



Comptroller of the Currency
Administrator of National Banks

US Department of the Treasury



Office of Thrift Supervision
US Department of the Treasury

OCC and OTS Mortgage Metrics Report

Disclosure of National Bank and Federal Thrift Mortgage Loan Data

First Quarter 2011

Office of the Comptroller of the Currency
Office of Thrift Supervision
Washington, D.C.

June 2011

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Executive Summary

This *OCC and OTS Mortgage Metrics Report* for the first quarter of 2011 provides performance data on first-lien residential mortgages serviced by selected national banks and federal savings associations. The mortgages in this portfolio comprise 63 percent of all mortgages outstanding in the United States—32.7 million loans totaling nearly \$5.7 trillion in principal balances. The report provides information on their performance through March 31, 2011.

While mortgage delinquency levels remained elevated, the overall quality of the portfolio of mortgages improved during the first quarter of 2011. The percentage of mortgages that were current and performing increased to the highest level since the second quarter of 2009. The percentage of mortgages that were 30 to 59 days delinquent declined for the second consecutive quarter to the lowest level since the first quarter of 2008. The percentage of mortgages that were seriously delinquent, mortgages that were 60 or more days delinquent or delinquent mortgages to bankrupt borrowers, declined for the fifth consecutive quarter to the lowest level since the first quarter of 2009. The number of foreclosures in process also decreased from the previous quarter.

Servicers continued to emphasize alternatives to foreclosure, initiating more than three times as many new home retention actions—loan modifications, trial-period plans, and payment plans—as completed foreclosures, short sales, and deed-in-lieu-of-foreclosure transactions. The large inventory of seriously delinquent mortgages and foreclosures in process continued to work its way through the loss mitigation process—either through home retention actions such as modification or through foreclosure when alternatives were not possible. The number of newly initiated foreclosures decreased for the second consecutive quarter as serious delinquencies continued to decline and new trial-period plans increased. However, the number of completed foreclosures increased 26.0 percent from the previous quarter as servicers lifted the foreclosure processing moratoria that were in effect during the fourth quarter of 2010.

Mortgage Performance

- The percentage of mortgages that were current and performing increased to 88.6 percent (see table 7).
- At 2.6 percent of the portfolio, early stage delinquencies—mortgages that were 30 to 59 days delinquent—decreased 16.0 percent from the previous quarter and 5.8 percent from a year ago (see table 7).
- The percentage of government-guaranteed mortgages that were current and performing increased to 87.0 percent (see table 9), which paralleled to the improvement in the overall portfolio quality (see table 7).
- The performance of mortgages serviced for Fannie Mae and Freddie Mac (government-sponsored enterprises or GSE) also improved. These mortgages continued to perform better than the overall portfolio because of their higher concentration of prime mortgages. Of the GSE mortgages, 93.2 percent were current and performing at the end of the first quarter of 2011 (see table 10). Loans serviced for the two GSEs made up 61 percent of the total portfolio.

- Seriously delinquent mortgages decreased across all risk categories to 4.8 percent of the serviced portfolio, a 9.4 percent decrease from the previous quarter and a 25.1 percent decrease from a year ago (see table 11).

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

- Servicers implemented 557,451 new home retention actions—modifications, trial-period plans, and payment plans—during the first quarter of 2011 (see table 1). This was more than three times the 171,618 completed foreclosures, new short sales, and new deed-in-lieu-of-foreclosure actions (see table 37). The number of home retention actions increased by 17.4 percent from the previous quarter but decreased 10.5 percent from a year ago.
- Home retention activity included 159,873 modifications, 238,755 trial-period plans, and 158,823 payment plans during the first quarter of 2011. The significant increase in other trial-period plans resulted from servicers working through a large inventory of pending applications during the quarter. During the past five quarters, servicers have initiated 2.7 million home retention actions—1.1 million modifications, 918,000 trial-period plans, and more than 674,000 payment plans (see table 1).

Table 1. Number of New Home Retention Actions

| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
|--------------------------|---------|---------|---------|----------|---------|---------------|---------------|
| Other Modifications | 129,491 | 158,886 | 174,341 | 152,362 | 106,570 | -30.1% | -17.7% |
| HAMP Modifications | 100,226 | 108,075 | 58,342 | 56,340 | 53,303 | -5.4% | -46.8% |
| Other Trial-Period Plans | 89,613 | 90,567 | 71,719 | 81,034 | 181,099 | 123.5% | 102.1% |
| HAMP Trial-Period Plans | 183,464 | 65,114 | 44,666 | 53,058 | 57,656 | 8.7% | -68.6% |
| Payment Plans | 119,900 | 144,207 | 119,041 | 131,984 | 158,823 | 20.3% | 32.5% |
| Total | 622,694 | 566,849 | 468,109 | 474,778 | 557,451 | 17.4% | -10.5% |

- Servicers capitalized missed payments and fees in 86.9 percent of all modifications made during the first quarter of 2011 and reduced interest rates in 82.6 percent of modifications. Term extensions were used in 58.1 percent of all modifications, principal deferrals in 11.3 percent, and principal reductions in 2.8 percent (see table 17). Principal deferral was used in 23.6 percent of Home Affordable Modification Program (HAMP) modifications, while principal reduction was used in 5.5 percent of the HAMP modifications during the quarter (see table 18).
- Changes made to mortgages reduced monthly principal and interest payments in 86.5 percent of modifications made during the first quarter of 2011, with 47.3 percent of modifications reducing monthly payments by 20 percent or more (see table 22). On average, modifications during the first quarter reduced borrowers’ monthly principal and interest payments by \$333, or 25.5 percent. HAMP modifications reduced payments by an average of \$562, or 35.9 percent (see table 24).

Modified Loan Performance

- More recent modifications that emphasized reduced payments, sustainability and affordability continued to outperform modifications implemented in earlier periods.
- Servicers modified 1,923,603 loans from the beginning of 2008 through the end of 2010. At the end of the first quarter of 2011, 52.5 percent of these modifications remained current or

were paid off. Another 8.2 percent were 30 to 59 days delinquent, and 18.5 percent were seriously delinquent. More than 10 percent were in the process of foreclosure, and 4.5 percent had completed the foreclosure process (see table 2).

- HAMP modifications continued to perform better than other modifications implemented during the same periods (also see table 32). These lower delinquency rates reflect HAMP’s emphasis on the affordability of monthly payments relative to borrower income, required income verification, and successful completion of a trial-period plan.
- Modifications that reduced payments by 10 percent or more performed significantly better than those that reduced payments by less. At the end of the first quarter of 2011, 61.6 percent of modifications that reduced payments by 10 percent or more were current and performing, compared with 37.7 percent of modifications that reduced payments by less than 10 percent (see table 2).

| Table 2. Status of Mortgages Modified in 2008–2010 | | | | | | | | |
|---|-----------|---------|-----------------------|----------------------|-------------------------|------------------------|----------|-----------------------------|
| | Total | Current | 30–59 Days Delinquent | Seriously Delinquent | Foreclosures in Process | Completed Foreclosures | Paid Off | No Longer in the Portfolio* |
| 2008 | 421,322 | 26.6% | 6.1% | 23.7% | 16.8% | 12.1% | 2.8% | 11.8% |
| 2009 | 564,218 | 43.1% | 7.9% | 23.1% | 13.3% | 5.1% | 1.3% | 6.2% |
| 2010** | 938,063 | 67.5% | 9.4% | 13.4% | 5.2% | 0.8% | 0.3% | 3.5% |
| Total | 1,923,603 | 51.4% | 8.2% | 18.5% | 10.1% | 4.5% | 1.1% | 6.1% |
| HAMP Modification Performance Compared with Other Modifications*** | | | | | | | | |
| Other Modifications | 844,575 | 60.9% | 9.7% | 16.5% | 7.5% | 1.6% | 0.5% | 3.4% |
| HAMP Modifications | 345,620 | 72.0% | 8.0% | 10.7% | 3.8% | 0.7% | 0.2% | 4.8% |
| Modifications That Reduced Payments by 10 Percent or More | | | | | | | | |
| Modifications That Reduced Payments by 10% or More | 1,098,654 | 61.6% | 8.2% | 14.2% | 7.0% | 2.3% | 0.6% | 6.0% |
| Modifications That Reduced Payments by Less Than 10 Percent | | | | | | | | |
| Modifications That Reduced Payments by Less Than 10% | 824,949 | 37.7% | 8.3% | 24.2% | 14.2% | 7.4% | 1.8% | 6.3% |

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

**Includes modifications implemented during 2010 in effect at least three months.

***Modifications used to compare HAMP modifications to other modifications only include modifications implemented during the third quarter of 2009 through the fourth quarter of 2010.

- Modifications on mortgages held in the servicers’ portfolios performed better than modifications on mortgages serviced for others. This variance may result from differences in modification programs, and servicers’ flexibility to modify mortgages they hold in their portfolios. Modified government-guaranteed mortgages had the highest delinquency rates at 6, 9, and 12 months following modification, consistent with their higher delinquency rates (see table 3).

| Investor Loan Type | 3 Months After Modification | 6 Months After Modification | 9 Months After Modification | 12 Months After Modification |
|-----------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------|
| Fannie Mae | 12.5% | 21.4% | 29.3% | 37.2% |
| Freddie Mac | 13.3% | 21.4% | 28.5% | 36.9% |
| Government-Guaranteed | 18.9% | 38.3% | 49.7% | 56.2% |
| Private | 25.9% | 38.2% | 46.6% | 53.6% |
| Portfolio Loans | 8.4% | 16.6% | 23.3% | 27.8% |
| Overall | 17.4% | 29.1% | 37.8% | 44.6% |

*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 decreased 11.3 percent from the previous quarter and 15.6 percent from a year ago because of the continued decline in seriously delinquent mortgages and increased emphasis on home retention loss mitigation actions. Foreclosures in process decreased from the previous quarter by 0.6 percent as fewer new foreclosures were initiated during the quarter and more mortgages completed the foreclosure processes after servicers lifted voluntary moratoria in place during previous quarters. However, the number of foreclosures in process increased 7.9 percent from a year ago, as the large inventory of troubled mortgages continued to work through loss mitigation and foreclosure processes and the time required to complete foreclosures increased. More than 1.3 million mortgages were in the process of foreclosure at the end of the first quarter of 2011 (see table 4).

| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
|------------------------------|-----------|-----------|-----------|-----------|-----------|------------|------------|
| Newly Initiated Foreclosures | 369,944 | 291,757 | 382,782 | 352,318 | 312,404 | -11.3% | -15.6% |
| Foreclosures in Process | 1,210,528 | 1,187,412 | 1,234,224 | 1,313,773 | 1,305,859 | -0.6% | 7.9% |

- Home forfeiture actions totaled 171,618 at the end of the first quarter of 2011—an increase of 17.4 percent from the previous quarter but a decrease of 17.5 percent from a year ago. The increase in completed foreclosures can be attributed to the large volume of foreclosures in process and serious delinquencies working through the system as well as the lifting of foreclosure processing moratoria that were in effect during the fourth quarter of 2010 (see table 5).

| | 3/31/2010 | 6/30/2010 | 9/30/2010 | 12/31/2010 | 3/31/2011 | 1Q %Change | 1Y %Change |
|---|-----------|-----------|-----------|------------|-----------|------------|------------|
| Completed Foreclosures | 165,751 | 174,886 | 190,685 | 95,067 | 119,809 | 26.0% | -27.7% |
| New Short Sales | 41,031 | 55,443 | 56,040 | 49,052 | 50,109 | 2.2% | 22.1% |
| New Deed-in-Lieu-of-Foreclosure Actions | 1,202 | 1,753 | 1,722 | 2,085 | 1,700 | -18.5% | 41.4% |
| Total | 207,984 | 232,082 | 248,447 | 146,204 | 171,618 | 17.4% | -17.5% |

About Mortgage Metrics

The *OCC and OTS Mortgage Metrics Report* presents data on first-lien residential mortgages serviced by national banks and thrifts, focusing on credit performance, loss mitigation efforts, and foreclosures. The OCC and the OTS collect these data from the eight national banks and one thrift with the largest mortgage-servicing portfolios among national banks and thrifts.¹ The data represent 63 percent of all first-lien residential mortgages outstanding in the country. More than 90 percent of the mortgages in the portfolio were serviced for third parties because of loan sales and securitization. At the end of March 2011, the reporting institutions serviced 32.7 million first-lien mortgage loans, totaling nearly \$5.7 trillion in outstanding balances.

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 data support the supervision of national bank and thrift mortgage 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, the OTS, 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 comparisons with institutions' quarterly call and thrift financial reports, with internal quality reviews conducted by the banks and thrifts, and with data supplied by participating banks and aggregated by an external vendor to support this report. Data sets of this size and scope inevitably suffer from a degree of inconsistency, missing data, and other imperfections. This report notes cases in which data anomalies may have affected the results. The OCC and the OTS require 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 in appendix E. Developed over several quarters, these data fulfill reporting requirements in the Dodd–Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203).

New in This Report

New in this report are data on the performance of mortgages held by reporting banks and thrift (see table 8), excluding government-guaranteed mortgages, which are reported in table 9.

¹ The eight national banks are Bank of America, JPMorgan Chase, Citibank, HSBC, MetLife, PNC, U.S. Bank, and Wells Fargo. The thrift is OneWest Bank.

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:

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

Approximately 13 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 process resulting in the loss of borrowers' homes. 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 act to 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 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 and/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 month. 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. In these mortgages, in which some amount of unpaid interest is added to the principal balance of the loan and results in an increased amount owed.
- **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 alternative measures of delinquency, this report presents re-default rates using 30, 60, and 90 or more days delinquent and in process of foreclosure but focuses most often on the 60-day-delinquent measure. All re-default data presented in this report 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, refinanced, or sold, or have 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 a permanent loan modification 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 is unpaid for 30 days or more. 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 sum to 100 percent because of rounding.

In tables throughout this report, the quarters are indicated by the last day of the quarter (e.g., 6/30/10), quarter-to-quarter changes are shown under the column "1Q %Change" column, and year-to-year changes are shown under the column "1Y %Change" column.

In tables throughout this report, percentages shown under “1Q %Change” and “1Y %Change” are calculated using unrounded values for each quarter. Calculating these percentages from the rounded values shown in the table may yield materially different values.

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 held by reporting banks and thrift, government-guaranteed mortgages, mortgages serviced for the GSEs, and each loan risk category.

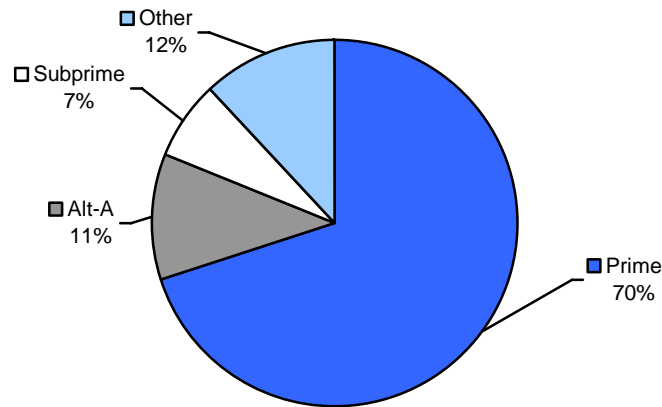
Overall Mortgage Portfolio

At the end of the first quarter of 2011, the size of the servicing portfolio declined slightly to 32.7 million loans totaling nearly \$5.7 trillion in unpaid principal balances (see table 6). The composition of the portfolio was stable with 70 percent prime, 11 percent Alt-A, 7 percent subprime, and 12 percent other loans (see figure 1).

| Table 6. Overall Mortgage Portfolio | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 |
| Total Servicing (Millions) | \$5,947,354 | \$5,907,688 | \$5,811,107 | \$5,718,815 | \$5,675,555 |
| Total Servicing (Number of Loans) | 33,894,097 | 33,745,672 | 33,326,060 | 32,850,576 | 32,700,104 |
| Composition (Percentage of All Mortgages in the Portfolio) | | | | | |
| Prime | 68% | 69% | 69% | 69% | 70% |
| Alt-A | 11% | 11% | 11% | 11% | 11% |
| Subprime | 8% | 8% | 8% | 8% | 7% |
| Other | 14% | 13% | 13% | 12% | 12% |
| Composition (Number of Loans in Each Risk Category of the Portfolio) | | | | | |
| Prime | 23,033,860 | 23,152,093 | 23,003,163 | 22,815,169 | 22,788,696 |
| Alt-A | 3,567,244 | 3,615,027 | 3,590,973 | 3,533,320 | 3,506,077 |
| Subprime | 2,666,987 | 2,618,145 | 2,550,622 | 2,471,132 | 2,419,171 |
| Other | 4,626,006 | 4,360,407 | 4,181,302 | 4,030,955 | 3,986,160 |

