



**Consumer Federation of America**

# Characteristics of Non-Traditional Borrowers

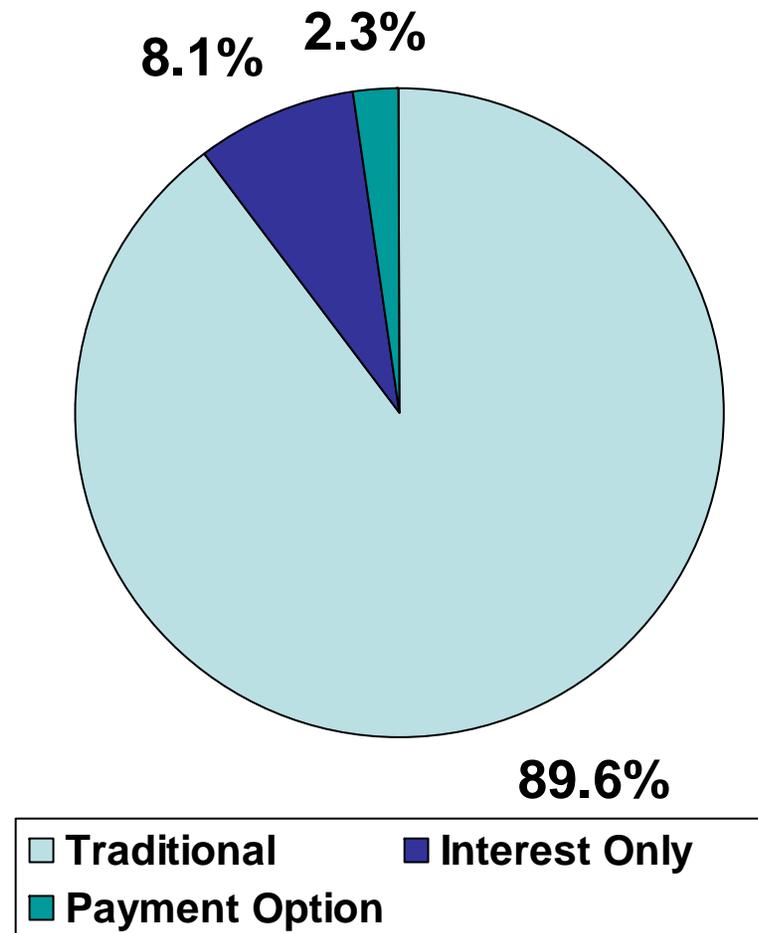
From CFA's Exotic or Toxic? An Examination of the Non-Traditional Mortgage Market for Consumers and Lenders

Federal Trade Commission Workshop  
Washington, DC - May 24, 2006

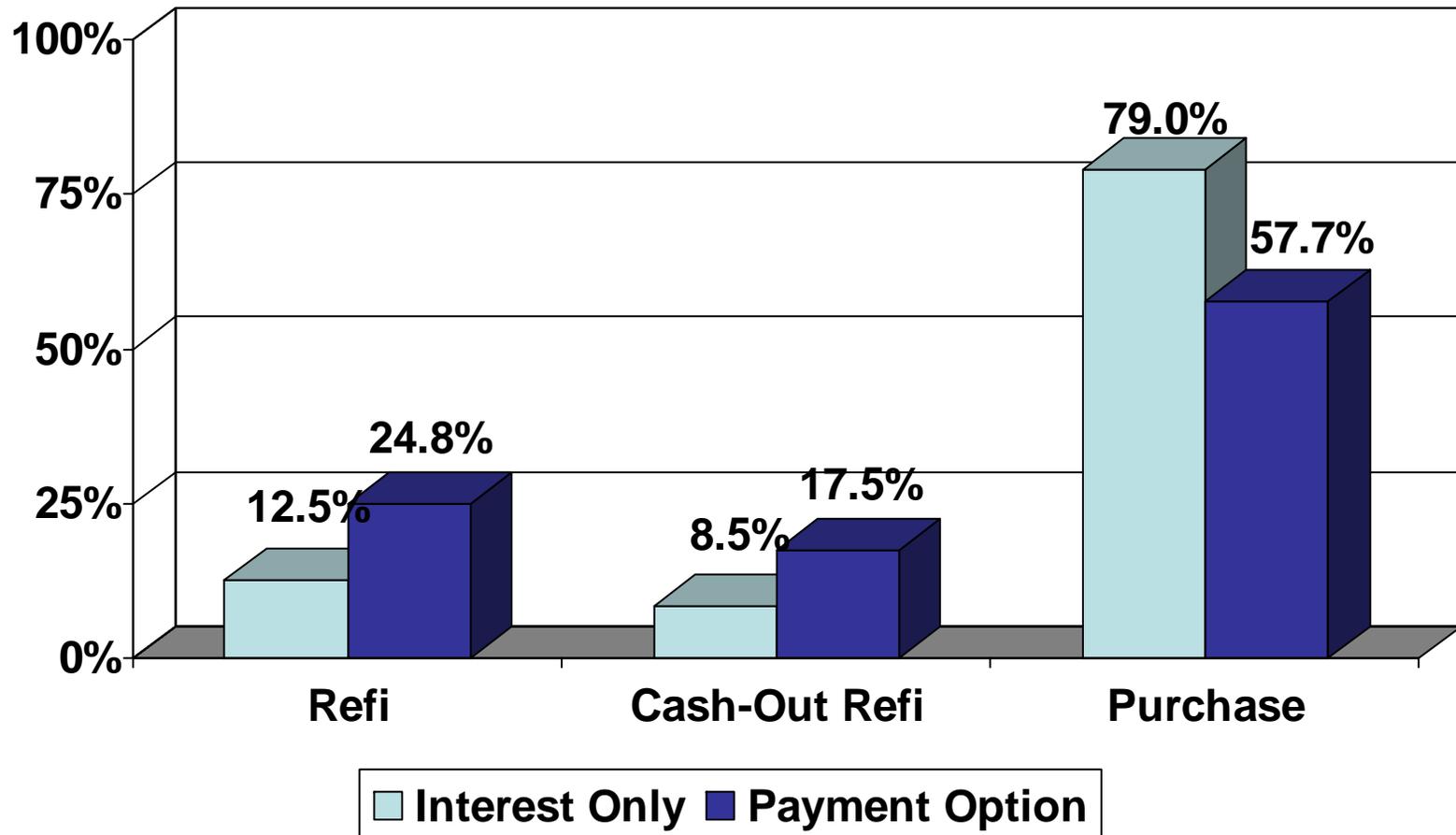
Allen Fishbein  
Director of Housing and Credit Policy

