
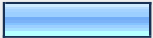
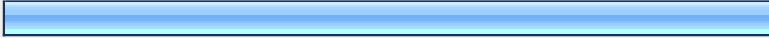

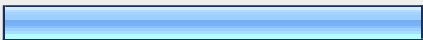



# The Housing and Economic Crisis: A Micro-Business Perspective






1. Do you own your home?			Response Percent	Response Count
Yes			84.3%	1991
No			15.8%	373
			<b>answered question</b>	<b>2363</b>
			<b>skipped question</b>	<b>0</b>

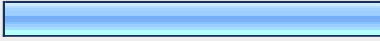
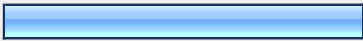
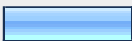


2. Do you have a mortgage on your home?			Response Percent	Response Count
Yes			84.9%	1687
No			15.1%	299
			<b>answered question</b>	<b>1986</b>
			<b>skipped question</b>	<b>377</b>







3. When did you get your current mortgage?			Response Percent	Response Count
Prior to 2002			24.3%	410
2002			5.8%	98
2003			10.0%	168
2004			11.9%	201
2005			14.7%	247
2006			15.1%	255
2007			18.1%	305
			<b>answered question</b>	<b>1684</b>
			<b>skipped question</b>	<b>679</b>

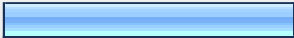
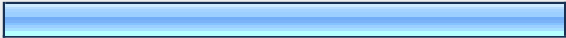

4. Did you use your home to get cash for personal or business expenses by using a mortgage or by refinancing?				
			Response Percent	Response Count
Yes			45.9%	756
No			54.1%	890
			<b>answered question</b>	<b>1646</b>
			<b>skipped question</b>	<b>717</b>


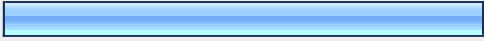

5. What type of mortgage or refinancing do you have? Definition of ARM (Adjustable Rate Mortgage): The interest rate changes periodically. The resulting monthly payments may go up or down.				
			Response Percent	Response Count
<p>Alt-A or Alt A ARM: Targeted to the self-employed with average or good credit scores. Borrowers were not required to prove their "true" income (no income documentation). Borrowers were enticed by initial low minimum payments. After introductory period, typically for up to 5 years, at reset, the monthly payment increases substantially.</p>			4.4%	72
<p>Option ARM or Pay-Option ARM: Most flexible type of adjustable rate mortgages. Borrower selects the amount they pay each month. Option ARMS entice borrowers by initial low minimum payments, but after an introductory period of up to 5 years, the required minimum monthly payment increases substantially at reset.</p>			3.7%	61
<p>Subprime or Subprime ARM: Borrowers with poor credit histories. The borrowers were usually enticed by adjustable or low teaser rates for an initial period. At reset, the interest rates will increase to unexpectedly high levels, which will put the borrower at-risk of foreclosure.</p>			1.2%	20
<p>Interest-Only: Pay only interest for a fixed period -- usually from 5 to 10 years. This means the principal</p>				



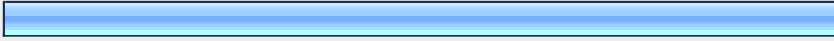

never goes down. After this period, at reset, the borrower must either pay the entire principal off or start paying down the principal, which results in much higher monthly payments.		7.5%	124
Balloon Mortgage: Low monthly payments for 2 to 10 years (often slightly below the monthly payment on a 30-year fixed rate mortgage). After this fixed period, the principal must be paid as a lump sum.		1.4%	23
Home Equity Loan: Fluctuating monthly payments based upon fluctuating interest rates.		8.3%	137
<b>Fixed-Rate Mortgage: The interest rate and monthly payments are fixed for the life of the loan.</b>		<b>70.0%</b>	<b>1152</b>
Other		3.5%	57
		<b>answered question</b>	<b>1646</b>
		<b>skipped question</b>	<b>717</b>