Figure 1. Portfolio Composition

Percentage of All Mortgage Loans in the Portfolio
First Quarter 2011

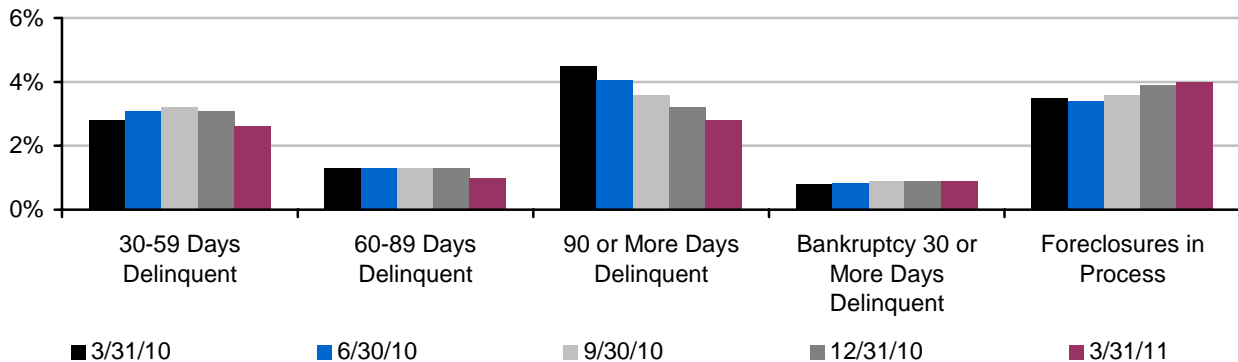


Overall Mortgage Performance

Current and performing mortgages improved to 88.6 percent—up from 87.6 percent the previous quarter and 87.3 percent a year ago (see table 7). The percentage of mortgages that were 30 to 59 days delinquent decreased to 2.6 percent—down from 3.1 percent the previous quarter and 2.8 percent a year ago. The percentage of seriously delinquent mortgages (loans 60 or more days delinquent or in bankruptcy and 30 or more days past due) declined for the fifth consecutive quarter to 4.8 percent—down from 5.3 percent the previous quarter and 6.4 percent a year ago. While the number of foreclosures in process decreased, the percentage of mortgages in the process of foreclosure remained steady at 4.0 percent—up from 3.6 percent a year ago.

| Table 7. Overall Portfolio Performance | | | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|--------------|---------------|
| (Percentage of Mortgages in the Portfolio) | | | | | | | |
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Current and Performing | 87.3% | 87.4% | 87.4% | 87.6% | 88.6% | 1.1% | 1.5% |
| 30–59 Days Delinquent | 2.8% | 3.0% | 3.2% | 3.1% | 2.6% | -16.0% | -5.8% |
| The Following Three Categories Are Classified as Seriously Delinquent: | | | | | | | |
| 60–89 Days Delinquent | 1.3% | 1.3% | 1.3% | 1.3% | 1.0% | -20.2% | -17.0% |
| 90 or More Days Delinquent | 4.4% | 4.0% | 3.5% | 3.1% | 2.8% | -8.4% | -35.1% |
| Bankruptcy 30 or More Days Delinquent | 0.8% | 0.8% | 0.9% | 0.9% | 0.9% | 3.0% | 18.9% |
| Subtotal for Seriously Delinquent | 6.4% | 6.0% | 5.7% | 5.3% | 4.8% | -9.4% | -25.1% |
| Foreclosures in Process | 3.6% | 3.5% | 3.7% | 4.0% | 4.0% | -0.1% | 11.8% |
| (Number of Mortgages in the Portfolio) | | | | | | | |
| Current and Performing | 29,574,952 | 29,490,632 | 29,143,002 | 28,777,024 | 28,973,231 | 0.7% | -2.0% |
| 30–59 Days Delinquent | 938,745 | 1,028,974 | 1,059,601 | 1,020,543 | 852,856 | -16.4% | -9.1% |
| The Following Three Categories Are Classified as Seriously Delinquent: | | | | | | | |
| 60–89 Days Delinquent | 424,328 | 429,516 | 443,829 | 427,848 | 339,869 | -20.6% | -19.9% |
| 90 or More Days Delinquent | 1,485,254 | 1,333,884 | 1,155,940 | 1,020,072 | 929,688 | -8.9% | -37.4% |
| Bankruptcy 30 or More Days Delinquent | 260,290 | 275,254 | 289,464 | 291,316 | 298,601 | 2.5% | 14.7% |
| Subtotal for Seriously Delinquent | 2,169,872 | 2,038,654 | 1,889,233 | 1,739,236 | 1,568,158 | -9.8% | -27.7% |
| Foreclosures in Process | 1,210,528 | 1,187,412 | 1,234,224 | 1,313,773 | 1,305,859 | -0.6% | 7.9% |

Figure 2. Overall Portfolio Performance

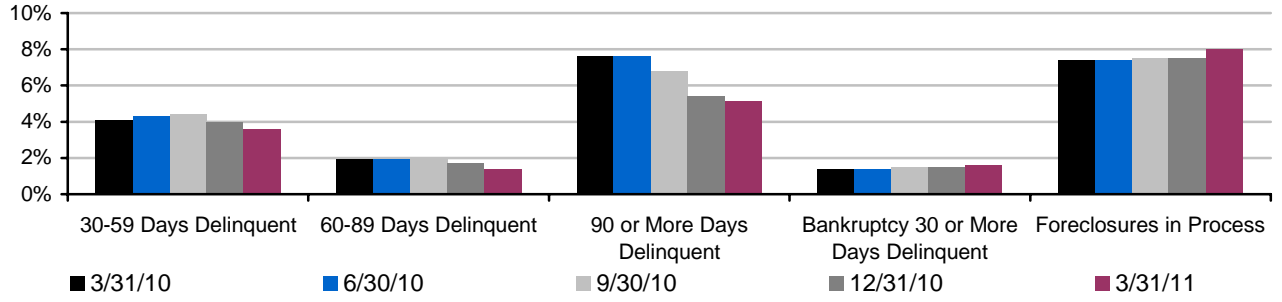


Performance of Mortgages Held by Reporting Banks and Thrift

Similar to the overall portfolio of mortgages included in this report, the performance of mortgages held by reporting banks and thrift improved in the first quarter of 2011 (see table 8). The percentage of these mortgages that were current at the end of the quarter was 80.3 percent—up from 77.9 percent the previous quarter and 77.5 percent a year ago. The percentage of these mortgages that were 30 to 59 days delinquent decreased to 3.6 percent—down from 4.0 the previous quarter and 4.1 percent a year ago. The percentage of portfolio mortgages that were seriously delinquent was 8.0 percent—down from 8.6 percent the previous quarter and 10.9 percent a year ago. Reporting banks and thrift hold 14.5 percent of the mortgages included in this report. Because most of the loans tend to be nonconforming loans with increased risk characteristics and geographic concentration in weaker real estate markets, mortgages held by reporting banks and thrift perform worse than mortgages serviced for others. The data exclude government-guaranteed mortgages.

| Table 8. Performance of Mortgages Held by Reporting Banks and Thrift (Percentage) | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|---------------|---------------|
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Current and Performing | 77.5% | 77.3% | 77.9% | 77.9% | 80.3% | 0.5% | 3.6% |
| 30–59 Days Delinquent | 4.1% | 4.3% | 4.4% | 4.0% | 3.6% | -9.3% | -12.4% |
| The Following Three Categories Are Classified as Seriously Delinquent: | | | | | | | |
| 60–89 Days Delinquent | 1.9% | 1.9% | 1.9% | 1.7% | 1.4% | -16.3% | -26.9% |
| 90 or More Days Delinquent | 7.6% | 7.6% | 6.8% | 5.4% | 5.1% | -6.1% | -33.4% |
| Bankruptcy 30 or More Days Delinquent | 1.4% | 1.4% | 1.5% | 1.5% | 1.6% | 7.0% | 15.6% |
| Subtotal for Seriously Delinquent | 10.9% | 10.9% | 10.2% | 8.6% | 8.0% | -5.9% | -26.2% |
| Foreclosures in Process | 7.4% | 7.4% | 7.5% | 7.5% | 8.0% | 6.6% | -8.1% |
| Performance of Mortgages Held by Reporting Banks and Thrift (Number) | | | | | | | |
| Current and Performing | 3,849,718 | 3,783,530 | 3,80,836 | 3,969,742 | 3,801,434 | -4.2% | -1.3% |
| 30–59 Days Delinquent | 205,144 | 211,188 | 219,696 | 198,228 | 171,270 | -13.6% | -16.5% |
| The Following Three Categories Are Classified as Seriously Delinquent: | | | | | | | |
| 60–89 Days Delinquent | 94,706 | 91,830 | 93,428 | 82,764 | 66,026 | -20.2% | -30.3% |
| 90 or More Days Delinquent | 379,408 | 373,222 | 340,480 | 269,446 | 241,078 | -10.5% | -36.5% |
| Bankruptcy 30 or More Days Delinquent | 67,022 | 70,896 | 76,656 | 72,456 | 73,882 | 2.0% | 10.2% |
| Subtotal for Seriously Delinquent | 541,136 | 535,948 | 510,564 | 424,666 | 380,986 | -10.3% | -29.6% |
| Foreclosures in Process | 368,496 | 364,558 | 371,184 | 374,094 | 379,910 | 1.6% | 3.1% |

Figure 3. Performance of Mortgages Held by Reporting Banks and Thrift



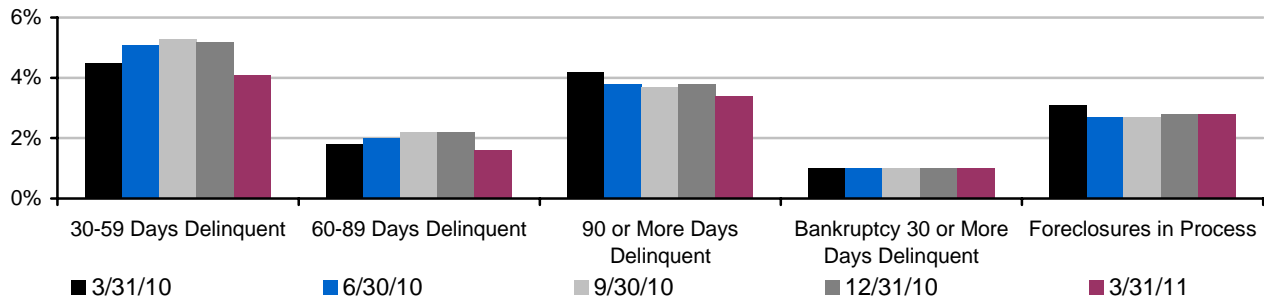
Performance of Government-Guaranteed Mortgages

The percentage of current government-guaranteed mortgages increased to 87.0 percent—up from 85.0 percent the previous quarter and from 85.4 percent a year ago (see table 9). Serious delinquencies decreased to 6.1 percent of all government-guaranteed mortgages—down from 7.0 percent the previous quarter and 7.0 percent a year ago. The percentage of government-guaranteed mortgages that were 30 to 59 days delinquent decreased to 4.1 percent—down from 5.2 percent the previous quarter and 4.5 percent a year ago. Foreclosures in process remained stable at 2.8 percent.

Government-guaranteed mortgages represent about 20 percent of the portfolio compared with 17 percent a year ago. About 80 percent of these loans were FHA loans, 15 percent were VA loans, and 5 percent were other government-guaranteed mortgages. More than 85 percent of these mortgages were in pools of loans backing Ginnie Mae securities.

| Table 9. Performance of Government-Guaranteed Mortgages (Percentage) | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|---------------|---------------|
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Current and Performing | 85.4% | 85.3% | 85.1% | 85.0% | 87.0% | 2.3% | 1.9% |
| 30–59 Days Delinquent | 4.5% | 5.1% | 5.3% | 5.2% | 4.1% | -20.0% | -8.0% |
| The Following Three Categories Are Classified as Seriously Delinquent: | | | | | | | |
| 60–89 Days Delinquent | 1.8% | 2.0% | 2.2% | 2.2% | 1.6% | -25.4% | -10.2% |
| 90 or More Days Delinquent | 4.2% | 3.8% | 3.7% | 3.8% | 3.4% | -9.9% | -18.3% |
| Bankruptcy 30 or More Days Delinquent | 1.0% | 1.0% | 1.0% | 1.0% | 1.0% | -0.9% | 1.5% |
| Subtotal for Seriously Delinquent | 7.0% | 6.8% | 6.9% | 7.0% | 6.1% | -13.4% | -13.4% |
| Foreclosures in Process | 3.1% | 2.7% | 2.7% | 2.8% | 2.8% | 0.1% | -9.3% |
| Performance of Government-Guaranteed Mortgages (Number) | | | | | | | |
| Current and Performing | 4,991,325 | 5,230,074 | 5,344,688 | 5,483,548 | 5,743,865 | 4.7% | 15.1% |
| 30–59 Days Delinquent | 261,976 | 313,443 | 330,329 | 332,303 | 272,284 | -18.1% | 3.9% |
| The Following Three Categories Are Classified as Seriously Delinquent: | | | | | | | |
| 60–89 Days Delinquent | 105,013 | 120,919 | 135,604 | 139,517 | 106,494 | -23.7% | 1.4% |
| 90 or More Days Delinquent | 246,331 | 234,112 | 233,754 | 246,596 | 227,482 | -7.8% | -7.7% |
| Bankruptcy 30 or More Days Delinquent | 59,077 | 63,218 | 65,756 | 66,779 | 67,748 | 1.5% | 14.7% |
| Subtotal for Seriously Delinquent | 410,421 | 418,249 | 435,114 | 452,892 | 401,724 | -11.3% | -2.1% |
| Foreclosures in Process | 179,825 | 166,734 | 168,365 | 179,799 | 184,172 | 2.4% | 2.4% |

Figure 4. Performance of Government-Guaranteed Mortgages

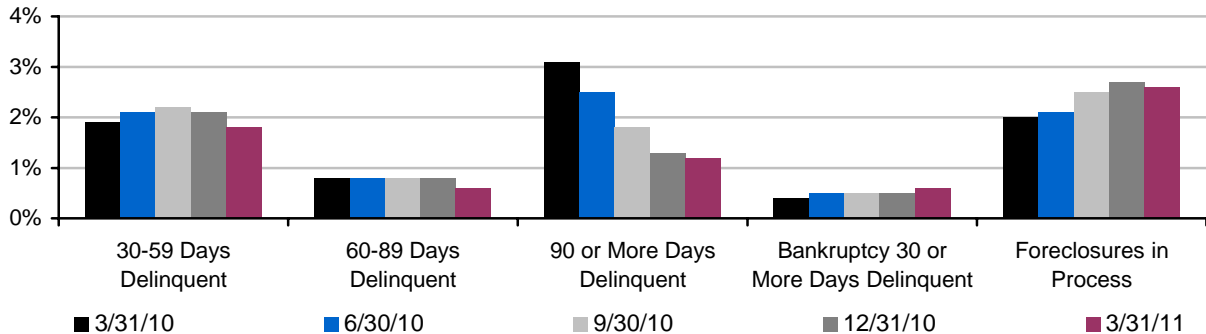


Performance of GSE Mortgages

GSE mortgages perform better than the overall portfolio because they have a greater percentage of prime loans. Current and performing GSE mortgages increased to 93.2 percent, compared with 88.6 percent for the overall portfolio, 80.3 percent for mortgages held by reporting banks and thrifts, and 87.0 percent for government-guaranteed mortgages (see table 10). The percentage of GSE mortgages that were 30 to 59 days delinquent decreased to 1.8 percent—down from 2.1 percent the previous quarter and 1.9 percent a year ago. The percentage of GSE mortgages that were seriously delinquent decreased to 2.4 percent—down from 2.6 percent the previous quarter and 4.3 percent a year ago. Foreclosures in process decreased to 2.6 percent—down from 2.7 percent the previous quarter but up from 2.0 percent a year ago. GSE mortgages made up approximately 61 percent of the overall servicing portfolio. Of the GSE mortgages, about 58 percent were serviced for Fannie Mae and 42 percent were serviced for Freddie Mac.

| Table 10. Performance of GSE Mortgages (Percentage) | | | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|--------------|---------------|
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Current and Performing | 91.8% | 92.0% | 92.3% | 92.6% | 93.2% | 0.7% | 1.6% |
| 30–59 Days Delinquent | 1.9% | 2.1% | 2.2% | 2.1% | 1.8% | -16.1% | -7.6% |
| The Following Three Categories Are Classified as Seriously Delinquent: | | | | | | | |
| 60–89 Days Delinquent | 0.8% | 0.8% | 0.8% | 0.8% | 0.6% | -18.5% | -24.5% |
| 90 or More Days Delinquent | 3.0% | 2.4% | 1.7% | 1.3% | 1.2% | -7.9% | -61.1% |
| Bankruptcy 30 or More Days Delinquent | 0.4% | 0.5% | 0.5% | 0.5% | 0.6% | 3.3% | 27.8% |
| Subtotal for Seriously Delinquent | 4.3% | 3.7% | 3.1% | 2.6% | 2.4% | -8.8% | -44.9% |
| Foreclosures in Process | 2.0% | 2.2% | 2.5% | 2.7% | 2.6% | -2.7% | 30.3% |
| Performance of GSE Mortgages (Number) | | | | | | | |
| Current and Performing | 19,471,020 | 19,282,070 | 18,877,065 | 18,451,984 | 18,538,136 | 0.5% | -4.8% |
| 30–59 Days Delinquent | 404,392 | 435,266 | 444,386 | 418,241 | 350,157 | -16.3% | -13.4% |
| The Following Three Categories Are Classified as Seriously Delinquent: | | | | | | | |
| 60–89 Days Delinquent | 179,919 | 172,420 | 171,008 | 156,571 | 127,344 | -18.7% | -29.2% |
| 90 or More Days Delinquent | 638,979 | 509,515 | 357,359 | 253,455 | 233,037 | -8.1% | -63.5% |
| Bankruptcy 30 or More Days Delinquent | 91,480 | 97,015 | 104,146 | 106,307 | 109,606 | 3.1% | 19.8% |
| Subtotal for Seriously Delinquent | 910,378 | 778,950 | 632,513 | 516,333 | 469,987 | -9.0% | -48.4% |
| Foreclosures in Process | 429,401 | 457,431 | 506,184 | 540,193 | 524,307 | -2.9% | 22.1% |

