



Defaulting on the Dream:
States Respond to America's Foreclosure Crisis

Oklahoma

ONE THIRD OF ALL MORTGAGES issued in Oklahoma in 2005 and 2006 were subprime loans. As a result, one in 47 Oklahoma homeowners is projected to face foreclosure on their homes, primarily over the next two years, as some of those borrowers struggle to make their payments. This is better than the U.S. average of one in 33 homeowners. Still, neighbors of foreclosed properties may lose on average more than \$1,500 in their property values as a result.



ASSESSMENT: Oklahoma has implemented some programs try to address its foreclosure challenges. Its 2003 Home Ownership and Equity Protection Act seeks to curb high-cost lending and the state's counseling service works with current homeowners in danger of foreclosure.

THE FACTS: The ripple effects of the foreclosure crisis

- **1 in 47** homeowners is projected to experience foreclosure on their home as a result of their high-cost loan
- **32 percent** of all loans made in 2005-2006 were subprime
- **28 percent** of all homeowners will likely feel the ripple effects of foreclosures from subprime loans
- Affected homeowners are expected to lose **\$1,665** on average in property values
- **\$427 million** is projected to be lost from the combined state and local tax base

How severe is the state's challenge?

Four filled houses represent the most severe challenge.



THE RESPONSE: Preserving a piece of the dream

GOALS	ACTIONS	STATUS*
Avoiding foreclosure	State-funded refinance program	<input type="checkbox"/>
	Loan modification	<input type="checkbox"/>
	Preventing rescue scams	<input type="checkbox"/>
	Counseling available	<input checked="" type="checkbox"/>
Using all your tools	Task force	<input type="checkbox"/>
Pre-empting high-cost lending	High-cost lending laws	<input checked="" type="checkbox"/>
	Aligns mortgage broker to consumer interests	<input type="checkbox"/>

■ = action taken □ = no action taken

How responsive has the state been?

Four filled houses represent the most responsive.



*As of January 31, 2008

THE FORECLOSURE NUMBERS:

The projections above are from the Center for Responsible Lending's subprime spillover research. These estimates focus on foreclosures resulting from subprime loans made to owner-occupants in 2005 and 2006. For a full description of the methodology, please see *Defaulting on the Dream: States Respond to America's Foreclosure Crisis*.



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