

OCC Mortgage Metrics Report

Disclosure of National Bank and Federal Savings
Association Mortgage Loan Data

First Quarter 2013

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Executive Summary

This *OCC Mortgage Metrics Report* for the first quarter of 2013 provides performance data on first-lien residential mortgages serviced by selected national banks and one federal savings association. The mortgages in this portfolio comprise 55 percent of all mortgages outstanding in the United States—27.9 million loans totaling \$4.7 trillion in principal balances. This report provides information on their performance through March 31, 2013.

Strengthening economic conditions, servicing transfers, home retention efforts, and home forfeiture actions contributed to improving performance of home mortgages in the first quarter of 2013. At the end of the first quarter of 2013, 90.2 percent of mortgages serviced by the reporting servicers were current and performing, compared with 89.4 percent at the end of 2012 and 88.9 percent a year earlier. The percentage of mortgages that were 30 to 59 days past due was 2.6 percent, down 9.3 percent from the previous quarter but up 3.0 percent from a year ago. The percentage of mortgages included in this report that were seriously delinquent—60 or more days past due or held by bankrupt borrowers whose payments were 30 or more days past due—decreased to 4.0 percent compared with 4.4 percent at the end of 2012 and 4.5 percent a year ago. The percentage of mortgages that were seriously delinquent decreased 10.4 percent from a year earlier.

The number of loans in the process of foreclosure at the end of the first quarter of 2013 decreased by 28.6 percent from a year ago to 907,231. The decline in loans in the process of foreclosure is attributable to the declining number of significantly delinquent mortgages and a reduction in the number of newly initiated foreclosures from a year ago.

In the first quarter of 2013, servicers initiated 178,356 new foreclosures—a 13.8 percent increase from the previous quarter but a 37.8 percent decrease from a year ago. Factors contributing to the decline from a year ago include improved economic conditions and aggressive foreclosure prevention assistance during 2012, disaster relief efforts that included suspending foreclosures in areas affected by Superstorm Sandy, and transfer of loans to servicers outside the federal banking system. The number of completed foreclosures fell to 84,972, a 19.7 percent decrease from the previous quarter and a 30.9 percent decrease from a year ago.

Servicers implemented 348,733 home retention actions—including modifications, trial-period plans, and shorter-term payment plans—compared with 131,704 home forfeiture actions during the quarter, comprising completed foreclosures, short sales, and deed-in-lieu-of-foreclosure actions. The number of home retention actions implemented by servicers decreased by 5.0 percent from the previous quarter and 1.2 percent from a year earlier. Nearly 94 percent of modifications in the first quarter of 2013 reduced monthly principal and interest payments; 56.4 percent of modifications reduced payments by 20 percent or more. Modifications reduced payments by \$361 per month on average, while modifications made under the Home Affordable Modification Program (HAMP) reduced monthly payments by an average of \$547.

Mortgage Performance

- The overall percentage of mortgages in this report that were current and performing increased to 90.2 percent at the end of the first quarter of 2013 (see table 7).
- The percentage of mortgages that were seriously delinquent at the end of the quarter was 4.0 percent. The percentage of mortgages that were seriously delinquent decreased 10.4 percent from a year earlier (see table 7).

- The percentage of government-guaranteed mortgages that were current and performing increased to 86.2 percent compared with 85.9 percent a year earlier (see table 9). Government-guaranteed mortgages compose 24.5 percent of the total serviced portfolio. The percentage of government-guaranteed mortgages that were seriously delinquent decreased during the first quarter to 6.2 percent from 7.1 percent the previous quarter and 7.0 percent a year earlier (see table 9).
- Mortgages serviced for Fannie Mae and Freddie Mac (government-sponsored enterprises or GSE) made up 56.6 percent of the mortgages in this report. The percentage of these mortgages that were current and performing was 94.6 percent (see table 10), an increase from the previous quarter and from a year earlier.

Home Retention Actions: Loan Modifications, Trial-Period Plans, and Payment Plans

- Servicers implemented 348,733 home retention actions—modifications, trial-period plans, and payment plans—during the first quarter of 2013 (see table 1). Home retention actions were more than twice the number of completed foreclosures, short sales, and deed-in-lieu-of-foreclosure actions in the quarter (see table 5).
- New home retention actions included 138,546 modifications, 102,912 trial-period plans, and 107,275 payment plans (see table 1). HAMP modifications decreased 5.3 percent from the previous quarter to 27,728 and were down 26.0 percent from a year earlier. Other modifications decreased to 110,818—a decrease of 2.9 percent from the previous quarter but a 71.3 percent increase from a year earlier. HAMP trial-period plans decreased by 30.0 percent from the previous quarter to 17,376 and by 34.5 percent from the previous year.

	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Other Modifications	64,701	67,949	104,570	114,109	110,818	-2.9%	71.3%
HAMP Modifications	37,456	28,673	31,746	29,280	27,728	-5.3%	-26.0%
Other Trial-Period Plans	102,486	178,528	109,435	96,437	85,536	-11.3%	-16.5%
HAMP Trial-Period Plans	26,530	25,444	21,968	24,831	17,376	-30.0%	-34.5%
Payment Plans	121,815	119,850	115,180	102,493	107,275	4.7%	-11.9%
Total	352,988	420,444	382,899	367,150	348,733	-5.0%	-1.2%

- Servicers have reduced monthly principal and interest payments in 93.7 percent of modifications made in the quarter (see table 22). Servicers reduced monthly payments by an average of 25.2 percent for all borrowers who qualified for modifications. HAMP modifications reduced payments by an average of 34.9 percent (see table 24).
- Servicers reduced interest rates in 80.1 percent of all modifications made during the first quarter of 2013. Servicers used term extensions in 60.3 percent of modifications, principal deferrals in 18.2 percent, and principal reductions in 15.2 percent (see table 17). Among HAMP modifications, servicers reduced interest rates in 84.9 percent of those modifications, deferred principal in 31.9 percent, and reduced principal in 22.0 percent (see table 18).

Modified Loan Performance

- Servicers modified 3,021,617 mortgages from the beginning of 2008 through the end of the fourth quarter of 2012. At the end of the first quarter of 2013, 49.5 percent of these

modifications were current or paid off. Another 6.4 percent were 30 to 59 days delinquent, and 12.4 percent were seriously delinquent. Another 7.3 percent were in the process of foreclosure, and 7.4 percent had completed the foreclosure process (see table 2).

Table 2. Status of Mortgages Modified in 2008–2012								
	Total	Current	30–59 Days Delinquent	Seriously Delinquent	Foreclosures in Process	Completed Foreclosures	Paid Off	No Longer in the Portfolio*
2008	445,354	23.6%	4.6%	11.0%	8.8%	16.1%	4.0%	31.9%
2009	594,350	35.0%	5.7%	13.3%	8.9%	11.6%	3.2%	22.3%
2010	939,364	47.0%	6.4%	12.5%	7.8%	7.0%	2.1%	17.2%
2011	564,065	56.6%	7.1%	13.9%	7.3%	2.9%	1.4%	10.8%
2012	478,484	74.4%	8.4%	10.6%	3.0%	0.3%	0.4%	2.9%
Total	3,021,617	47.3%	6.4%	12.4%	7.3%	7.4%	2.2%	16.9%
HAMP Modification Performance Compared With Other Modifications**								
Other Modifications	1,545,771	51.8%	7.5%	14.6%	7.6%	5.9%	2.0%	10.7%
HAMP Modifications	692,906	60.8%	5.7%	8.4%	4.8%	3.0%	1.1%	16.2%
Modifications That Reduced Payments by 10 Percent or More								
	1,877,756	54.8%	6.4%	10.8%	5.9%	5.0%	1.5%	15.5%
Modifications That Reduced Payments by Less Than 10 Percent								
	1,143,861	35.0%	6.4%	15.1%	9.6%	11.5%	3.4%	19.1%

*Processing constraints prevented some servicers from reporting the reason for removal from the portfolio.

**Modifications used to compare with HAMP modifications include only modifications implemented from the third quarter of 2009 through the fourth quarter of 2012.

- HAMP modifications have performed better than other modifications. Of the 692,906 HAMP modifications implemented since the third quarter of 2009, 61.9 percent were current or paid off at the end of the first quarter of 2013, compared with 53.8 percent of other modifications (see table 2). HAMP modifications perform better because of the emphasis on reduced monthly payments, affordability relative to income, income verification, and successful completion of a trial period. While HAMP modifications generally reduce the borrowers' monthly payment more and perform better over time, more restrictive criteria limit the number of borrowers who may qualify for a HAMP modification.
- At the end of the first quarter of 2013, 56.3 percent of modifications that reduced payments by 10 percent or more were current or paid off, compared with 38.4 percent of those that reduced payments by less than 10 percent (see table 2).
- Modifications on mortgages owned by the servicers and those serviced for the GSEs performed better than other modifications. Of the modifications implemented from January 1, 2008, 22.2 percent of modifications on mortgages held in the servicers' own portfolios, 24.4 percent of Fannie Mae mortgages, and 24.4 percent of Freddie Mac mortgages were 60 or more days delinquent after 12 months. Conversely, 46.9 percent of government-guaranteed mortgages and 41.4 percent of private investor-held loans were 60 or more days delinquent after 12 months. This variance reflects differences in the loans, modification programs, and the servicers' flexibility when modifying mortgages they own (see table 3).

Table 3. Re-Default Rates for Portfolio Loans and Loans Serviced for Others (60 or More Days Delinquent)*					
Investor Loan Type	6 Months After Modification	12 Months After Modification	18 Months After Modification	24 Months After Modification	36 Months After Modification
Fannie Mae	17.0%	24.4%	28.0%	29.4%	35.2%
Freddie Mac	17.0%	24.4%	28.2%	29.9%	36.3%
Government-Guaranteed	32.3%	46.9%	51.7%	53.1%	59.2%
Private	31.1%	41.4%	47.5%	50.8%	57.1%
Portfolio Loans	13.6%	22.2%	26.1%	27.8%	31.8%
Overall	23.5%	33.3%	38.1%	40.3%	46.8%

*Data include all modifications made since January 1, 2008, that have aged the indicated number of months.

Foreclosures and Other Home Forfeiture Actions

- Newly initiated foreclosures increased 13.8 percent from the previous quarter but decreased 37.8 percent from a year earlier. The number of foreclosures in process decreased 6.2 percent from the previous quarter and 28.6 percent from a year earlier (see table 4). Factors contributing to the decline include improved economic conditions, foreclosure prevention assistance during 2012, disaster relief efforts that suspended foreclosures in areas affected by Superstorm Sandy, and transfer of loans outside the federal banking system.

Table 4. New Foreclosures and Foreclosures in Process							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Newly Initiated Foreclosures	286,951	302,636	252,604	156,773	178,356	13.8%	-37.8%
Foreclosures in Process	1,269,921	1,237,025	1,158,289	967,467	907,231	-6.2%	-28.6%

- Home forfeiture actions totaled 131,704 at the end of the quarter, a decrease of 22.1 percent from the previous quarter and 29.1 percent from a year earlier. Completed foreclosures decreased by 19.7 percent from the previous quarter and 30.9 percent from a year earlier. Short sales decreased by 30.2 percent from the previous quarter and 28.1 percent from a year earlier. Short sales composed 32.8 percent of home forfeiture actions (see table 5).

Table 5. Completed Foreclosures and Other Home Forfeiture Actions							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Completed Foreclosures	122,979	101,735	114,743	105,875	84,972	-19.7%	-30.9%
New Short Sales	59,996	63,403	63,860	61,761	43,137	-30.2%	-28.1%
New Deed-in-Lieu-of-Foreclosure Actions	2,806	2,336	1,707	1,428	3,595	151.8%	28.1%
Total	185,781	167,474	180,310	169,064	131,704	-22.1%	-29.1%

About Mortgage Metrics

The *OCC Mortgage Metrics Report* presents data on first-lien residential mortgages serviced by seven national banks and a federal savings association with the largest mortgage-servicing portfolios.¹ The data represent 55 percent of all first-lien residential mortgages outstanding in the country and focus on credit performance, loss mitigation efforts, and foreclosures. More than 91 percent of the mortgages in the portfolio were serviced for investors other than the reporting institutions. At the end of the first quarter of 2013, the reporting institutions serviced 27.9 million first-lien mortgage loans, totaling \$4.7 trillion in unpaid balances (see table 6).

The loans reflected in this report represent a large percentage of the overall mortgage industry, but they do not represent a statistically random sample of all mortgage loans. The characteristics of these loans may differ from the overall population of mortgages. This report does not attempt to quantify or adjust for known seasonal effects that occur within the mortgage industry.

In addition to providing information to the public, the report and its data support the supervision of national bank and federal savings association mortgage-servicing practices. Examiners use the data to help assess emerging trends, identify anomalies, compare servicers with peers, evaluate asset quality and necessary loan-loss reserves, and assess loss mitigation actions.

The report promotes the use of standardized terms and elements, which allow better comparisons across the industry and over time. The report uses standardized definitions for prime, Alt-A, and subprime mortgages based on commonly used credit score ranges.

The OCC and the participating institutions devote significant resources to ensuring that the information is reliable and accurate. Steps to ensure the validity of the data include quality assurance processes conducted by the national banks and federal savings association, comprehensive data validation tests performed by a third-party data aggregator, and comparisons with the institutions' quarterly call reports. Data sets of this size and scope inevitably incur some degree of imperfections. The OCC requires servicers to adjust previous data submissions when errors and omissions are detected. In some cases, data presented in this report reflect resubmissions from institutions that restate and correct earlier information.

The report also includes mortgage modification data by state and territories in appendix E. These data fulfill reporting requirements in the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010 (Public Law 111-203).

Definitions and Method

The report uses standard definitions for three categories of mortgage creditworthiness based on the following ranges of borrowers' credit scores at the time of origination:

¹ The seven national banks are Bank of America, JPMorgan Chase, Citibank, HSBC, PNC, U.S. Bank, and Wells Fargo. The federal savings association is OneWest Bank. JPMorgan Chase has purchased a material portion of MetLife Bank's residential mortgage servicing portfolio. Effective with the first quarter of 2013, MetLife has stopped reporting data for the *OCC Mortgage Metrics Report* as an independent entity.

- **Prime**—660 and above.
- **Alt-A**—620 to 659.
- **Subprime**—below 620.

Approximately 10 percent of mortgages in the portfolio were not accompanied by credit scores and are classified as “other.” This group includes a mix of prime, Alt-A, and subprime mortgages. In large part, the lack of credit scores results from acquisitions of portfolios from third parties for which borrower credit scores at origination were not available.

Additional definitions include:

- **Completed foreclosures**—Ownership of properties transferred to servicers or investors. The ultimate result is the loss of borrowers’ homes because of nonpayment.
- **Deed-in-lieu-of-foreclosure actions**—Actions in which borrowers transfer ownership of the properties (deeds) to servicers in full satisfaction of the outstanding mortgage debt to lessen the adverse impact of the debt on borrowers’ credit records. Deed-in-lieu-of-foreclosure actions typically have a less adverse impact than foreclosures on borrowers’ credit records.
- **Foreclosures in process**—Number of mortgages for which servicers have begun formal foreclosure proceedings but have not yet completed the foreclosure process. The foreclosure process varies by state and can take 15 months or more to complete. Many foreclosures in process never result in the loss of borrowers’ homes because servicers simultaneously pursue other loss mitigation actions, and borrowers may return their mortgages to current and performing status.
- **Government-guaranteed mortgages**—All mortgages with an explicit guaranty from the U.S. government, including the Federal Housing Administration (FHA), the U.S. Department of Veterans Affairs (VA), and, to a lesser extent, certain other departments. These loans may be held in pools backing Government National Mortgage Association (Ginnie Mae) securities, owned by or securitized through different third-party investors, or held in the portfolios of reporting institutions.
- **Home retention actions**—Loan modifications, trial-period plans, and payment plans that allow borrowers to retain ownership and occupancy of their homes while attempting to return the loans to a current and performing status.
- **Loan modifications**—Actions that contractually change the terms of mortgages with respect to interest rates, maturity, principal, or other terms of the loan.
- **Newly initiated foreclosures**—Mortgages for which the servicers initiate formal foreclosure proceedings during the quarter. Many newly initiated foreclosures do not result in the loss of borrowers’ homes because servicers simultaneously pursue other loss mitigation actions, and borrowers may act to return their mortgages to current and performing status.
- **Payment plans**—Short-to-medium-term changes in scheduled terms and payments in order to return mortgages to a current and performing status.
- **Payment-option, adjustable rate mortgages (ARM)**—Mortgages that allow borrowers to choose a monthly payment that may initially reduce principal, pay interest only, or result in

negative amortization, when some amount of unpaid interest is added to the principal balance of the loan and results in an increased balance.

- **Principal deferral modifications**—Modifications that remove a portion of the principal from the amount used to calculate monthly principal and interest payments for a set period. The deferred amount becomes due at the end of the loan term.
- **Principal reduction modifications**—Modifications that permanently forgive a portion of the principal amount owed on a mortgage.
- **Re-default rates**—Percentage of modified loans that subsequently become delinquent or enter the foreclosure process. As measures of delinquency, this report presents re-default rates using 30, 60, and 90 or more days delinquent and in process of foreclosure. It focuses on the 60-day-delinquent measure. All re-default data presented in this report are based on modified loans in effect for the specified amount of time after the modification. All loans that have been repaid in full, been refinanced, been sold, or completed the foreclosure process are removed from the calculation. Data include only modifications that have had time to age the indicated number of months following the modification.
- **Seriously delinquent loans**—Mortgages that are 60 or more days past due, and all mortgages held by bankrupt borrowers whose payments are 30 or more days past due.
- **Short sales**—Sales of the mortgaged properties at prices that net less than the total amount due on the mortgages. Servicers and borrowers negotiate repayment programs, forbearance, or forgiveness for any remaining deficiency on the debt. Short sales typically have a less adverse impact than foreclosures on borrowers' credit records.
- **Trial-period plans**—Home retention actions that allow borrowers to demonstrate capability and willingness to pay their modified mortgages for a set period of time. The action becomes permanent following the successful completion of the trial period.

Loan delinquencies are reported using the Mortgage Bankers Association convention that a loan is past due when a scheduled payment has not been made by the due date of the following scheduled payment. The statistics and calculated ratios are based on the number of loans rather than on the dollar amount outstanding.

Percentages are rounded to one decimal place unless the result is less than 0.1 percent, which is rounded to two decimal places. The report uses whole numbers when approximating. Values in tables may not total 100 percent because of rounding.

In tables throughout this report, the quarters are indicated by the last day of the quarter (e.g., 3/31/13), quarter-to-quarter changes are shown under the "1Q %Change" column, and year-to-year changes are shown under the "1Y %Change" column.

In tables throughout this report, percentages shown under "1Q %Change" and "1Y %Change" are calculated using actual data, not the rounded values reported for each quarter. Calculating period-to-period changes from the rounded values reported in the tables may yield materially different values than those values indicated in the table.

Mortgage Metrics Report data may not agree with other published data because of timing delays in updating servicer-processing systems.

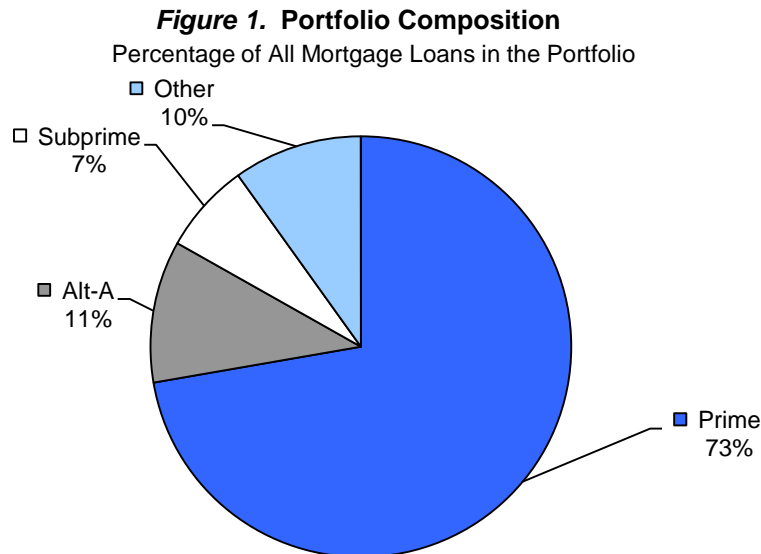
PART I: Mortgage Performance

Part I describes the performance of the overall mortgage portfolio, mortgages owned and held by the reporting national banks and federal savings association, government-guaranteed mortgages, mortgages serviced for the GSEs, and mortgages within each risk category.

Overall Mortgage Portfolio

At the end of the first quarter of 2013, the portfolio of mortgages in this report comprised 27.9 million loans with \$4.7 trillion in unpaid principal balances. The number of mortgages in the portfolio decreased by 3.6 percent from the previous quarter and 9.9 percent from a year ago. The unpaid balance of those loans decreased 3.5 percent from the previous quarter and 11.1 percent from a year ago. Prime loans were 73 percent of the servicing portfolio at the end of the quarter, up from 72 percent the previous quarter and 71 percent the previous year. Subprime loans were 7 percent, and Alt-A loans were 11 percent of the portfolio, both unchanged from the previous quarter and previous year.