Figure 5. Performance of GSE Mortgages

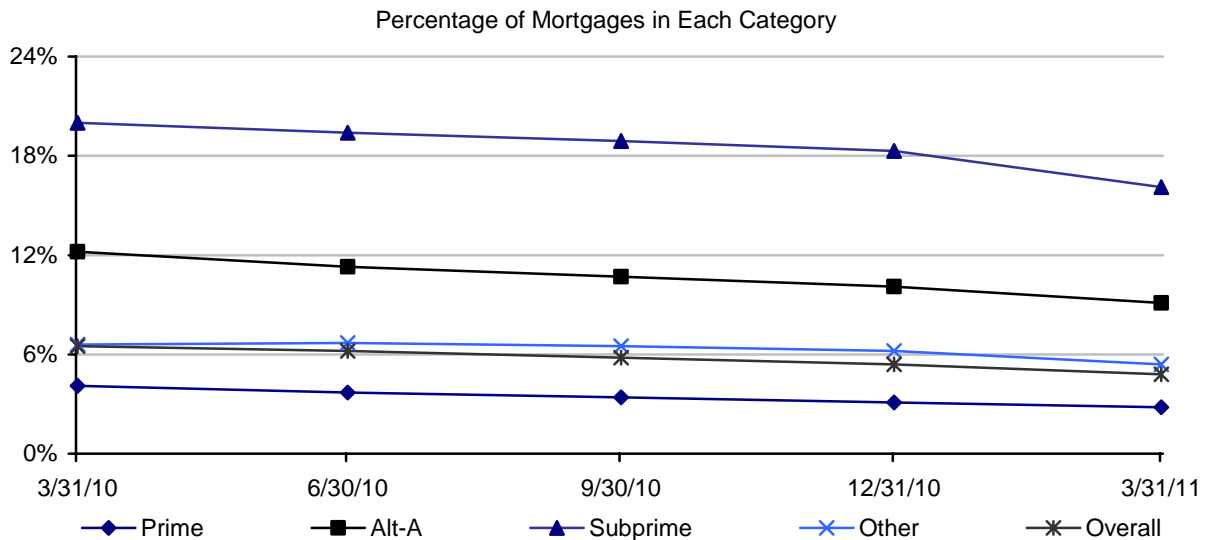


Seriously Delinquent Mortgages, by Risk Category

At the end of the first quarter of 2011, the portfolio contained 601,714 fewer seriously delinquent loans compared with a year ago—a 27.7 percent decrease in the number of seriously delinquent mortgages (see table 11). Serious delinquencies declined for the fifth consecutive quarter to 4.8 percent of the servicing portfolio—the lowest level since the end of June 2009. The number of seriously delinquent loans declined across all risk categories during the quarter. The percentage of prime mortgages that were seriously delinquent decreased to 2.8 percent—down from 3.0 percent the previous quarter and 4.0 percent a year ago. Subprime serious delinquencies decreased to 16.1 percent—down from 18.2 percent the previous quarter and 19.7 percent a year ago.

| Table 11. Seriously Delinquent Mortgages, by Risk Category | | | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|------------|------------|
| (Percentage of Mortgages in Each Category) | | | | | | | |
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Prime | 4.0% | 3.7% | 3.3% | 3.0% | 2.8% | -6.3% | -28.8% |
| Alt-A | 12.0% | 11.1% | 10.5% | 10.0% | 9.1% | -9.6% | -24.6% |
| Subprime | 19.7% | 19.1% | 18.7% | 18.2% | 16.1% | -11.3% | -18.2% |
| Other | 6.5% | 6.6% | 6.5% | 6.2% | 5.4% | -11.8% | -16.6% |
| Overall | 6.4% | 6.0% | 5.7% | 5.3% | 4.8% | -9.4% | -25.1% |
| (Number of Mortgages in Each Category) | | | | | | | |
| Prime | 914,118 | 846,085 | 764,799 | 688,250 | 643,971 | -6.4% | -29.6% |
| Alt-A | 428,418 | 402,335 | 378,235 | 353,736 | 317,460 | -10.3% | -25.9% |
| Subprime | 525,554 | 500,429 | 475,929 | 448,766 | 389,879 | -13.1% | -25.8% |
| Other | 301,782 | 289,805 | 270,270 | 248,484 | 216,848 | -12.7% | -28.1% |
| Total | 2,169,872 | 2,038,654 | 1,889,233 | 1,739,236 | 1,568,158 | -9.8% | -27.7% |

Figure 6. Seriously Delinquent Mortgages, by Risk Category

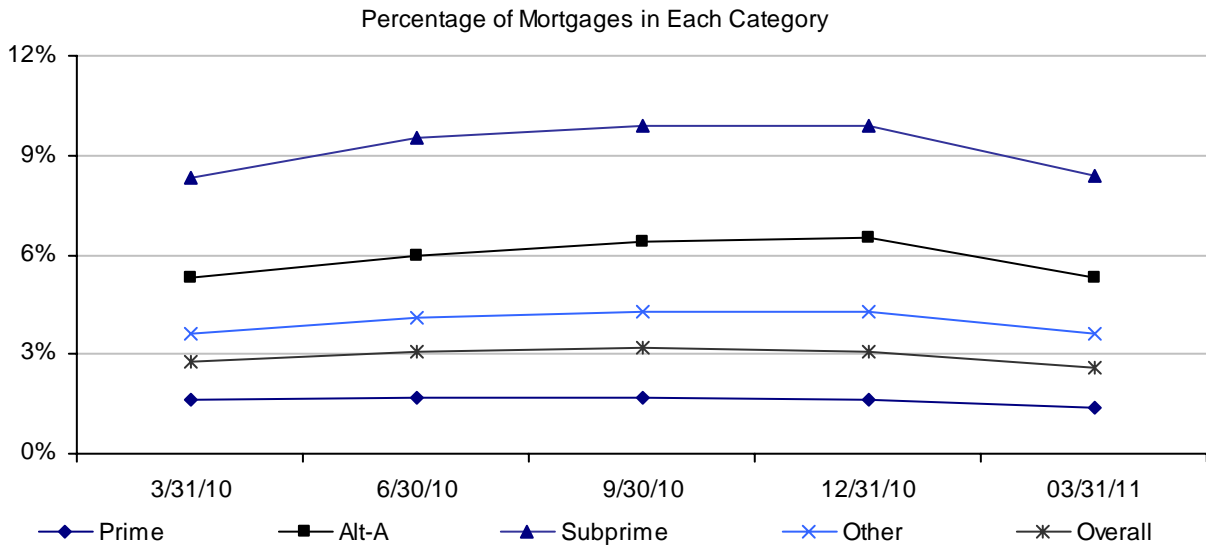


Mortgages 30 to 59 Days Delinquent, by Risk Category

At the end of the first quarter of 2011, the overall portfolio contained 85,889 fewer loans that were 30 to 59 days delinquent compared with a year ago—a 9.1 percent decrease in the number of mortgages 30 to 59 days delinquent (see table 12). Overall, 2.6 percent of the total portfolio was 30 to 59 days delinquent at the end of the quarter—down from 3.1 percent the previous quarter and 2.8 percent a year ago. The number and percentage of loans 30 to 59 days delinquent have declined in each of the last two quarters.

| Table 12. Mortgages 30 to 59 Days Delinquent, by Risk Category | | | | | | | |
|---|---------|-----------|-----------|-----------|---------|------------|------------|
| (Percentage of Mortgages in Each Category) | | | | | | | |
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Prime | 1.6% | 1.7% | 1.7% | 1.6% | 1.4% | -14.9% | -10.8% |
| Alt-A | 5.3% | 6.0% | 6.4% | 6.5% | 5.3% | -17.1% | 0.0% |
| Subprime | 8.3% | 9.5% | 9.9% | 9.9% | 8.4% | -15.0% | 1.1% |
| Other | 3.6% | 4.1% | 4.3% | 4.3% | 3.6% | -16.2% | 0.8% |
| Overall | 2.8% | 3.0% | 3.2% | 3.1% | 2.6% | -16.0% | -5.8% |
| (Number of Mortgages in Each Category) | | | | | | | |
| Prime | 360,231 | 382,526 | 395,718 | 374,077 | 317,786 | -15.0% | -11.8% |
| Alt-A | 190,655 | 217,250 | 230,712 | 227,924 | 187,415 | -17.8% | -1.7% |
| Subprime | 220,950 | 248,849 | 251,595 | 243,641 | 202,712 | -16.8% | -8.3% |
| Other | 166,909 | 180,349 | 181,576 | 174,901 | 144,943 | -17.1% | -13.2% |
| Total | 938,745 | 1,028,974 | 1,059,601 | 1,020,543 | 852,856 | -16.4% | -9.1% |

Figure 7. Mortgages 30 to 59 Days Delinquent, by Risk 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 underwriting and 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 to become current on the loan, attain payment sustainability, and retain the home.

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

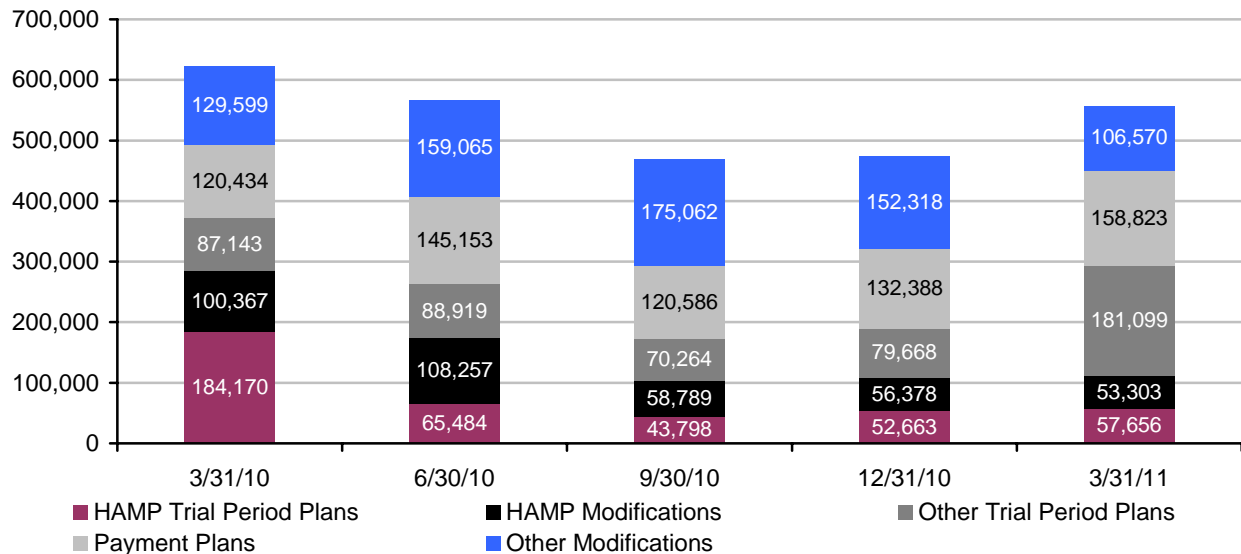
New Home Retention Actions

Servicers implemented 557,451 new home retention actions—loan modifications, trial-period plans, and payment plans—during the first quarter of 2011 (see table 13). The number of home retention actions increased 17.4 percent from the previous quarter but decreased 10.5 percent from a year ago. Servicers implemented 159,873 modifications during the quarter—down 23.4 percent from the previous quarter. However, other trial-period plans and HAMP trial-period plans increased in the first quarter, with servicers implementing 238,755 new trial-period plans—a 78.1 percent increase from the previous quarter. Payment plans also increased by 20.3 percent during the first quarter to 158,823. During the past five quarters, servicers have initiated 2.7 million home retention actions—1.1 million modifications, 918,000 trial-period plans, and more than 674,000 payment plans.

Table 13. Number of New Home Retention Actions

| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
|--------------------------|----------------|----------------|----------------|----------------|----------------|--------------|---------------|
| Other Modifications | 129,491 | 158,886 | 174,341 | 152,362 | 106,570 | -30.1% | -17.7% |
| HAMP Modifications | 100,226 | 108,075 | 58,342 | 56,340 | 53,303 | -5.4% | -46.8% |
| Other Trial-Period Plans | 89,613 | 90,567 | 71,719 | 81,034 | 181,099 | 123.5% | 102.1% |
| HAMP Trial-Period Plans | 183,464 | 65,114 | 44,666 | 53,058 | 57,656 | 8.7% | -68.6% |
| Payment Plans | 119,900 | 144,207 | 119,041 | 131,984 | 158,823 | 20.3% | 32.5% |
| Total | 622,694 | 566,849 | 468,109 | 474,778 | 557,451 | 17.4% | -10.5% |

Figure 8. Number of New Home Retention Actions



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

Servicers implemented 53,303 HAMP modifications during the first quarter of 2011—down 5.4 percent from the 56,340 implemented during the previous quarter (see table 14). More than half of HAMP modifications made during the quarter went to mortgages serviced for Fannie Mae and Freddie Mac. Prime loans received 52.7 percent of all HAMP modifications, while subprime loans received 17.8 percent of these modification actions.

Table 14. HAMP Modifications, by Investor and Risk Category
(Modifications Implemented in the First Quarter of 2011)

| | Fannie Mae | Freddie Mac | Government-Guaranteed | Portfolio | Private | Total |
|----------|------------|-------------|-----------------------|-----------|---------|--------|
| Prime | 7,832 | 8,881 | 123 | 5,322 | 5,945 | 28,103 |
| Alt-A | 2,464 | 2,644 | 119 | 2,524 | 2,776 | 10,527 |
| Subprime | 1,448 | 1,196 | 132 | 2,979 | 3,717 | 9,472 |
| Other | 2,112 | 954 | 65 | 727 | 1,343 | 5,201 |
| Total | 13,856 | 13,675 | 439 | 11,552 | 13,781 | 53,303 |

Servicers implemented 57,656 new HAMP trial-period plans during the quarter, an increase of 8.7 percent from the 53,058 trial plans initiated in the previous quarter (see table 15). Prime mortgages, which represent 70 percent of the total portfolio and are the risk category with the largest number of past-due loans, received 51.1 percent of the HAMP trial-period plans implemented during the quarter. Alt-A and subprime mortgages received 38 percent of the HAMP trial plans implemented during the quarter. Fannie Mae or Freddie Mac mortgages received more than 51 percent of HAMP trial-period plans initiated during the first quarter.

Table 15. HAMP Trial-Period Plans, by Investor and Risk Category
(Trial-Period Plans Implemented in the First Quarter of 2011)

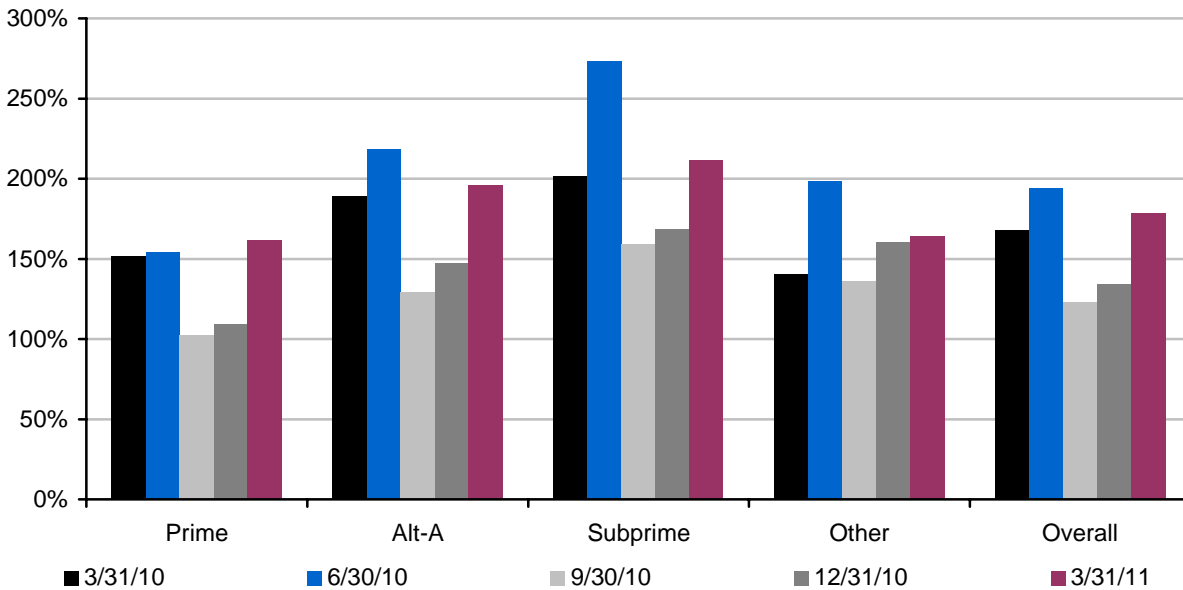
| | Fannie Mae | Freddie Mac | Government-Guaranteed | Portfolio | Private | Total |
|----------|------------|-------------|-----------------------|-----------|---------|--------|
| Prime | 11,256 | 7,266 | 210 | 5,442 | 7,019 | 31,193 |
| Alt-A | 3,585 | 2,160 | 242 | 2,605 | 3,159 | 11,751 |
| Subprime | 1,958 | 1,054 | 244 | 3,064 | 4,097 | 10,417 |
| Other | 1,589 | 790 | 105 | 535 | 1,276 | 4,295 |
| Total | 18,388 | 11,270 | 801 | 11,646 | 15,551 | 57,656 |

New Home Retention Actions Relative to Newly Initiated Foreclosures

Newly initiated home retention actions increased relative to newly initiated foreclosure actions during the first quarter reflecting a 17.4 percent increase in home retention actions and an 11.3 percent decrease in newly initiated foreclosure actions (see table 16). Servicers continued to implement significantly more new home retention actions than new foreclosures overall.

| Table 16. Percentage of New Home Retention Actions Relative to Newly Initiated Foreclosures, by Risk Category | | | | | | | |
|--|---------|---------|---------|----------|---------|------------|------------|
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Prime | 151.4% | 153.7% | 101.4% | 109.3% | 161.8% | 48.0% | 6.8% |
| Alt-A | 189.5% | 218.0% | 128.5% | 147.8% | 196.2% | 32.8% | 3.6% |
| Subprime | 202.5% | 273.5% | 158.3% | 169.0% | 211.3% | 25.0% | 4.3% |
| Other | 143.1% | 199.8% | 136.7% | 161.4% | 163.8% | 1.5% | 14.5% |
| Overall | 168.3% | 194.3% | 122.3% | 134.8% | 178.4% | 32.4% | 6.0% |
| Number of New Home Retention Actions | 622,694 | 566,849 | 468,109 | 474,778 | 557,451 | 17.4% | -10.5% |
| Number of Newly Initiated Foreclosures | 369,944 | 291,757 | 382,782 | 352,318 | 312,404 | -11.3% | -15.6% |

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, over time, have different effects on the long-term sustainability of mortgages. Servicers often use a combination of actions when modifying mortgages, with 88 percent of modifications implemented during the first quarter of 2011 changing more than one of the original loan terms.