# Examination of Borrowers

- CFA examined more than 100,000 loans made between January and October 2005
- Interest only and payment option loans were identified
- Data includes income, loan, purpose, credit score, LTV ratios, geography to MSA level and some racial data
- Loans originated in every state

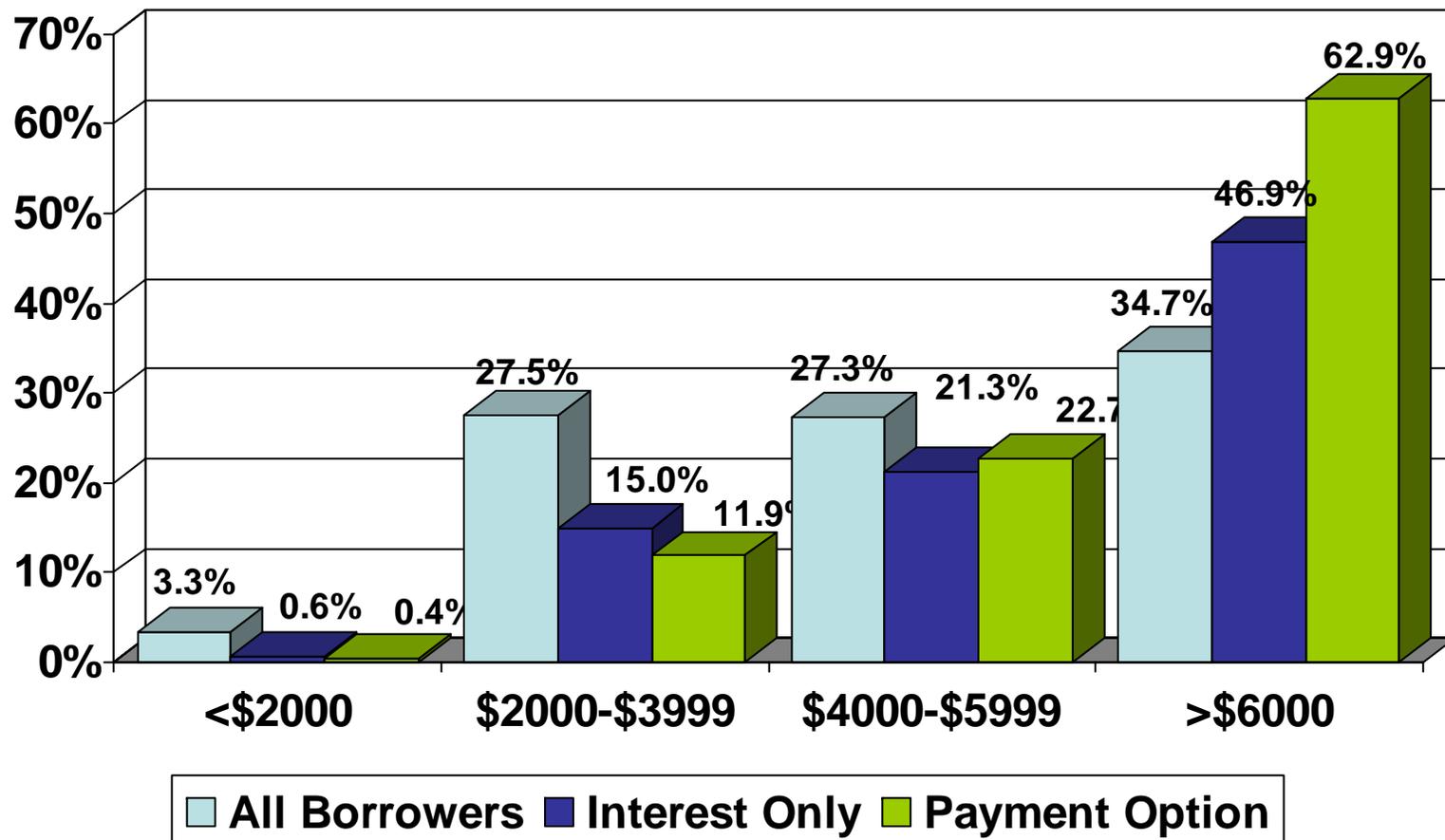


