9% |
| 4 | 31.3% | 1.2% | 3.6% | 0.3% | 20.2% | 65.4% |
| 5 | 34.0% | 1.6% | 3.8% | 0.0% | 21.4% | 75.2% |
| 6 | 53.0% | 0.2% | 4.4% | 0.0% | 20.7% | 64.7% |
| 7 | 30.5% | 0.0% | 0.6% | 0.6% | 14.0% | 78.0% |
| 8 | 45.9% | 1.1% | 4.4% | 2.2% | 31.8% | 42.4% |
| 9 | 30.3% | 0.2% | 3.5% | 0.2% | 18.1% | 80.7% |
| 10 | 37.8% | 1.7% | 5.4% | 1.1% | 24.8% | 75.2% |
| 11 | 43.6% | 2.0% | 5.7% | 0.1% | 28.3% | 71.7% |
| 12 | 35.6% | 1.8% | 3.3% | 0.0% | 30.8% | 69.2% |
| 13 | 49.5% | 1.6% | 4.0% | 0.0% | 23.6% | 61.2% |
| 14 | 45.6% | 2.3% | 4.1% | 0.0% | 52.6% | 47.4% |
| 15 | 30.4% | 1.1% | 6.4% | 0.3% | 18.4% | 81.1% |
| 16 | 71.9% | 7.5% | 2.5% | 0.0% | 43.1% | 51.4% |
| 17 | 45.6% | 4.1% | 12.4% | 1.3% | 17.0% | 56.6% |
| 18 | 43.7% | 9.3% | 8.4% | 2.7% | 15.3% | 57.5% |
| 19 | 48.8% | 3.2% | 4.4% | 0.1% | 25.1% | 74.9% |
| 20 | 49.9% | 1.2% | 4.5% | 0.0% | 24.3% | 73.1% |
| Total | 42.0% | 2.4% | 5.5% | 0.4% | 25.4% | 66.6% |

Notes:

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Foreclosure and Economic Recovery Status Report
Number of Additional Real Property/Mortgage Foreclosure Cases
Added to Backlog and Percent of Cases Disposed
Quarter Ending September 2006 through June 2011

| Quarter | Number of Additional Backlog Cases Added ¹ | Clearance Rate ² |
|-------------------------|--|--------------------------------|
| July - September 2006 | 4,184 | 78.6% |
| October - December 2006 | 8,689 | 64.5% |
| January - March 2007 | 13,748 | 57.0% |
| April - June 2007 | 16,808 | 54.7% |
| July - September 2007 | 26,192 | 45.9% |
| October - December 2007 | 38,778 | 39.8% |
| January - March 2008 | 49,989 | 38.5% |
| April - June 2008 | 50,937 | 43.9% |
| July - September 2008 | 52,864 | 45.9% |
| October - December 2008 | 49,103 | 50.4% |
| January - March 2009 | 50,025 | 53.7% |
| April - June 2009 | 36,397 | 63.2% |
| July - September 2009 | 35,012 | 64.0% |
| October - December 2009 | 28,887 | 69.5% |
| January - March 2010 | 13,392 | 83.7% |
| April - June 2010 | -17,393 | 127.6% |
| July - September 2010 | -16,508 | 125.4% |
| October - December 2010 | -17,866 | 154.4% |
| January - March 2011 | -24,790 | 191.5% |
| April - June 2011 | -30,946 | 205.0% |

¹ Number of Additional Backlog Cases Added was determined by subtracting the number of SRS dispositions from the number of SRS filings for the quarters ending September 30, 2006 through June 30, 2011.

² Clearance Rate was determined by dividing the number of SRS dispositions by the number of SRS filings for the quarters ending September 30, 2006 through June 30, 2011.

Note: The backlog of mortgage foreclosure cases was significantly reduced during the year-long initiative. With more than 200,000 cases disposed, the backlog fell from more than 462,000 cases to under 261,000 cases. The clearance rates, as can be seen above, jumped dramatically during the initiative.

It is important to note that beginning in the second quarter of the year, the number of cases disposed decreased significantly and that trend continued for the rest of the year. However, this was due in large part to the voluntary moratorium imposed by some of the major lenders in Florida. In addition, it was reported that almost half of scheduled hearings were cancelled due to the voluntary moratorium in late 2010.

It is also important to note that half of the total cases disposed during the year were dismissed. Dismissals, which can occur for a number of reasons, may take place after a hearing by a judge, at the request by the plaintiffs' attorney or following a review by a case manager. Variances in case management practices may influence which cases are scheduled for hearings, which would affect the number of dismissals and summary/final judgments.