Servicers capitalized missed fees and payments in 86.9 percent of modifications made during the first quarter, reduced interest rates in 82.6 percent of the modified mortgages, and extended the loan maturity in 58.1 percent (see table 17). Servicers deferred repayment of some portion of the principal balance in 11.3 percent of modifications made during the quarter and used principal reduction in 2.8 percent of modifications. Because most modifications changed more than one term, the sum of the individual actions exceeds 100 percent of total modifications. Appendix D presents additional detail on combination modifications.

| Table 17. Changes in Loan Terms for Modifications Made Through the First Quarter of 2011 | | | | | | | |
|---|---------|---------|---------|----------|---------|------------|------------|
| (Percentage of Total Modifications in Each Category) | | | | | | | |
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Capitalization | 91.4% | 93.9% | 87.6% | 91.6% | 86.9% | -5.1% | -5.0% |
| Rate Reduction | 85.6% | 86.9% | 86.4% | 84.1% | 82.6% | -1.9% | -3.6% |
| Rate Freeze | 1.6% | 4.3% | 1.9% | 2.4% | 2.0% | -18.4% | 22.0% |
| Term Extension | 45.3% | 51.6% | 57.7% | 56.1% | 58.1% | 3.5% | 28.1% |
| Principal Reduction | 1.9% | 2.2% | 5.7% | 2.7% | 2.8% | 1.4% | 42.5% |
| Principal Deferral | 10.1% | 10.5% | 10.1% | 9.0% | 11.3% | 24.7% | 11.1% |
| Not Reported* | 0.4% | 0.6% | 0.7% | 1.2% | 3.0% | 158.2% | 669.1% |
| (Number of Changes in Each Category) | | | | | | | |
| Capitalization | 210,020 | 250,637 | 203,719 | 191,138 | 138,929 | -27.3% | -33.8% |
| Rate Reduction | 196,633 | 231,986 | 201,011 | 175,619 | 131,983 | -24.8% | -32.9% |
| Rate Freeze | 3,701 | 11,442 | 4,465 | 5,026 | 3,142 | -37.5% | -15.1% |
| Term Extension | 104,138 | 137,831 | 134,267 | 117,061 | 92,848 | -20.7% | -10.8% |
| Principal Reduction | 4,464 | 5,866 | 13,340 | 5,696 | 4,426 | -22.3% | -0.9% |
| Principal Deferral | 23,272 | 28,061 | 23,432 | 18,836 | 17,991 | -4.5% | -22.7% |
| Not Reported* | 894 | 1,484 | 1,665 | 2,419 | 4,785 | 97.8% | 435.2% |

*Processing constraints at some servicers prevented them from aggregating and 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, most HAMP modifications included capitalization of missed payments and fees, interest- rate reductions, and term extensions. Servicers used principal deferral, another prescribed action in the HAMP hierarchy, in 23.6 percent of HAMP modifications during the first quarter of 2011 compared with 22.5 percent in the previous quarter. Principal reduction was used in 5.5 percent of all HAMP modifications implemented during the quarter, compared with 7.4 percent during the previous quarter (see table 18).

| Table 18. Changes in Loan Terms for HAMP Modifications Made Permanent Through the First Quarter of 2011 | | | | | | | |
|--|---------|---------|---------|----------|---------|------------|------------|
| (Percentage of Total Modifications in Each Category) | | | | | | | |
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Capitalization | 97.4% | 98.8% | 95.6% | 96.5% | 96.5% | 0.0% | -0.9 |
| Rate Reduction | 93.9% | 93.5% | 96.2% | 87.9% | 94.4% | 7.4% | 0.6% |
| Rate Freeze | 0.1% | 1.1% | 0.1% | 0.2% | 0.3% | 23.2% | 76.7% |
| Term Extension | 45.6% | 49.1% | 55.9% | 48.7% | 53.4% | 9.6% | 17.0% |
| Principal Reduction | 0.2% | 3.1% | 10.3% | 7.4% | 5.5% | -26.8% | 3,272.9% |
| Principal Deferral | 19.3% | 20.5% | 24.4% | 22.5% | 23.6% | 4.7% | 22.5% |
| Not Reported* | 0.2% | 0.1% | 0.3% | 0.2% | 0.2% | 7.4% | 39.6% |
| (Number of Changes in Each Category) | | | | | | | |
| Capitalization | 97,612 | 106,779 | 55,762 | 54,345 | 51,424 | -5.4% | -47.3% |
| Rate Reduction | 94,095 | 101,061 | 56,121 | 49,527 | 50,330 | 1.6% | -46.5% |
| Rate Freeze | 150 | 1,148 | 83 | 121 | 141 | 16.5% | -6.0% |
| Term Extension | 45,739 | 53,103 | 32,596 | 27,448 | 28,466 | 3.7% | -37.8% |
| Principal Reduction | 162 | 3,342 | 6,009 | 4,197 | 2,906 | -30.8% | 1,693.8% |
| Principal Deferral | 19,321 | 22,177 | 14,244 | 12,700 | 12,586 | -0.9% | -34.9% |
| Not Reported* | 167 | 78 | 151 | 122 | 124 | 1.6% | -25.7% |

*Processing constraints at some servicers prevented them from aggregating and 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 exceeds the total number of modified loans in each risk category. The mix of capitalization, rate reduction, rate freeze, and term extension in modified mortgages did not differ significantly among prime, Alt-A, and subprime mortgages (see table 19).

| Table 19. Changes in Loan Terms for Modifications, by Risk Category, in First Quarter 2011 | | | | | |
|---|--------|--------|----------|--------|---------|
| (Percentage of Total Modifications in Each Category) | | | | | |
| | Prime | Alt-A | Subprime | Other | Overall |
| Capitalization | 81.6% | 88.7% | 91.1% | 93.8% | 86.9% |
| Rate Reduction | 78.4% | 82.4% | 87.3% | 87.7% | 82.6% |
| Rate Freeze | 1.7% | 2.0% | 2.0% | 2.9% | 2.0% |
| Term Extension | 56.5% | 57.9% | 59.7% | 60.4% | 58.1% |
| Principal Reduction | 3.1% | 3.4% | 2.7% | 0.9% | 2.8% |
| Principal Deferral | 15.6% | 10.0% | 6.9% | 7.1% | 11.3% |
| Not Reported* | 4.2% | 3.1% | 1.4% | 1.6% | 3.0% |
| (Number of Changes in Each Category) | | | | | |
| Total Mortgages Modified | 68,182 | 32,384 | 39,925 | 19,382 | 159,873 |
| Capitalization | 55,643 | 28,719 | 36,387 | 18,180 | 138,929 |
| Rate Reduction | 53,449 | 26,688 | 34,839 | 17,007 | 131,983 |
| Rate Freeze | 1,136 | 653 | 800 | 553 | 3,142 |
| Term Extension | 38,538 | 18,759 | 23,848 | 11,703 | 92,848 |
| Principal Reduction | 2,095 | 1,085 | 1,081 | 165 | 4,426 |
| Principal Deferral | 10,618 | 3,250 | 2,748 | 1,375 | 17,991 |
| Not Reported* | 2,894 | 997 | 577 | 317 | 4,785 |

*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 32.0 percent of modifications made during the quarter. Government-guaranteed loans received 24.2 percent of all modifications, while mortgages serviced for private investors received 23.5 percent (see table 20). Mortgages held in servicer portfolios received 20.3 percent of first quarter modifications. Table 20 shows the distribution of the types of modification actions by investor. Because modifications often change more than one loan term, the sum of the actions exceeds the number of modified loans for each investor.

Interest-rate reduction and term extension on loans that most likely include the capitalization of missed payments and fees remained the primary types of modification for all investors. Principal reduction was predominantly used for loans held in portfolio.

| Table 20. Type of Modification Action, by Investor and Product Type, in First Quarter 2011 | | | | | | |
|---|------------|-------------|-----------------------|------------------|-----------|---------|
| (Percentage of Total Modifications in Each Category) | | | | | | |
| | Fannie Mae | Freddie Mac | Government-Guaranteed | Private Investor | Portfolio | Overall |
| Capitalization | 98.7% | 98.7% | 97.8% | 85.6% | 56.9% | 86.9% |
| Rate Reduction | 84.3% | 76.7% | 93.9% | 87.3% | 66.4% | 82.6% |
| Rate Freeze | 0.6% | 4.0% | 0.9% | 1.7% | 3.1% | 2.0% |
| Term Extension | 53.5% | 71.6% | 78.7% | 35.4% | 53.8% | 58.1% |
| Principal Reduction | 0.0% | 0.0% | 0.0% | 1.8% | 11.5% | 2.8% |
| Principal Deferral | 17.7% | 13.8% | 0.1% | 13.7% | 14.4% | 11.3% |
| Not Reported** | 0.3% | 0.1% | 0.2% | 0.8% | 13.2% | 3.0% |
| (Number of Changes in Each Category) | | | | | | |
| Total Mortgages Modified | 27,507 | 23,613 | 38,647 | 37,635 | 32,471 | 159,873 |
| Capitalization | 27,146 | 23,312 | 37,793 | 32,211 | 18,467 | 138,929 |
| Rate Reduction | 23,189 | 18,120 | 36,286 | 32,842 | 21,546 | 131,983 |
| Rate Freeze | 175 | 954 | 350 | 647 | 1,016 | 3,142 |
| Term Extension | 14,703 | 16,915 | 30,421 | 13,341 | 17,468 | 92,848 |
| Principal Reduction* | 4 | 1 | 0 | 694 | 3727 | 4,426 |
| Principal Deferral | 4863 | 3248 | 39 | 5155 | 4686 | 17,991 |
| Not Reported | 76 | 19 | 80 | 315 | 4,295 | 4,785 |

*Fannie Mae and Freddie Mac do not offer modifications that include principal reduction. The principal reduction actions reflected in this table likely represent coding errors to be corrected in subsequent reporting periods.

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

Types of HAMP Modification Actions, by Investor and Product Type

Of the 53,303 HAMP modifications implemented in the first quarter, 51.7 percent were on GSE mortgages, 25.9 percent were on mortgages serviced for private investors, and 21.7 percent were on mortgages held in servicers' portfolios (see table 21). Consistent with overall modification actions, interest-rate reduction in modifications that also included capitalization of past-due interest and fees and often term extension were the prevailing actions among HAMP modifications. Principal deferral was used in a significant number of HAMP modifications for all categories other than government-guaranteed loans. Principal reduction was primarily used for loans held in portfolio.

| Table 21. Type of HAMP Modification Action, by Investor and Product Type, in First Quarter 2011 | | | | | | |
|--|------------|-------------|-----------------------|------------------|-----------|---------|
| (Percentage of Total Modifications in Each Category) | | | | | | |
| | Fannie Mae | Freddie Mac | Government-Guaranteed | Private Investor | Portfolio | Overall |
| Capitalization | 98.7% | 98.5% | 96.1% | 95.0% | 93.3% | 96.5% |
| Rate Reduction | 91.6% | 94.8% | 94.8% | 94.6% | 97.1% | 94.4% |
| Rate Freeze | 0.0% | 0.1% | 0.0% | 0.7% | 0.3% | 0.3% |
| Term Extension | 59.1% | 64.1% | 97.3% | 25.0% | 66.2% | 53.4% |
| Principal Reduction | 0.0% | 0.0% | 0.0% | 0.6% | 24.5% | 5.5% |
| Principal Deferral | 19.1% | 22.1% | 0.2% | 26.6% | 28.1% | 23.6% |
| Not Reported* | 0.1% | 0.1% | 0.0% | 0.3% | 0.5% | 0.2% |
| (Number of Changes in Each Category) | | | | | | |
| Total Mortgages Modified | 13,856 | 13,675 | 439 | 13,781 | 11,552 | 53,303 |
| Capitalization | 13,673 | 13,465 | 422 | 13,091 | 10,773 | 51,424 |
| Rate Reduction | 12,697 | 12,964 | 416 | 13,038 | 11,215 | 50,330 |
| Rate Freeze | 0 | 9 | 0 | 95 | 37 | 141 |
| Term Extension | 8,182 | 8,768 | 427 | 3,441 | 7,648 | 28,466 |
| Principal Reduction | 0 | 0 | 0 | 79 | 2827 | 2,906 |
| Principal Deferral | 2643 | 3025 | 1 | 3666 | 3251 | 12,586 |
| Not Reported* | 15 | 8 | 0 | 41 | 60 | 124 |

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

Changes in Monthly Payments Resulting From Modification

The previous sections of this report 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 the borrower and more sustainable over time. However, the lower payments also result in less monthly cash flow and interest income to the mortgage investor.

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 payment caused by the additional capitalized principal. Modifications may also result in increased monthly payments when interest rates or principal payments on adjustable rate mortgages and 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 experience temporary cash flow or liquidity problems or have reasonable prospects to make the 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.

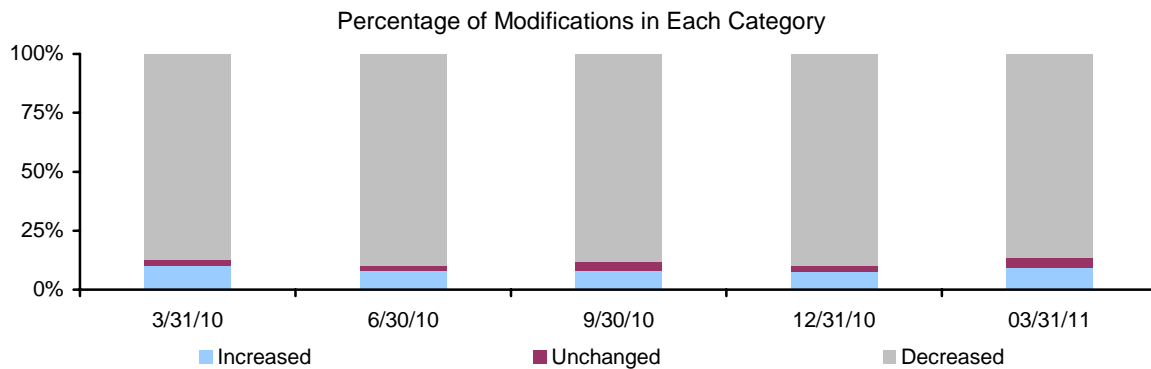
Changes in Monthly Payments Resulting From Modifications, by Quarter

More than 86 percent of modifications made in the first quarter reduced monthly principal and interest payments (see table 22). More than 47 percent of the modifications reduced the payment by 20 percent or more. Modifications that resulted in higher payments increased to 9.5 percent of modifications made during the first quarter and 4.0 percent left monthly payments unchanged.

| Table 22. Changes in Monthly Principal and Interest Payments Resulting From Modifications | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|---------------|---------------|
| (Percentage of Modifications in Each Category)* | | | | | | | |
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Decreased by 20% or More | 54.6% | 55.9% | 54.0% | 56.3% | 47.3% | -15.9% | -13.4% |
| Decreased by 10% to Less Than 20% | 17.7% | 17.8% | 18.0% | 19.7% | 18.4% | -6.4% | 4.0% |
| Decreased by Less Than 10% | 14.9% | 16.3% | 16.0% | 13.9% | 20.8% | 49.6% | 39.3% |
| Subtotal for Decreased | 87.2% | 90.0% | 88.1% | 89.9% | 86.5% | -3.7% | -0.8% |
| Unchanged | 2.9% | 1.9% | 3.7% | 2.3% | 4.0% | 70.7% | 37.3% |
| Increased | 9.9% | 8.2% | 8.2% | 7.8% | 9.5% | 21.7% | -3.6% |
| Subtotal for Unchanged and Increased | 12.8% | 10.0% | 11.9% | 10.1% | 13.5% | 32.9% | 5.6% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | -- | -- |
| (Number of Modifications in Each Category) | | | | | | | |
| Decreased by 20% or More | 124,889 | 148,582 | 125,037 | 117,072 | 75,198 | -35.8% | -39.8% |
| Decreased by 10% to Less Than 20% | 40,540 | 47,220 | 41,698 | 40,967 | 29,317 | -28.4% | -27.7% |
| Decreased by Less Than 10% | 34,111 | 43,398 | 37,105 | 28,883 | 33,029 | 14.4% | -3.2% |
| Subtotal for Decreased | 199,540 | 239,200 | 203,840 | 186,922 | 137,544 | -26.4% | -31.1% |
| Unchanged | 6,587 | 4,971 | 8,582 | 4,817 | 6,285 | 30.5% | -4.6% |
| Increased | 22,575 | 21,740 | 18,920 | 16,265 | 15,129 | -7.0% | -33.0% |
| Subtotal for Unchanged and Increased | 29,162 | 26,711 | 27,502 | 21,082 | 21,414 | 1.6% | -26.6% |
| Total | 228,702 | 265,911 | 231,342 | 208,004 | 158,958 | -23.6% | -30.5% |

*Payment change was not reported on 1,015 modifications in the first quarter of 2010, 1,050 in the second quarter of 2010, 1,341 in the third quarter of 2010, 698 in the fourth quarter of 2010, and 915 in the first quarter 2011.