Table 6. Overall Mortgage Portfolio					
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13
Total Servicing (Millions)	\$5,332,795	\$5,222,349	\$5,083,746	\$4,910,150	\$4,740,544
Total Servicing (Number of Loans)	31,026,381	30,494,357	29,818,751	28,979,134	27,941,448
Composition (Percentage of All Mortgages in the Portfolio)					
Prime	71%	72%	72%	72%	73%
Alt-A	11%	11%	11%	11%	11%
Subprime	7%	7%	7%	7%	7%
Other	11%	10%	10%	10%	10%
Composition (Number of Loans in Each Risk Category of the Portfolio)					
Prime	22,142,982	21,878,183	21,510,869	20,990,451	20,284,333
Alt-A	3,359,124	3,306,092	3,228,111	3,114,517	2,993,985
Subprime	2,260,455	2,182,847	2,083,906	1,991,912	1,908,485
Other	3,263,820	3,127,235	2,995,865	2,882,254	2,754,645

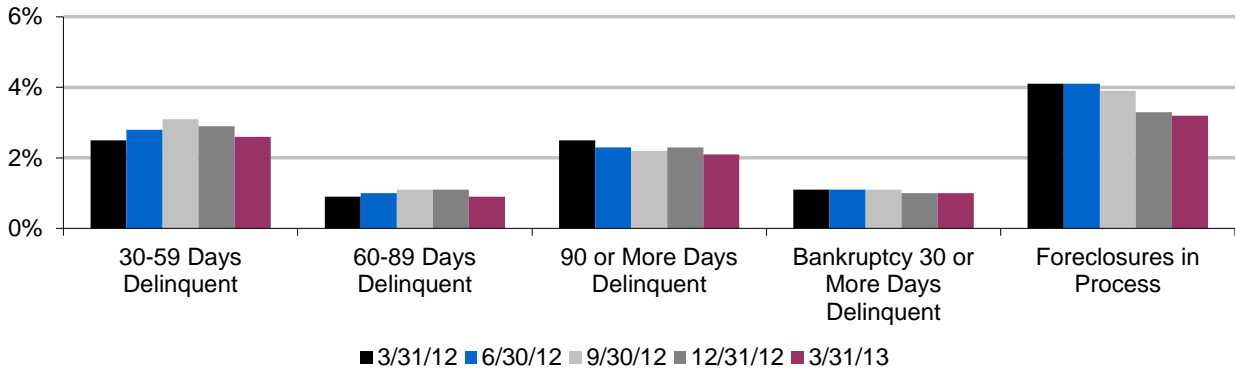


Overall Mortgage Performance

The overall performance of mortgages included in this report improved from last quarter and from a year earlier. The percentage of mortgages that were current and performing at the end of the quarter was 90.2 percent, compared with 89.4 percent the previous quarter and 88.9 percent a year earlier. The percentage of mortgages that were 30 to 59 days past due was 2.6 percent, a decrease of 9.3 percent from the previous quarter but an increase of 3.0 percent from a year earlier. The percentage of mortgages that were seriously delinquent at the quarter's end was 4.0 percent, a decrease of 9.1 percent from the previous quarter and 10.4 from a year earlier. The percentage of mortgages in the foreclosure process at the end of the quarter was 3.2 percent, a decrease of 2.7 percent from the previous quarter and 20.7 percent from the previous year.

Table 7. Overall Portfolio Performance							
(Percentage of Mortgages in the Portfolio)							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Current and Performing	88.9%	88.7%	88.6%	89.4%	90.2%	0.9%	1.4%
30–59 Days Delinquent	2.5%	2.8%	3.1%	2.9%	2.6%	-9.3%	3.0%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	0.9%	1.0%	1.1%	1.1%	0.9%	-16.7%	-5.3%
90 or More Days Delinquent	2.5%	2.3%	2.2%	2.3%	2.1%	-7.5%	-13.6%
Bankruptcy 30 or More Days Delinquent	1.1%	1.1%	1.1%	1.0%	1.0%	-4.9%	-7.7%
Subtotal for Seriously Delinquent	4.5%	4.4%	4.4%	4.4%	4.0%	-9.1%	-10.4%
Foreclosures in Process	4.1%	4.1%	3.9%	3.3%	3.2%	-2.7%	-20.7%
(Number of Mortgages in the Portfolio)							
Current and Performing	27,589,940	27,046,778	26,434,199	25,907,686	25,192,492	-2.8%	-8.7%
30–59 Days Delinquent	779,022	858,330	926,296	826,415	722,349	-12.6%	-7.3%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	291,663	307,759	318,254	309,776	248,783	-19.7%	-14.7%
90 or More Days Delinquent	760,736	708,741	662,207	664,007	592,104	-10.8%	-22.2%
Bankruptcy 30 or More Days Delinquent	335,099	335,724	319,506	303,783	278,489	-8.3%	-16.9%
Subtotal for Seriously Delinquent	1,387,498	1,352,224	1,299,967	1,277,566	1,119,376	-12.4%	-19.3%
Foreclosures in Process	1,269,921	1,237,025	1,158,289	967,467	907,231	-6.2%	-28.6%
Total	31,026,381	30,494,357	29,818,751	28,979,134	27,941,448	-3.6%	-9.9%

Figure 2. Overall Portfolio Performance



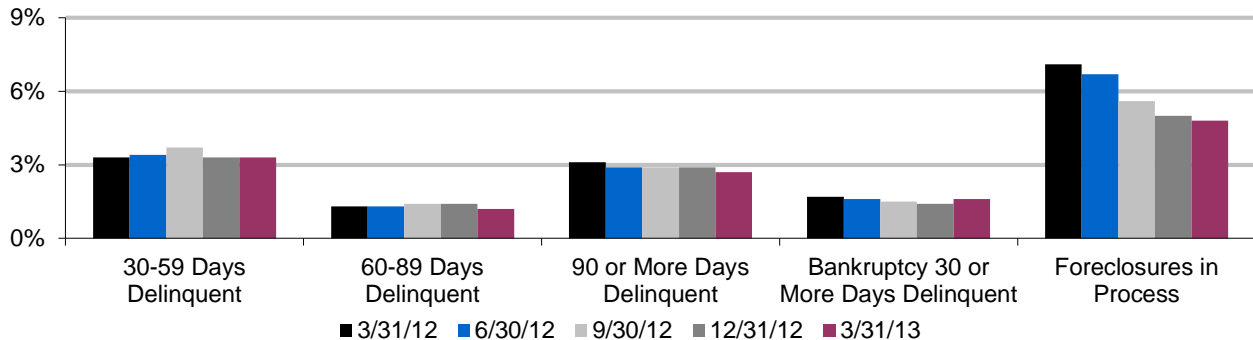
Performance of Mortgages Held by Reporting Banks and Savings Association

The eight reporting institutions owned 8.8 percent of the 27.9 million mortgages in this report at the end of the quarter, excluding government-guaranteed mortgages held by these institutions. The percentage of these mortgages that were current at the end of the quarter was 86.3 percent, an increase from 83.5 percent a year earlier. The percentage of these mortgages that were seriously delinquent was 5.5 percent, a decrease of 8.3 percent from a year earlier. The percentage of these mortgages in the process of foreclosure was 4.8 percent, a decrease of 32.8 percent from a year earlier. Since 2009, mortgages owned by the servicers have performed more poorly than mortgages serviced for GSEs because of concentrations in nontraditional loans and weaker markets and, more recently, delinquent loans repurchased from investors.

Table 8. Performance of Mortgages Held by Reporting Institutions (Percentage)*							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Current and Performing	83.5%	84.0%	84.9%	85.9%	86.3%	0.4%	3.4%
30–59 Days Delinquent	3.3%	3.4%	3.7%	3.3%	3.3%	0.5%	0.8%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	1.3%	1.3%	1.4%	1.4%	1.2%	-9.7%	-2.7%
90 or More Days Delinquent	3.1%	2.9%	2.9%	2.9%	2.7%	-5.8%	-10.9%
Bankruptcy 30 or More Days Delinquent	1.7%	1.6%	1.5%	1.4%	1.6%	7.7%	-7.7%
Subtotal for Seriously Delinquent	6.0%	5.9%	5.8%	5.7%	5.5%	-3.3%	-8.3%
Foreclosures in Process	7.1%	6.7%	5.6%	5.0%	4.8%	-4.1%	-32.8%
Performance of Mortgages Held by Reporting Institutions (Number)							
Current and Performing	1,938,500	2,008,711	2,032,227	2,071,640	2,128,097	2.7%	9.8%
30–59 Days Delinquent	76,967	82,270	87,753	80,196	82,394	2.7%	7.1%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	29,561	30,957	33,654	33,072	30,547	-7.6%	3.3%
90 or More Days Delinquent	71,355	70,144	69,591	70,030	67,495	-3.6%	-5.4%
Bankruptcy 30 or More Days Delinquent	39,150	38,968	35,560	34,854	38,379	10.1%	-2.0%
Subtotal for Seriously Delinquent	140,066	140,069	138,805	137,956	136,421	-1.1%	-2.6%
Foreclosures in Process	165,679	160,595	134,051	120,600	118,295	-1.9%	-28.6%
Total	2,321,212	2,391,645	2,392,836	2,410,392	2,465,207	2.3%	6.2%

*The data in this table exclude government-guaranteed mortgages owned and held by the reporting institutions.

Figure 3. Performance of Mortgages Held by Reporting Banks and Savings Association

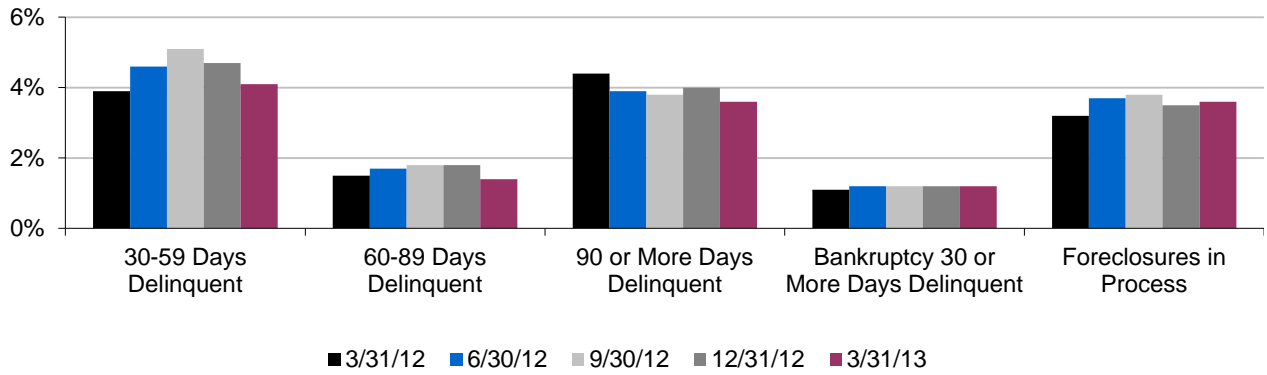


Performance of Government-Guaranteed Mortgages

Government-guaranteed mortgages were 24.5 percent of the mortgages in this report at the end of the first quarter of 2013, compared with 22.3 percent a year earlier. The percentage of government-guaranteed mortgages that were current at the end of the quarter was 86.2 percent, up from 84.7 percent the previous quarter and 85.9 percent a year earlier. The percentage of loans that were 30 to 59 days delinquent was 4.1 percent at the end of the quarter, a decrease of 14.1 percent from the previous quarter but an increase of 3.6 percent from a year earlier. The percentage of these loans that were seriously delinquent was 6.2 percent, a 12.7 percent decrease from the previous quarter and an 11.7 percent decrease from a year earlier. The percentage of these loans in the process of foreclosure was 3.6 percent, an increase of 1.6 percent from the previous quarter and 10.4 percent from a year earlier. Almost 78 percent of these loans were FHA loans, 15 percent were VA loans, and 7 percent were other government-guaranteed mortgages. More than 86 percent of the government-guaranteed mortgages were in pools of loans backing Ginnie Mae securities.

Table 9. Performance of Government-Guaranteed Mortgages (Percentage)							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Current and Performing	85.9%	84.9%	84.3%	84.7%	86.2%	1.8%	0.4%
30–59 Days Delinquent	3.9%	4.6%	5.1%	4.7%	4.1%	-14.1%	3.6%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	1.5%	1.7%	1.8%	1.8%	1.4%	-22.5%	-4.9%
90 or More Days Delinquent	4.4%	3.9%	3.8%	4.0%	3.6%	-10.7%	-18.0%
Bankruptcy 30 or More Days Delinquent	1.1%	1.2%	1.2%	1.2%	1.2%	-4.9%	3.3%
Subtotal for Seriously Delinquent	7.0%	6.8%	6.8%	7.1%	6.2%	-12.7%	-11.7%
Foreclosures in Process	3.2%	3.7%	3.8%	3.5%	3.6%	1.6%	10.4%
Performance of Government-Guaranteed Mortgages (Number)							
Current and Performing	5,940,585	5,938,802	5,907,788	5,820,605	5,897,284	1.3%	-0.7%
30–59 Days Delinquent	270,710	320,119	354,898	324,524	277,426	-14.5%	2.5%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	101,989	116,506	126,005	124,342	95,947	-22.8%	-5.9%
90 or More Days Delinquent	304,492	274,075	266,172	277,684	246,953	-11.1%	-18.9%
Bankruptcy 30 or More Days Delinquent	79,266	84,502	86,793	85,500	80,962	-5.3%	2.1%
Subtotal for Seriously Delinquent	485,747	475,083	478,970	487,526	423,862	-13.1%	-12.7%
Foreclosures in Process	222,648	259,880	265,324	240,345	243,132	1.2%	9.2%
Total	6,919,690	6,993,884	7,006,980	6,873,000	6,841,704	-0.5%	-1.1%

Figure 4. Performance of Government-Guaranteed Mortgages

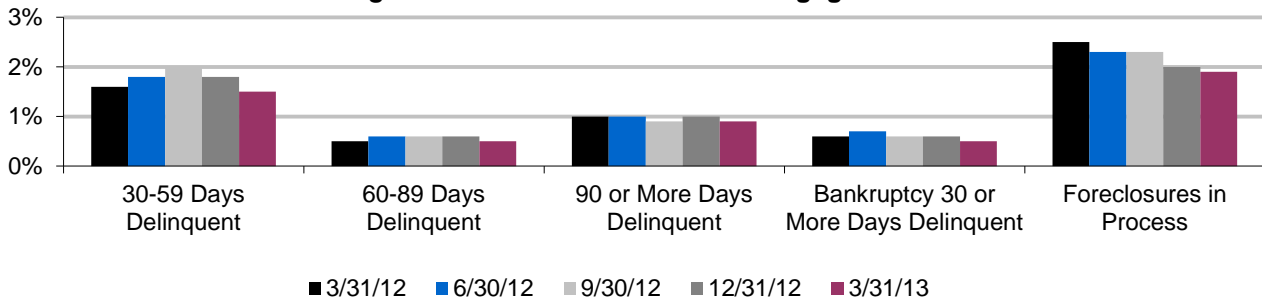


Performance of GSE Mortgages

GSE mortgages made up 56.6 percent of the mortgages in this report, down from 59.0 percent a year ago. GSE mortgages perform better than the overall portfolio because they contain more prime loans. The percentage of GSE mortgages that were current at the end of the quarter was 94.6 percent. The percentage of GSE mortgages that were 30 to 59 days delinquent was 1.5 percent, a decrease of 12.3 percent from the previous quarter and 4.8 percent from a year earlier. The percentage of GSE mortgages that were seriously delinquent was 1.9 percent, a decrease of 12.4 percent from the previous quarter and 11.1 percent from a year earlier. The percentage of these loans in the foreclosure process was 1.9 percent, a decrease of 5.6 percent from the previous quarter and 23.7 percent from a year earlier. Of the GSE mortgages, 58 percent were serviced for Fannie Mae and 42 percent for Freddie Mac.

Table 10. Performance of GSE Mortgages (Percentage)							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Current and Performing	93.7%	93.7%	93.6%	94.0%	94.6%	0.6%	1.0%
30–59 Days Delinquent	1.6%	1.8%	2.0%	1.8%	1.5%	-12.3%	-4.8%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	0.5%	0.6%	0.6%	0.6%	0.5%	-18.9%	-12.7%
90 or More Days Delinquent	1.0%	1.0%	0.9%	1.0%	0.9%	-9.3%	-5.3%
Bankruptcy 30 or More Days Delinquent	0.6%	0.7%	0.6%	0.6%	0.5%	-11.4%	-18.3%
Subtotal for Seriously Delinquent	2.2%	2.2%	2.1%	2.2%	1.9%	-12.4%	-11.1%
Foreclosures in Process	2.5%	2.3%	2.3%	2.0%	1.9%	-5.6%	-23.7%
Performance of GSE Mortgages (Number)							
Current and Performing	17,153,725	16,672,691	16,201,644	15,780,823	14,970,222	-5.1%	-12.7%
30–59 Days Delinquent	296,501	315,274	339,212	295,214	244,073	-17.3%	-17.7%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	98,584	99,844	97,349	97,293	74,386	-23.5%	-24.5%
90 or More Days Delinquent	177,483	183,985	158,756	169,939	145,282	-14.5%	-18.1%
Bankruptcy 30 or More Days Delinquent	118,413	116,482	108,841	100,114	83,583	-16.5%	-29.4%
Subtotal for Seriously Delinquent	394,480	400,311	364,946	367,346	303,251	-17.4%	-23.1%
Foreclosures in Process	458,137	414,623	401,150	339,817	302,270	-11.0%	-34.0%
Total	18,302,843	17,802,899	17,306,952	16,783,200	15,819,816	-5.7%	-13.6%

Figure 5. Performance of GSE Mortgages

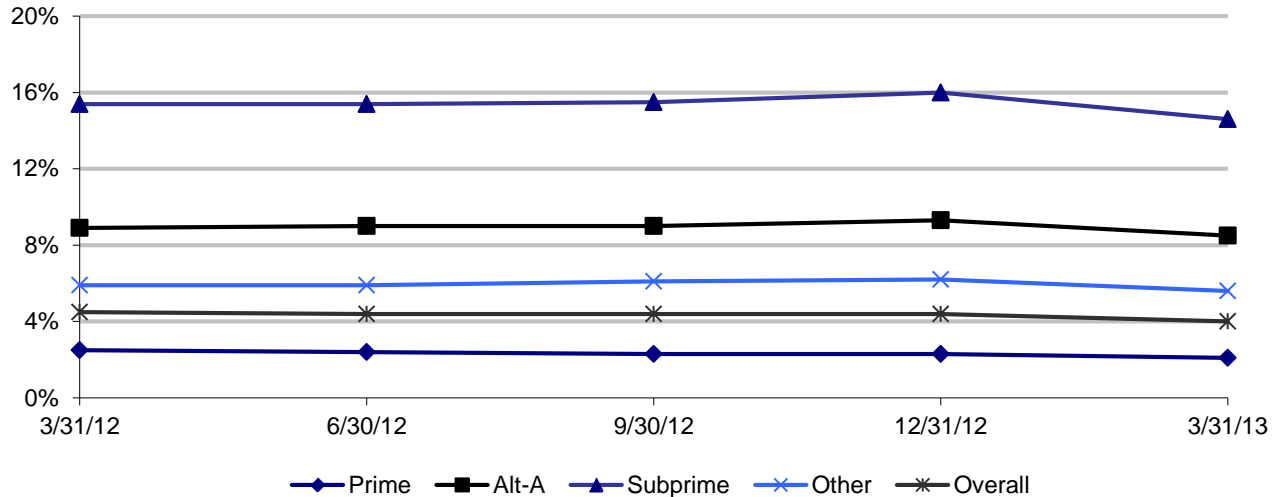


Seriously Delinquent Mortgages, by Risk Category

The portfolio contained 268,122 fewer seriously delinquent loans at the end of the first quarter of 2013 compared with a year earlier—a 19.3 percent decrease. Seriously delinquent loans were 4.0 percent of the portfolio at the end of the quarter, a decrease of 10.4 percent from a year earlier, and the lowest level in five years. The number of seriously delinquent loans has decreased from both the previous quarter and the previous year across all risk categories.

Table 11. Seriously Delinquent Mortgages, by Risk Category							
(Percentage of Mortgages in Each Category)							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Prime	2.5%	2.4%	2.3%	2.3%	2.1%	-8.8%	-14.0%
Alt-A	8.9%	9.0%	9.0%	9.3%	8.5%	-9.2%	-4.8%
Subprime	15.4%	15.4%	15.5%	16.0%	14.6%	-8.8%	-5.1%
Other	5.9%	5.9%	6.1%	6.2%	5.6%	-8.7%	-4.7%
Overall	4.5%	4.4%	4.4%	4.4%	4.0%	-9.1%	-10.4%
(Number of Mortgages in Each Category)							
Prime	548,312	535,413	502,019	490,427	432,055	-11.9%	-21.2%
Alt-A	298,284	296,029	290,702	290,262	253,227	-12.8%	-15.1%
Subprime	347,641	335,217	323,643	318,823	278,665	-12.6%	-19.8%
Other	193,261	185,565	183,603	178,054	155,429	-12.7%	-19.6%
Total	1,387,498	1,352,224	1,299,967	1,277,566	1,119,376	-12.4%	-19.3%

Figure 6. Seriously Delinquent Mortgages, by Risk Category
Percentage of Mortgages in Each Category

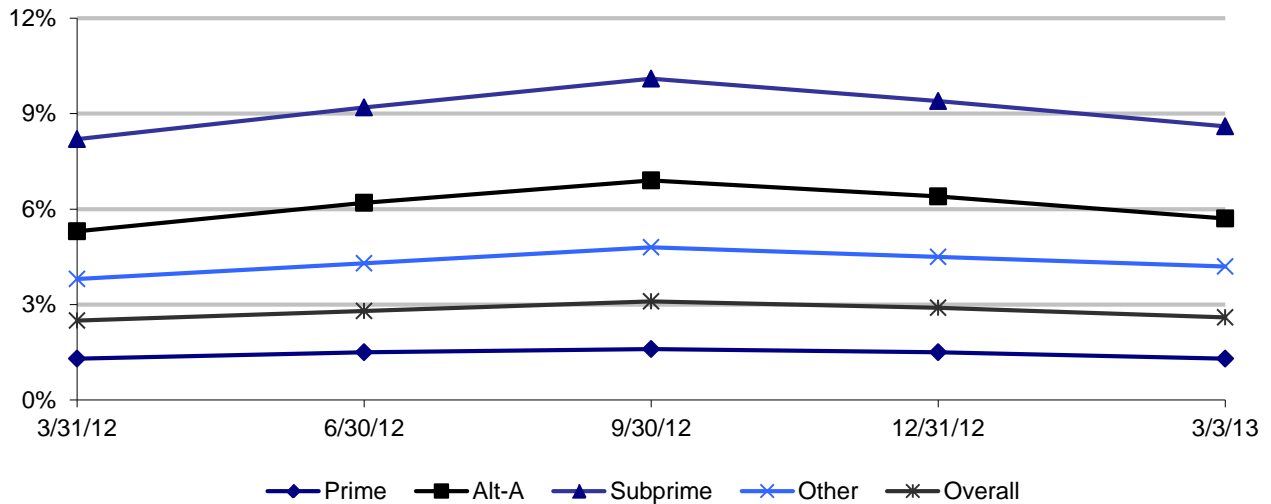


Mortgages 30 to 59 Days Delinquent, by Risk Category

The percentage of loans that were 30 to 59 days delinquent was 2.6 percent of the portfolio at the end of the first quarter of 2013, a decrease of 9.3 percent from the previous quarter but an increase of 3.0 percent from a year earlier.