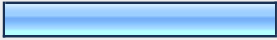
<b>6. As you went through the process of finalizing your mortgage or refinancing, how well did you understand the terms and conditions associated with the mortgage or refinancing option you chose?</b>			
		<b>Response Percent</b>	<b>Response Count</b>
<b>Excellent understanding</b>		<b>41.5%</b>	<b>681</b>
Good understanding		39.6%	650
Fair understanding		13.9%	228
Poor understanding		4.8%	79
No understanding		0.2%	3
		<b>answered question</b>	<b>1641</b>
		<b>skipped question</b>	<b>722</b>

7. If you have a mortgage that is scheduled to RESET (monthly payment increase), when will it be?			Response Percent	Response Count
2008			3.0%	49
2009			4.6%	75
2010			3.2%	53
2011 or later			6.0%	98
<b>No Reset/ Not applicable</b>			<b>79.0%</b>	1296
Do not know			4.2%	69
			<i>answered question</i>	<b>1640</b>
			<i>skipped question</i>	<b>723</b>


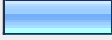
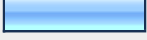
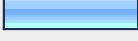
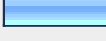
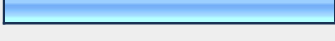
8. For those expecting RESET (monthly payment increase), do you know the monthly mortgage payment you will be required to pay after RESET?			Response Percent	Response Count
Yes			31.7%	86
No			<b>62.0%</b>	168
Not Applicable			6.3%	17
			<i>answered question</i>	<b>271</b>
			<i>skipped question</i>	<b>2092</b>

9. Will you be able to pay the new higher monthly mortgage payment?			Response Percent	Response Count
Yes, I am not worried.			38.7%	105
<b>No, I am very worried because the monthly payment may be too high for me to pay</b>			52.8%	143
Not applicable			8.5%	23
			<b>answered question</b>	<b>271</b>
			<b>skipped question</b>	<b>2092</b>



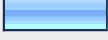
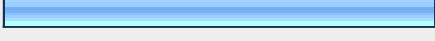




10. At this time, have you missed any monthly mortgage payments, and how many have you missed?			Response Percent	Response Count
Yes, I have missed one or two payments			4.3%	71
Yes, I have missed three or more payments			2.5%	41
<b>No, I am up-to-date</b>			92.0%	1505
Not applicable			1.1%	18
			<b>answered question</b>	<b>1635</b>
			<b>skipped question</b>	<b>728</b>

11. Do you operate a business in your home?			Response Percent	Response Count
Yes			70.1%	1603
No			29.9%	683
			<b>answered question</b>	<b>2286</b>
			<b>skipped question</b>	<b>77</b>


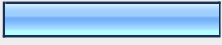
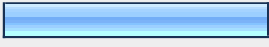

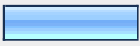
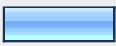
### 12. How long have you been in business?

		Response Percent	Response Count
Less than 1 year		10.8%	248
1 to 2 years		11.6%	266
3 to 4 years		15.4%	352
5 to 7 years		14.6%	333
8 to 10 years		11.2%	256
<b>More than 10 years</b>		<b>36.4%</b>	<b>831</b>
		<b>answered question</b>	<b>2286</b>
		<b>skipped question</b>	<b>77</b>


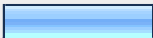






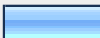
### 13. Which below was the primary source of cash or financing you utilized to start your business?

		Response Percent	Response Count
Mortgage or refinanced your home		4.2%	93
Home equity loan		6.5%	144
Credit card(s)		11.1%	248
<b>Personal savings</b>		<b>47.3%</b>	<b>1053</b>
Borrowed money from family or friend(s)		6.8%	151
Other loans or lines of credit from lending institutions (i.e. bank, credit union, finance company)		10.4%	231
Government funds/loans (local, state, federal, SBA)		1.4%	31
Other (please specify)		12.3%	274
		<b>answered question</b>	<b>2225</b>
		<b>skipped question</b>	<b>138</b>

**14. When you have needed additional cash for your business, where did you get it?**

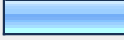
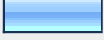
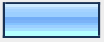