Figure 10. Changes in Monthly Principal and Interest Payments



Changes in Monthly Payments Resulting From HAMP Modifications, by Quarter

Ninety-eight percent of HAMP modifications made during the first quarter reduced borrower monthly payments, with 76 percent reducing payments by 20 percent or more (see table 23). In addition to achieving lower payments, HAMP attempts to increase payment sustainability by targeting monthly housing payments at 31 percent of borrowers' income. Performance data on all modifications show that reduced monthly payments result in lower re-default rates over time 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)* | | | | | | | |
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Decreased by 20% or More | 78.2% | 78.4% | 75.9% | 77.3% | 76.0% | -1.7% | -2.9% |
| Decreased by 10% to Less Than 20% | 12.6% | 12.5% | 13.3% | 12.0% | 13.4% | 11.7% | 6.3% |
| Decreased by Less Than 10% | 7.6% | 7.9% | 8.8% | 7.5% | 8.7% | 16.0% | 14.3% |
| Subtotal for Decreased | 98.4% | 98.8% | 98.1% | 96.8% | 98.0% | 1.3% | -0.4% |
| Unchanged | 1.5% | 0.7% | 0.3% | 1.1% | 1.0% | -7.7% | -33.0% |
| Increased | 0.1% | 0.5% | 1.6% | 2.1% | 1.0% | -54.5% | 1,214.2% |
| Subtotal for Unchanged and Increased | 1.6% | 1.2% | 1.9% | 3.2% | 2.0% | -38.8% | 26.0% |
| Total | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | -- | -- |
| (Number of HAMP Modifications) | | | | | | | |
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Decreased by 20% or More | 78,202 | 84,595 | 44,134 | 43,338 | 40,362 | -6.9% | -48.4% |
| Decreased by 10% to Less Than 20% | 12,616 | 13,470 | 7,761 | 6,735 | 7,128 | 5.8% | -43.5% |
| Decreased by Less Than 10% | 7,580 | 8,520 | 5,123 | 4,187 | 4,604 | 10.0% | -39.3% |
| Subtotal for Decreased | 98,398 | 106,585 | 57,018 | 54,260 | 52,094 | -4.0% | -47.1% |
| Unchanged | 1,489 | 741 | 169 | 606 | 530 | -12.5% | -64.4% |
| Increased** | 74 | 527 | 952 | 1,200 | 517 | -56.9% | 598.6% |
| Subtotal for Unchanged and Increased | 1,563 | 1,268 | 1,121 | 1,806 | 1,047 | -42.0% | -33.0% |
| Total | 99,961 | 107,853 | 58,139 | 56,066 | 53,141 | -5.2% | -46.8% |

*Payment change information was not reported on 265 HAMP modifications in the first quarter of 2010, 222 in the second quarter of 2010, 203 in the third quarter of 2010, 274 in the fourth quarter of 2010, and 162 in the first quarter of 2011.

**Some HAMP modifications, like other modifications, may increase the borrowers' monthly principal and interest payment when loans with a previous interest-only or partial payment are modified to amortize the loan over its remaining term, or when adjustable rate mortgages are reset to a higher rate and payment, but at a lower rate 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 2011 reduced monthly principal and interest payments by an average of \$333 (see table 24). HAMP modifications made during the quarter reduced payments by an average of \$562, compared with other modifications that reduced average monthly payments by \$218.

| All Modifications | | | | | | | |
|-----------------------------------|---------|---------|---------|----------|---------|------------|------------|
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Decreased by 20% or More | (\$653) | (\$679) | (\$627) | (\$610) | (\$634) | 3.9% | -2.9% |
| Decreased by 10% to Less Than 20% | (\$189) | (\$187) | (\$188) | (\$186) | (\$184) | -1.2% | -2.8% |
| Decreased by Less Than 10% | (\$67) | (\$68) | (\$59) | (\$69) | (\$55) | -20.5% | -18.7% |
| Unchanged | -- | -- | -- | -- | -- | | |
| Increased** | \$126 | \$121 | \$132 | \$134 | \$122 | -9.4% | -3.6% |
| Overall | (\$388) | (\$414) | (\$371) | (\$379) | (\$333) | -12.0% | -14.0% |
| Percentage Change | (19.1%) | (24.8%) | (26.3%) | (24.4%) | (25.5%) | | |
| Other Modifications | | | | | | | |
| Decreased by 20% or More | (\$556) | (\$610) | (\$575) | (\$543) | (\$565) | 4.0% | 1.7% |
| Decreased by 10% to Less Than 20% | (\$174) | (\$174) | (\$181) | (\$178) | (\$171) | -4.0% | -1.5% |
| Decreased by Less Than 10% | (\$62) | (\$64) | (\$55) | (\$67) | (\$50) | -24.7% | -19.4% |
| Unchanged | -- | -- | -- | -- | -- | | |
| Increased** | \$126 | \$120 | \$131 | \$128 | \$120 | -6.1% | -4.9% |
| Overall | (\$230) | (\$282) | (\$301) | (\$302) | (\$218) | -27.7% | -5.0% |
| Percentage Change | (14.7%) | (15.1%) | (18.5%) | (20.7%) | (21.6%) | | |
| HAMP Modifications | | | | | | | |
| Decreased by 20% or More | (\$711) | (\$731) | (\$722) | (\$725) | (\$694) | -4.3% | -2.5% |
| Decreased by 10% to Less Than 20% | (\$223) | (\$219) | (\$216) | (\$223) | (\$222) | -0.6% | -0.3% |
| Decreased by Less Than 10% | (\$85) | (\$83) | (\$82) | (\$82) | (\$83) | 1.3% | -2.5% |
| Unchanged | -- | -- | -- | -- | -- | | |
| Increased** | \$78 | \$172 | \$149 | \$213 | \$164 | -23.1% | |
| Overall | (\$591) | (\$607) | (\$582) | (\$588) | (\$562) | -4.5% | -4.8% |
| Percentage Change | (39.4%) | (37.2%) | (37.8%) | (35.6%) | (35.9%) | | |

*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 payment when past-due interest, advances for taxes or insurance and other fees are added to the loan balance. The monthly payment may also increase when loans with a previous interest-only or partial payment are modified to amortize the loan over its remaining term.

B. Modified Loan Performance

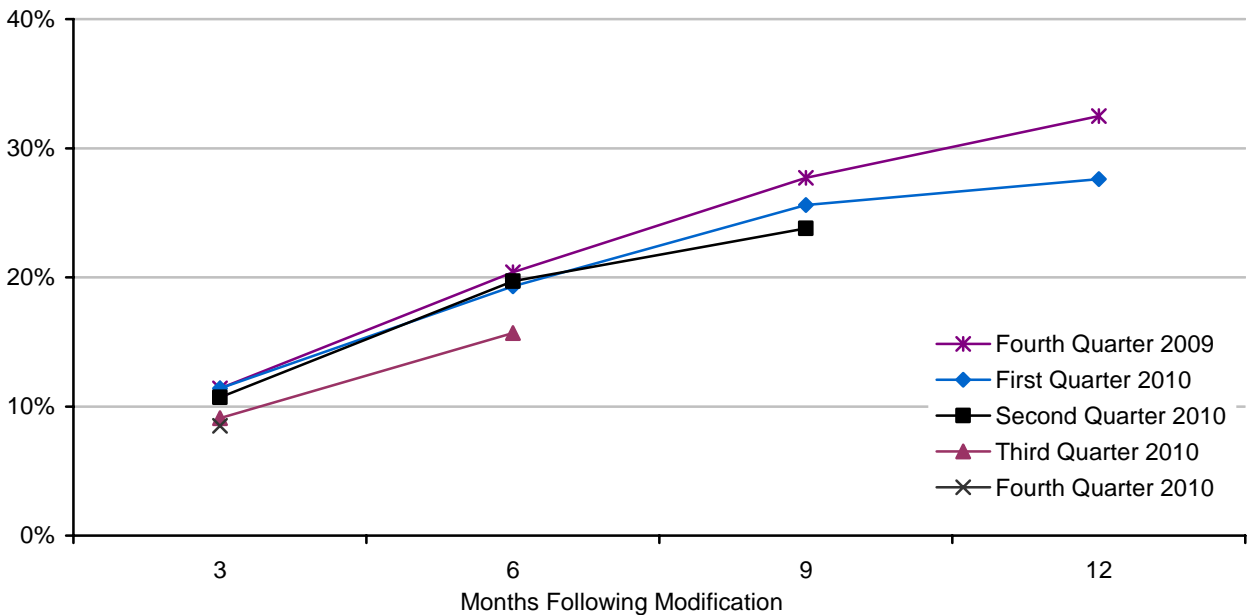
Re-Default Rates of Modified Loans: 60 or More Days Delinquent

More recent modifications have performed better than earlier modifications, reflecting the ongoing emphasis on lower monthly payments and payment sustainability (see table 25).

| 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 |
| Fourth Quarter 2009 | 11.4% | 20.4% | 27.7% | 32.5% |
| First Quarter 2010 | 11.4% | 19.3% | 25.6% | 27.6% |
| Second Quarter 2010 | 10.7% | 19.7% | 23.8% | -- |
| Third Quarter 2010 | 9.1% | 15.7% | -- | -- |
| Fourth Quarter 2010 | 8.5% | -- | -- | -- |

*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, refinanced, sold, or have 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



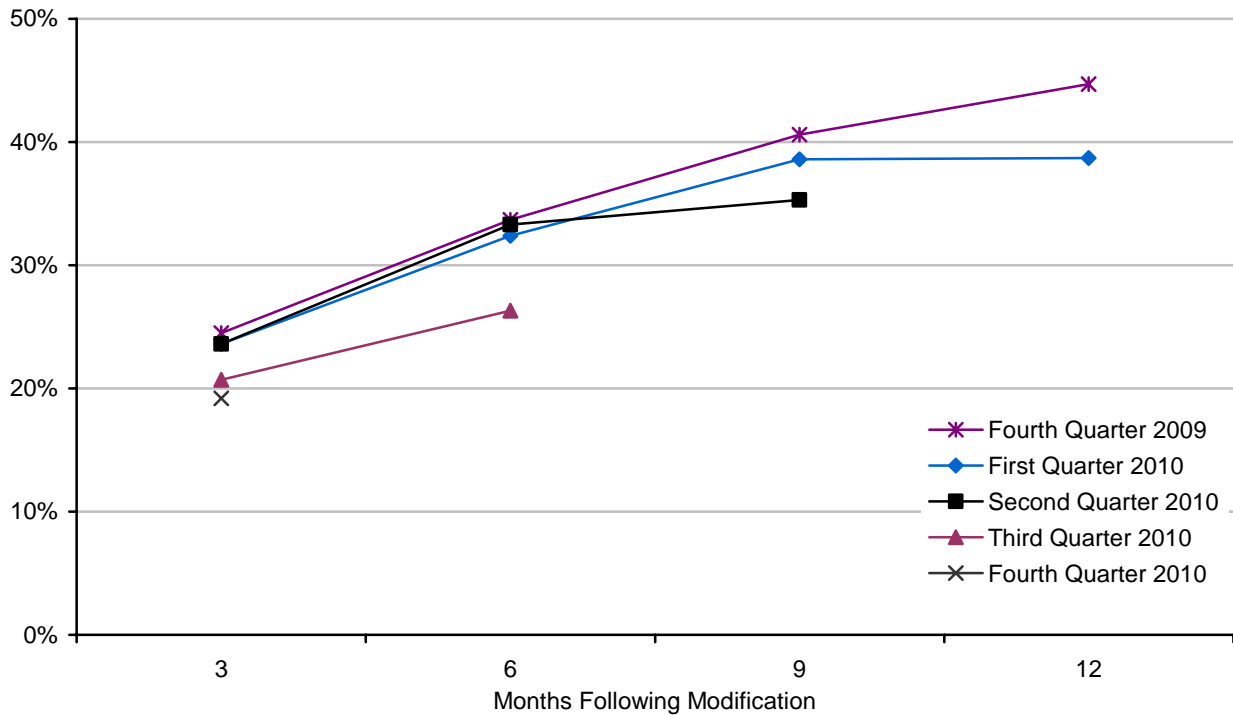
Re-Default Rates of Modified Loans: 30 or More Days Delinquent

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. Similar to re-default rates measured at 60 or more days delinquent, more recent modifications show lower re-default rates than previous modifications as a result of the increased emphasis on lower monthly payments and payment sustainability (see table 26).

| 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 |
| Fourth Quarter 2009 | 24.5% | 33.7% | 40.6% | 44.7% |
| First Quarter 2010 | 23.6% | 32.4% | 38.6% | 38.7% |
| Second Quarter 2010 | 23.6% | 33.3% | 35.3% | -- |
| Third Quarter 2010 | 20.7% | 26.3% | -- | -- |
| Fourth Quarter 2010 | 19.2% | -- | -- | -- |

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

Figure 12. Modified Loans 30 or More Days Delinquent



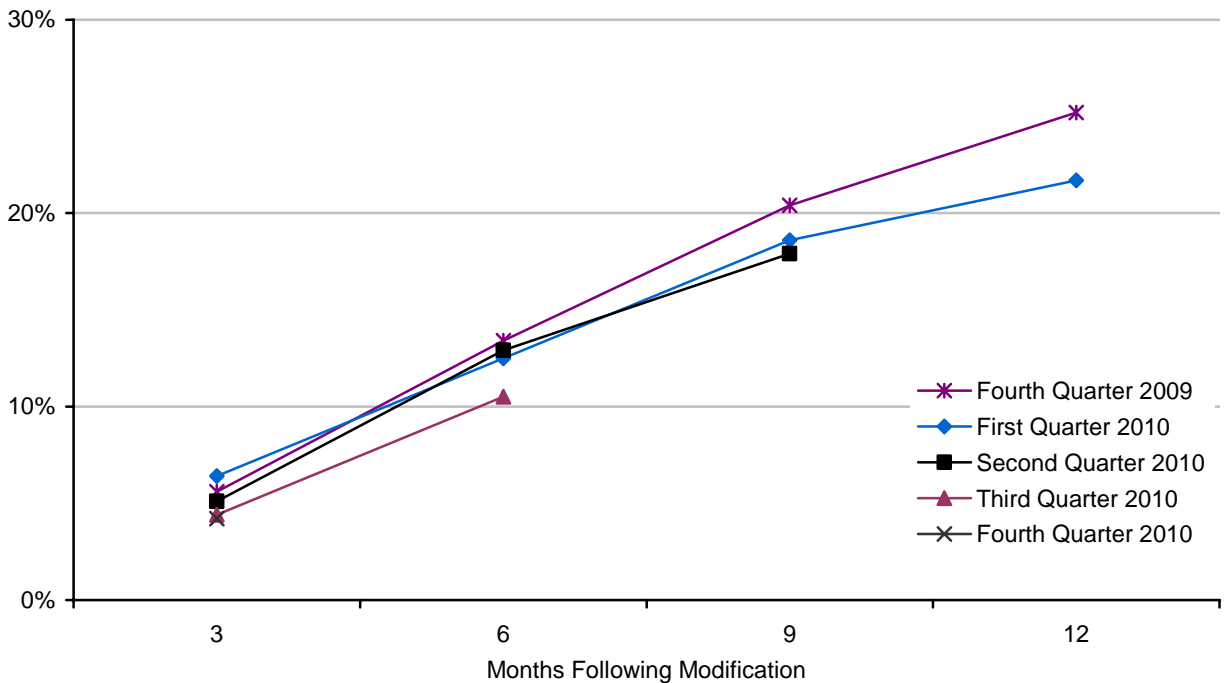
Re-Default Rates of Modified Loans: 90 or More Days Delinquent

The percentage of modified mortgages that were 90 or more days delinquent after modification was naturally lower than shorter-term delinquency measures. As with other measures of modification sustainability, more recent modifications have outperformed previous vintages of loan modifications (see table 27).

| 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 |
| Fourth Quarter 2009 | 5.6% | 13.4% | 20.4% | 25.2% |
| First Quarter 2010 | 6.4% | 12.5% | 18.6% | 21.7% |
| Second Quarter 2010 | 5.1% | 12.9% | 17.9% | -- |
| Third Quarter 2010 | 4.4% | 10.5% | -- | -- |
| Fourth Quarter 2010 | 4.2% | -- | -- | -- |