Table 12. Mortgages 30 to 59 Days Delinquent, by Risk Category (Percentage of Mortgages in Each Category)							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Prime	1.3%	1.5%	1.6%	1.5%	1.3%	-9.5%	1.6%
Alt-A	5.3%	6.2%	6.9%	6.4%	5.7%	-10.8%	7.2%
Subprime	8.2%	9.2%	10.1%	9.4%	8.6%	-8.4%	5.2%
Other	3.8%	4.3%	4.8%	4.5%	4.2%	-6.7%	11.1%
Overall	2.5%	2.8%	3.1%	2.9%	2.6%	-9.3%	3.0%
(Number of Mortgages in Each Category)							
Prime	291,413	317,666	348,451	309,818	271,097	-12.5%	-7.0%
Alt-A	178,864	204,105	222,620	199,294	170,937	-14.2%	-4.4%
Subprime	185,842	201,675	210,622	188,071	165,076	-12.2%	-11.2%
Other	122,903	134,884	144,603	129,232	115,239	-10.8%	-6.2%
Total	779,022	858,330	926,296	826,415	722,349	-12.6%	-7.3%

Figure 7. Mortgages 30 to 59 Days Delinquent, by Risk Category
Percentage of Mortgages in Each Category



PART II: Home Retention Actions

Home retention actions include loan modifications, in which servicers modify one or more mortgage contract terms; trial-period plans, in which the loans will be converted to modifications upon successful completion of the trial periods; and payment plans, in which no terms are contractually modified but borrowers are given time to catch up on missed payments. All of these actions can help the borrower become current on the loan, attain payment sustainability, and retain the home.

A. Loan Modifications, Trial-Period Plans, and Payment Plans

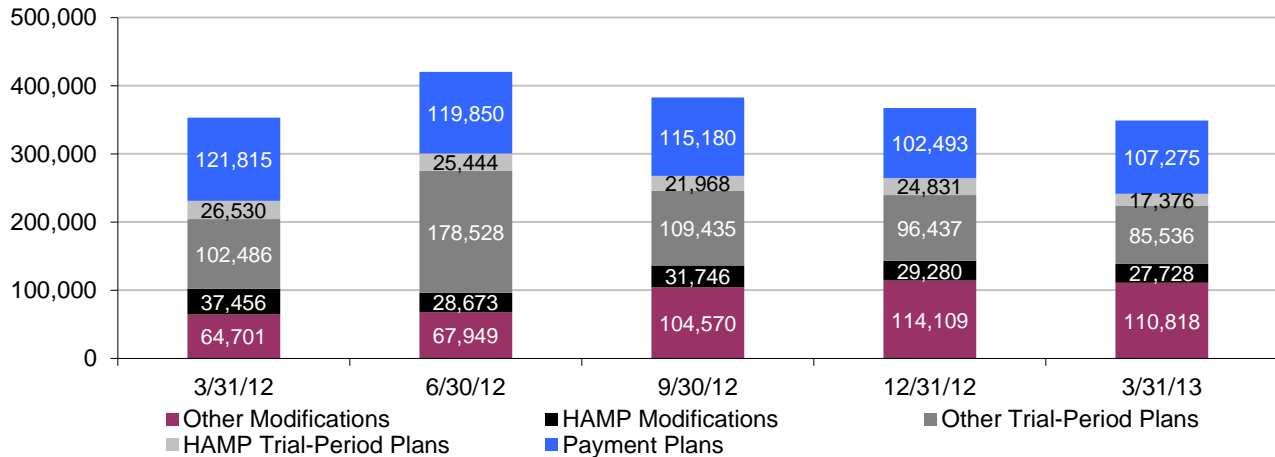
New Home Retention Actions

Servicers implemented 348,733 home retention actions—loan modifications, trial-period plans, and payment plans—during the first quarter of 2013. The number of home retention actions decreased 5.0 percent from the previous quarter and 1.2 percent from a year earlier. Servicers implemented 138,546 modifications, a decrease of 3.4 percent from the previous quarter and an increase of 35.6 percent from a year earlier. New HAMP modifications decreased 5.3 percent to 27,728 during the quarter and other modifications decreased 2.9 percent to 110,818. Servicers implemented 102,912 new trial-period plans, a decrease of 15.1 percent from the previous quarter and 20.2 percent from a year earlier. New payment plans increased by 4.7 percent to 107,275 from the previous quarter. During the past five quarters, servicers initiated almost 1.9 million home retention actions—617,030 modifications, 688,571 trial-period plans, and 566,613 payment plans.

Table 13. Number of New Home Retention Actions

	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Other Modifications	64,701	67,949	104,570	114,109	110,818	-2.9%	71.3%
HAMP Modifications	37,456	28,673	31,746	29,280	27,728	-5.3%	-26.0%
Other Trial-Period Plans	102,486	178,528	109,435	96,437	85,536	-11.3%	-16.5%
HAMP Trial-Period Plans	26,530	25,444	21,968	24,831	17,376	-30.0%	-34.5%
Payment Plans	121,815	119,850	115,180	102,493	107,275	4.7%	-11.9%
Total	352,988	420,444	382,899	367,150	348,733	-5.0%	-1.2%

Figure 8. Number of New Home Retention Actions



HAMP Modifications and Trial-Period Plans, by Investor and Risk Category

Of the 27,728 HAMP modifications implemented during the first quarter of 2013, 40.4 percent went to mortgages serviced for the GSEs, 33.0 percent to mortgages serviced for private investors, 5.6 percent to government-guaranteed mortgages, and 21.1 percent to loans held in the reporting servicers' portfolios. Prime mortgages represented about 73 percent of the total portfolio and received 52.1 percent of all HAMP modifications. Subprime loans represented about 7 percent of the total portfolio and received 19.4 percent of HAMP modifications during the quarter.

Table 14. HAMP Modifications, by Investor and Risk Category						
(Modifications Implemented in the First Quarter of 2013)						
	Fannie Mae	Freddie Mac	Government-Guaranteed	Portfolio	Private	Total
Prime	3,422	3,445	470	2,883	4,238	14,458
Alt-A	935	947	485	1,315	1,737	5,419
Subprime	582	478	387	1,445	2,479	5,371
Other	914	475	205	198	688	2,480
Total	5,853	5,345	1,547	5,841	9,142	27,728

Servicers implemented 17,376 HAMP trial-period plans during the quarter, a decrease of 30.0 percent from the 24,831 HAMP trial-period plans initiated in the previous quarter. GSE mortgages received 37.9 percent of HAMP trial-period plans initiated during the quarter, while 38.6 percent went to mortgages serviced for private investors. Prime mortgages received 49.7 percent of the HAMP trial-period plans implemented during the quarter, while Alt-A and subprime mortgages collectively received 39.9 percent.

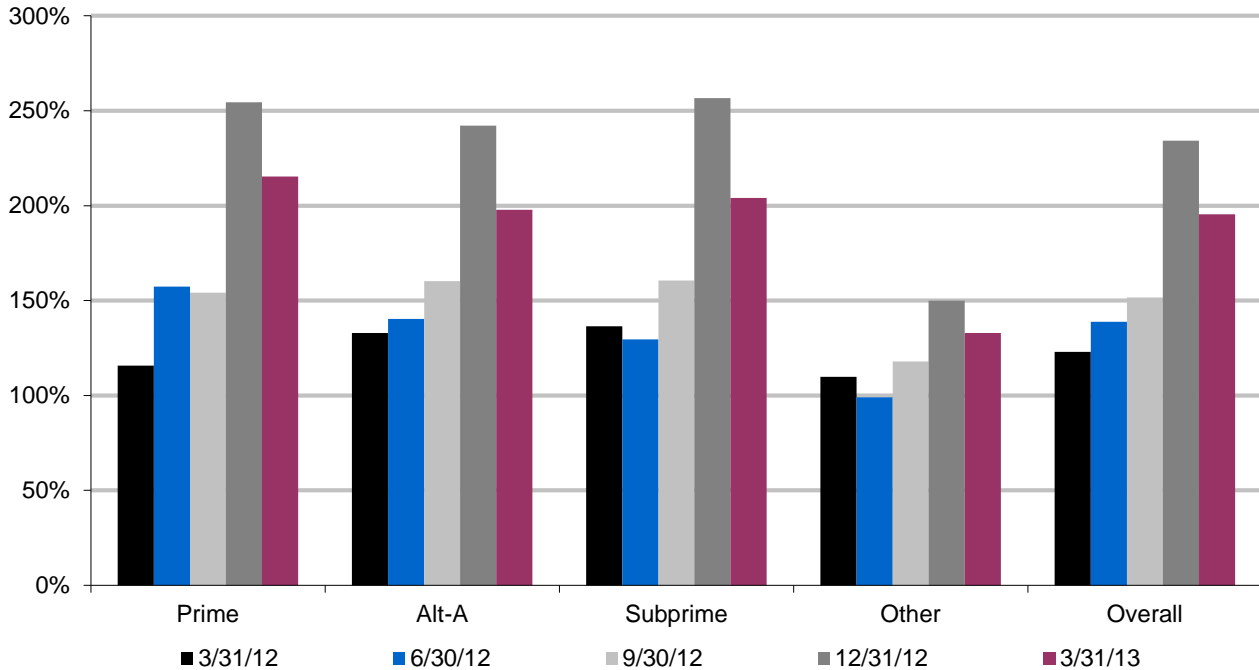
Table 15. HAMP Trial-Period Plans, by Investor and Risk Category						
(Trial-Period Plans Implemented in the First Quarter of 2013)						
	Fannie Mae	Freddie Mac	Government-Guaranteed	Portfolio	Private	Total
Prime	1,859	2,080	631	998	3,076	8,644
Alt-A	502	595	637	453	1,289	3,476
Subprime	360	297	432	532	1,831	3,452
Other	588	309	341	62	504	1,804
Total	3,309	3,281	2,041	2,045	6,700	17,376

New Home Retention Actions Relative to Newly Initiated Foreclosures

Servicers continued to implement more home retention actions than new foreclosures. The number of new home retention actions decreased from the previous quarter, while the number of new foreclosure actions increased, for a decrease in the ratio of home retention actions to foreclosures. The number of new foreclosures increased 13.8 percent from the previous quarter, compared with a decrease of 5.0 percent in new home retention actions.

Table 16. Percentage of New Home Retention Actions Relative to Newly Initiated Foreclosures, by Risk Category							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Prime	115.8%	157.3%	154.1%	254.5%	215.4%	-15.3%	86.1%
Alt-A	133.0%	140.3%	160.2%	242.1%	197.9%	-18.3%	48.8%
Subprime	136.5%	129.6%	160.6%	256.6%	204.1%	-20.5%	49.5%
Other	109.8%	99.1%	118.0%	150.0%	132.9%	-192.5%	-1.1%
Overall	123.0%	138.9%	151.6%	234.2%	195.5%	-16.5%	58.9%
Number of New Home Retention Actions	352,988	420,444	382,899	367,150	348,733	-5.0%	-1.2%
Number of Newly Initiated Foreclosures	286,951	302,636	252,604	156,773	178,356	13.8%	-37.8%

Figure 9. New Home Retention Actions Relative to Newly Initiated Foreclosures, by Risk Category



Types of Modification Actions

The types of modification actions or combinations of actions have different effects on the borrowers' mortgages and their monthly principal and interest payments. Different actions may have different effects on the long-term sustainability of mortgages. Servicers often use a combination of actions when modifying mortgages, with 85.8 percent of modifications implemented during the first quarter of 2013 changing more than one of the original loan terms. Capitalization, interest-rate reduction, and term extension remain the primary actions used in modifying mortgages. The use of principal reduction in modifications has increased 49.1 percent from a year earlier, however, and occurred in 15.2 percent of all modifications implemented in the first quarter of 2013.

Servicers capitalized missed fees and payments in 79.3 percent of modifications implemented during the quarter, reduced interest rates in 80.1 percent, and extended loan maturity in 60.3 percent. Servicers deferred repayment of some portion of the principal balance in 18.2 percent of modifications made during the quarter, down 11.2 percent from the previous quarter and 25.9 percent from a year earlier. Because most modifications changed more than one term, the sum of the individual actions exceeded 100 percent of total modifications. Appendix D presents additional detail on combination modifications.

Table 17. Changes in Loan Terms for Modifications Through the First Quarter of 2013							
(Percentage of Total Modifications in Each Category)							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Capitalization	91.6%	79.8%	90.4%	84.4%	79.3%	-6.1%	-13.4%
Rate Reduction	80.6%	78.8%	77.2%	73.3%	80.1%	9.2%	-0.7%
Rate Freeze	6.2%	6.3%	6.9%	3.8%	3.7%	-3.7%	-40.5%
Term Extension	73.7%	61.8%	64.8%	58.8%	60.3%	2.6%	-18.1%
Principal Reduction	10.2%	15.5%	17.2%	20.0%	15.2%	-24.2%	49.1%
Principal Deferral	24.6%	19.8%	19.1%	20.5%	18.2%	-11.2%	-25.9%
Not Reported*	1.2%	0.7%	0.4%	1.1%	0.6%	-41.7%	-44.2%
(Number of Changes in Each Category)							
Capitalization	93,573	77,115	123,275	121,083	109,876	-9.3%	17.4%
Rate Reduction	82,382	76,093	105,279	105,143	110,907	5.5%	34.6%
Rate Freeze	6,345	6,039	9,459	5,501	5,121	-6.9%	-19.3%
Term Extension	75,256	59,755	88,350	84,364	83,594	-0.9%	11.1%
Principal Reduction	10,404	14,944	23,437	28,716	21,033	-26.8%	102.2%
Principal Deferral	25,154	19,085	26,021	29,456	25,271	-14.2%	0.5%
Not Reported*	1,190	722	504	1,599	900	-43.7%	-24.4%

*Processing constraints at some servicers prevented them from reporting specific modified term(s).

Types of HAMP Modification Actions

HAMP modifications follow a prescribed series of actions to attain a targeted monthly mortgage payment. Consistent with modification actions overall and the prescribed order of actions required by HAMP, these modifications most often included capitalization of missed payments and fees, interest-rate reductions, and term extensions. Servicers used principal deferral, another prescribed action in HAMP, in 31.9 percent of HAMP modifications during the first quarter of 2013, up from 29.2 percent the previous quarter but down from 32.9 percent a year earlier. Principal reduction was used in 22.0 percent of HAMP modifications implemented during the quarter—down from 25.1 percent in the previous quarter but up from 21.0 percent a year earlier.

Table 18. Changes in Loan Terms for HAMP Modifications Through the First Quarter of 2013 (Percentage of Total Modifications in Each Category)							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Capitalization	97.0%	98.4%	98.2%	92.0%	95.0%	3.2%	-2.0%
Rate Reduction	90.0%	87.5%	85.6%	81.3%	84.9%	4.4%	-5.6%
Rate Freeze	4.0%	3.1%	3.3%	4.0%	3.4%	-15.2%	-15.9%
Term Extension	73.0%	58.3%	55.0%	52.8%	53.9%	2.1%	-26.1%
Principal Reduction	21.0%	21.4%	25.1%	25.1%	22.0%	-12.3%	4.8%
Principal Deferral	32.9%	30.4%	30.6%	29.2%	31.9%	9.1%	-3.0%
Not Reported*	0.1%	0.1%	0.1%	1.7%	0.2%	-89.6%	170.2%
(Number of Changes in Each Category)							
Capitalization	36,331	28,223	31,166	26,947	26,345	-2.2%	-27.5%
Rate Reduction	33,698	25,090	27,184	23,818	23,542	-1.2%	-30.1%
Rate Freeze	1,496	881	1,034	1,160	931	-19.7%	-37.8%
Term Extension	27,337	16,723	17,460	15,457	14,949	-3.3%	-45.3%
Principal Reduction	7,857	6,140	7,977	7,345	6,098	-17.0%	-22.4%
Principal Deferral	12,309	8,723	9,706	8,554	8,839	3.3%	-28.2%
Not Reported*	25	26	17	508	50	-90.2%	100.0%

*Processing constraints at some servicers prevented them from reporting specific modified term(s).

Types of Modification Actions, by Risk Category

Servicers use a combination of actions when modifying mortgages, and no single action can be identified as the primary component of a successful modification. Modifications across all risk categories predominantly featured interest-rate reduction and term extension in addition to the capitalization of past-due interest and fees. Because most modifications changed more than one term, the sum of individual features changed exceeded the total number of modified loans in each risk category. While most actions were used relatively consistently across all risk categories, principal deferral was used most extensively in prime loans, and principal reduction was used at a higher rate among subprime loans.

Table 19. Changes in Loan Terms for Modifications, by Risk Category, During the First Quarter of 2013					
(Percentage of Total Modifications in Each Category)					
	Prime	Alt-A	Subprime	Other	Overall
Capitalization	72.4%	82.5%	86.4%	86.5%	79.3%
Rate Reduction	81.1%	81.1%	76.5%	81.1%	80.1%
Rate Freeze	2.5%	3.0%	6.1%	5.1%	3.7%
Term Extension	54.5%	68.3%	62.5%	64.6%	60.3%
Principal Reduction	13.5%	14.9%	21.7%	8.2%	15.2%
Principal Deferral	21.9%	16.4%	14.7%	14.2%	18.2%
Not Reported*	0.7%	0.6%	0.4%	1.2%	0.6%
(Number of Changes in Each Category)					
Total Mortgages Modified	62,195	29,413	32,729	14,209	138,546
Capitalization	45,046	24,258	28,277	12,295	109,876
Rate Reduction	50,469	23,868	25,051	11,519	110,907
Rate Freeze	1,532	876	1,994	719	5,121
Term Extension	33,878	20,092	20,447	9,177	83,594
Principal Reduction	8,400	4,374	7,098	1,161	21,033
Principal Deferral	13,618	4,823	4,809	2,021	25,271
Not Reported*	431	174	125	170	900

*Processing constraints at some servicers prevented them from reporting specific modified term(s).

Types of Modification Actions, by Investor and Product Type

Modifications of mortgages serviced for the GSEs accounted for 27.0 percent of all modifications made during the first quarter of 2013. Government-guaranteed loans received 29.0 percent of all modifications, mortgages serviced for private investors received 22.2 percent, and mortgages held in the servicers’ own portfolios received 21.8 percent of all first-quarter modifications. Interest-rate reduction, capitalization of missed payments and fees, and term extension remained the primary types of modification actions. Servicers used principal reduction almost exclusively in modifying loans held in portfolio or serviced for private investors because Fannie Mae and Freddie Mac do not allow principal reduction. Because modifications often change more than one loan term, the sum of the actions exceeded the number of modified loans for each investor.

Table 20. Type of Modification Action, by Investor and Product Type, During the First Quarter of 2013						
(Percentage of Total Modifications in Each Category)						
	Fannie Mae	Freddie Mac	Government-Guaranteed	Private Investor	Portfolio	Overall
Capitalization	95.0%	97.8%	76.6%	89.8%	51.4%	79.3%
Rate Reduction	69.2%	85.4%	97.0%	59.6%	84.8%	80.1%
Rate Freeze	6.3%	2.0%	0.2%	7.0%	3.6%	3.7%
Term Extension	82.7%	87.3%	93.4%	15.0%	32.8%	60.3%
Principal Reduction	0.1%	0.0%	0.2%	42.0%	26.5%	15.2%
Principal Deferral	28.2%	40.8%	0.1%	32.7%	9.8%	18.2%
Not Reported*	1.7%	0.3%	0.3%	0.8%	0.3%	0.6%
(Number of Changes in Each Category)						
Total Mortgages Modified	24,240	13,172	40,151	30,813	30,170	138,546
Capitalization	23,040	12,878	30,763	27,679	15,516	109,876
Rate Reduction	16,766	11,250	38,946	18,366	25,579	110,907
Rate Freeze	1,532	262	67	2,166	1,094	5,121
Term Extension	20,053	11,494	37,513	4,630	9,904	83,594
Principal Reduction**	14	1	73	12,940	8,005	21,033
Principal Deferral	6,842	5,372	38	10,071	2,948	25,271
Not Reported	412	35	126	244	83	900

*Processing constraints at some servicers prevented them from reporting specific modified term(s).

** The principal reduction actions reported for Fannie Mae and Freddie Mac mortgages in this table represent coding errors to be corrected in subsequent reporting periods.

Types of HAMP Modification Actions, by Investor and Product Type

Of the 27,728 HAMP modifications implemented in the first quarter of 2013, 40.4 percent were on GSE mortgages, 33.0 percent were on mortgages serviced for private investors, 21.1 percent were on mortgages held in servicers' portfolios, and 5.6 percent were on government-guaranteed loans. Consistent with total modification actions, the prevailing actions among HAMP modifications were capitalization of past-due interest and fees, interest-rate reduction, and term extension. Servicers used principal deferral in a significant number of HAMP modifications for all investors other than government-guaranteed loans. Principal reduction was concentrated in loans held in portfolio and serviced for private investors. Almost 62 percent of the HAMP modifications completed during the first quarter of 2013 on loans held in the banks' own portfolios included a principal reduction.

Table 21. Type of HAMP Modification Action, by Investor and Product Type, During the First Quarter of 2013						
(Percentage of Total Modifications in Each Category)						
	Fannie Mae	Freddie Mac	Government-Guaranteed	Private Investor	Portfolio	Overall
Capitalization	99.4%	99.6%	36.3%	99.3%	95.3%	95.0%
Rate Reduction	88.5%	95.5%	91.5%	80.0%	77.5%	84.9%
Rate Freeze	0.6%	0.0%	0.8%	6.8%	4.3%	3.4%
Term Extension	69.8%	71.7%	98.4%	19.4%	64.0%	53.9%
Principal Reduction	0.1%	0.0%	0.6%	27.0%	61.8%	22.0%
Principal Deferral	29.3%	31.7%	0.8%	45.3%	21.9%	31.9%
Not Reported*	0.0%	0.0%	0.1%	0.1%	0.7%	0.2%
(Number of Changes in Each Category)						
Total Mortgages Modified	5,853	5,345	1,547	9,142	5,841	27,728
Capitalization	5,815	5,324	561	9,078	5,567	26,345
Rate Reduction	5,177	5,107	1,416	7,314	4,528	23,542
Rate Freeze	38	0	13	626	254	931
Term Extension	4,087	3,830	1,522	1,771	3,739	14,949
Principal Reduction**	7	0	10	2,471	3,610	6,098
Principal Deferral	1,714	1,694	12	4,142	1,277	8,839
Not Reported	1	1	2	5	41	50

*Processing constraints at some servicers prevented them from reporting specific modified term(s).