# Purpose of Non-Traditional Mortgages



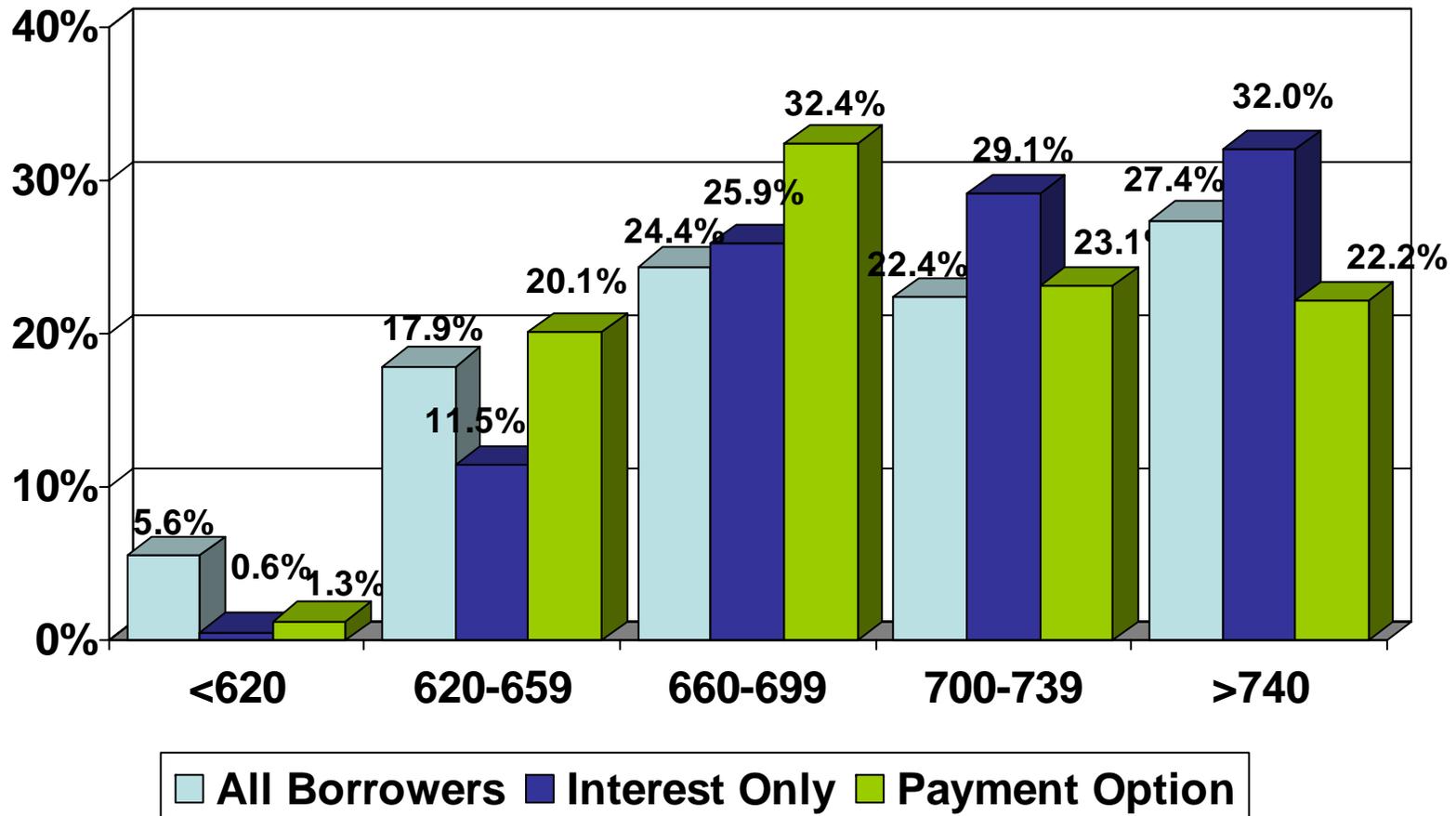
Source: Consumer Federation of America

# Distribution of Monthly Borrower Income by Mortgage Type



Source: Consumer Federation of America

# Distribution of Borrower FICO Score by Loan Type



Source: Consumer Federation of America

# Combined LTV Ratio by Loan Type