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

Figure 13. Modified Loans 90 or More Days Delinquent



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

Modifications on mortgages serviced for the GSEs—Fannie Mae and Freddie Mac—and mortgages held in the servicers’ own portfolios performed better than modifications on mortgages serviced for others. These lower re-default rates for GSE and portfolio mortgages may reflect differences in modification programs and, for portfolio mortgages, additional flexibility to modify terms for greater sustainability. Re-default rates for government-guaranteed mortgages were highest over time, reflecting the higher risk associated with those mortgages. Consistent with trends shown elsewhere, recent vintages of modifications performed better than earlier modifications. After 6 months, 18.3 percent of mortgages modified in 2010 were 60 or more days delinquent, compared with 32.0 percent of modifications made in 2009 and 45.3 percent of modifications made in 2008 (see tables 28, 29, and 30).

| Table 28. Re-Default Rates for Portfolio Loans and Loans Serviced for Others Modified in 2008 | | | | |
|--|------------------------------------|------------------------------------|------------------------------------|-------------------------------------|
| (60 or More Days Delinquent)* | | | | |
| Investor Loan Type | 3 Months After Modification | 6 Months After Modification | 9 Months After Modification | 12 Months After Modification |
| Fannie Mae | 30.3% | 44.9% | 54.1% | 59.5% |
| Freddie Mac | 22.7% | 40.0% | 51.2% | 57.5% |
| Government-Guaranteed | 32.5% | 53.6% | 63.7% | 67.8% |
| Private | 36.8% | 49.0% | 55.9% | 61.0% |
| Portfolio Loans | 16.3% | 27.9% | 35.0% | 40.1% |
| Overall | 31.7% | 45.3% | 53.1% | 58.1% |

| Table 29. Re-Default Rates for Portfolio Loans and Loans Serviced for Others Modified in 2009 | | | | |
|--|------------------------------------|------------------------------------|------------------------------------|-------------------------------------|
| (60 or More Days Delinquent)* | | | | |
| Investor Loan Type | 3 Months After Modification | 6 Months after Modification | 9 Months after Modification | 12 Months After Modification |
| Fannie Mae | 17.3% | 30.8% | 37.3% | 40.7% |
| Freddie Mac | 28.3% | 36.5% | 41.5% | 44.0% |
| Government-Guaranteed | 23.4% | 42.2% | 51.7% | 55.5% |
| Private | 28.1% | 41.2% | 49.4% | 53.2% |
| Portfolio Loans | 6.7% | 14.9% | 20.6% | 24.3% |
| Overall | 19.7% | 32.0% | 39.3% | 43.0% |

| Table 30. Re-Default Rates for Portfolio Loans and Loans Serviced for Others Modified in 2010 | | | | |
|--|------------------------------------|------------------------------------|------------------------------------|-------------------------------------|
| (60 or More Days Delinquent)* | | | | |
| Investor Loan Type | 3 Months After Modification | 6 Months After Modification | 9 Months After Modification | 12 Months After Modification |
| Fannie Mae | 9.7% | 15.2% | 20.6% | 24.5% |
| Freddie Mac | 7.4% | 12.5% | 16.0% | 18.1% |
| Government-Guaranteed | 12.4% | 29.5% | 39.3% | 42.8% |
| Private | 12.3% | 20.9% | 27.1% | 29.8% |
| Portfolio Loans | 6.6% | 12.4% | 18.8% | 22.3% |
| Overall | 10.0% | 18.3% | 24.7% | 27.6% |

*Data include all modifications implemented during 2010 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 (see table 31).

| Table 31. 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 |
| HAMP Fourth Quarter 2009 | 21,854 | 8.0% | 11.1% | 14.9% | 17.7% |
| Other Fourth Quarter 2009 | 102,826 | 12.1% | 22.3% | 30.4% | 35.5% |
| HAMP First Quarter 2010 | 100,226 | 10.9% | 13.0% | 17.4% | 19.4% |
| Other First Quarter 2010 | 129,491 | 11.7% | 24.2% | 31.9% | 34.1% |
| HAMP Second Quarter 2010 | 108,075 | 8.3% | 13.3% | 15.9% | -- |
| Other Second Quarter 2010 | 158,886 | 12.4% | 24.0% | 29.2% | -- |
| HAMP Third Quarter 2010 | 58,342 | 7.5% | 11.5% | -- | -- |
| Other Third Quarter 2010 | 174,341 | 9.7% | 17.1% | -- | -- |
| HAMP Fourth Quarter 2010 | 56,340 | 9.0% | -- | -- | -- |
| Other Fourth Quarter 2010 | 152,362 | 8.3% | -- | -- | -- |

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

C. Modified Loan Performance, by Change in Monthly Payments

Many factors influence mortgage delinquencies, including employment status, amount of homeowner equity, total homeowner debt, life-changing events, and initial underwriting.

Similar factors drive re-default rates of modified mortgages. However, the data in this section consistently show that re-default rates have been lower for modifications that reduce monthly payments. The data also show that the larger the reduction in monthly payment, the lower the subsequent re-default rate. Lower recent re-default rates may also result from the increased emphasis of HAMP and other modification programs to lower 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

The following tables present re-default rates, measured as 60 or more days delinquent, for modifications made since January 1, 2008. Data show re-default rates decreased as reduction in monthly principal and interest payments increased. The re-default rates were lower for modifications made in 2009 compared with 2008, and for modifications implemented in 2010 compared with 2009, reflecting the emphasis on lowering monthly payments, repayment sustainability (see tables 32, 33, and 34).

| Table 32. Re-Default Rates of Loans Modified in 2008 by Change in Payment | | | | |
|--|------------------------------------|------------------------------------|------------------------------------|-------------------------------------|
| (60 or More Days Delinquent)* | | | | |
| | 3 Months After Modification | 6 Months After Modification | 9 Months After Modification | 12 Months After Modification |
| Decreased by 20% or More | 15.8% | 26.0% | 33.3% | 39.5% |
| Decreased by 10% to Less Than 20% | 20.9% | 33.1% | 41.5% | 48.2% |
| Decreased by Less Than 10% | 24.0% | 40.7% | 50.2% | 55.9% |
| Unchanged | 47.4% | 56.8% | 62.5% | 65.9% |
| Increased | 35.4% | 54.7% | 63.8% | 69.0% |
| Total | 31.6% | 45.2% | 53.0% | 58.1% |

| Table 33. Re-Default Rates of Loans Modified in 2009 by Change in Payment | | | | |
|--|------------------------------------|------------------------------------|------------------------------------|-------------------------------------|
| (60 or More Days Delinquent)* | | | | |
| | 3 Months After Modification | 6 Months After Modification | 9 Months After Modification | 12 Months After Modification |
| Decreased by 20% or More | 9.7% | 18.4% | 24.4% | 27.9% |
| Decreased by 10% to Less Than 20% | 15.2% | 29.2% | 37.2% | 41.7% |
| Decreased by Less Than 10% | 17.5% | 34.0% | 42.7% | 46.9% |
| Unchanged | 46.8% | 51.6% | 56.8% | 58.7% |
| Increased | 26.6% | 46.7% | 56.0% | 59.9% |
| Total | 19.4% | 31.9% | 39.3% | 42.9% |

| Table 34. Re-Default Rates of Loans Modified in 2010 by Change in Payment | | | | |
|--|------------------------------------|------------------------------------|------------------------------------|-------------------------------------|
| (60 or More Days Delinquent)* | | | | |
| | 3 Months After Modification | 6 Months After Modification | 9 Months After Modification | 12 Months after Modification |
| Decreased by 20% or More | 7.3% | 12.0% | 16.2% | 18.3% |
| Decreased by 10% to Less Than 20% | 10.0% | 20.9% | 28.5% | 31.9% |
| Decreased by Less Than 10% | 13.5% | 27.2% | 36.9% | 40.2% |
| Unchanged | 17.6% | 21.5% | 33.9% | 39.9% |
| Increased | 18.3% | 34.7% | 44.3% | 49.3% |
| Total | 10.0% | 18.3% | 24.7% | 27.6% |

*Data include all modifications implemented during 2010 that have aged the indicated number of months. Data do not include modifications for which payment change was not reported.

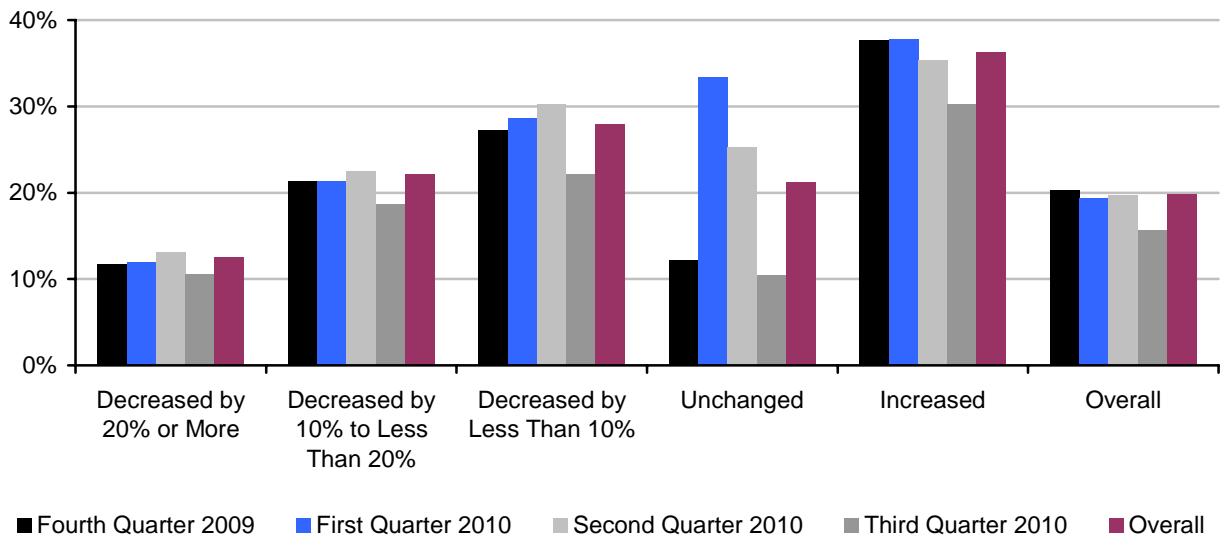
60+ Delinquency at 6 Months After Modification by Change to Monthly Payment

Modifications that significantly reduce monthly principal and interest payments consistently performed better than other modifications. Modifications with the greatest decrease in monthly payment consistently had the lowest re-default rates (see table 35).

| | Decreased by 20% or More | Decreased by 10% to Less Than 20% | Decreased by Less Than 10% | Unchanged | Increased | Overall |
|---------------------|--------------------------|-----------------------------------|----------------------------|-----------|-----------|---------|
| Fourth Quarter 2009 | 11.7% | 21.3% | 27.2% | 12.2% | 37.7% | 20.3% |
| First Quarter 2010 | 12.0% | 21.3% | 28.6% | 33.4% | 37.8% | 19.3% |
| Second Quarter 2010 | 13.1% | 22.5% | 30.3% | 25.3% | 35.4% | 19.7% |
| Third Quarter 2010 | 10.6% | 18.7% | 22.2% | 10.5% | 30.3% | 15.6% |
| Total | 12.5% | 22.2% | 28.0% | 21.2% | 36.3% | 19.8% |

*Data include all modifications that have had time to age the indicated number of months. Data do not include modifications for which payment change data were not reported.

Figure 14. 60+ Delinquency at 6 Months After Modification by Change to Monthly Payment



Status of Mortgages Modified in 2008–2010

Servicers implemented a total of 1,923,603 loan modifications from January 2008 through the first quarter of 2011. Of these modifications, 51.4 percent were current and performing on their modified terms at the end of the first quarter of 2011. Another 1.1 percent were paid off, while 41.3 percent were delinquent, or were in process of foreclosure, or had completed the foreclosure process. Modifications that reduced borrowers’ monthly payments by 10 percent or more performed significantly better than modifications that either reduced payments less than 10 percent, increased the payments, or left the payments unchanged. Of the 1,098,654 modifications that reduced payments by 10 percent or more, 61.6 percent were current and performing at the end of the first quarter, compared with 37.7 percent of modifications that reduced payments less than 10 percent (see table 36).

Modifications of mortgages held in the servicers’ own portfolios and those serviced for GSEs performed better than modifications of mortgages serviced for other investors. At the end of the first quarter of 2011, 61.2 percent of modifications of loans held in servicer portfolios and 61.1 percent of modifications made to GSE mortgages were current and performing—compared with 41.8 percent of modifications on mortgages held by other investors.

| Table 36. Status of Mortgages Modified in 2008–2010 | | | | | | | | |
|---|-----------|---------|-----------------------|----------------------|-------------------------|------------------------|----------|-----------------------------|
| | Total | Current | 30–59 Days Delinquent | Seriously Delinquent | Foreclosures in Process | Completed Foreclosures | Paid Off | No Longer in the Portfolio* |
| 2008 | 421,322 | 26.6% | 6.1% | 23.7% | 16.8% | 12.1% | 2.8% | 11.8% |
| 2009 | 564,218 | 43.1% | 7.9% | 23.1% | 13.3% | 5.1% | 1.3% | 6.2% |
| 2010 | 938,063 | 67.5% | 9.4% | 13.4% | 5.2% | 0.8% | 0.3% | 3.5% |
| Total | 1,923,603 | 51.4% | 8.2% | 18.5% | 10.1% | 4.5% | 1.1% | 6.1% |
| HAMP Modification Performance Compared with Other Modifications*** | | | | | | | | |
| Other Modifications | 844,575 | 60.9% | 9.7% | 16.5% | 7.5% | 1.6% | 0.5% | 3.4% |
| HAMP Modifications | 345,620 | 72.0% | 8.0% | 10.7% | 3.8% | 0.7% | 0.2% | 4.8% |
| Modifications That Reduced Payments by 10 Percent or More | | | | | | | | |
| Modifications That Reduced Payments by 10% or More | 1,098,654 | 61.6% | 8.2% | 14.2% | 7.0% | 2.3% | 0.6% | 6.0% |
| Modifications That Reduced Payments by Less Than 10 Percent | | | | | | | | |
| Modifications That Reduced Payments by Less than 10% | 824,949 | 37.7% | 8.3% | 24.2% | 14.2% | 7.4% | 1.8% | 6.3% |
| Status of Modifications by Major Investor Categories | | | | | | | | |
| Portfolio | 375,562 | 61.2% | 6.8% | 12.6% | 8.1% | 2.9% | 1.6% | 6.5% |
| GSE | 573,234 | 61.1% | 8.1% | 10.9% | 8.1% | 3.3% | 0.9% | 8.4% |
| Other** | 974,807 | 41.8% | 8.9% | 25.2% | 12.1% | 5.9% | 1.1% | 4.9% |

*Processing constraints at some servicers prevented reporting on some loans they no longer serviced. These loans may have been refinanced or paid in full, transferred or sold to another entity, or removed from the servicing system through foreclosure, short sale, or a deed-in-lieu-of-foreclosure action.

**Includes all government-guaranteed and private investor mortgages.

***Modifications used to compare HAMP modifications with other modifications only include modifications implemented during the third quarter of 2009 through the fourth quarter of 2010.

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 171,618 during the first quarter of 2011, an increase of 17.4 percent from the previous quarter but a 17.5 percent decrease from a year ago (see table 37). Completed foreclosures increased to 119,809—up 26.0 percent from the previous quarter but down 27.7 percent from a year ago. Short sales also increased during the quarter and made up about 30 percent of all home forfeiture actions. Deed-in-lieu-of-foreclosure actions remained a very small portion of home forfeiture actions. Moratoria on foreclosure processing by several of the largest servicers during the fourth quarter of 2010 contributed to the decrease in completed foreclosures. Completed foreclosure volume increased in the first quarter of 2011 as those moratoria were lifted.