**The principal reduction actions reported for Fannie Mae mortgages in this table represent coding errors to be corrected in subsequent reporting periods.

Changes in Monthly Payments Resulting From Modification

The previous sections describe the types of modification actions across risk categories, investors, and product types. This section describes the effect of those changes on borrowers' monthly principal and interest payments.

Modifications that decrease payments occur when servicers elect to lower interest rates, extend the amortization period, or defer or forgive principal. The reduced payments can make mortgages more affordable to borrowers and more sustainable over time. However, the lower payments also result in less monthly cash flow and interest income to mortgage investors.

Mortgage modifications may increase monthly payments when borrowers and servicers agree to add past-due interest, advances for taxes or insurance, and other fees to the loan balances and re-amortize the new balances over the remaining life of the mortgages. The interest rate or maturity of the loans may be changed on these modifications, but not enough to offset the increase in payments caused by the additional items capitalized into the loan balance. Modifications may also result in increased monthly payments when interest rates or principal payments on ARMs and payment-option ARMs are reset higher but by less than the amount indicated in the original mortgage contracts.

Modifications that increase payments may be appropriate when borrowers resolve temporary problems with cash flow, or otherwise have reasonable prospects of making higher payments to repay the debt over time. However, during periods of prolonged economic stress, this strategy carries additional risk, underscoring the importance of verifying borrowers' income and debt-payment ability so that borrowers and servicers have confidence that the modifications will be sustainable.

Servicers also modify some mortgage contracts by simply leaving principal and interest payments unchanged. This occurs, for example, when servicers "freeze" current interest rates and payments instead of allowing them to increase to levels required by the original mortgage contracts.

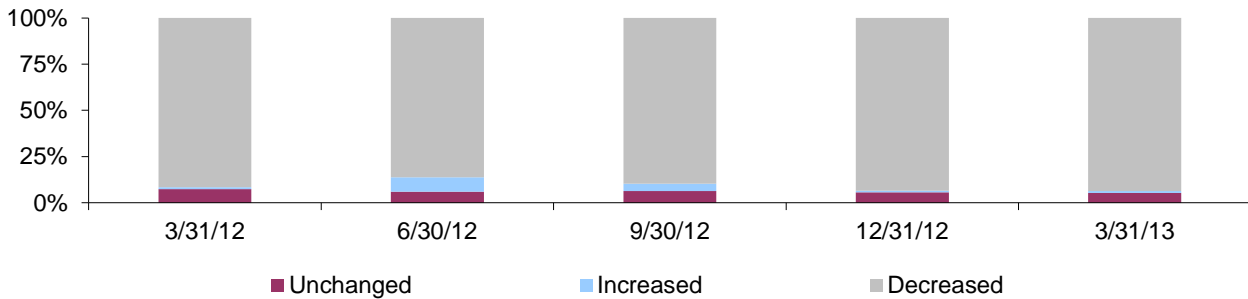
Changes in Monthly Payments Resulting From Modifications, by Quarter

Almost 94 percent of modifications made in the quarter reduced monthly principal and interest payments, and more than 56 percent of the modifications reduced payments by 20 percent or more.

Table 22. Changes in Monthly Principal and Interest Payments Resulting From Modifications							
(Percentage of Modifications in Each Category)*							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Decreased by 20% or More	62.7%	52.1%	54.4%	58.9%	56.4%	-4.2%	-9.9%
Decreased by 10% to Less Than 20%	15.9%	21.2%	20.2%	21.1%	24.1%	14.4%	51.0%
Decreased by Less Than 10%	12.9%	13.0%	15.0%	13.4%	13.2%	-1.6%	2.3%
Subtotal for Decreased	91.5%	86.2%	89.6%	93.4%	93.7%	0.3%	2.4%
Unchanged	1.0%	7.7%	4.1%	0.9%	0.9%	-0.1%	-14.2%
Increased	7.4%	6.1%	6.3%	5.7%	5.4%	-5.3%	-27.8%
Subtotal for Unchanged and Increased	8.5%	13.8%	10.4%	6.6%	6.3%	-4.6%	-26.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%		
(Number of Modifications in Each Category)							
Decreased by 20% or More	63,716	50,088	73,858	84,114	77,672	-7.7%	21.9%
Decreased by 10% to Less Than 20%	16,218	20,379	27,439	30,056	33,144	10.3%	104.4%
Decreased by Less Than 10%	13,134	12,476	20,397	19,173	18,185	-5.2%	38.5%
Subtotal for Decreased	93,068	82,943	121,694	133,343	129,001	-3.3%	38.6%
Unchanged	1,059	7,362	5,633	1,276	1,229	-3.7%	16.1%
Increased	7,558	5,868	8,508	8,087	7,389	-8.6%	-2.2%
Subtotal for Unchanged and Increased	8,617	13,230	14,141	9,363	8,618	-8.0%	0.01%
Total	101,685	96,173	135,835	142,706	137,619	-3.6%	35.3%

*No payment change information was reported on 472 modifications in the first quarter of 2012, 449 in the second quarter of 2012, 481 in the third quarter of 2012, 683 in the fourth quarter of 2012, and 927 in the first quarter of 2013.

Figure 10. Changes in Monthly Principal and Interest Payments
Percentage of Modifications in Each Category



Changes in Monthly Payments Resulting From HAMP Modifications, by Quarter

Ninety-eight percent of HAMP modifications completed during the first quarter of 2013 reduced borrower monthly payments, with 76.2 percent reducing payments by 20 percent or more. In addition to achieving lower payments, HAMP attempts to increase payment sustainability by targeting monthly payments at 31 percent of borrowers' income. Performance data on all modifications show that re-default rates are lowest among loans that receive at least a 10 percent reduction in their monthly payments, and that the greater the decrease in payment, the lower the rate of re-default.

Table 23. Changes in Monthly Principal and Interest Payments Resulting From HAMP Modifications							
(Percentage of HAMP Modifications in Each Category)*/**							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Decreased by 20% or More	76.1%	76.2%	76.2%	76.8%	76.2%	-0.8%	0.1%
Decreased by 10% to Less Than 20%	12.4%	13.1%	12.6%	13.0%	13.2%	1.6%	6.3%
Decreased by Less Than 10%	9.0%	8.7%	8.6%	8.4%	8.6%	1.5%	-4.3%
Subtotal for Decreased	97.5%	98.0%	97.4%	98.3%	98.0%	-0.3%	0.5%
Unchanged	0.4%	0.2%	0.2%	0.3%	0.5%	89.3%	42.3%
Increased	2.2%	1.8%	2.4%	1.5%	1.5%	3.7%	-29.2%
Subtotal for Unchanged and Increased	2.5%	2.0%	2.6%	1.7%	2.0%	16.6%	-19.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%		
(Number of HAMP Modifications in Each Category)							
Decreased by 20% or More	28,420	21,783	24,159	22,425	21,063	-6.1%	-25.9%
Decreased by 10% to Less Than 20%	4,642	3,732	3,996	3,798	3,654	-3.8%	-21.3%
Decreased by Less Than 10%	3,343	2,486	2,718	2,466	2,369	-3.9%	-29.1%
Subtotal for Decreased	36,405	28,001	30,873	28,689	27,086	-5.6%	-25.6%
Unchanged	131	62	63	77	138	79.2%	5.3%
Increased	811	505	749	433	425	-1.8%	-47.6%
Subtotal for Unchanged and Increased	942	567	812	510	563	10.4%	-40.2%
Total	37,347	28,568	31,685	29,199	27,649	-5.3%	-26.0%

*No payment change information was reported on 109 modifications in the first quarter of 2012, 105 in the second quarter of 2012, 61 in the third quarter of 2012, 81 in the fourth quarter of 2012, and 79 in the first quarter of 2013.

**Some HAMP modifications, like other modifications, may increase the borrowers' monthly principal and interest payments when loans with a previous interest-only or partial payment are modified to amortize the loans over their remaining terms, or when ARMs are reset to higher rates and payments but at lower rates than otherwise contractually required. While the principal and interest portion of the payment might increase, the total payment will reflect a housing expense ratio of 31 percent as specified by HAMP.

Average Change in Monthly Payments Resulting From Modifications, by Quarter

Modifications made during the first quarter of 2013 reduced monthly principal and interest payments by \$361, or 25.2 percent, on average. HAMP modifications made during the quarter reduced payments by \$547, or 34.9 percent, on average. Other modifications reduced payments by \$315, or 22.7 percent, on average.

Table 24. Average Change in Monthly Payments Resulting From Modifications, by Quarter*							
All Modifications							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Decreased by 20% or More	(655)	(618)	(566)	(594)	(560)	-5.7%	-14.6%
Decreased by 10% to Less Than 20%	(191)	(199)	(179)	(189)	(186)	-1.3%	-2.5%
Decreased by Less Than 10%	(63)	(70)	(65)	(68)	(71)	4.5%	12.9%
Unchanged	0	0	0	0	0		
Increased**	162	154	131	169	166	-1.6%	2.8%
Overall (in Dollars)	(437)	(364)	(345)	(389)	(361)	-7.2%	-17.4%
Percentage Change	-27.4%	-23.5%	-23.8%	-25.9%	-25.2%		
Other Modifications							
Decreased by 20% or More	(590)	(544)	(498)	(560)	(517)	-7.8%	-12.4%
Decreased by 10% to Less Than 20%	(181)	(196)	(173)	(186)	(183)	-1.5%	1.2%
Decreased by Less Than 10%	(59)	(68)	(63)	(67)	(70)	5.5%	20.0%
Unchanged	0	0	0	0	0		
Increased**	158	150	125	168	165	-1.8%	4.6%
Overall (in Dollars)	(349)	(274)	(278)	(346)	(315)	-9.0%	-9.7%
Percentage Change	-22.7%	-18.5%	-20.3%	-23.4%	-22.7%		
HAMP Modifications							
Decreased by 20% or More	(737)	(714)	(705)	(687)	(676)	-1.6%	-8.2%
Decreased by 10% to Less Than 20%	(216)	(215)	(212)	(208)	(212)	1.9%	-2.0%
Decreased by Less Than 10%	(76)	(76)	(77)	(78)	(77)	-1.6%	1.0%
Unchanged	0	0	0	0	0		
Increased**	197	203	194	190	191	0.3%	-3.2%
Overall (in Dollars)	(590)	(576)	(566)	(558)	(547)	-2.1%	-7.3%
Percentage Change	-35.4%	-35.3%	-35.3%	-35.4%	-34.9%		

*Parentheses indicate that, on average, borrowers' monthly payments decreased by the amount enclosed within the parentheses.

**Some modifications may increase the borrowers' monthly principal and interest payments when past-due interest, advances for taxes or insurance, and other fees are added to loan balances. The monthly payments may also increase when loans with a previous interest-only or partial payment are modified to amortize the loans over their remaining terms.

B. Modified Loan Performance

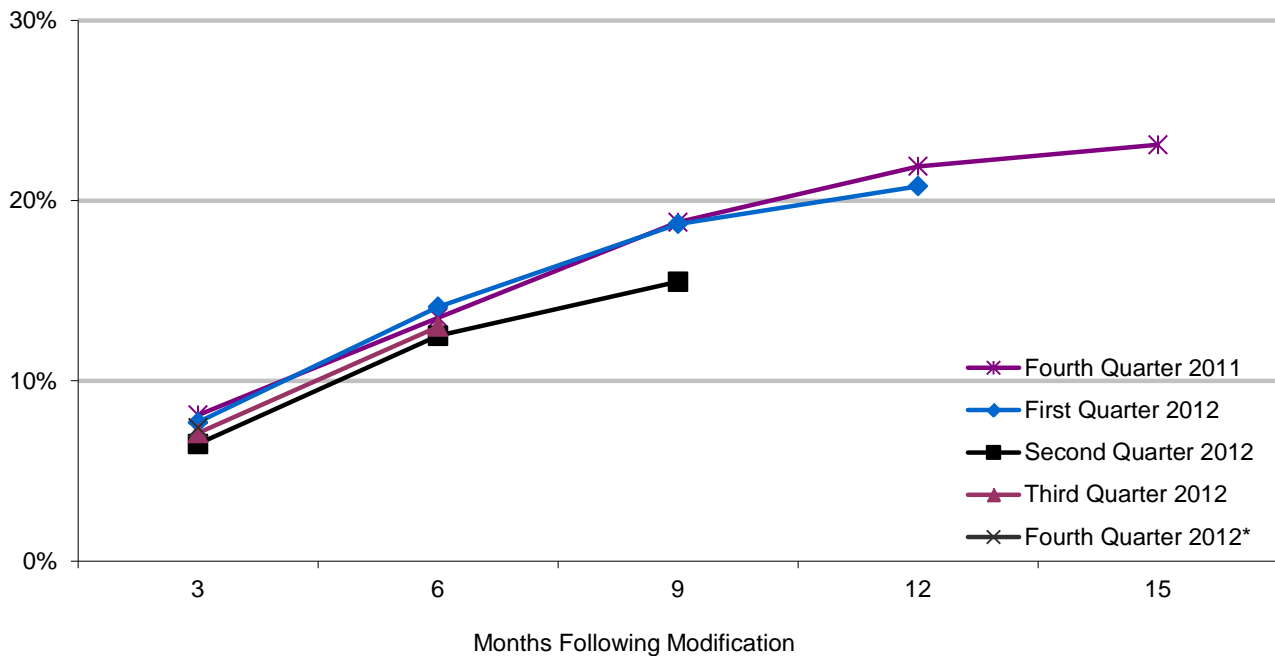
Re-Default Rates of Modified Loans: 60 or More Days Delinquent

Modification performance may vary because of many factors, including the types of modification actions, the average amount of change in the borrower’s monthly payment, the characteristics and geographic location of the modified loans, and the addition or deletion of modification programs among the reporting institutions. Despite differences in many of these factors, mortgages modified in each of the last five quarters have performed similarly over time. Among modifications completed in each of the last five quarters, between 6.5 percent and 8.1 percent of the modified loans were 60 or more days delinquent three months after modification, 12.5 percent to 14.1 percent were 60 or more days delinquent six months after modification, and 20.8 percent to 21.9 percent were 60 or more days delinquent 12 months after modification. Loans modified in the second and third quarters of 2012 appear to be re-defaulting at materially lower rates than modifications completed in earlier quarters.

Table 25. Modified Loans 60 or More Days Delinquent					
Modification Date*	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification	15 Months After Modification
Fourth Quarter 2011	8.1%	13.5%	18.8%	21.9%	23.1%
First Quarter 2012	7.7%	14.1%	18.7%	20.8%	-
Second Quarter 2012	6.5%	12.5%	15.5%	-	-
Third Quarter 2012	7.1%	13.0%	-	-	-
Fourth Quarter 2012	7.4%	-	-	-	-

*All re-default data are based on modified loans that remain in effect at the specified amount of time after the modification. All loans that have been repaid in full, been refinanced, been sold, or completed the foreclosure process are removed from the calculation. Data include only modifications that have had time to age the indicated number of months.

Figure 11. Modified Loans 60 or More Days Delinquent



*The fourth quarter 2012 data is a single point (7.4 percent).

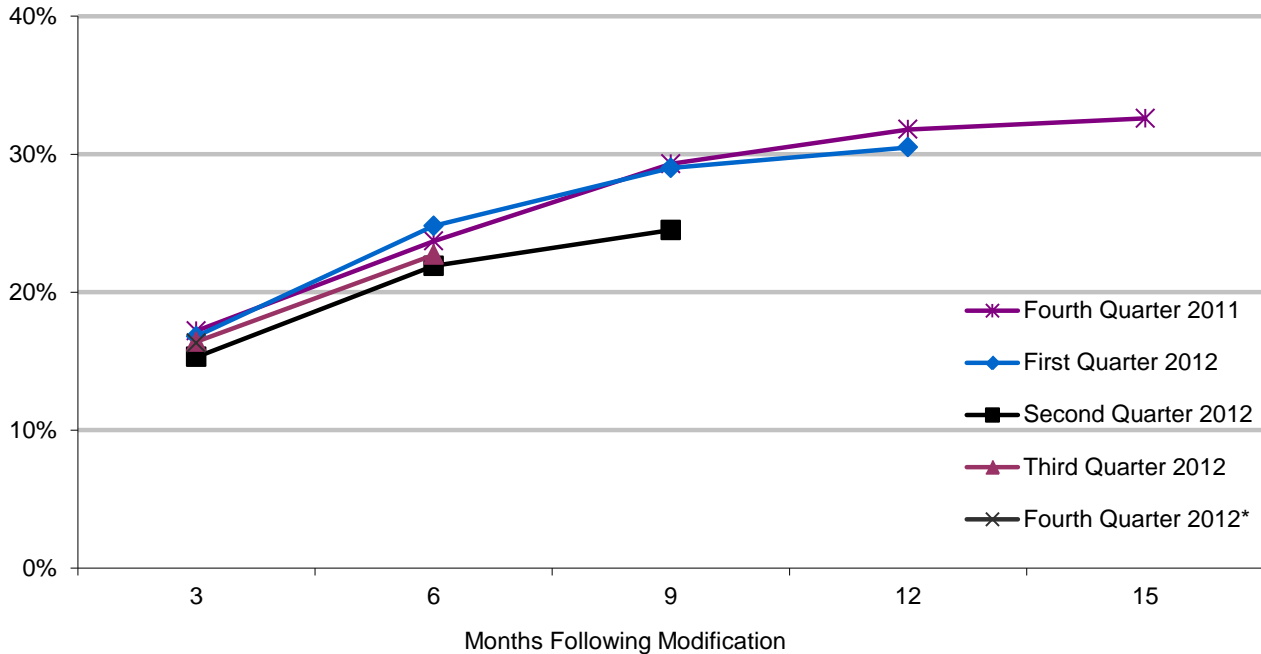
Re-Default Rates of Modified Loans: 30 or More Days Delinquent

Re-default rates measured at 30 or more days delinquent provide an early indicator of mortgages that may need additional attention to prevent more serious delinquency or foreclosure. For modifications completed in each of the last five quarters, 15.3 percent to 17.2 percent were 30 or more days delinquent three months after modification. Among modifications outstanding at least one year, 30.5 percent to 32.6 percent were 30 or more days delinquent.

Table 26. Modified Loans 30 or More Days Delinquent					
Modification Date*	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification	15 Months After Modification
Fourth Quarter 2011	17.2%	23.7%	29.3%	31.8%	32.6%
First Quarter 2012	16.8%	24.8%	29.0%	30.5%	-
Second Quarter 2012	15.3%	21.9%	24.5%	-	-
Third Quarter 2012	16.4%	22.7%	-	-	-
Fourth Quarter 2012	16.3%	-	-	-	-

*Data include only modifications that have had time to age the indicated number of months.

Figure 12. Modified Loans 30 or More Days Delinquent



*The fourth quarter of 2012 data is a single point (16.3 percent).

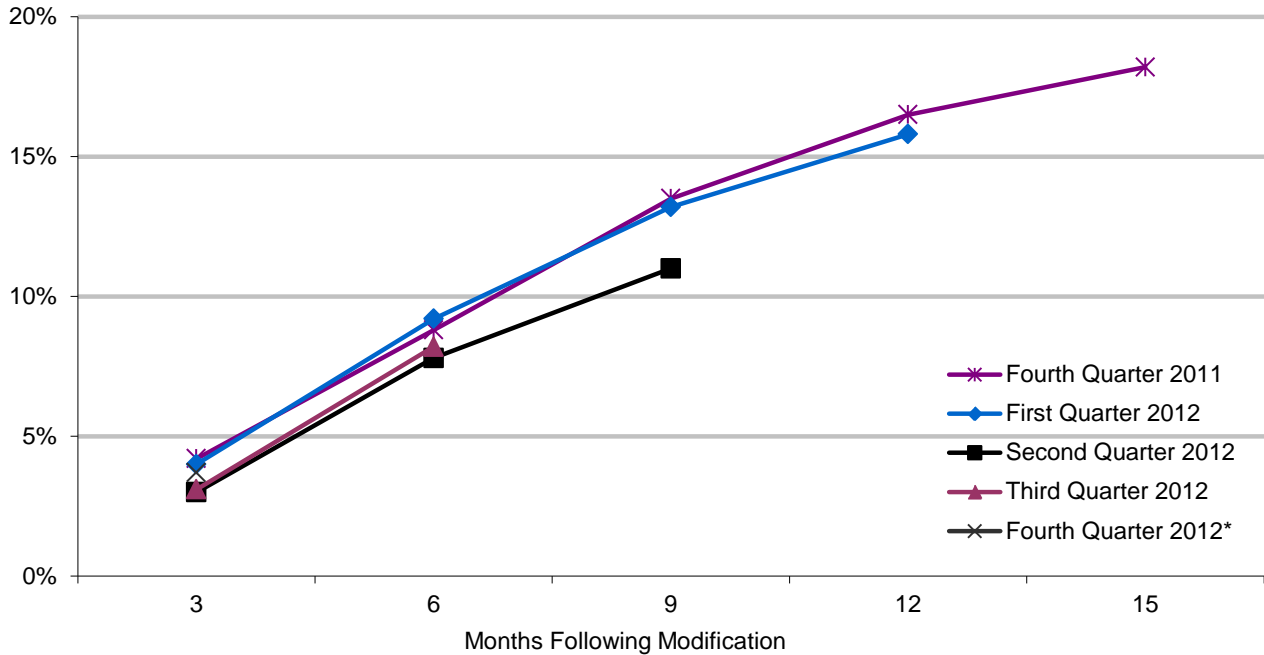
Re-Default Rates of Modified Loans: 90 or More Days Delinquent

Among modifications completed during the last five quarters, less than 17 percent were 90 or more days delinquent 12 months after modification.

Table 27. Modified Loans 90 or More Days Delinquent*					
Modification Date*	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification	15 Months After Modification
Fourth Quarter 2011	4.2%	8.8%	13.5%	16.5%	18.2%
First Quarter 2012	4.0%	9.2%	13.2%	15.8%	-
Second Quarter 2012	3.0%	7.8%	11.0%	-	-
Third Quarter 2012	3.1%	8.2%	-	-	-
Fourth Quarter 2012	3.7%	-	-	-	-

*Data include only modifications that have had time to age the indicated number of months.

