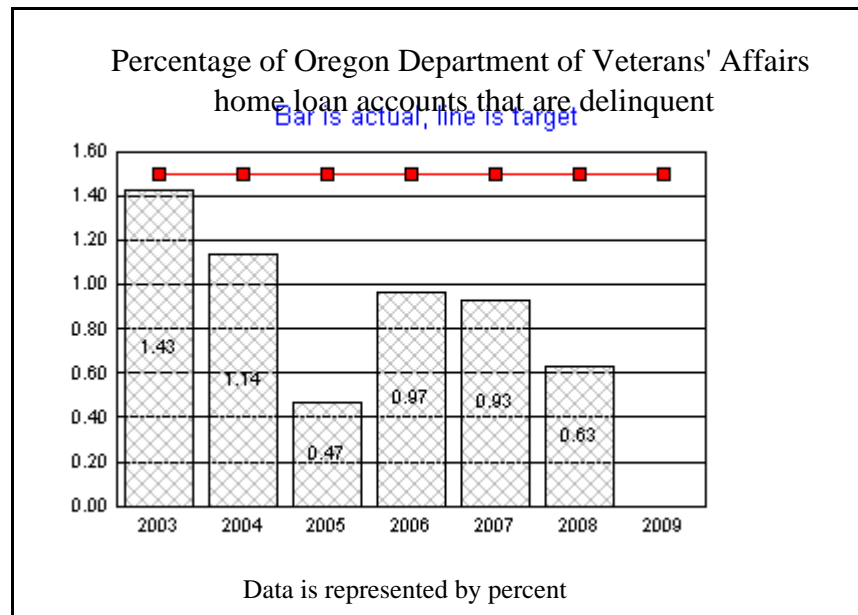


<b>KPM #1</b>	DELINQUENT ACCOUNTS - Percentage of Oregon Department of Veterans' Affairs home loan accounts that are delinquent.	2003
<b>Goal</b>	FISCAL INTEGRITY - Maintain fiscal integrity of Veterans' Home Loan Program.	
<b>Oregon Context</b>	OREGON BENCHMARK #36 - State general obligation bond rating (Standard and Poor's).	
<b>Data Source</b>	Annual Continuing Disclosure Certificates filed by the Department with each nationally-recognized Municipal Securities Info Repository.	
<b>Owner</b>	Veterans' Home Loans	



**1. OUR STRATEGY**

Underwriting and Collection - Quality underwriting and early intervention efforts are made to reduce delinquencies. Partners include Department approved mortgage lenders and brokers, veterans' organization national service officers, and county veterans' service officers.

**2. ABOUT THE TARGETS**

This performance measure demonstrates the effectiveness of the Department's underwriting and collection efforts. Lower delinquency rates indicate fewer delinquent accounts.

**3. HOW WE ARE DOING**

As of June 30, 2008, only 0.63% of the Department's total loan accounts were delinquent meeting the Department's goal of having less than 1.5% of its accounts being delinquent.

**4. HOW WE COMPARE**

The Department's delinquency rate was below that of private sector prime loans during the 2007-08 reporting year.

**5. FACTORS AFFECTING RESULTS**

The Department's early intervention efforts have successfully helped keep delinquencies low. The Department works with its veteran borrowers to ensure receipt of veterans' benefits to which they are entitled. This sometimes provides the necessary funds to help the borrower avoid account delinquency. Factors that could affect results that are beyond the Department's control are the Oregon economy, the interest rate environment and natural disasters.

**6. WHAT NEEDS TO BE DONE**

The Department needs to continue to closely monitor customer account payment histories and use early intervention to assist borrowers.

**7. ABOUT THE DATA**

The reporting cycle is the Oregon fiscal year. An annual audit of performance measures is performed by the Department's internal auditor to verify reliability and accuracy of data reported.