



Consumer Finance & Mortgage Banking Client Bulletin



April 2008

Bricker & Eckler LLP

100 South Third Street
Columbus, Ohio 43215-4291

Phone 614 . 227 . 2300
Fax 614 . 227 . 2390
info@bricker.com
www.bricker.com

COLUMBUS | CLEVELAND
CINCINNATI-DAYTON

Members of the
Consumer Finance &
Mortgage Banking Group

Drew H. Campbell
Kenneth C. Johnson
Luther L. Liggett, Jr.
Terrence O'Donnell
Nelson M. Reid
Justin W. Ristau
Christopher N. Slagle
David M. Whittaker

This document has been prepared as a general reference document for informational purposes. The information contained herein is not intended to be and should not be construed as legal advice. Each circumstance should be considered and evaluated separately, and possibly with involvement of legal counsel.

Compact to Help Ohioans Preserve Homeownership

On April 7, 2008 Ohio Governor Ted Strickland announced the "Compact to Help Ohioans Preserve Homeownership" signed by the State and nine national mortgage loan servicers. Each servicer negotiated an individual compact with the state, but all agreed to adhere to the six "Fundamental Principles." These nonbinding agreements were signed and made effective between April 3, 2008 and April 7, 2008 and all expire on June 30, 2009.

The six uniform principles agreed to are:

Principle One

Willingness to engage in a substantial and large-scale loan modification effort for ARM resets and subprime mortgages.

Principle Two

Willingness to identify, evaluate and make good faith attempts to contact at-risk or defaulting borrowers as soon as possible.

Principle Three

Willingness to modify loans to the extent permissible within existing fiduciary, contractual or other legal obligations and in accordance with prudent mortgage lending and servicing practices.

Principle Four

Willingness to create incentives for staff and foreclosure counsel to modify loans rather than foreclosure.

Principle Five

Willingness to report progress to the Department of Commerce.

Principle Six

Willingness to enter into a non-binding agreement with the State for some defined period of time.

For more information, please contact Terrence O'Donnell at todonnell@bricker.com or 614.227.2345 or Francisco Lüttecke at fluttecke@bricker.com or 614.227.4877.

This bulletin was prepared by the Bricker & Eckler LLP Consumer Finance & Mortgage Banking practice group.

This bulletin may be accessed online at: <http://www.bricker.com/Publications/>.

Consumer Finance & Mortgage Banking Group

Drew H. Campbell
614.227.2319
dcampbell@bricker.com

Luther L. Liggett, Jr.
614.227.2399
lliggett@bricker.com

Nelson M. Reid
614.227.8812
nreid@bricker.com

Christopher N. Slagle
614.227.8826
cslagle@bricker.com

Kenneth C. Johnson
614.227.2322
kjohnson@bricker.com

Terrence O'Donnell
614.227.2345
todonnell@bricker.com

Justin W. Ristau
614.227.4857
jristau@bricker.com

Jeffery E. Smith
614.227.2352
jsmith@bricker.com

David M. Whittaker
614.227.2355
dwhittaker@bricker.com