Figure 13. Modified Loans 90 or More Days Delinquent



*The fourth quarter of 2012 data is a single point (3.7 percent).

Re-Default Rate, by Investor (60 or More Days Delinquent)

Modifications on mortgages held in the servicers’ own portfolios or serviced for the GSEs—Fannie Mae and Freddie Mac—performed better than modifications on mortgages serviced for other investors. These lower re-default rates for portfolio and GSE mortgages may reflect differences in loan risk characteristics and modification programs, and additional flexibility to modify terms of portfolio mortgages for greater sustainability. Re-default rates for government-guaranteed mortgages and loans serviced for private investors were highest over time, reflecting the higher risk characteristics associated with those mortgages. For all investors, re-default rates have decreased over time as more recent modifications have focused more on reducing monthly payments and increasing borrowers’ ability to sustain the reduced payments over time.

Table 28. Re-Default Rates for Portfolio Loans and Loans Serviced for Others Modified in 2008
(60 or More Days Delinquent)

Investor Loan Type	6 Months After Modification	12 Months After Modification	18 Months After Modification	24 Months After Modification	36 Months After Modification
Fannie Mae	45.0%	59.5%	63.7%	61.8%	54.2%
Freddie Mac	44.9%	59.2%	64.4%	64.5%	59.5%
Government-Guaranteed	53.5%	67.8%	70.7%	70.0%	67.6%
Private	48.9%	61.0%	66.5%	67.6%	67.8%
Portfolio Loans	25.3%	36.2%	41.0%	41.7%	40.0%
Overall	44.7%	57.1%	62.0%	62.4%	61.1%

Table 29. Re-Default Rates for Portfolio Loans and Loans Serviced for Others Modified in 2009
(60 or More Days Delinquent)

Investor Loan Type	6 Months After Modification	12 Months After Modification	18 Months After Modification	24 Months After Modification	36 Months After Modification
Fannie Mae	31.4%	41.2%	42.5%	42.4%	39.2%
Freddie Mac	37.1%	44.5%	45.7%	44.6%	39.8%
Government-Guaranteed	42.2%	55.5%	56.4%	56.3%	58.7%
Private	40.8%	52.5%	56.7%	57.8%	54.4%
Portfolio Loans	15.3%	24.6%	29.3%	30.3%	30.0%
Overall	32.3%	43.1%	46.3%	46.8%	44.9%

Table 30. Re-Default Rates for Portfolio Loans and Loans Serviced for Others Modified in 2010
(60 or More Days Delinquent)*

Investor Loan Type	6 Months After Modification	12 Months After Modification	18 Months After Modification	24 Months After Modification	36 Months After Modification
Fannie Mae	14.4%	20.7%	24.0%	24.4%	26.1%
Freddie Mac	12.3%	17.9%	20.8%	21.9%	21.2%
Government-Guaranteed	27.3%	40.6%	46.4%	48.8%	52.1%
Private	19.9%	28.3%	33.1%	33.6%	32.5%
Portfolio Loans	11.8%	18.0%	20.8%	21.9%	24.9%
Overall	17.4%	25.4%	29.4%	30.5%	31.2%

*Data include all modifications implemented during 2010 that have aged the indicated number of months.

Table 31. Re-Default Rates for Portfolio Loans and Loans Serviced for Others Modified in 2011					
(60 or More Days Delinquent)*					
Investor Loan Type	6 Months After Modification	12 Months After Modification	18 Months After Modification	24 Months After Modification	36 Months After Modification
Fannie Mae	11.2%	16.8%	18.7%	20.5%	-
Freddie Mac	10.9%	16.9%	20.8%	21.6%	-
Government-Guaranteed	28.0%	42.2%	48.8%	49.3%	-
Private	15.6%	22.1%	25.7%	28.3%	-
Portfolio Loans	9.2%	14.9%	17.6%	16.5%	-
Overall	15.4%	23.2%	27.4%	29.1%	-

*Data include all modifications implemented during 2011 that have aged the indicated number of months.

Table 32. Re-Default Rates for Portfolio Loans and Loans Serviced for Others Modified in 2012					
(60 or More Days Delinquent)*					
Investor Loan Type	6 Months After Modification	12 Months After Modification	18 Months After Modification	24 Months After Modification	36 Months After Modification
Fannie Mae	11.9%	17.4%	-	-	-
Freddie Mac	9.0%	15.1%	-	-	-
Government-Guaranteed	22.7%	37.0%	-	-	-
Private	13.8%	19.4%	-	-	-
Portfolio Loans	7.8%	18.2%	-	-	-
Overall	13.2%	20.8%	-	-	-

*Data include all modifications implemented during 2012 that have aged the indicated number of months.

Performance of HAMP Modifications Compared With Other Modifications

HAMP modifications have performed better than other modifications implemented during the same periods. These lower post-modification delinquency rates reflect HAMP's emphasis on the affordability of monthly payments relative to the borrower's income, verification of income, and completion of a successful trial-payment period. While these criteria result in better performance of HAMP modifications over time, the greater flexibility in making other types of modifications results in more of those modifications for borrowers who do not qualify for HAMP modifications.

Table 33. Performance of HAMP Modifications Compared With Other Modifications						
(60 or More Days Delinquent)*						
	Number of Modifications	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification	15 Months After Modification
HAMP First Quarter 2011	53,250	5.8%	9.9%	13.4%	14.9%	16.6%
Other First Quarter 2011	106,660	10.7%	20.7%	27.6%	30.3%	32.8%
HAMP Second Quarter 2011	70,071	5.4%	9.5%	12.1%	13.8%	15.5%
Other Second Quarter 2011	80,397	10.0%	22.1%	27.7%	30.9%	32.8%
HAMP Third Quarter 2011	53,941	5.5%	9.1%	11.5%	14.4%	15.6%
Other Third Quarter 2011	83,596	9.6%	17.4%	22.1%	27.2%	29.5%
HAMP Fourth Quarter 2011	42,275	4.6%	7.6%	10.7%	13.0%	14.2%
Other Fourth Quarter 2011	73,875	10.1%	17.0%	23.5%	27.0%	28.3%
HAMP First Quarter 2012	37,456	4.9%	8.3%	11.2%	12.9%	-
Other First Quarter 2012	64,701	9.3%	17.5%	23.1%	25.4%	-
HAMP Second Quarter 2012	28,673	4.4%	7.9%	10.1%	-	-
Other Second Quarter 2012	67,949	7.4%	14.4%	17.8%	-	-
HAMP Third Quarter 2012	31,746	4.3%	7.7%	-	-	-
Other Third Quarter 2012	104,570	8.0%	14.6%	-	-	-
HAMP Fourth Quarter 2012	29,280	3.8%	-	-	-	-
Other Fourth Quarter 2012	114,109	8.2%	-	-	-	-

*Data include all modifications that have had time to age the indicated number of months.

C. Modified Loan Performance, by Change in Monthly Payments

Modifications that reduce borrowers’ monthly payments by at least 10 percent consistently show re-default rates lower than other modifications—the larger the reduction in monthly payment, the lower the subsequent re-default rates. Lower re-default rates may also result from setting monthly payments relative to the borrower’s income and ability to repay, as well as verification of income and completion of a successful trial period.

For servicers and investors, determining the optimal type of modification often requires weighing the reduction in cash flow from loan terms that reduce monthly principal and interest payments, along with the possible costs of delaying foreclosure, against the potential for longer-term sustainability of the payments and ultimate repayment of the mortgage.

Re-Default Rates of Loans by Change in Payment

Tables 34 through 38 present re-default rates, measured as 60 or more days delinquent, for modifications made since January 1, 2008. Data show that re-default rates decrease as reductions in payments increase more than 10 percent. Modification performance has continued to improve over time as modifications since 2010 focused more on substantively reducing monthly payments and setting payments relative to the borrower’s income and ability to pay.

Modifications that resulted in no change to the borrower’s monthly payment have performed better than many modifications that reduced payments. These modifications generally freeze the interest rate on an ARM so that the rate and payment do not increase, and they tend to be offered to borrowers who were not in default on their payments.

Table 34. Re-Default Rates of Loans Modified in 2008 by Change in Payment					
(60 or More Days Delinquent)					
	6 Months After Modification	12 Months After Modification	18 Months After Modification	24 Months After Modification	36 Months After Modification
Decreased by 20% or More	25.9%	39.4%	46.9%	49.0%	50.4%
Decreased by 10% to Less Than 20%	32.9%	47.9%	54.3%	55.6%	54.8%
Decreased by Less Than 10%	40.1%	55.1%	60.3%	60.8%	58.9%
Unchanged	54.4%	63.0%	67.0%	67.1%	65.4%
Increased	53.1%	66.9%	70.8%	70.6%	68.0%
Total	44.5%	57.0%	61.9%	62.4%	61.1%

Table 35. Re-Default Rates of Loans Modified in 2009 by Change in Payment					
(60 or More Days Delinquent)					
	6 Months After Modification	12 Months After Modification	18 Months After Modification	24 Months After Modification	36 Months After Modification
Decreased by 20% or More	19.3%	28.7%	33.1%	34.6%	33.9%
Decreased by 10% to Less Than 20%	29.2%	41.7%	45.1%	46.0%	45.5%
Decreased by Less Than 10%	33.9%	46.7%	49.3%	49.6%	49.9%
Unchanged	49.6%	57.0%	60.2%	60.4%	55.8%
Increased	46.6%	59.8%	62.3%	61.9%	58.4%
Total	32.2%	43.1%	46.3%	46.9%	45.0%

Table 36. Re-Default Rates of Loans Modified in 2010 by Change in Payment
(60 or More Days Delinquent)*

	6 Months After Modification	12 Months After Modification	18 Months After Modification	24 Months After Modification	36 Months After Modification
Decreased by 20% or More	11.5%	17.5%	21.1%	22.3%	23.1%
Decreased by 10% to Less Than 20%	19.8%	30.2%	35.4%	37.1%	38.4%
Decreased by Less Than 10%	26.2%	37.5%	42.7%	44.0%	47.2%
Unchanged	20.9%	25.2%	26.7%	25.9%	36.2%
Increased	18.2%	32.9%	40.4%	48.8%	46.6%
Total	10.0%	17.4%	22.4%	30.5%	31.2%

*Data include all modifications implemented during 2010 that have aged the indicated number of months.

Table 37. Re-Default Rates of Loans Modified in 2011 by Change in Payment
(60 or More Days Delinquent)*

	6 Months After Modification	12 Months After Modification	18 Months After Modification	24 Months After Modification	36 Months After Modification
Decreased by 20% or More	9.6%	14.8%	18.0%	19.9%	-
Decreased by 10% to Less Than 20%	16.9%	26.7%	32.0%	35.6%	-
Decreased by Less Than 10%	22.7%	34.2%	38.9%	36.9%	-
Unchanged	13.6%	17.4%	17.5%	17.9%	-
Increased	33.0%	45.2%	51.3%	51.0%	-
Total	15.4%	23.2%	27.4%	29.1%	-

*Data include all modifications implemented during 2011 that have aged the indicated number of months.

Table 38. Re-Default Rates of Loans Modified in 2012 by Change in Payment
(60 or More Days Delinquent)*

	6 Months After Modification	12 Months After Modification	18 Months After Modification	24 Months after Modification	36 Months After Modification
Decreased by 20% or More	9.2%	14.7%	-	-	-
Decreased by 10% to Less Than 20%	12.7%	23.2%	-	-	-
Decreased by Less Than 10%	22.9%	34.7%	-	-	-
Unchanged	8.6%	30.0%	-	-	-
Increased	30.9%	41.8%	-	-	-
Total	13.2%	20.8%	-	-	-

*Data include all modifications implemented during 2012 that have aged the indicated number of months.

60+ Delinquency at Six Months After Modification by Change in Monthly Payment

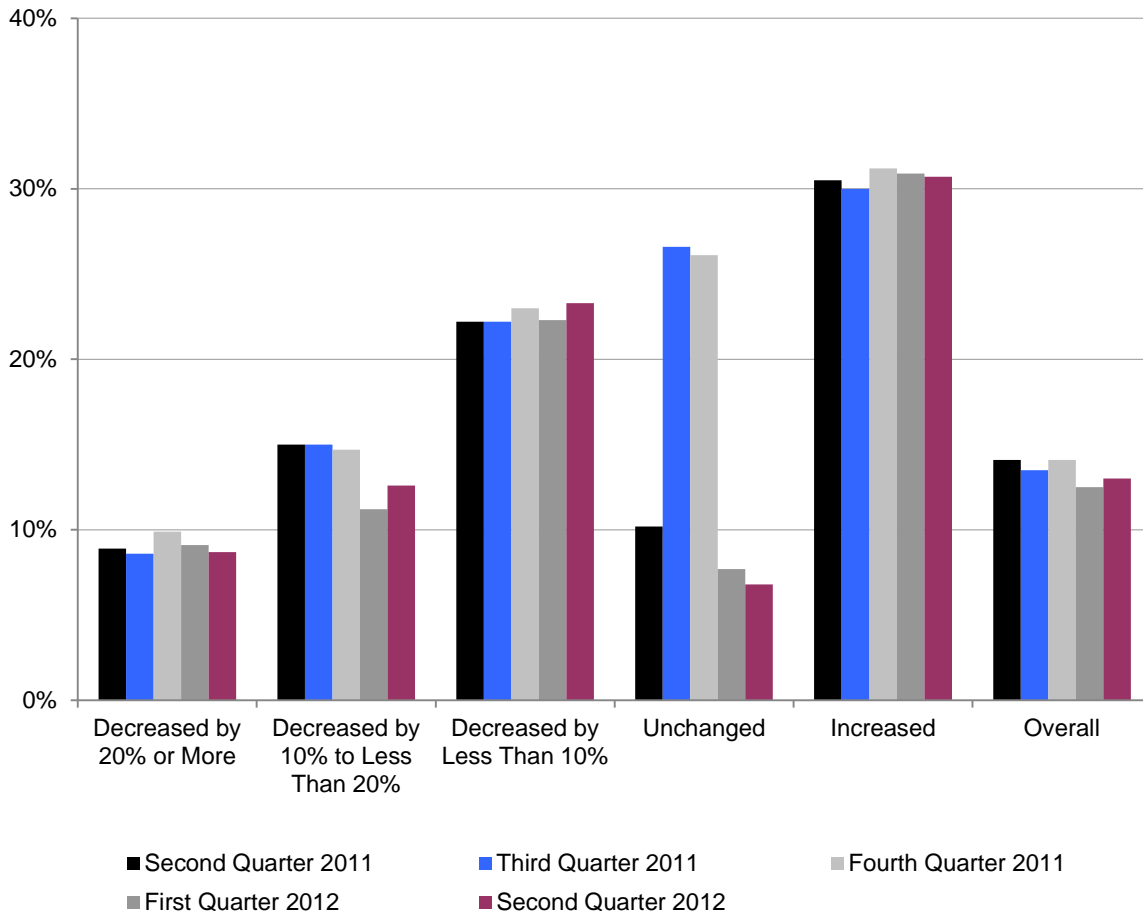
Modifications that reduced monthly principal and interest payments by at least 10 percent consistently performed better than other modifications. Modifications with the greatest decrease in monthly payments consistently had the lowest re-default rates. Modifications that resulted in no change to the borrowers' monthly payments generally have performed better than many modifications that reduced payments because these modifications tend to be offered to borrowers with adjustable rate mortgages who have not defaulted on their payments.

Table 39. 60+ Delinquency at Six Months After Modification by Change in Monthly Payment

	Decreased by 20% or More	Decreased by 10% to Less Than 20%	Decreased by Less Than 10%	Unchanged	Increased	Overall
Third Quarter 2011	8.9%	15.0%	22.2%	10.2%	30.5%	14.1%
Fourth Quarter 2011	8.6%	15.0%	22.2%	26.6%	30.0%	13.5%
First Quarter 2012	9.9%	14.7%	23.0%	26.1%	31.2%	14.1%
Second Quarter 2012	9.1%	11.2%	22.3%	7.7%	30.9%	12.5%
Third Quarter 2012	8.7%	12.6%	23.3%	6.8%	30.7%	13.0%
Total*	9.0%	13.6%	22.6%	9.8%	30.6%	13.5%

*For quarters listed.

Figure 14. 60+ Delinquency at Six Months After Modification by Change in Monthly Payment



Status of Mortgages Modified in 2008–2012

Servicers implemented 3,021,617 modifications from January 1, 2008, through December 31, 2012. Of these modifications, 47.3 percent were current and performing at the end of the first quarter of 2013 with another 2.2 percent paid off. Almost 19 percent of these modifications were delinquent, while 14.7 percent were in the process of foreclosure or had completed the foreclosure process. HAMP modifications implemented since the third quarter of 2009 have performed better than other modifications. Modifications that reduced borrowers’ monthly payments by 10 percent or more performed significantly better than other modifications. Of the 1,877,756 modifications that reduced payments by 10 percent or more, 56.3 percent were current or paid off at the end of the first quarter of 2013, compared with 38.4 percent of modifications that reduced payments by less than 10 percent.

Table 40. Status of Mortgages Modified in 2008–2012								
	Total	Current	30–59 Days Delinquent	Seriously Delinquent	Foreclosures in Process	Completed Foreclosures	Paid Off	No Longer in the Portfolio*
2008	445,354	23.6%	4.6%	11.0%	8.8%	16.1%	4.0%	31.9%
2009	594,350	35.0%	5.7%	13.3%	8.9%	11.6%	3.2%	22.3%
2010	939,364	47.0%	6.4%	12.5%	7.8%	7.0%	2.1%	17.2%
2011	564,065	56.6%	7.1%	13.9%	7.3%	2.9%	1.4%	10.8%
2012	478,484	74.4%	8.4%	10.6%	3.0%	0.3%	0.4%	2.9%
Total	3,021,617	47.3%	6.4%	12.4%	7.3%	7.4%	2.2%	16.9%
HAMP Modification Performance Compared With Other Modifications**								
Other Modifications	1,545,771	51.8%	7.5%	14.6%	7.6%	5.9%	2.0%	10.7%
HAMP Modifications	692,906	60.8%	5.7%	8.4%	4.8%	3.0%	1.1%	16.2%
Modifications That Reduced Payments by 10 Percent or More								
	1,877,756	54.8%	6.4%	10.8%	5.9%	5.0%	1.5%	15.5%
Modifications That Reduced Payments by Less Than 10 Percent								
	1,143,861	35.0%	6.4%	15.1%	9.6%	11.5%	3.4%	19.1%

*Processing constraints prevented some servicers from reporting the reason for removal from the portfolio.

**Modifications used to compare with HAMP modifications only include modifications implemented from the third quarter of 2009 through the fourth quarter of 2012.

Part III: Home Forfeiture Actions—Foreclosures, Short Sales, and Deed-in-Lieu-of-Foreclosure Actions

Completed Foreclosures and Other Home Forfeiture Actions

Home forfeiture actions—foreclosure sales, short sales, and deed-in-lieu-of-foreclosure actions—totaled 131,704 during the first quarter of 2013, a decrease of 22.1 percent from the previous quarter and 29.1 percent from a year earlier. The number of completed foreclosures decreased to 84,972, down 19.7 percent from the previous quarter and 30.9 percent from a year earlier. Short sales decreased 30.2 percent from the previous quarter and 28.1 percent from a year earlier. Short sales were 32.8 percent of total home forfeiture actions, down from 36.5 percent the prior quarter. Deed-in-lieu-of-foreclosure actions remained a small portion of home forfeiture actions during the quarter.

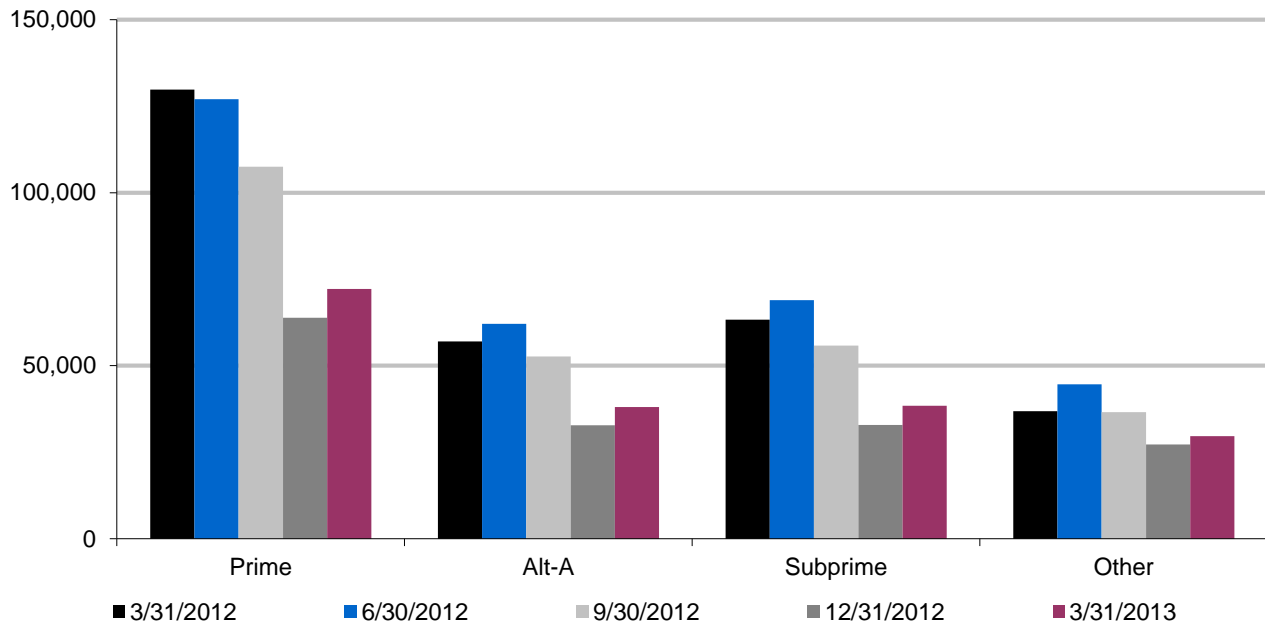
Table 41. Completed Foreclosures and Other Home Forfeiture Actions							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Completed Foreclosures	122,979	101,735	114,743	105,875	84,972	-19.7%	-30.9%
New Short Sales	59,996	63,403	63,860	61,761	43,137	-30.2%	-28.1%
New Deed-in-Lieu-of-Foreclosure Actions	2,806	2,336	1,707	1,428	3,595	151.8%	28.1%
Total	185,781	167,474	180,310	169,064	131,704	-22.1%	-29.1%

Newly Initiated Foreclosures

Servicers initiate foreclosure actions at defined stages of loan delinquency. Foreclosure actions will progress to sale of the property only if servicers and borrowers cannot arrange a permanent loss mitigation action, modification, or alternate workout solution or home sale. Newly initiated foreclosures increased to 178,356 in the first quarter of 2013, an increase of 13.8 percent from the previous quarter but a decrease of 37.8 percent from a year ago. Newly initiated foreclosures increased from the previous quarter but decreased significantly from the previous year among all risk classes.