Foreclosure and Economic Recovery Status Report
Balance of Backlog
First, Second, Third, and Fourth Quarters in FY 2010-11

| Circuit | Real Property/ Mortgage Foreclosure Backlog as of June 30, 2010¹ | First Quarter in FY 2010-11 Initiative Dispositions² (July 2010 to September 2010) | Second Quarter in FY 2010-11 Initiative Dispositions² (October 2010 to December 2010) | Third Quarter in FY 2010-11 Initiative Dispositions² (January 2011 to March 2011) | Fourth Quarter in FY 2010-11 Initiative Dispositions² (April 2011 to June 2011) | Total FY 2010-11 Initiative Dispositions² | Balance of Backlog After FY 2010-11 Initiative³ |
|----------------|--|--|---|---|---|---|---|
| 1 | 10,979 | 1,098 | 983 | 842 | 1,433 | 4,356 | 6,623 |
| 2 | 3,460 | 417 | 370 | 399 | 335 | 1,521 | 1,939 |
| 3 | 1,115 | 220 | 211 | 245 | 152 | 828 | 287 |
| 4 | 17,916 | 2,436 | 1,739 | 3,407 | 2,768 | 10,350 | 7,566 |
| 5 | 16,281 | 1,008 | 1,105 | 1,084 | 800 | 3,997 | 12,284 |
| 6 | 31,791 | 3,575 | 1,750 | 868 | 745 | 6,938 | 24,853 |
| 7 | 18,440 | 3,792 | 2,086 | 1,643 | 1,854 | 9,375 | 9,065 |
| 8 | 1,926 | 536 | 519 | 446 | 375 | 1,876 | 50 |
| 9 | 39,700 | 7,816 | 5,322 | 4,478 | 4,747 | 22,363 | 17,337 |
| 10 | 11,045 | 3,159 | 1,614 | 1,378 | 1,805 | 7,956 | 3,089 |
| 11 | 75,326 | 5,553 | 5,154 | 8,177 | 12,164 | 31,048 | 44,278 |
| 12 | 21,617 | 2,305 | 3,122 | 1,405 | 2,048 | 8,880 | 12,737 |
| 13 | 32,843 | 4,207 | 1,720 | 449 | 380 | 6,756 | 26,087 |
| 14 | 3,897 | 854 | 506 | 388 | 546 | 2,294 | 1,603 |
| 15 | 46,438 | 10,234 | 3,948 | 3,949 | 4,582 | 22,713 | 23,725 |
| 16 | 2,259 | 183 | 233 | 372 | 245 | 1,033 | 1,226 |
| 17 | 48,675 | 9,651 | 3,768 | 3,670 | 3,838 | 20,927 | 27,748 |
| 18 | 27,117 | 3,557 | 2,375 | 1,767 | 2,152 | 9,851 | 17,266 |
| 19 | 19,061 | 1,273 | 501 | 932 | 800 | 3,506 | 15,555 |
| 20 | 32,453 | 9,707 | 4,717 | 6,210 | 4,322 | 24,956 | 7,497 |
| Total | 462,339 | 71,581 | 41,743 | 42,109 | 46,091 | 201,524 | 260,815 |

¹ Real Property/Mortgage Foreclosure Backlog as of June 30, 2010 was determined by subtracting the number of SRS dispositions from the number of SRS filings for July 1, 2006 through June 30, 2010.

² Initiative Dispositions are based on data that is provided to the OSCA on a monthly basis by each trial court. First, second, third, and fourth quarter data are the reported information on cases disposed using the new resources. Total represents the sum of the first, second, third, and fourth quarters. In addition, Desoto County and Okeechobee County did not receive Foreclosure and Economic Recovery funding and are not included above.

³ Balance of Backlog After FY 2010-11 Initiative was determined by subtracting the Total FY 2010-11 Initiative Dispositions from the number of Real Property/Mortgage Foreclosure Backlog as of June 30, 2010.