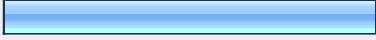
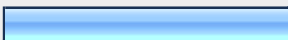
		Response Percent	Response Count
Mortgage or refinanced your home		3.2%	71
Home equity loan		11.0%	245
Credit card(s)		23.5%	523
<b>Personal savings</b>		<b>29.0%</b>	645
Borrowed money from family or friend(s)		6.2%	138
Other loans or lines of credit from lending institutions (i.e. bank, credit union, finance company)		14.5%	323
Government funds/loans (local, state, federal, SBA)		0.5%	12
Other (please specify)		12.0%	268
		<b><i>answered question</i></b>	<b>2225</b>
		<b><i>skipped question</i></b>	<b>138</b>

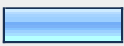




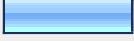
15. Which of the below is your chief worry regarding the current economic crisis?

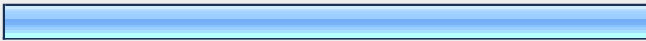
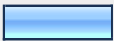
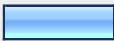

		Response Percent	Response Count
My money in the bank is at risk		1.4%	31
My savings in a 401K or other retirement savings vehicles is at risk		16.2%	357
My taxes will be increased		12.7%	280
I will be unable to access credit or loans		6.8%	150
I will be unable to afford my housing costs (mortgage and utilities) and may lose my home		10.2%	225
The value of my home will continue to fall		6.4%	141
The slow economy may force me to downsize my business (i.e. let go of employees)		6.1%	135
<b>Significant decreases in sales and revenue due to the slow economy may force me out of business</b>		<b>29.7%</b>	<b>656</b>
Other (please specify)		10.6%	235
		<b><i>answered question</i></b>	<b>2210</b>
		<b><i>skipped question</i></b>	<b>153</b>



**16. Due to the recent financial crisis, have you experienced any of the following affects to your business? (Select all that apply)**

		Response Percent	Response Count
My line(s) of credit from my financial institution (i.e. bank, credit union, finance company) have been decreased or cut		13.2%	290
My credit card limits have been lowered		10.6%	233
I've had difficulty obtaining business loans		10.2%	225
I've had difficulty obtaining a home equity loan and/or refinancing my home		9.0%	198
I've had difficulty obtaining a loan for personal expenses such as car or education (college)		7.8%	171
<b>I have experienced no affects from this financial crisis</b>		<b>41.0%</b>	<b>903</b>
Other (please specify)		31.4%	691
		<b><i>answered question</i></b>	<b>2204</b>
		<b><i>skipped question</i></b>	<b>159</b>

17. Please indicate which of the below you think is most responsible for our nation's current economic problems?			
		Response Percent	Response Count
Lack of oversight and regulation on financial sector		12.7%	280
<b>Irresponsible business practices by financial services companies and Wall Street</b>		<b>30.2%</b>	664
Americans living beyond their financial means		26.3%	578
Economic policies of the Administration		6.3%	138
Economic policies of Congress		10.7%	236
Other (please specify)		13.8%	304
		<b>answered question</b>	<b>2200</b>
		<b>skipped question</b>	<b>163</b>

18. Which statement best describes your business?			
		Response Percent	Response Count
<b>A career that presently supplies the main source of income in my household</b>		<b>71.1%</b>	1561
A part-time business to supplement another income in my household		11.7%	257
A start-up business with the potential to become a permanent, main source of income		11.9%	261
Other (please specify)		5.4%	118
		<b>answered question</b>	<b>2197</b>
		<b>skipped question</b>	<b>166</b>

**19. Please indicate your age:**

		Response Percent	Response Count
Under 25		0.6%	13
25 to 34		8.5%	185
35 to 44		21.6%	473
<b>45 to 54</b>		<b>39.8%</b>	870
55 to 64		27.6%	603
65 or older		2.0%	44
		<i>answered question</i>	<b>2188</b>
		<i>skipped question</i>	<b>175</b>

**20. Please indicate your gender:**

		Response Percent	Response Count
<b>Male</b>		<b>60.2%</b>	1318
Female		39.8%	870
		<i>answered question</i>	<b>2188</b>
		<i>skipped question</i>	<b>175</b>