	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Prime	129,823	126,966	107,507	63,834	72,197	13.1%	-44.4%
Alt-A	56,996	62,054	52,650	32,812	38,050	16.0%	-33.2%
Subprime	63,286	68,968	55,845	32,886	38,463	17.0%	-39.2%
Other	36,846	44,648	36,602	27,241	29,646	8.8%	-19.5%
Total	286,951	302,636	252,604	156,773	178,356	13.8%	-37.8%

Figure 15. Number of Newly Initiated Foreclosures

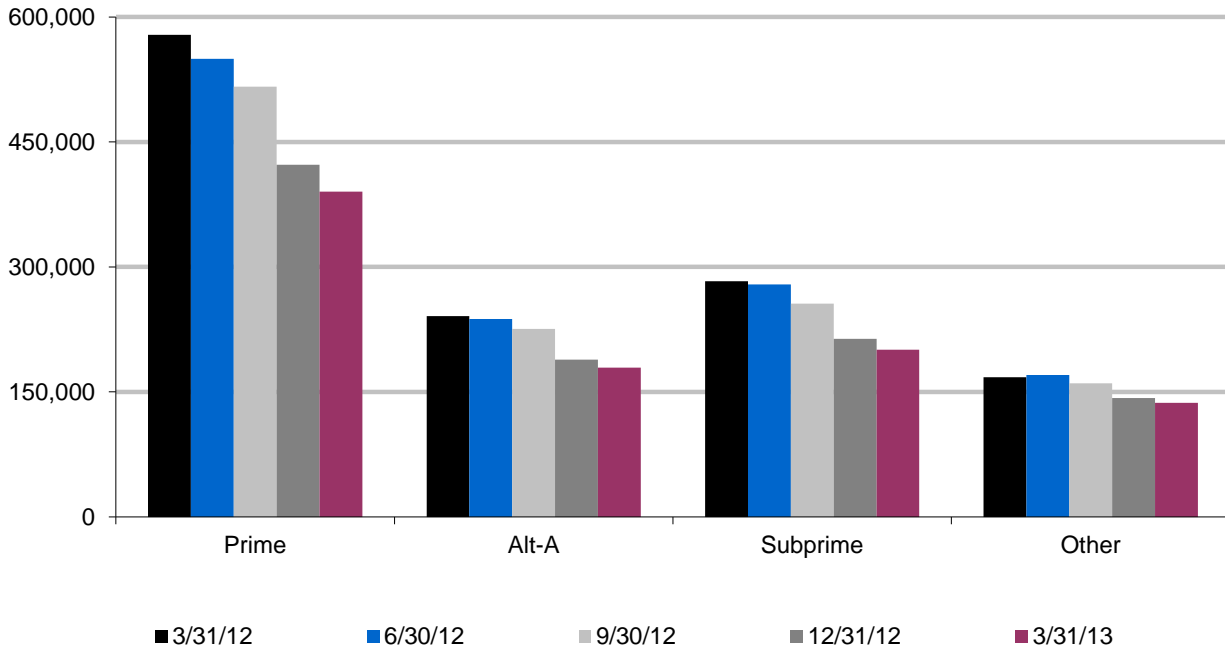


Foreclosures in Process

The number of mortgages in the process of foreclosure decreased to 907,231 at the end of the quarter, down 6.2 percent from the previous quarter and 28.6 percent from a year earlier. The percentage of mortgages in the portfolio that were in some stage of the foreclosure process at the end of the first quarter of 2013 was 3.2 percent, a decrease of 2.7 percent from the previous quarter and 20.7 percent from a year ago.

Table 43. Foreclosures in Process							
Percentage of Foreclosures in Process Relative to Mortgages in That Risk Category							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Prime	2.6%	2.5%	2.4%	2.0%	1.9%	-4.4%	-26.3%
Alt-A	7.2%	7.2%	7.0%	6.1%	6.0%	-1.1%	-16.5%
Subprime	12.5%	12.8%	12.3%	10.7%	10.5%	-2.0%	-16.0%
Other	5.1%	5.5%	5.4%	4.9%	5.0%	0.4%	-3.3%
Total	4.1%	4.1%	3.9%	3.3%	3.2%	-2.7%	-20.7%
Number of Foreclosures in Process							
Prime	578,547	549,862	516,346	422,472	390,407	-7.6%	-32.5%
Alt-A	240,876	237,671	225,615	188,577	179,269	-4.9%	-25.6%
Subprime	282,879	279,023	255,846	213,843	200,734	-6.1%	-29.0%
Other	167,619	170,469	160,482	142,575	136,821	-4.0%	-18.4%
Total	1,269,921	1,237,025	1,158,289	967,467	907,231	-6.2%	-28.6%

Figure 16. Number of Foreclosures in Process

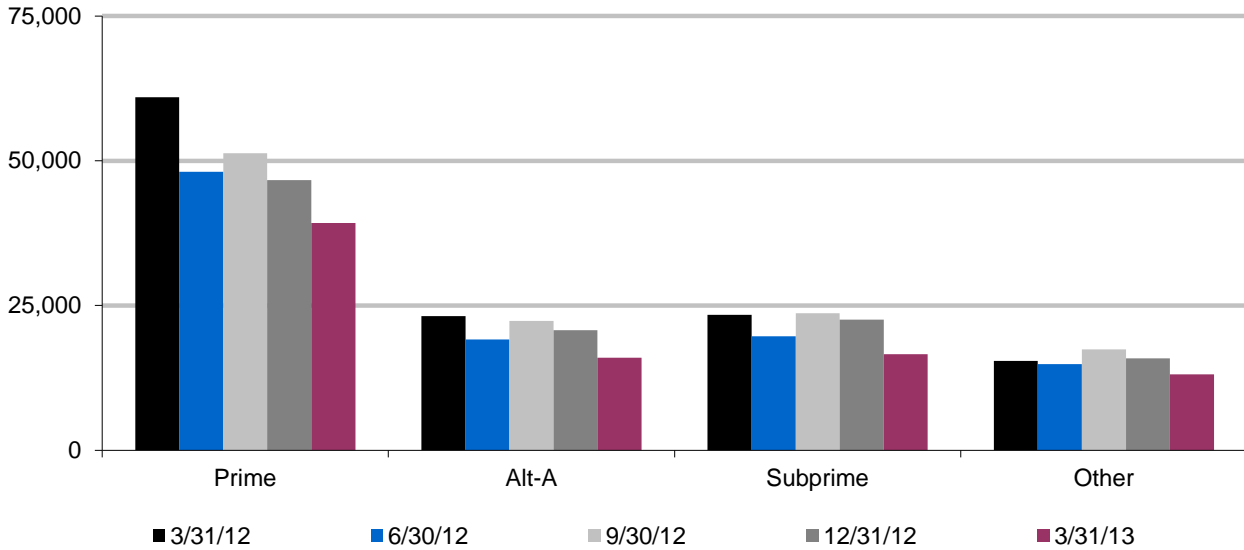


Completed Foreclosures

The number of completed foreclosures decreased to 84,972 during the quarter, down 19.7 percent from the previous quarter and 30.9 percent from a year earlier. The percentage of mortgages that completed the foreclosure process during the first quarter of 2013 was 0.3 percent of all mortgages serviced, a decrease of 16.8 percent from the previous quarter and 23.3 percent from a year earlier. The quarter-to-quarter decreases in completed foreclosure actions occurred among all risk classes.

Table 44. Completed Foreclosures							
Percentage of Completed Foreclosures Relative to Mortgages in That Risk Category							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Prime	0.3%	0.2%	0.2%	0.2%	0.2%	-12.9%	-29.7%
Alt-A	0.7%	0.6%	0.7%	0.7%	0.5%	-19.8%	-22.6%
Subprime	1.0%	0.9%	1.1%	1.1%	0.9%	-23.3%	-15.9%
Other	0.5%	0.5%	0.6%	0.6%	0.5%	-13.6%	0.8%
Total	0.4%	0.3%	0.4%	0.4%	0.3%	-16.8%	-23.3%
Number of Completed Foreclosures							
Prime	60,984	48,079	51,285	46,647	39,250	-15.9%	-35.6%
Alt-A	23,196	19,110	22,328	20,764	16,005	-22.9%	-31.0%
Subprime	23,373	19,673	23,692	22,562	16,588	-26.5%	-29.0%
Other	15,426	14,873	17,438	15,902	13,129	-17.4%	-14.9%
Total	122,979	101,735	114,743	105,875	84,972	-19.7%	-30.9%

Figure 17. Number of Completed Foreclosures

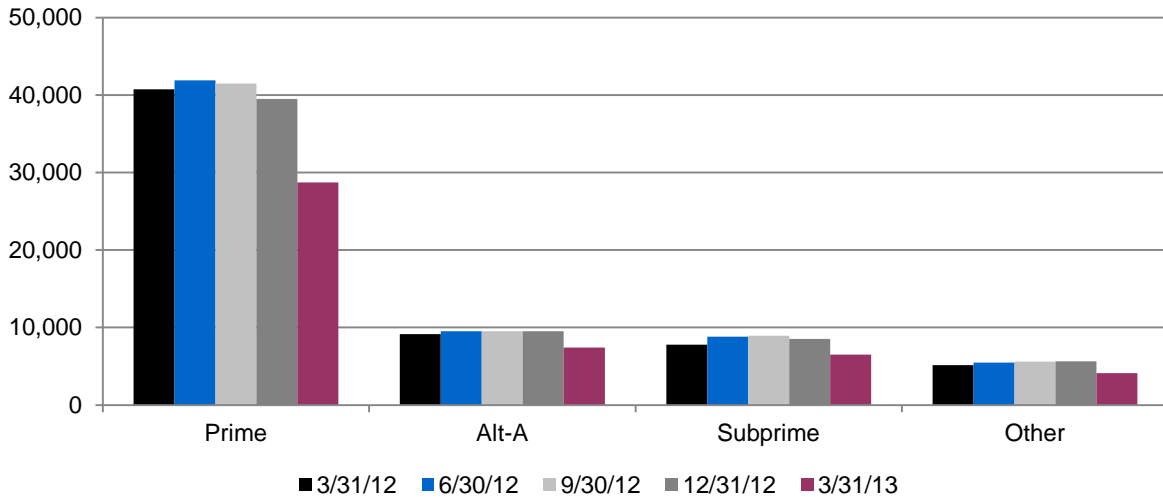


Completed Short Sales and Deeds in Lieu of Foreclosure

The number of completed short sales and deeds in lieu of foreclosure decreased to 46,732 during the quarter—down 26.0 percent from the previous quarter and 25.6 percent from a year earlier. Short sales and deeds in lieu of foreclosure as a percentage of all mortgages serviced at the end of the first quarter were 0.2 percent, down 23.3 percent from the previous quarter and 17.4 percent from a year earlier.

Table 45. Completed Short Sales and Deeds in Lieu of Foreclosure							
Percentage of Short Sales and Deeds in Lieu of Foreclosure in That Risk Category							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Prime	0.2%	0.2%	0.2%	0.2%	0.1%	-24.7%	-23.0%
Alt-A	0.3%	0.3%	0.3%	0.3%	0.2%	-18.9%	-9.2%
Subprime	0.3%	0.4%	0.4%	0.4%	0.3%	-20.4%	-1.2%
Other	0.2%	0.2%	0.2%	0.2%	0.1%	-24.3%	-5.4%
Total	0.2%	0.2%	0.2%	0.2%	0.2%	-23.3%	-17.4%
Number of Short Sales and Deeds in Lieu of Foreclosure							
Prime	40,729	41,902	41,473	39,498	28,725	-27.3%	-29.5%
Alt-A	9,160	9,535	9,515	9,513	7,417	-22.0%	-19.0%
Subprime	7,783	8,808	8,964	8,519	6,494	-23.8%	-16.6%
Other	5,130	5,494	5,615	5,659	4,096	-27.6%	-20.2%
Overall	62,802	65,739	65,567	63,189	46,732	-26.0%	-25.6%

Figure 18. Number of Completed Short Sales and Deeds in Lieu of Foreclosure

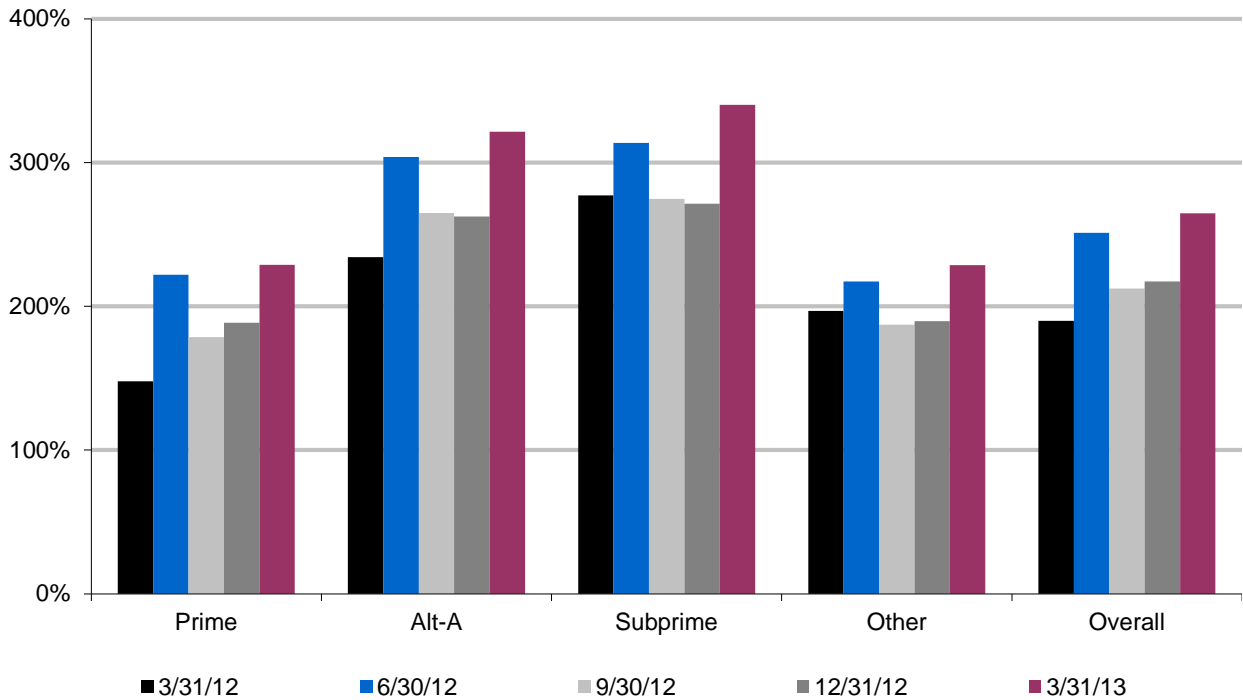


New Home Retention Actions Relative to Forfeiture Actions, by Risk Category

New home retention actions continued to exceed completed home forfeitures as servicers initiated more than twice as many home retention actions as home forfeiture actions during the quarter. The percentage of new home retention actions relative to home forfeitures continued to be highest for subprime loans and lowest for prime and other loans during the first quarter of 2013.

Table 46. Percentage of New Home Retention Actions Relative to Forfeiture Actions, by Risk Category							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Prime	147.8%	222.0%	178.6%	188.6%	228.8%	21.4%	54.8%
Alt-A	234.3%	304.0%	264.9%	262.4%	321.5%	22.5%	37.2%
Subprime	277.3%	313.8%	274.7%	271.5%	340.1%	25.3%	22.7%
Other	196.9%	217.3%	187.3%	189.6%	228.7%	20.6%	16.1%
Overall	190.0%	251.1%	212.4%	217.2%	264.8%	21.9%	39.4%

Figure 19. Percentage of New Home Retention Actions Relative to Forfeiture Actions, by Risk Category



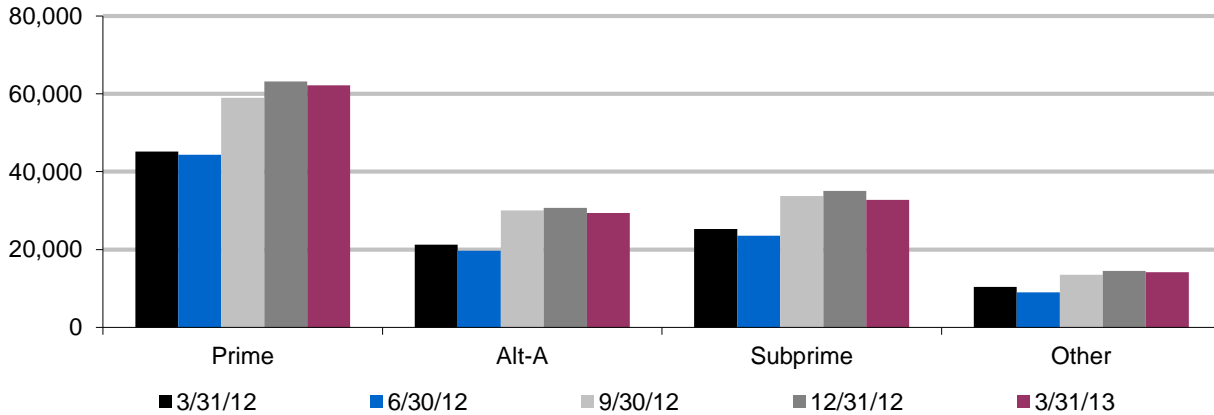
Appendixes

Appendix A—New Loan Modifications

There were 138,546 loan modifications completed during the first quarter of 2013, a 3.4 percent decrease from the previous quarter and 35.6 percent increase from a year earlier. New modifications decreased across all risk categories during the quarter.

Table 47. Number of New Loan Modifications							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Prime	45,170	44,390	58,987	63,186	62,195	-1.6%	37.7%
Alt-A	21,267	19,669	30,040	30,680	29,413	-4.1%	38.3%
Subprime	25,284	23,554	33,755	35,038	32,729	-6.6%	29.4%
Other	10,436	9,009	13,534	14,485	14,209	-1.9%	36.2%
Total	102,157	96,622	136,316	143,389	138,546	-3.4%	35.6%

Figure 20. Number of New Loan Modifications

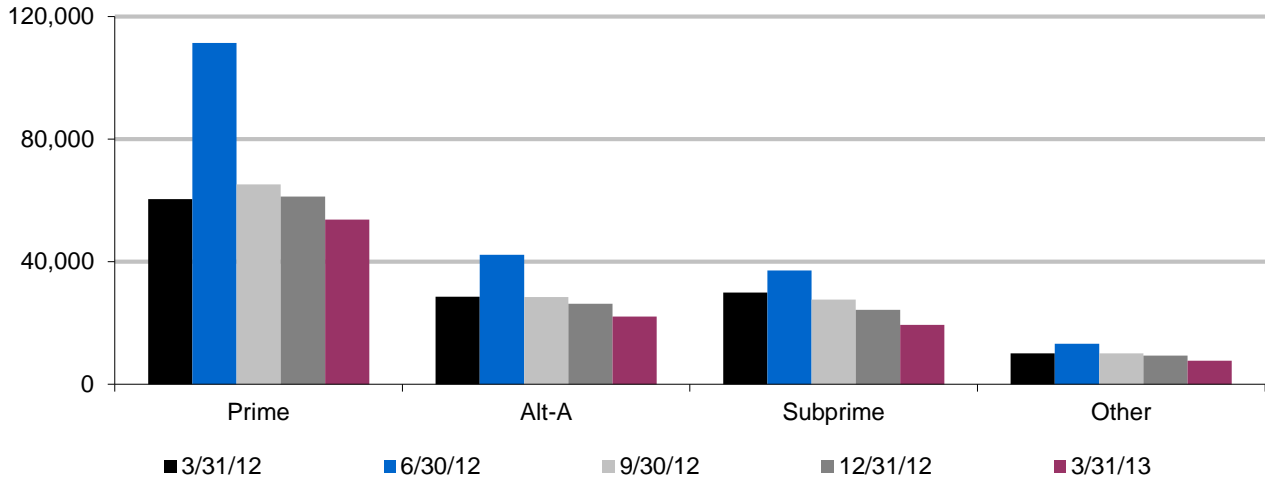


Appendix B—New Trial-Period Plans

Servicers initiated 102,912 trial-period plans during the first quarter of 2013, a decrease of 15.1 percent from the previous quarter and 20.2 percent from a year earlier.