Foreclosure and Economic Recovery Status Report

Type of Dispositions¹

July 1, 2010 through June 30, 2011

| Circuit | Dismissed | Summary/ Final Judgment | Trial | Other ² | Unidentified | Total Disposed |
|--------------|----------------|-------------------------------|------------|--------------------|--------------|-------------------|
| 1 | 2,727 | 1,624 | 3 | 2 | 0 | 4,356 |
| 2 | 794 | 676 | 4 | 47 | 0 | 1,521 |
| 3 | 512 | 309 | 0 | 7 | 0 | 828 |
| 4 | 5,531 | 4,615 | 1 | 1 | 202 | 10,350 |
| 5 | 2,877 | 1,082 | 3 | 35 | 0 | 3,997 |
| 6 | 1,329 | 5,602 | 1 | 6 | 0 | 6,938 |
| 7 | 4,254 | 5,103 | 11 | 7 | 0 | 9,375 |
| 8 | 931 | 759 | 6 | 180 | 0 | 1,876 |
| 9 | 8,830 | 13,529 | 3 | 1 | 0 | 22,363 |
| 10 | 3,517 | 4,430 | 1 | 8 | 0 | 7,956 |
| 11 | 23,794 | 7,224 | 30 | 0 | 0 | 31,048 |
| 12 | 5,067 | 3,728 | 79 | 6 | 0 | 8,880 |
| 13 | 226 | 6,530 | 0 | 0 | 0 | 6,756 |
| 14 | 1,187 | 1,107 | 0 | 0 | 0 | 2,294 |
| 15 | 11,638 | 11,044 | 31 | 0 | 0 | 22,713 |
| 16 | 729 | 303 | 1 | 0 | 0 | 1,033 |
| 17 | 8,838 | 12,088 | 1 | 0 | 0 | 20,927 |
| 18 | 5,695 | 4,075 | 19 | 62 | 0 | 9,851 |
| 19 | 2,042 | 1,454 | 4 | 2 | 4 | 3,506 |
| 20 | 13,608 | 11,348 | 0 | 0 | 0 | 24,956 |
| Total | 104,126 | 96,630 | 198 | 364 | 206 | 201,524 |

¹ Type of Dispositions are based on the initiative data that is provided to the OSCA on a monthly basis by each trial court. These data represent the reported information on cases disposed from July 1, 2010 through June 30, 2011 using the new resources. In addition, Desoto County and Okeechobee County did not receive Foreclosure and Economic Recovery funding and are not included above.

² Other is used to report cases disposed when they are: administratively dismissed, consolidated into a primary case, transferred or have a change of venue, etc.

Note: Numerous methods are used by the circuits to calendar real property/mortgage foreclosure cases which could affect the number of dismissals and summary/final judgments within a circuit. These methods are: 1) following a review by a case manager; 2) at the request of the plaintiffs' attorney; and 3) after hearing by a judge. The majority of circuits calendar hearings following a case review by a case manager. These cases are calendared for either a case management or lack of prosecution hearing. A number of circuits also calendar cases at the request of the plaintiffs' attorneys. These cases are either calendared based upon the request alone or based upon the request and ensurance that the case meets the threshold for a summary/final judgment.

Foreclosure and Economic Recovery Status Report
Case Status¹
As of June 30, 2011

| Circuit | Cases Disposed | Cases Active² | Cases Inactive³ | Cases Stayed⁴ |
|----------------|-----------------------|---------------------------------|-----------------------------------|---------------------------------|
| 1 | 4,356 | 113 | 6,586 | 61 |
| 2 | 1,521 | 1,190 | 1,407 | 15 |
| 3 | 828 | 184 | 249 | 35 |
| 4 | 10,350 | 11,743 | 6,557 | 304 |
| 5 | 3,997 | 705 | 13,431 | 1 |
| 6 | 6,938 | 5,332 | 24,178 | 218 |
| 7 | 9,375 | 5 | 10,721 | 389 |
| 8 | 1,876 | 1,466 | 641 | 21 |
| 9 | 22,363 | 7,154 | 31,273 | 16 |
| 10 | 7,956 | 6,020 | 4,614 | 168 |
| 11 | 31,048 | 50,785 | 1,730 | 0 |
| 12 | 8,880 | 3,390 | 10,405 | 166 |
| 13 | 6,756 | 26,757 | 379 | 9 |
| 14 | 2,294 | 2,461 | 1,380 | 54 |
| 15 | 22,713 | 32,157 | 5,619 | 142 |
| 16 | 1,033 | 1,040 | 755 | 26 |
| 17 | 20,927 | 24,781 | 28,202 | 0 |
| 18 | 9,851 | 103 | 22,466 | 26 |
| 19 | 3,506 | 16,757 | 4,017 | 91 |
| 20 | 24,956 | 4,069 | 5,570 | 518 |
| Total | 201,524 | 196,212 | 180,180 | 2,260 |

¹ Cases Status is based on the initiative data that is provided to the OSCA on a monthly basis by each trial court. Cases Disposed represent the reported information on dispositions from July 1, 2010 through June 30, 2011 using the new resources and the status of the remaining pending cases. In addition, Desoto and Okeechobee Counties did not receive Foreclosure and Economic Recovery funding and are not included above.

² Cases Active represents those cases the court is actively working to resolve. Court administration may not be made aware immediately when a case moves from inactive to active status.

³ Cases Inactive represents cases where judicial action cannot be concluded due to extenuating circumstances. This includes, but is not limited to, cases inactive due to attorney inactivity, cases with insufficient pleadings or documentation, cases involved in mediation/settlement negotiations, and other similar matters. It is important to note that all cases at the beginning of the initiative in July 2010 were identified as inactive.

⁴ Cases Stayed includes bankruptcy cases, cases pending resolution of another case, cases where there is an agreement of the parties, and cases pending appeal.