Table 48. Number of New Trial-Period Plans							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Prime	60,432	111,366	65,256	61,307	53,745	-12.3%	-11.1%
Alt-A	28,596	42,209	28,486	26,276	22,137	-15.8%	-22.6%
Subprime	29,937	37,184	27,602	24,312	19,334	-20.5%	-35.4%
Other	10,051	13,213	10,059	9,373	7,696	-17.9%	-23.4%
Total	129,016	203,972	131,403	121,268	102,912	-15.1%	-20.2%

Figure 21. Number of New Trial-Period Plans

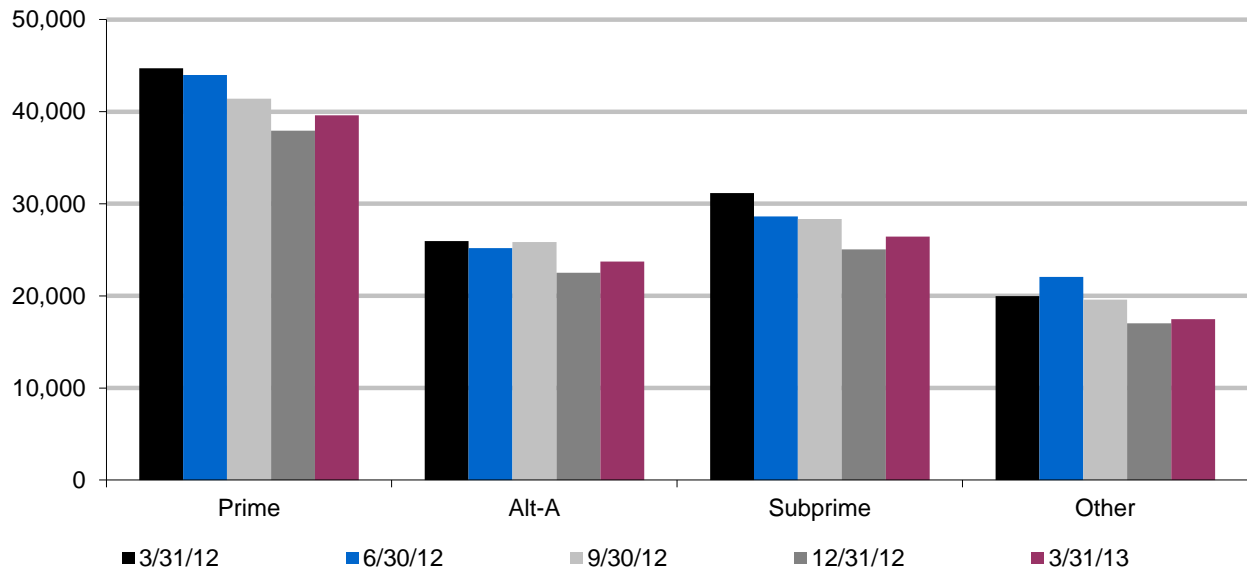


Appendix C—New Payment Plans

New payment plans increased by 4.7 percent to 107,275 during the first quarter of 2013.

Table 49. Number of New Payment Plans							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Prime	44,697	43,992	41,401	37,938	39,598	4.4%	-11.4%
Alt-A	25,953	25,190	25,838	22,495	23,745	5.6%	-8.5%
Subprime	31,177	28,624	28,349	25,048	26,444	5.6%	-15.2%
Other	19,988	22,044	19,592	17,012	17,488	2.8%	-12.5%
Total	121,815	119,850	115,180	102,493	107,275	4.7%	-11.9%

Figure 22. Number of New Payment Plans



Appendix D—Breakdown of Individual and Combination Modification Actions

Servicers generally use a combination of actions to reduce monthly payments and achieve payment sustainability when modifying a mortgage. Servicers changed more than one loan term in 85.8 percent of all modifications completed during the first quarter of 2013.

Table 50. Changes in Terms for Modifications Made Through the First Quarter of 2013							
(Percentage of Modifications in Each Category)							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Combination*	95.3%	86.2%	93.9%	89.9%	85.8%	-4.6%	-10.0%
Capitalization	1.9%	1.5%	1.6%	1.4%	1.7%	25.2%	-8.7%
Rate Reduction	0.8%	6.4%	2.7%	6.5%	11.1%	70.9%	1,292.4%
Rate Freeze	0.2%	0.0%	0.0%	0.0%	0.0%	77.4%	-96.4%
Term Extension	0.6%	0.5%	0.3%	0.9%	0.6%	-27.6%	9.0%
Principal Reduction	0.0%	4.6%	1.1%	0.1%	0.1%	-46.7%	7,494.7%
Principal Deferral	0.1%	0.1%	0.1%	0.1%	0.1%	-38.1%	14.2%
Not Reported**	1.2%	0.7%	0.4%	1.1%	0.6%	-41.7%	-44.2%
(Number of Changes in Each Category)							
Combination*	97,349	83,304	128,067	128,918	118,846	-7.8%	22.1%
Capitalization	1,902	1,428	2,176	1,946	2,354	21.0%	23.8%
Rate Reduction	813	6,146	3,619	9,295	15,353	65.2%	1,788.4%
Rate Freeze	244	9	8	7	12	71.4%	-95.1%
Term Extension	587	520	371	1,240	868	-30.0%	47.9%
Principal Reduction	1	4,412	1,486	200	103	-48.5%	**
Principal Deferral	71	81	85	184	110	-40.2%	54.9%
Not Reported***	1,190	722	504	1,599	900	-43.7%	-24.4%
All Modifications	102,157	96,622	136,316	143,389	138,546	-3.4%	35.6%

*Combination modifications result in a change to two or more loan terms. All other modification types detailed in this table involve only the individual listed action.

**Comparison to prior year value is not meaningful.

***Processing constraints at some servicers prevented them from reporting specific modified term(s).

Changes in Terms for Combination Modification Actions

Of the 118,846 modifications completed during the first quarter of 2013 that changed more than one term of the mortgage contract, 90.5 percent included capitalization of missed fees and payments, 80.4 percent included interest rate reduction, and 69.6 percent included an extension of the loan maturity. Principal deferral was included in 21.2 percent of the combination modifications implemented during the quarter, and principal reduction was included in 17.6 percent. Because combination modifications changed more than one term, the sum of the individual actions exceeded 100 percent of total combination modifications.

Table 51. Changes in Terms for Combination Modifications Through the First Quarter of 2013							
(Percentage of Modifications in Each Category)							
	3/31/12	6/30/12	9/30/12	12/31/12	3/31/13	1Q %Change	1Y %Change
Capitalization	94.2%	90.9%	94.6%	92.4%	90.5%	-2.1%	-3.9%
Rate Reduction	83.8%	84.0%	79.4%	74.3%	80.4%	8.1%	-4.0%
Rate Freeze	6.3%	7.2%	7.4%	4.3%	4.3%	0.9%	-31.4%
Term Extension	76.7%	71.1%	68.7%	64.5%	69.6%	8.0%	-9.2%
Principal Reduction	10.7%	12.6%	17.1%	22.1%	17.6%	-20.4%	64.8%
Principal Deferral	25.8%	22.8%	20.3%	22.7%	21.2%	-6.8%	-17.8%
(Total Number of Changes in Each Category)							
Capitalization	91,671	75,687	121,099	119,137	107,522	-9.7%	17.3%
Rate Reduction	81,569	69,947	101,660	95,848	95,554	-0.3%	17.1%
Rate Freeze	6,101	6,030	9,451	5,494	5,109	-7.0%	-16.3%
Term Extension	74,669	59,235	87,979	83,124	82,726	-0.5%	10.8%
Principal Reduction	10,403	10,532	21,951	28,516	20,930	-26.6%	101.2%
Principal Deferral	25,083	19,004	25,936	29,272	25,161	-14.0%	0.3%

Appendix E—Mortgage Modification Data by State

The following tables present certain mortgage modification data by state, the District of Columbia, and U.S. territories (the latter are included in the category labeled “Other”). These data fulfill reporting requirements in the Dodd–Frank Wall Street Reform and Consumer Protection Act of 2010 (Public Law 111-203).

Table 52 presents the number and percentage of HAMP modifications and other modifications in each state during the first quarter of 2013. Tables 53 and 54 present the number and percentage of each type of action included in modifications made during the quarter in each state, the District of Columbia, and U.S. territories. Tables 55 and 56 present the number and percentage of each type of action included in combination modifications made during the quarter in each state, the District of Columbia, and U.S. territories. Tables 57 and 58 present the number and percentage of modifications made during the quarter in each state, the District of Columbia, and U.S. territories by the amount of change in the borrowers’ monthly principal and interest payments. Tables 59 and 60 present the number and percentage of modifications made in the third quarter of 2012 that were 60 or more days delinquent or in the process of foreclosure at the end of the first quarter of 2013.

**Table 52. Number and Percentage of Mortgage Modifications
Implemented in the First Quarter of 2013**

States	HAMP Modifications		Other Modifications		Total Modifications	
	Total	% of State Total	Total	% of State Total	Total	% of Total
Total—All States	27,728	20.0%	110,818	80.0%	138,546	100.0%
Alabama	170	12.7%	1,169	87.3%	1,339	1.0%
Alaska	19	20.2%	75	79.8%	94	0.1%
Arizona	580	19.1%	2,451	80.9%	3,031	2.2%
Arkansas	57	11.4%	444	88.6%	501	0.4%
California	7,533	30.1%	17,496	69.9%	25,029	18.1%
Colorado	388	20.3%	1,519	79.7%	1,907	1.4%
Connecticut	426	22.0%	1,512	78.0%	1,938	1.4%
Delaware	85	15.2%	474	84.8%	559	0.4%
District of Columbia	49	14.5%	290	85.5%	339	0.2%
Florida	3,286	23.2%	10,869	76.8%	14,155	10.2%
Georgia	971	13.8%	6,087	86.2%	7,058	5.1%
Hawaii	96	28.7%	238	71.3%	334	0.2%
Idaho	72	13.2%	475	86.8%	547	0.4%
Illinois	1,412	19.8%	5,734	80.2%	7,146	5.2%
Indiana	199	9.6%	1,874	90.4%	2,073	1.5%
Iowa	60	9.3%	586	90.7%	646	0.5%
Kansas	66	10.3%	577	89.7%	643	0.5%
Kentucky	112	12.7%	773	87.3%	885	0.6%
Louisiana	142	11.2%	1,122	88.8%	1,264	0.9%
Maine	68	18.4%	302	81.6%	370	0.3%
Maryland	868	17.5%	4,105	82.5%	4,973	3.6%
Massachusetts	659	22.6%	2,255	77.4%	2,914	2.1%
Michigan	465	13.9%	2,881	86.1%	3,346	2.4%
Minnesota	358	20.2%	1,412	79.8%	1,770	1.3%
Mississippi	77	10.6%	651	89.4%	728	0.5%
Missouri	312	14.7%	1,805	85.3%	2,117	1.5%
Montana	26	15.7%	140	84.3%	166	0.1%
Nebraska	40	12.7%	275	87.3%	315	0.2%
Nevada	462	22.0%	1,640	78.0%	2,102	1.5%
New Hampshire	111	21.8%	399	78.2%	510	0.4%
New Jersey	1,184	22.9%	3,977	77.1%	5,161	3.7%
New Mexico	104	14.1%	635	85.9%	739	0.5%
New York	1,948	29.0%	4,779	71.0%	6,727	4.9%
North Carolina	566	12.8%	3,862	87.2%	4,428	3.2%
North Dakota	5	18.5%	22	81.5%	27	0.0%
Ohio	513	14.5%	3,015	85.5%	3,528	2.5%
Oklahoma	54	6.7%	751	93.3%	805	0.6%
Oregon	300	19.9%	1,207	80.1%	1,507	1.1%
Pennsylvania	631	15.9%	3,346	84.1%	3,977	2.9%
Rhode Island	120	19.8%	486	80.2%	606	0.4%
South Carolina	224	11.6%	1,714	88.4%	1,938	1.4%
South Dakota	9	11.3%	71	88.8%	80	0.1%
Tennessee	262	12.8%	1,785	87.2%	2,047	1.5%
Texas	821	10.3%	7,127	89.7%	7,948	5.7%
Utah	152	14.9%	867	85.1%	1,019	0.7%
Vermont	28	20.0%	112	80.0%	140	0.1%
Virginia	661	17.8%	3,060	82.2%	3,721	2.7%
Washington	681	20.1%	2,708	79.9%	3,389	2.4%
West Virginia	27	10.2%	239	89.8%	266	0.2%
Wisconsin	242	16.3%	1,243	83.7%	1,485	1.1%
Wyoming	10	12.5%	70	87.5%	80	0.1%
Other	17	13.2%	112	86.8%	129	0.1%

**Table 53. Number of Mortgage Modification Actions
Implemented in the First Quarter of 2013**

States	Capitalization	Rate Reduction or Freeze	Term Extension	Principal Reductions	Principal Deferral	Combination	Not Reported	Total Modifications
Total—All States	2,354	15,365	868	103	110	118,846	900	138,546
Alabama	27	52	23	1	1	1,230	5	1,339
Alaska	1	2	0	0	0	89	2	94
Arizona	53	467	23	2	3	2,467	16	3,031
Arkansas	14	65	1	0	0	418	3	501
California	360	3,372	120	33	50	20,887	207	25,029
Colorado	41	133	19	0	1	1,699	14	1,907
Connecticut	32	189	14	1	2	1,685	15	1,938
Delaware	14	38	3	0	0	504	0	559
District of Columbia	7	86	2	0	0	239	5	339
Florida	132	1,551	58	14	7	12,306	87	14,155
Georgia	105	848	51	7	6	5,996	45	7,058
Hawaii	3	21	4	0	0	303	3	334
Idaho	12	64	1	0	0	467	3	547
Illinois	80	501	41	2	1	6,483	38	7,146
Indiana	54	65	10	2	0	1,936	6	2,073
Iowa	16	33	6	0	0	588	3	646
Kansas	13	105	4	1	0	517	3	643
Kentucky	19	18	7	0	1	839	1	885
Louisiana	17	34	13	1	0	1,193	6	1,264
Maine	7	37	3	0	0	322	1	370
Maryland	101	791	36	4	8	3,992	41	4,973
Massachusetts	63	419	14	2	3	2,384	29	2,914
Michigan	62	597	17	3	0	2,647	20	3,346
Minnesota	32	165	9	0	1	1,554	9	1,770
Mississippi	30	25	11	0	0	660	2	728
Missouri	55	318	11	3	0	1,724	6	2,117
Montana	4	2	1	0	0	158	1	166
Nebraska	4	9	2	0	0	300	0	315
Nevada	16	236	8	5	1	1,813	23	2,102
New Hampshire	14	53	1	0	0	438	4	510
New Jersey	59	322	39	0	3	4,691	47	5,161
New Mexico	18	139	8	0	0	570	4	739
New York	92	305	33	2	5	6,216	74	6,727
North Carolina	109	683	28	4	1	3,587	16	4,428
North Dakota	1	0	1	0	0	25	0	27
Ohio	69	180	28	3	0	3,230	18	3,528
Oklahoma	25	60	4	0	0	712	4	805
Oregon	17	242	11	0	3	1,232	2	1,507
Pennsylvania	114	199	33	3	3	3,593	32	3,977
Rhode Island	10	161	2	0	1	429	3	606
South Carolina	49	382	24	0	1	1,474	8	1,938
South Dakota	0	3	1	0	0	76	0	80
Tennessee	47	154	26	1	0	1,810	9	2,047
Texas	184	849	31	2	0	6,857	25	7,948
Utah	21	52	15	2	0	914	15	1,019
Vermont	0	5	0	0	0	133	2	140
Virginia	70	749	42	4	1	2,836	19	3,721
Washington	40	474	18	1	7	2,833	16	3,389
West Virginia	10	18	2	0	0	235	1	266
Wisconsin	30	81	7	0	0	1,361	6	1,485
Wyoming	1	1	1	0	0	77	0	80
Other	0	10	1	0	0	117	1	129

**Table 54. Percentage of Mortgage Modification Actions
Implemented in the First Quarter of 2013**

States	Capitalization	Rate Reduction or Freeze	Term Extension	Principal Reduction	Principal Deferral	Combination	Not Reported	Total Modifications
Total—All States	1.7%	11.1%	0.6%	0.1%	0.1%	85.8%	0.6%	138,546
Alabama	2.0%	3.9%	1.7%	0.1%	0.1%	91.9%	0.4%	1,339
Alaska	1.1%	2.1%	0.0%	0.0%	0.0%	94.7%	2.1%	94
Arizona	1.7%	15.4%	0.8%	0.1%	0.1%	81.4%	0.5%	3,031
Arkansas	2.8%	13.0%	0.2%	0.0%	0.0%	83.4%	0.6%	501
California	1.4%	13.5%	0.5%	0.1%	0.2%	83.5%	0.8%	25,029
Colorado	2.1%	7.0%	1.0%	0.0%	0.1%	89.1%	0.7%	1,907
Connecticut	1.7%	9.8%	0.7%	0.1%	0.1%	86.9%	0.8%	1,938
Delaware	2.5%	6.8%	0.5%	0.0%	0.0%	90.2%	0.0%	559
District of Columbia	2.1%	25.4%	0.6%	0.0%	0.0%	70.5%	1.5%	339
Florida	0.9%	11.0%	0.4%	0.1%	0.0%	86.9%	0.6%	14,155
Georgia	1.5%	12.0%	0.7%	0.1%	0.1%	85.0%	0.6%	7,058
Hawaii	0.9%	6.3%	1.2%	0.0%	0.0%	90.7%	0.9%	334
Idaho	2.2%	11.7%	0.2%	0.0%	0.0%	85.4%	0.5%	547
Illinois	1.1%	7.0%	0.6%	0.0%	0.0%	90.7%	0.5%	7,146
Indiana	2.6%	3.1%	0.5%	0.1%	0.0%	93.4%	0.3%	2,073
Iowa	2.5%	5.1%	0.9%	0.0%	0.0%	91.0%	0.5%	646
Kansas	2.0%	16.3%	0.6%	0.2%	0.0%	80.4%	0.5%	643
Kentucky	2.1%	2.0%	0.8%	0.0%	0.1%	94.8%	0.1%	885
Louisiana	1.3%	2.7%	1.0%	0.1%	0.0%	94.4%	0.5%	1,264
Maine	1.9%	10.0%	0.8%	0.0%	0.0%	87.0%	0.3%	370
Maryland	2.0%	15.9%	0.7%	0.1%	0.2%	80.3%	0.8%	4,973
Massachusetts	2.2%	14.4%	0.5%	0.1%	0.1%	81.8%	1.0%	2,914
Michigan	1.9%	17.8%	0.5%	0.1%	0.0%	79.1%	0.6%	3,346
Minnesota	1.8%	9.3%	0.5%	0.0%	0.1%	87.8%	0.5%	1,770
Mississippi	4.1%	3.4%	1.5%	0.0%	0.0%	90.7%	0.3%	728
Missouri	2.6%	15.0%	0.5%	0.1%	0.0%	81.4%	0.3%	2,117
Montana	2.4%	1.2%	0.6%	0.0%	0.0%	95.2%	0.6%	166
Nebraska	1.3%	2.9%	0.6%	0.0%	0.0%	95.2%	0.0%	315
Nevada	0.8%	11.2%	0.4%	0.2%	0.0%	86.3%	1.1%	2,102
New Hampshire	2.7%	10.4%	0.2%	0.0%	0.0%	85.9%	0.8%	510
New Jersey	1.1%	6.2%	0.8%	0.0%	0.1%	90.9%	0.9%	5,161
New Mexico	2.4%	18.8%	1.1%	0.0%	0.0%	77.1%	0.5%	739
New York	1.4%	4.5%	0.5%	0.0%	0.1%	92.4%	1.1%	6,727
North Carolina	2.5%	15.4%	0.6%	0.1%	0.0%	81.0%	0.4%	4,428
North Dakota	3.7%	0.0%	3.7%	0.0%	0.0%	92.6%	0.0%	27
Ohio	2.0%	5.1%	0.8%	0.1%	0.0%	91.6%	0.5%	3,528
Oklahoma	3.1%	7.5%	0.5%	0.0%	0.0%	88.4%	0.5%	805
Oregon	1.1%	16.1%	0.7%	0.0%	0.2%	81.8%	0.1%	1,507
Pennsylvania	2.9%	5.0%	0.8%	0.1%	0.1%	90.3%	0.8%	3,977
Rhode Island	1.7%	26.6%	0.3%	0.0%	0.2%	70.8%	0.5%	606
South Carolina	2.5%	19.7%	1.2%	0.0%	0.1%	76.1%	0.4%	1,938
South Dakota	0.0%	3.8%	1.3%	0.0%	0.0%	95.0%	0.0%	80
Tennessee	2.3%	7.5%	1.3%	0.0%	0.0%	88.4%	0.4%	2,047
Texas	2.3%	10.7%	0.4%	0.0%	0.0%	86.3%	0.3%	7,948
Utah	2.1%	5.1%	1.5%	0.2%	0.0%	89.7%	1.5%	1,019
Vermont	0.0%	3.6%	0.0%	0.0%	0.0%	95.0%	1.4%	140
Virginia	1.9%	20.1%	1.1%	0.1%	0.0%	76.2%	0.5%	3,721
Washington	1.2%	14.0%	0.5%	0.0%	0.2%	83.6%	0.5%	3,389
West Virginia	3.8%	6.8%	0.8%	0.0%	0.0%	88.3%	0.4%	266
Wisconsin	2.0%	5.5%	0.5%	0.0%	0.0%	91.6%	0.4%	1,485
Wyoming	1.3%	1.3%	1.3%	0.0%	0.0%	96.3%	0.0%	80
Other	0.0%	7.8%	0.8%	0.0%	0.0%	90.7%	0.8%	129

**Table 55. Number of Modification Actions in Combination Actions
Implemented in the First Quarter of 2013**

States	Capitalization	Rate Reduction or Freeze	Term Extension	Principal Reduction	Principal Deferral	Total Combination Modifications
Total—All States	107,522	100,609	82,726	20,930	25,161	118,846
Alabama	1,009	1,143	978	74	65	1,230
Alaska	87	77	65	4	6	89
Arizona	2,184	2,042	1,656	416	591	2,467
Arkansas	374	371	332	26	29	418
California	19,572	16,317	11,029	6,832	6,919	20,887
Colorado	1,527	1,513	1,250	143	201	1,699
Connecticut	1,530	1,408	1,190	279	378	1,685
Delaware	438	433	393	57	80	504
District of Columbia	220	194	163	30	50	239
Florida	11,389	9,697	7,802	3,453	3,915	12,306
Georgia	5,142	5,324	4,488	722	895	5,996
Hawaii	282	246	163	49	92	303
Idaho	415	389	352	41	78	467
Illinois	6,006	5,414	4,613	1,192	1,755	6,483
Indiana	1,770	1,745	1,552	138	140	1,936
Iowa	528	525	505	20	34	588
Kansas	458	471	432	19	27	517
Kentucky	735	758	662	51	49	839
Louisiana	1,042	1,088	938	85	81	1,193
Maine	295	277	233	29	45	322
Maryland	3,562	3,351	2,808	661	925	3,992
Massachusetts	2,210	1,941	1,671	397	562	2,384
Michigan	2,373	2,286	1,866	387	498	2,647
Minnesota	1,451	1,360	1,131	200	283	1,554
Mississippi	556	609	480	68	44	660
Missouri	1,515	1,542	1,283	185	186	1,724
Montana	142	141	123	10	16	158
Nebraska	270	277	247	17	14	300
Nevada	1,670	1,348	1,110	502	528	1,813
New Hampshire	400	377	314	51	73	438
New Jersey	4,297	3,973	3,551	737	1,164	4,691
New Mexico	509	501	433	51	52	570
New York	5,827	5,319	4,447	876	1,650	6,216
North Carolina	3,100	3,168	2,856	301	308	3,587
North Dakota	22	21	23	-	1	25
Ohio	2,867	2,912	2,544	322	369	3,230
Oklahoma	641	648	600	26	35	712
Oregon	1,121	1,046	874	163	243	1,232
Pennsylvania	3,206	3,149	2,809	360	469	3,593
Rhode Island	401	337	287	101	111	429
South Carolina	1,259	1,302	1,151	123	172	1,474
South Dakota	73	64	64	2	2	76
Tennessee	1,555	1,642	1,360	186	140	1,810
Texas	6,050	6,464	5,641	477	400	6,857
Utah	783	806	705	83	110	914
Vermont	102	111	109	7	17	133
Virginia	2,452	2,504	2,020	355	443	2,836
Washington	2,573	2,392	2,033	447	654	2,833
West Virginia	194	207	168	20	29	235
Wisconsin	1,225	1,195	1,050	144	213	1,361
Wyoming	68	73	65	1	12	77
Other	45	111	107	10	8	117

**Table 56. Percentage of Modification Actions in Combination Actions
Implemented in the First Quarter of 2013**

States	Capitalization	Rate Reduction or Freeze	Term Extension	Principal Reduction	Principal Deferral	Total Combination Modifications
Total—All States	90.5%	84.7%	69.6%	17.6%	21.2%	118,846
Alabama	82.0%	92.9%	79.5%	6.0%	5.3%	1,230
Alaska	97.8%	86.5%	73.0%	4.5%	6.7%	89
Arizona	88.5%	82.8%	67.1%	16.9%	24.0%	2,467
Arkansas	89.5%	88.8%	79.4%	6.2%	6.9%	418
California	93.7%	78.1%	52.8%	32.7%	33.1%	20,887
Colorado	89.9%	89.1%	73.6%	8.4%	11.8%	1,699
Connecticut	90.8%	83.6%	70.6%	16.6%	22.4%	1,685
Delaware	86.9%	85.9%	78.0%	11.3%	15.9%	504
District of Columbia	92.1%	81.2%	68.2%	12.6%	20.9%	239
Florida	92.5%	78.8%	63.4%	28.1%	31.8%	12,306
Georgia	85.8%	88.8%	74.8%	12.0%	14.9%	5,996
Hawaii	93.1%	81.2%	53.8%	16.2%	30.4%	303
Idaho	88.9%	83.3%	75.4%	8.8%	16.7%	467
Illinois	92.6%	83.5%	71.2%	18.4%	27.1%	6,483
Indiana	91.4%	90.1%	80.2%	7.1%	7.2%	1,936
Iowa	89.8%	89.3%	85.9%	3.4%	5.8%	588
Kansas	88.6%	91.1%	83.6%	3.7%	5.2%	517
Kentucky	87.6%	90.3%	78.9%	6.1%	5.8%	839
Louisiana	87.3%	91.2%	78.6%	7.1%	6.8%	1,193
Maine	91.6%	86.0%	72.4%	9.0%	14.0%	322
Maryland	89.2%	83.9%	70.3%	16.6%	23.2%	3,992
Massachusetts	92.7%	81.4%	70.1%	16.7%	23.6%	2,384
Michigan	89.6%	86.4%	70.5%	14.6%	18.8%	2,647
Minnesota	93.4%	87.5%	72.8%	12.9%	18.2%	1,554
Mississippi	84.2%	92.3%	72.7%	10.3%	6.7%	660
Missouri	87.9%	89.4%	74.4%	10.7%	10.8%	1,724
Montana	89.9%	89.2%	77.8%	6.3%	10.1%	158
Nebraska	90.0%	92.3%	82.3%	5.7%	4.7%	300
Nevada	92.1%	74.4%	61.2%	27.7%	29.1%	1,813
New Hampshire	91.3%	86.1%	71.7%	11.6%	16.7%	438
New Jersey	91.6%	84.7%	75.7%	15.7%	24.8%	4,691
New Mexico	89.3%	87.9%	76.0%	8.9%	9.1%	570
New York	93.7%	85.6%	71.5%	14.1%	26.5%	6,216
North Carolina	86.4%	88.3%	79.6%	8.4%	8.6%	3,587
North Dakota	88.0%	84.0%	92.0%	0.0%	4.0%	25
Ohio	88.8%	90.2%	78.8%	10.0%	11.4%	3,230
Oklahoma	90.0%	91.0%	84.3%	3.7%	4.9%	712
Oregon	91.0%	84.9%	70.9%	13.2%	19.7%	1,232
Pennsylvania	89.2%	87.6%	78.2%	10.0%	13.1%	3,593
Rhode Island	93.5%	78.6%	66.9%	23.5%	25.9%	429
South Carolina	85.4%	88.3%	78.1%	8.3%	11.7%	1,474
South Dakota	96.1%	84.2%	84.2%	2.6%	2.6%	76
Tennessee	85.9%	90.7%	75.1%	10.3%	7.7%	1,810
Texas	88.2%	94.3%	82.3%	7.0%	5.8%	6,857
Utah	85.7%	88.2%	77.1%	9.1%	12.0%	914
Vermont	76.7%	83.5%	82.0%	5.3%	12.8%	133
Virginia	86.5%	88.3%	71.2%	12.5%	15.6%	2,836
Washington	90.8%	84.4%	71.8%	15.8%	23.1%	2,833
West Virginia	82.6%	88.1%	71.5%	8.5%	12.3%	235
Wisconsin	90.0%	87.8%	77.1%	10.6%	15.7%	1,361
Wyoming	88.3%	94.8%	84.4%	1.3%	15.6%	77
Other	38.5%	94.9%	91.5%	8.5%	6.8%	117

Table 57. Changes in Monthly Principal and Interest Payments by State (Number)							
Modifications Implemented in the First Quarter of 2013							
States	Decreased by 20% or More	Decreased by 10% to Less Than 20%	Decreased by Less Than 10%	Unchanged	Increased	Not Reported	Total Modifications
Total—All States	77,672	33,144	18,185	1,229	7,389	927	138,546
Alabama	665	393	198	19	60	4	1,339
Alaska	39	26	20	0	8	1	94
Arizona	1,625	788	413	42	151	12	3,031
Arkansas	262	142	65	1	29	2	501
California	14,824	5,176	3,016	296	1,514	203	25,029
Colorado	931	537	286	23	116	14	1,907
Connecticut	1,124	462	231	8	101	12	1,938
Delaware	295	151	74	5	31	3	559
District of Columbia	145	105	66	1	19	3	339
Florida	9,296	2,556	1,425	132	655	91	14,155
Georgia	3,694	2,015	955	69	281	44	7,058
Hawaii	226	55	36	5	11	1	334
Idaho	257	153	96	6	27	8	547
Illinois	4,424	1,471	859	50	299	43	7,146
Indiana	1,075	500	340	15	134	9	2,073
Iowa	317	179	99	10	40	1	646
Kansas	282	215	100	6	38	2	643
Kentucky	446	241	139	11	46	2	885
Louisiana	678	306	180	9	89	2	1,264
Maine	212	82	53	3	18	2	370
Maryland	2,557	1,351	712	32	269	52	4,973
Massachusetts	1,592	760	378	15	139	30	2,914
Michigan	1,878	840	426	22	164	16	3,346
Minnesota	934	466	264	10	85	11	1,770
Mississippi	386	171	94	14	61	2	728
Missouri	1,062	648	273	15	113	6	2,117
Montana	82	40	28	1	14	1	166
Nebraska	164	81	49	3	16	2	315
Nevada	1,353	396	215	34	85	19	2,102
New Hampshire	276	128	72	2	26	6	510
New Jersey	3,118	1,111	618	40	225	49	5,161
New Mexico	361	239	88	4	44	3	739
New York	4,263	1,285	769	43	302	65	6,727
North Carolina	2,102	1,345	645	42	273	21	4,428
North Dakota	9	7	6	1	4	0	27
Ohio	1,871	846	545	32	218	16	3,528
Oklahoma	370	214	139	7	72	3	805
Oregon	802	428	214	5	54	4	1,507
Pennsylvania	2,166	942	559	28	254	28	3,977
Rhode Island	330	170	74	2	25	5	606
South Carolina	937	585	275	17	112	12	1,938
South Dakota	33	28	15	1	2	1	80
Tennessee	1,073	555	284	26	94	15	2,047
Texas	3,915	2,224	1,266	47	475	21	7,948
Utah	499	280	161	6	51	22	1,019
Vermont	81	32	18	1	8	0	140
Virginia	1,765	1,071	613	26	225	21	3,721
Washington	1,791	927	429	29	183	30	3,389
West Virginia	135	57	49	5	20	0	266
Wisconsin	814	328	230	8	98	7	1,485
Wyoming	34	25	17	0	4	0	80
Other	102	11	9	0	7	0	129

Table 58. Changes in Monthly Principal and Interest Payments (Percentage)							
Modifications Implemented During the First Quarter of 2013							
States	Decreased by 20% or More	Decreased by 10% to Less Than 20%	Decreased by Less Than 10%	Unchanged	Increased	Not Reported	Total Modifications
Total—All States	56.1%	23.9%	13.1%	0.9%	5.3%	0.7%	138,546
Alabama	49.7%	29.4%	14.8%	1.4%	4.5%	0.3%	1,339
Alaska	41.5%	27.7%	21.3%	0.0%	8.5%	1.1%	94
Arizona	53.6%	26.0%	13.6%	1.4%	5.0%	0.4%	3,031
Arkansas	52.3%	28.3%	13.0%	0.2%	5.8%	0.4%	501
California	59.2%	20.7%	12.1%	1.2%	6.0%	0.8%	25,029
Colorado	48.8%	28.2%	15.0%	1.2%	6.1%	0.7%	1,907
Connecticut	58.0%	23.8%	11.9%	0.4%	5.2%	0.6%	1,938
Delaware	52.8%	27.0%	13.2%	0.9%	5.5%	0.5%	559
District of Columbia	42.8%	31.0%	19.5%	0.3%	5.6%	0.9%	339
Florida	65.7%	18.1%	10.1%	0.9%	4.6%	0.6%	14,155
Georgia	52.3%	28.5%	13.5%	1.0%	4.0%	0.6%	7,058
Hawaii	67.7%	16.5%	10.8%	1.5%	3.3%	0.3%	334
Idaho	47.0%	28.0%	17.6%	1.1%	4.9%	1.5%	547
Illinois	61.9%	20.6%	12.0%	0.7%	4.2%	0.6%	7,146
Indiana	51.9%	24.1%	16.4%	0.7%	6.5%	0.4%	2,073
Iowa	49.1%	27.7%	15.3%	1.5%	6.2%	0.2%	646
Kansas	43.9%	33.4%	15.6%	0.9%	5.9%	0.3%	643
Kentucky	50.4%	27.2%	15.7%	1.2%	5.2%	0.2%	885
Louisiana	53.6%	24.2%	14.2%	0.7%	7.0%	0.2%	1,264
Maine	57.3%	22.2%	14.3%	0.8%	4.9%	0.5%	370
Maryland	51.4%	27.2%	14.3%	0.6%	5.4%	1.0%	4,973
Massachusetts	54.6%	26.1%	13.0%	0.5%	4.8%	1.0%	2,914
Michigan	56.1%	25.1%	12.7%	0.7%	4.9%	0.5%	3,346
Minnesota	52.8%	26.3%	14.9%	0.6%	4.8%	0.6%	1,770
Mississippi	53.0%	23.5%	12.9%	1.9%	8.4%	0.3%	728
Missouri	50.2%	30.6%	12.9%	0.7%	5.3%	0.3%	2,117
Montana	49.4%	24.1%	16.9%	0.6%	8.4%	0.6%	166
Nebraska	52.1%	25.7%	15.6%	1.0%	5.1%	0.6%	315
Nevada	64.4%	18.8%	10.2%	1.6%	4.0%	0.9%	2,102
New Hampshire	54.1%	25.1%	14.1%	0.4%	5.1%	1.2%	510
New Jersey	60.4%	21.5%	12.0%	0.8%	4.4%	0.9%	5,161
New Mexico	48.8%	32.3%	11.9%	0.5%	6.0%	0.4%	739
New York	63.4%	19.1%	11.4%	0.6%	4.5%	1.0%	6,727
North Carolina	47.5%	30.4%	14.6%	0.9%	6.2%	0.5%	4,428
North Dakota	33.3%	25.9%	22.2%	3.7%	14.8%	0.0%	27
Ohio	53.0%	24.0%	15.4%	0.9%	6.2%	0.5%	3,528
Oklahoma	46.0%	26.6%	17.3%	0.9%	8.9%	0.4%	805
Oregon	53.2%	28.4%	14.2%	0.3%	3.6%	0.3%	1,507
Pennsylvania	54.5%	23.7%	14.1%	0.7%	6.4%	0.7%	3,977
Rhode Island	54.5%	28.1%	12.2%	0.3%	4.1%	0.8%	606
South Carolina	48.3%	30.2%	14.2%	0.9%	5.8%	0.6%	1,938
South Dakota	41.3%	35.0%	18.8%	1.3%	2.5%	1.3%	80
Tennessee	52.4%	27.1%	13.9%	1.3%	4.6%	0.7%	2,047
Texas	49.3%	28.0%	15.9%	0.6%	6.0%	0.3%	7,948
Utah	49.0%	27.5%	15.8%	0.6%	5.0%	2.2%	1,019
Vermont	57.9%	22.9%	12.9%	0.7%	5.7%	0.0%	140
Virginia	47.4%	28.8%	16.5%	0.7%	6.0%	0.6%	3,721
Washington	52.8%	27.4%	12.7%	0.9%	5.4%	0.9%	3,389
West Virginia	50.8%	21.4%	18.4%	1.9%	7.5%	0.0%	266
Wisconsin	54.8%	22.1%	15.5%	0.5%	6.6%	0.5%	1,485
Wyoming	42.5%	31.3%	21.3%	0.0%	5.0%	0.0%	80
Other	79.1%	8.5%	7.0%	0.0%	5.4%	0.0%	129

Table 59. Number of Re-Defaults for Loans Modified in the Third Quarter of 2012 (60 or More Days Delinquent After 6 Months by Changes in Monthly Principal and Interest Payments)							
States	Decreased by 20% or More	Decreased by 10% to Less Than 20%	Decreased by Less Than 10%	Unchanged	Increased	Not Reported	Total Modifications
Total—All States	6,255	3,385	4,675	376	2,516	69	17,276
Alabama	80	62	84	7	32	0	265
Alaska	4	5	6	0	3	0	18
Arizona	119	56	99	8	37	1	320
Arkansas	27	16	28	1	15	0	87
California	749	312	375	109	219	15	1,779
Colorado	63	66	59	2	40	1	231
Connecticut	113	65	70	4	24	2	278
Delaware	31	35	22	0	11	0	99
District of Columbia	9	4	10	0	6	0	29
Florida	641	207	232	42	145	7	1,274
Georgia	319	193	364	7	158	3	1,044
Hawaii	9	9	9	0	2	0	29
Idaho	23	14	24	1	6	0	68
Illinois	375	169	207	29	132	2	914
Indiana	124	79	119	6	58	0	386
Iowa	40	25	26	0	23	0	114
Kansas	36	19	42	1	14	0	112
Kentucky	47	36	49	4	23	0	159
Louisiana	69	28	69	0	44	0	210
Maine	25	7	17	1	10	0	60
Maryland	227	131	220	8	96	3	685
Massachusetts	133	63	81	8	38	2	325
Michigan	176	94	117	8	66	3	464
Minnesota	77	32	50	5	26	0	190
Mississippi	46	27	45	1	36	0	155
Missouri	106	59	91	1	60	2	319
Montana	9	4	10	0	4	0	27
Nebraska	18	7	15	1	14	0	55
Nevada	79	38	48	10	17	1	193
New Hampshire	26	10	17	1	18	1	73
New Jersey	264	192	202	18	113	2	791
New Mexico	28	21	21	0	17	0	87
New York	355	153	170	22	108	5	813
North Carolina	231	139	226	8	119	0	723
North Dakota	3	0	2	0	0	0	5
Ohio	224	121	160	8	106	2	621
Oklahoma	42	31	40	1	28	0	142
Oregon	51	28	37	2	15	1	134
Pennsylvania	252	151	155	9	108	3	678
Rhode Island	31	11	15	3	5	0	65
South Carolina	96	68	106	1	46	0	317
South Dakota	5	4	6	0	6	0	21
Tennessee	123	78	82	2	51	1	337
Texas	367	247	480	16	261	6	1,377
Utah	41	34	53	6	14	1	149
Vermont	6	2	6	0	4	0	18
Virginia	127	98	152	5	61	1	444
Washington	108	69	78	7	40	3	305
West Virginia	18	9	15	0	4	0	46
Wisconsin	79	50	58	3	32	1	223
Wyoming	1	6	3	0	1	0	11
Other	3	1	3	0	0	0	7

Table 60. Re-Default Rates for Loans Modified in the Third Quarter of 2012 (Percentage)
 (60 or More Days Delinquent After 6 Months by Changes in Monthly Principal and Interest Payments)

States	Decreased by 20% or More	Decreased by 10% to Less Than 20%	Decreased by Less Than 10%	Unchanged	Increased	Not Reported	Total Modifications
Total—All States	8.7%	12.6%	23.3%	6.8%	30.7%	17.5%	13.0%
Alabama	12.2%	22.0%	32.6%	46.7%	30.5%	0.0%	20.1%
Alaska	11.8%	20.8%	23.1%	0.0%	75.0%	0.0%	20.5%
Arizona	6.9%	8.5%	20.7%	5.8%	25.3%	12.5%	10.1%
Arkansas	12.3%	11.3%	26.9%	9.1%	33.3%	0.0%	16.6%
California	5.2%	8.2%	13.8%	4.4%	19.2%	14.9%	7.2%
Colorado	7.0%	13.9%	16.0%	7.1%	24.5%	33.3%	11.9%
Connecticut	11.4%	16.8%	27.9%	6.9%	25.5%	28.6%	15.6%
Delaware	12.9%	22.4%	19.8%	0.0%	37.9%	0.0%	18.3%
District of Columbia	7.6%	8.9%	23.3%	0.0%	20.7%	0.0%	11.5%
Florida	7.5%	9.3%	17.9%	7.1%	25.2%	16.7%	9.6%
Georgia	9.2%	13.7%	31.7%	5.9%	40.1%	27.3%	15.9%
Hawaii	4.7%	15.0%	23.7%	0.0%	12.5%	0.0%	9.1%
Idaho	7.0%	10.3%	25.0%	7.7%	20.7%	0.0%	11.3%
Illinois	8.8%	12.5%	22.3%	9.7%	31.4%	9.5%	12.5%
Indiana	12.0%	14.3%	26.7%	23.1%	37.2%	0.0%	17.4%
Iowa	14.0%	15.7%	19.7%	0.0%	33.3%	0.0%	17.5%
Kansas	11.7%	12.4%	29.8%	8.3%	25.5%	0.0%	16.8%
Kentucky	11.6%	14.5%	26.2%	40.0%	27.7%	0.0%	17.0%
Louisiana	13.9%	11.5%	28.0%	0.0%	33.8%	0.0%	18.7%
Maine	12.3%	7.9%	27.4%	20.0%	37.0%	0.0%	15.5%
Maryland	10.8%	14.0%	29.6%	5.3%	38.7%	15.8%	16.3%
Massachusetts	9.6%	13.3%	21.9%	6.4%	26.6%	18.2%	12.9%
Michigan	8.2%	9.6%	23.2%	5.6%	34.4%	37.5%	11.7%
Minnesota	7.7%	7.3%	17.6%	10.2%	22.2%	0.0%	10.0%
Mississippi	14.8%	15.7%	35.2%	12.5%	54.5%	0.0%	22.6%
Missouri	9.5%	11.9%	28.8%	2.5%	41.1%	100.0%	15.1%
Montana	11.7%	10.5%	23.8%	0.0%	28.6%	0.0%	15.3%
Nebraska	11.8%	10.6%	21.4%	25.0%	36.8%	0.0%	16.6%
Nevada	6.4%	11.8%	22.6%	13.2%	27.0%	12.5%	10.1%
New Hampshire	10.0%	9.7%	21.8%	5.9%	41.9%	100.0%	14.5%
New Jersey	10.4%	20.8%	27.5%	11.1%	37.5%	10.5%	16.9%
New Mexico	10.1%	17.2%	18.4%	0.0%	37.8%	0.0%	15.0%
New York	10.1%	14.0%	21.9%	10.0%	31.4%	11.1%	13.6%
North Carolina	12.6%	15.7%	26.9%	9.3%	35.6%	0.0%	18.2%
North Dakota	33.3%	0.0%	25.0%	0.0%	0.0%	0.0%	19.2%
Ohio	10.4%	10.9%	24.0%	16.0%	31.2%	33.3%	14.3%
Oklahoma	11.9%	19.0%	24.7%	25.0%	34.1%	0.0%	18.6%
Oregon	6.6%	9.2%	17.6%	5.9%	24.6%	16.7%	9.6%
Pennsylvania	13.5%	17.8%	24.3%	20.5%	34.3%	75.0%	18.3%
Rhode Island	11.0%	11.6%	28.3%	7.3%	33.3%	0.0%	13.3%
South Carolina	11.4%	17.0%	28.8%	2.1%	31.1%	0.0%	17.6%
South Dakota	13.2%	14.8%	22.2%	0.0%	54.5%	0.0%	20.4%
Tennessee	12.7%	15.4%	22.9%	6.5%	37.8%	50.0%	16.9%
Texas	11.5%	14.5%	28.2%	17.8%	33.7%	75.0%	18.4%
Utah	8.1%	11.4%	23.2%	35.3%	25.5%	25.0%	13.4%
Vermont	10.9%	8.7%	25.0%	0.0%	33.3%	0.0%	14.9%
Virginia	8.8%	13.8%	25.8%	4.3%	31.6%	16.7%	14.6%
Washington	7.2%	10.8%	19.7%	8.0%	28.4%	37.5%	11.0%
West Virginia	12.4%	12.9%	26.3%	0.0%	50.0%	0.0%	16.0%
Wisconsin	9.3%	13.4%	22.5%	17.6%	31.4%	33.3%	13.9%
Wyoming	3.4%	22.2%	13.6%	0.0%	20.0%	0.0%	13.1%
Other	3.9%	10.0%	25.0%	0.0%	0.0%	0.0%	6.9%

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