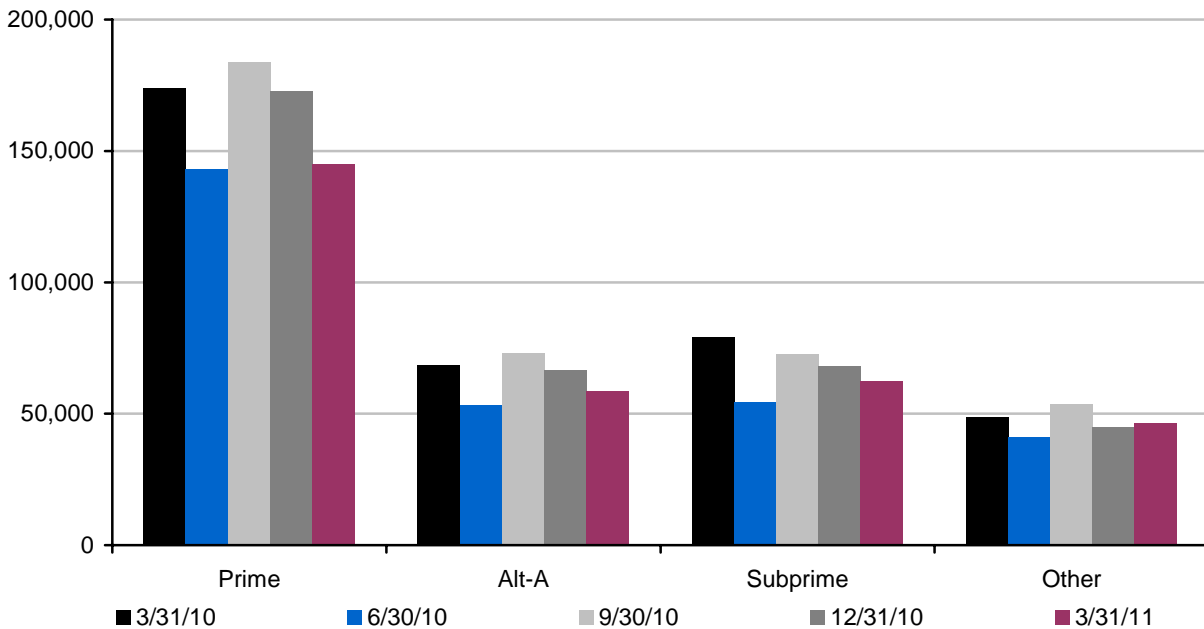
| Table 37. Completed Foreclosures and Other Home Forfeiture Actions | | | | | | | |
|---|---------|---------|---------|----------|---------|---------------|---------------|
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Completed Foreclosures | 165,751 | 174,886 | 190,685 | 95,067 | 119,809 | 26.0% | -27.7% |
| New Short Sales | 41,031 | 55,443 | 56,040 | 49,052 | 50,109 | 2.2% | 22.1% |
| New Deed-in-Lieu-of-Foreclosure Actions | 1,202 | 1,753 | 1,722 | 2,085 | 1,700 | -18.5% | 41.4% |
| Total | 207,984 | 232,082 | 248,447 | 146,204 | 171,618 | 17.4% | -17.5% |

Newly Initiated Foreclosures

Servicers initiate foreclosure actions at defined stages of loan delinquency. However, final foreclosure sales only proceed if servicers and borrowers cannot arrange a permanent loss mitigation action, modification, or alternate workout solution. Newly initiated foreclosures decreased by 11.3 percent to 312,404 during the first quarter of 2011 (see table 38). This decrease can be attributed to the continued decline in serious delinquencies as well as the increase in new trial-period plans during the quarter.

| Table 38. Number of Newly Initiated Foreclosures | | | | | | | |
|---|---------|---------|---------|----------|---------|------------|------------|
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Prime | 173,764 | 142,920 | 183,714 | 172,715 | 144,812 | -16.2% | -16.7% |
| Alt-A | 68,451 | 53,140 | 72,875 | 66,467 | 58,509 | -12.0% | -14.5% |
| Subprime | 79,209 | 54,533 | 72,445 | 68,117 | 62,489 | -8.3% | -21.1% |
| Other | 48,520 | 41,164 | 53,748 | 45,019 | 46,594 | 3.5% | -4.0% |
| Total | 369,944 | 291,757 | 382,782 | 352,318 | 312,404 | -11.3% | -15.6% |

Figure 15. Number of Newly Initiated Foreclosures

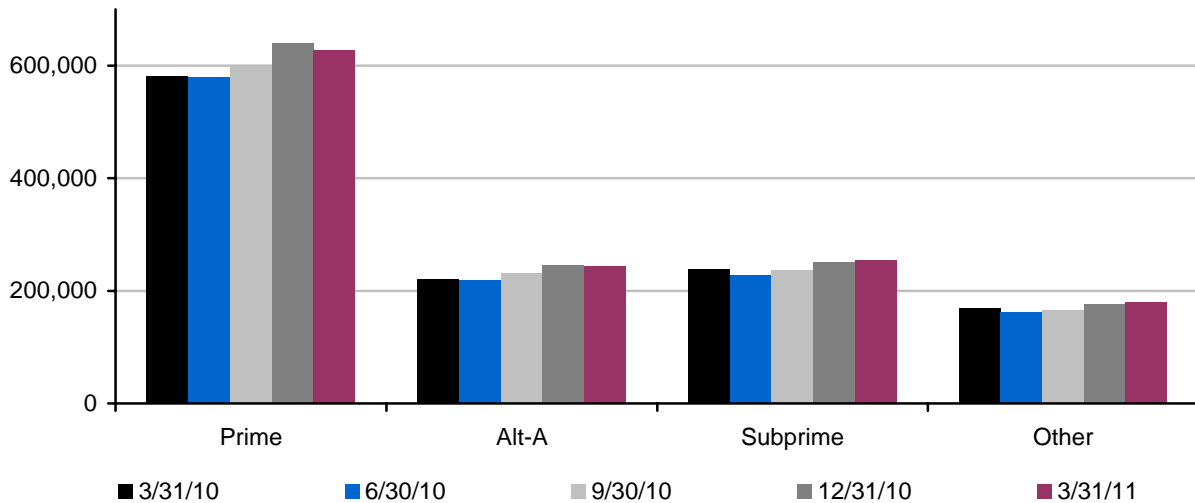


Foreclosures in Process

The number of mortgages in process of foreclosure decreased slightly from the previous quarter to 1,305,859, reflecting both the decrease in newly initiated foreclosures as well as the increased number of completed foreclosures (see table 39). Foreclosures in process as a percentage of total serviced mortgages was stable at 4.0 percent at the end of the first quarter, but 11.8 percent more than the 3.6 percent reported one year ago.

| Table 39. Foreclosures in Process | | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|------------|------------|
| Percentage of Foreclosures in Process Relative to Mortgages in That Risk Category | | | | | | | |
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Prime | 2.5% | 2.5% | 2.6% | 2.8% | 2.8% | -2.0% | 8.8% |
| Alt-A | 6.2% | 6.1% | 6.4% | 7.0% | 7.0% | 0.2% | 12.1% |
| Subprime | 8.9% | 8.7% | 9.3% | 10.1% | 10.5% | 3.5% | 17.7% |
| Other | 3.6% | 3.7% | 4.0% | 4.4% | 4.5% | 3.2% | 24.3% |
| Total | 3.6% | 3.5% | 3.7% | 4.0% | 4.0% | -0.1% | 11.8% |
| Number of Foreclosures in Process | | | | | | | |
| Prime | 582,359 | 579,231 | 598,997 | 640,514 | 626,951 | -2.1% | 7.7% |
| Alt-A | 221,615 | 219,202 | 231,233 | 245,592 | 244,237 | -0.6% | 10.2% |
| Subprime | 237,863 | 227,682 | 237,209 | 250,613 | 253,985 | 1.3% | 6.8% |
| Other | 168,691 | 161,297 | 166,785 | 177,054 | 180,686 | 2.1% | 7.1% |
| Total | 1,210,528 | 1,187,412 | 1,234,224 | 1,313,773 | 1,305,859 | -0.6% | 7.9% |

Figure 16. Number of Foreclosures in Process

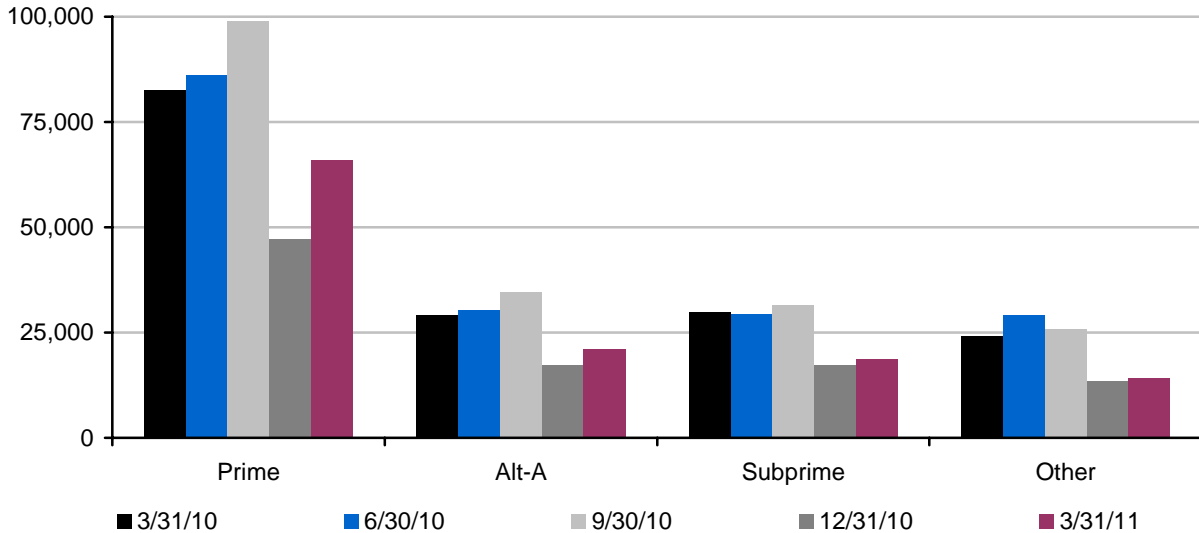


Completed Foreclosures

The number of completed foreclosures increased to 119,809 during the first quarter of 2011—up 26 percent from the previous quarter but down 27.7 percent from a year ago (see table 40). The increase in completed foreclosures during the first quarter can be attributed to the lifting of moratoria implemented by the largest mortgage servicers during the fourth quarter of 2010.

| Table 40. Completed Foreclosures | | | | | | | |
|--|---------|---------|---------|----------|---------|------------|------------|
| Percentage of Completed Foreclosures Relative to Mortgages in That Risk Category | | | | | | | |
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Prime | 0.4% | 0.4% | 0.4% | 0.2% | 0.3% | 39.7% | -19.3% |
| Alt-A | 0.8% | 0.8% | 1.0% | 0.5% | 0.6% | 23.6% | -26.6% |
| Subprime | 1.1% | 1.1% | 1.2% | 0.7% | 0.8% | 10.8% | -31.0% |
| Other | 0.5% | 0.7% | 0.6% | 0.3% | 0.4% | 6.3% | -31.9% |
| Total | 0.5% | 0.5% | 0.6% | 0.3% | 0.4% | 26.6% | -25.1% |
| Number of Completed Foreclosures | | | | | | | |
| Prime | 82,582 | 86,118 | 98,982 | 47,222 | 65,914 | 39.6% | -20.2% |
| Alt-A | 29,161 | 30,355 | 34,479 | 17,158 | 21,050 | 22.7% | -27.8% |
| Subprime | 29,832 | 29,261 | 31,393 | 17,199 | 18,662 | 8.5% | -37.4% |
| Other | 24,176 | 29,152 | 25,831 | 13,488 | 14,183 | 5.2% | -41.3% |
| Total | 165,751 | 174,886 | 190,685 | 95,067 | 119,809 | 26.0% | -27.7% |

Figure 17. Number of Completed Foreclosures

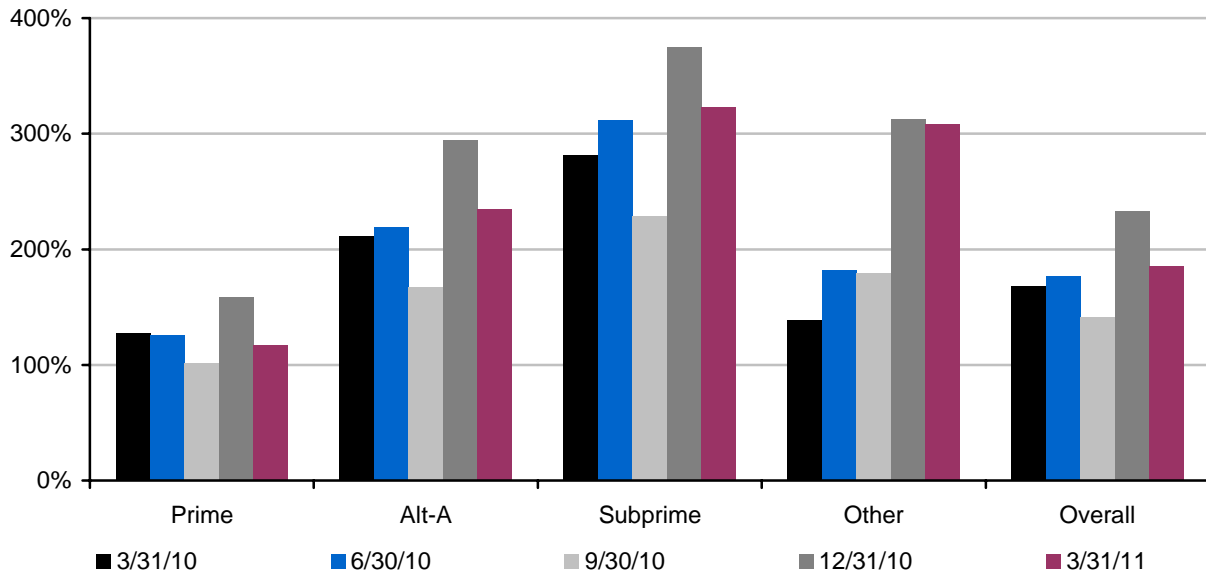


New Home Retention Actions Relative to Forfeiture Actions, by Risk Category

Home retention actions relative to home forfeitures remained stable during the first quarter of 2011, reflecting increases in new trial-period plans as well as completed foreclosures. Servicers initiated almost three times as many home retention actions as home forfeiture actions during the quarter (see table 41).

| Table 41. Percentage of New Home Retention Actions Relative to Forfeiture Actions, by Risk Category | | | | | | | |
|--|---------|---------|---------|----------|---------|------------|------------|
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Prime | 238.3% | 176.5% | 134.8% | 230.6% | 231.9% | 0.5% | -2.7% |
| Alt-A | 369.0% | 303.7% | 221.7% | 405.7% | 406.3% | 0.1% | 10.1% |
| Subprime | 474.3% | 434.4% | 311.2% | 519.9% | 556.4% | 7.0% | 17.3% |
| Other | 243.0% | 233.8% | 235.8% | 403.8% | 410.9% | 1.8% | 69.1% |
| Overall | 299.4% | 244.2% | 188.4% | 324.7% | 324.8% | 0.0% | 8.5% |

Figure 18. Percentage of New Home Retention Actions Relative to Forfeiture Actions, by Risk Category



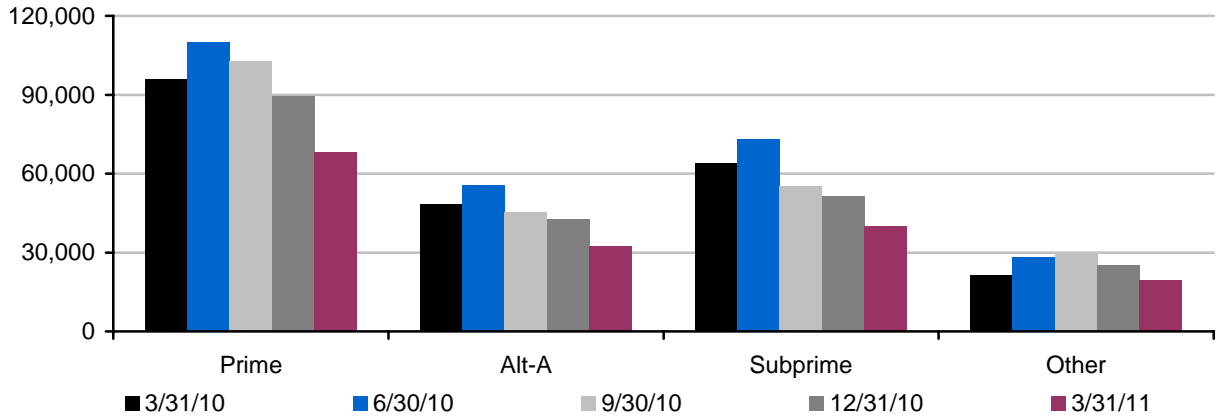
Appendixes

Appendix A—New Loan Modifications

New loan modifications decreased to 159,873 during the first quarter of 2011—down 23.4 percent from the previous quarter and 30.4 percent from a year ago (see table 42). New modifications decreased across all risk categories during the quarter.

| Table 42. Number of New Loan Modifications | | | | | | | |
|---|---------|---------|---------|----------|---------|------------|------------|
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Prime | 95,953 | 110,163 | 102,825 | 89,485 | 68,182 | -23.8% | -28.9% |
| Alt-A | 48,602 | 55,668 | 45,546 | 42,655 | 32,384 | -24.1% | -33.4% |
| Subprime | 63,904 | 73,045 | 55,125 | 51,305 | 39,925 | -22.2% | -37.5% |
| Other | 21,258 | 28,085 | 29,187 | 25,257 | 19,382 | -23.3% | -8.8% |
| Total | 229,717 | 266,961 | 232,683 | 208,702 | 159,873 | -23.4% | -30.4% |

Figure 19. Number of New Loan Modifications

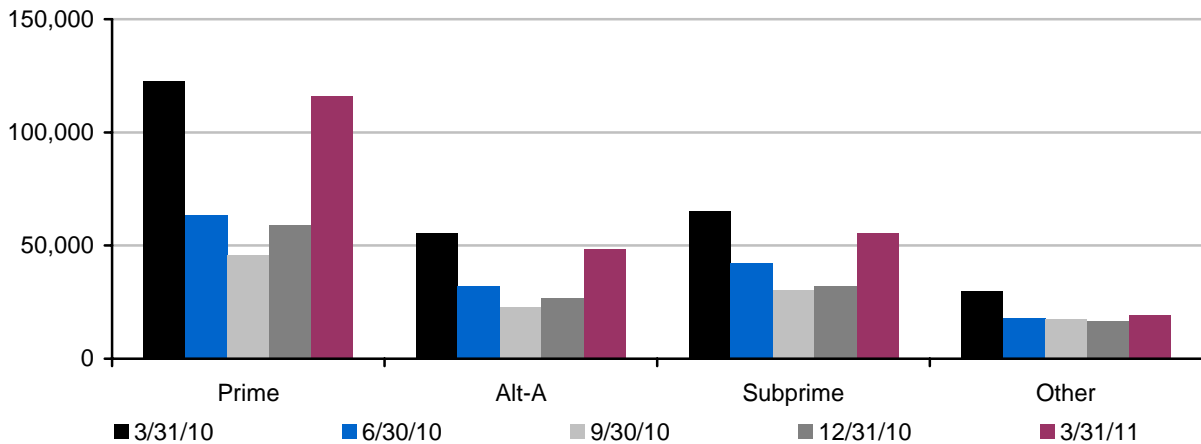


Appendix B—New Trial-Period Plans

Servicers initiated 238,755 trial-period plans during the first quarter of 2011, 78.1 percent more than the previous quarter but 12.6 percent less than a year ago (see table 43). Increases in new trial-period plans were recorded across all risk categories during the quarter.

| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
|----------|---------|---------|---------|----------|---------|------------|------------|
| Prime | 122,519 | 63,359 | 45,748 | 58,764 | 115,747 | 97.0% | -5.5% |
| Alt-A | 55,514 | 32,232 | 22,831 | 26,835 | 48,530 | 80.8% | -12.6% |
| Subprime | 65,259 | 41,987 | 30,215 | 32,097 | 55,455 | 72.8% | -15.0% |
| Other | 29,785 | 18,103 | 17,591 | 16,396 | 19,023 | 16.0% | -36.1% |
| Total | 273,077 | 155,681 | 116,385 | 134,092 | 238,755 | 78.1% | -12.6% |

Figure 20. Number of New Trial-Period Plans

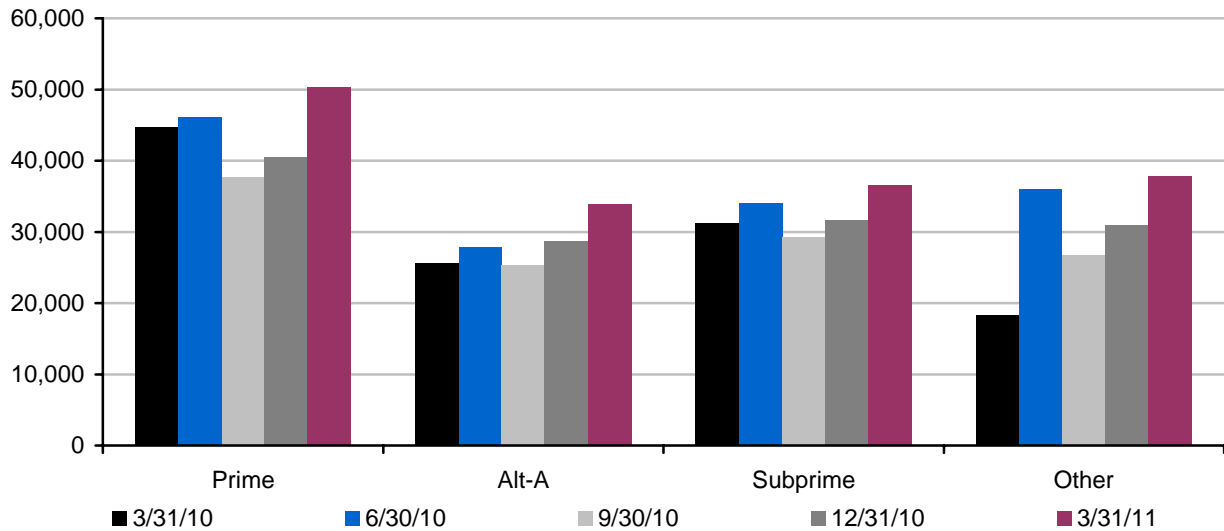


Appendix C—New Payment Plans

New payment plans increased by 20.3 percent to 158,823 during the first quarter of 2011 (see table 44). New payment plans increased across all risk categories from the previous quarter and from one year ago.

| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
|----------|---------|---------|---------|----------|---------|------------|------------|
| Prime | 44,686 | 46,129 | 37,694 | 40,553 | 50,402 | 24.3% | 12.8% |
| Alt-A | 25,572 | 27,932 | 25,301 | 28,744 | 33,882 | 17.9% | 32.5% |
| Subprime | 31,260 | 34,099 | 29,350 | 31,682 | 36,632 | 15.6% | 17.2% |
| Other | 18,382 | 36,047 | 26,696 | 31,005 | 37,907 | 22.3% | 106.2% |
| Total | 119,900 | 144,207 | 119,041 | 131,984 | 158,823 | 20.3% | 32.5% |

Figure 21. Number of New Payment Plans



Appendix D—Breakdown of Individual and Combination Modification Actions

Servicers generally use a combination of actions to achieve payment sustainability when modifying a mortgage. Servicers changed more than one loan term in 88 percent of all modifications implemented during the first quarter of 2011 (see table 45).

| Table 45. Changes in Terms for Modifications Made Through the First Quarter of 2011 | | | | | | | |
|--|---------|---------|---------|----------|---------|---------------|---------------|
| (Percentage of Modifications in Each Category) | | | | | | | |
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Combination* | 86.7% | 92.7% | 90.3% | 92.1% | 88.2% | -4.2% | 1.7% |
| Capitalization | 9.6% | 4.4% | 3.4% | 3.9% | 3.6% | -9.1% | -62.8% |
| Rate Reduction | 2.0% | 1.3% | 1.2% | 1.7% | 1.7% | -4.2% | -15.0% |
| Rate Freeze | 0.8% | 0.4% | 0.2% | 0.2% | 0.4% | 73.7% | -48.4% |
| Term Extension | 0.4% | 0.6% | 2.1% | 0.5% | 2.9% | 512.6% | 649.2% |
| Principal Reduction | 0.0% | 0.0% | 1.8% | 0.1% | 0.0% | -98.0% | -56.9% |
| Principal Deferral | 0.1% | 0.2% | 0.2% | 0.3% | 0.2% | -23.8% | 71.6% |
| Not Reported** | 0.4% | 0.6% | 0.7% | 1.2% | 3.0% | 158.2% | 669.1% |
| (Number of Changes in Each Category) | | | | | | | |
| Combination* | 199,203 | 247,444 | 210,157 | 192,147 | 141,002 | -26.6% | -29.2% |
| Capitalization | 22,085 | 11,749 | 7,987 | 8,210 | 5,716 | -30.4% | -74.1% |
| Rate Reduction | 4,483 | 3,341 | 2,714 | 3,614 | 2,651 | -26.6% | -40.9% |
| Rate Freeze | 1,838 | 1,036 | 367 | 496 | 660 | 33.1% | -64.1% |
| Term Extension | 900 | 1,486 | 4,993 | 1,000 | 4,693 | 369.3% | 421.4% |
| Principal Reduction | 10 | 0 | 4,245 | 194 | 3 | -98.5% | -70.0% |
| Principal Deferral | 304 | 421 | 555 | 622 | 363 | -41.6% | 19.4% |
| Not Reported** | 894 | 1,484 | 1,665 | 2,419 | 4,785 | 97.8% | 435.2% |
| All Modifications | 229,717 | 266,961 | 232,683 | 208,702 | 159,873 | -23.4% | -30.4% |

*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.

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

Table 46 details the specific actions included in the combination modifications presented in the previous table. About 95 percent of the 141,002 combination modifications implemented in the first quarter of 2011 included capitalization of missed fees and payments, 91.7 percent included interest rate reduction, and 62.5 percent included an extension of the loan maturity. Principal deferral was included in 12.5 percent of the combination modifications implemented during the quarter, and principal reduction was part of 3.1 percent of modifications made during the quarter. Because combination modifications changed more than one term, the sum of the individual actions exceeds 100 percent of total combination modifications.

| Table 46. Changes in Terms for Combination Modifications Through the First Quarter of 2011 | | | | | | | |
|---|---------|---------|---------|----------|---------|---------------|---------------|
| (Percentage of Modifications in Each Category) | | | | | | | |
| | 3/31/10 | 6/30/10 | 9/30/10 | 12/31/10 | 3/31/11 | 1Q %Change | 1Y %Change |
| Capitalization | 94.3% | 96.5% | 93.1% | 95.2% | 94.5% | -0.8% | 0.1% |
| Rate Reduction | 96.5% | 92.4% | 94.4% | 89.5% | 91.7% | 2.5% | -4.9% |
| Rate Freeze | 0.9% | 4.2% | 1.9% | 2.4% | 1.8% | -25.3% | 88.2% |
| Term Extension | 51.8% | 55.1% | 61.5% | 60.4% | 62.5% | 3.5% | 20.6% |
| Principal Reduction | 2.2% | 2.4% | 4.3% | 2.9% | 3.1% | 9.5% | 40.3% |
| Principal Deferral | 11.5% | 11.2% | 10.9% | 9.5% | 12.5% | 31.9% | 8.4% |
| Total Number of Changes in Each Category | | | | | | | |
| Capitalization | 187,935 | 238,888 | 195,732 | 182,928 | 133,213 | -27.2% | -29.1% |
| Rate Reduction | 192,150 | 228,645 | 198,297 | 172,005 | 129,332 | -24.8% | -32.7% |
| Rate Freeze | 1,863 | 10,406 | 4,098 | 4,530 | 2,482 | -45.2% | 33.2% |
| Term Extension | 103,238 | 136,345 | 129,274 | 116,061 | 88,155 | -24.0% | -14.6% |
| Principal Reduction | 4,454 | 5,866 | 9,095 | 5,502 | 4,423 | -19.6% | -0.7% |
| Principal Deferral | 22,968 | 27,640 | 22,877 | 18,214 | 17,628 | -3.2% | -23.2% |

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 (included in the category labeled “other”). Developed over several quarters, this data fulfills reporting requirements in the Dodd–Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203).

Table 47 presents the number and percentage of HAMP modifications and other modifications in each state during the first quarter of 2011. Tables 48 and 49 present the number and percentage of each type of action included in modifications made during the quarter in each state. Tables 50 and 51 present the number and percentage of each type of action included in combination modifications made during the quarter in each state. Tables 52 and 53 present the number and percentage of modifications made during the quarter in each state by the amount of change in the borrowers’ monthly principal and interest payment. Tables 54 and 55 present the number and percentage of modifications made in the third quarter of 2010 that were 60 or more days delinquent or in process of foreclosure at the end of the first quarter of 2011.

| Table 47. Number and Percentage of Mortgage Modifications | | | | | | |
|--|--------------------|------------------|---------------------|------------------|---------------------|------------|
| Modifications Implemented in the First Quarter of 2011 | | | | | | |
| States | HAMP Modifications | | Other Modifications | | Total Modifications | |
| | Total | % of State Total | Total | % of State Total | Total | % of Total |
| Total | 53,303 | 33.3% | 106,570 | 66.7% | 159,873 | 100.0% |
| Alabama | 298 | 19.7% | 1,215 | 80.3% | 1,513 | 0.9% |
| Alaska | 20 | 19.2% | 84 | 80.8% | 104 | 0.1% |
| Arizona | 2,034 | 39.8% | 3,081 | 60.2% | 5,115 | 3.2% |
| Arkansas | 117 | 20.1% | 464 | 79.9% | 581 | 0.4% |
| California | 14,645 | 44.4% | 18,370 | 55.6% | 33,015 | 20.7% |
| Colorado | 676 | 25.9% | 1,936 | 74.1% | 2,612 | 1.6% |
| Connecticut | 624 | 34.1% | 1,207 | 65.9% | 1,831 | 1.1% |
| Delaware | 148 | 24.2% | 464 | 75.8% | 612 | 0.4% |
| Florida | 5,774 | 36.6% | 9,983 | 63.4% | 15,757 | 9.9% |
| Georgia | 1,966 | 24.4% | 6,096 | 75.6% | 8,062 | 5.0% |
| Hawaii | 202 | 41.9% | 280 | 58.1% | 482 | 0.3% |
| Idaho | 188 | 28.7% | 466 | 71.3% | 654 | 0.4% |
| Illinois | 2,821 | 36.5% | 4,909 | 63.5% | 7,730 | 4.8% |
| Indiana | 451 | 18.1% | 2,041 | 81.9% | 2,492 | 1.6% |
| Iowa | 143 | 22.0% | 507 | 78.0% | 650 | 0.4% |
| Kansas | 131 | 20.1% | 520 | 79.9% | 651 | 0.4% |
| Kentucky | 173 | 17.2% | 833 | 82.8% | 1,006 | 0.6% |
| Louisiana | 270 | 19.6% | 1,106 | 80.4% | 1,376 | 0.9% |
| Maine | 140 | 37.2% | 236 | 62.8% | 376 | 0.2% |
| Maryland | 1,638 | 34.9% | 3,059 | 65.1% | 4,697 | 2.9% |
| Massachusetts | 1,222 | 41.6% | 1,716 | 58.4% | 2,938 | 1.8% |
| Michigan | 1,413 | 29.8% | 3,324 | 70.2% | 4,737 | 3.0% |
| Minnesota | 944 | 38.2% | 1,525 | 61.8% | 2,469 | 1.5% |
| Mississippi | 144 | 17.9% | 661 | 82.1% | 805 | 0.5% |
| Missouri | 549 | 26.1% | 1,553 | 73.9% | 2,102 | 1.3% |
| Montana | 65 | 31.0% | 145 | 69.0% | 210 | 0.1% |
| Nebraska | 83 | 23.3% | 273 | 76.7% | 356 | 0.2% |
| Nevada | 1,276 | 40.8% | 1,852 | 59.2% | 3,128 | 2.0% |
| New Hampshire | 243 | 40.8% | 353 | 59.2% | 596 | 0.4% |
| New Jersey | 1,963 | 37.6% | 3,257 | 62.4% | 5,220 | 3.3% |
| New Mexico | 156 | 26.4% | 436 | 73.6% | 592 | 0.4% |
| New York | 2,559 | 38.7% | 4,050 | 61.3% | 6,609 | 4.1% |
| North Carolina | 1,032 | 23.2% | 3,425 | 76.8% | 4,457 | 2.8% |
| North Dakota | 10 | 17.5% | 47 | 82.5% | 57 | 0.0% |
| Ohio | 934 | 20.9% | 3,527 | 79.1% | 4,461 | 2.8% |
| Oklahoma | 122 | 14.3% | 732 | 85.7% | 854 | 0.5% |
| Oregon | 646 | 36.8% | 1,109 | 63.2% | 1,755 | 1.1% |
| Pennsylvania | 1,098 | 28.4% | 2,772 | 71.6% | 3,870 | 2.4% |
| Rhode Island | 261 | 45.9% | 308 | 54.1% | 569 | 0.4% |
| South Carolina | 460 | 24.0% | 1,454 | 76.0% | 1,914 | 1.2% |
| South Dakota | 26 | 25.0% | 78 | 75.0% | 104 | 0.1% |
| Tennessee | 505 | 23.0% | 1,687 | 77.0% | 2,192 | 1.4% |
| Texas | 1,471 | 16.2% | 7,620 | 83.8% | 9,091 | 5.7% |
| Utah | 541 | 33.6% | 1,069 | 66.4% | 1,610 | 1.0% |
| Vermont | 32 | 25.4% | 94 | 74.6% | 126 | 0.1% |
| Virginia | 1,170 | 30.7% | 2,646 | 69.3% | 3,816 | 2.4% |
| Washington | 1,160 | 34.7% | 2,179 | 65.3% | 3,339 | 2.1% |
| Washington, DC | 84 | 28.1% | 215 | 71.9% | 299 | 0.2% |
| West Virginia | 76 | 25.2% | 225 | 74.8% | 301 | 0.2% |
| Wisconsin | 550 | 30.9% | 1,231 | 69.1% | 1,781 | 1.1% |
| Wyoming | 22 | 18.0% | 100 | 82.0% | 122 | 0.1% |
| Other | 27 | 35.1% | 50 | 64.9% | 77 | 0.0% |

| Table 48. Number of Mortgage Modification Actions | | | | | | | | |
|--|----------------|--------------------------|----------------|---------------------|--------------------|-------------|--------------|---------------------|
| Modifications Implemented in the First Quarter of 2011 | | | | | | | | |
| States | Capitalization | Rate Reduction or Freeze | Term Extension | Principal Reduction | Principal Deferral | Combination | Not Reported | Total Modifications |
| Total | 5,716 | 3,311 | 4,693 | 3 | 363 | 141,002 | 4,785 | 159,873 |
| Alabama | 76 | 17 | 51 | 0 | 1 | 1,364 | 4 | 1,513 |
| Alaska | 8 | 1 | 0 | 0 | 0 | 95 | 0 | 104 |
| Arizona | 176 | 139 | 145 | 0 | 13 | 4,494 | 148 | 5,115 |
| Arkansas | 25 | 2 | 1 | 0 | 0 | 551 | 2 | 581 |
| California | 754 | 1,022 | 1,236 | 1 | 159 | 28,480 | 1,363 | 33,015 |
| Colorado | 111 | 71 | 170 | 0 | 9 | 2,052 | 199 | 2,612 |
| Connecticut | 72 | 30 | 65 | 0 | 5 | 1,590 | 69 | 1,831 |
| Delaware | 28 | 15 | 26 | 0 | 2 | 524 | 17 | 612 |
| Florida | 469 | 449 | 471 | 0 | 15 | 13,793 | 560 | 15,757 |
| Georgia | 310 | 105 | 110 | 0 | 13 | 7,375 | 149 | 8,062 |
| Hawaii | 19 | 5 | 2 | 0 | 0 | 447 | 9 | 482 |
| Idaho | 26 | 18 | 25 | 0 | 0 | 569 | 16 | 654 |
| Illinois | 258 | 120 | 297 | 1 | 17 | 6,773 | 264 | 7,730 |
| Indiana | 108 | 31 | 40 | 0 | 0 | 2,259 | 54 | 2,492 |
| Iowa | 51 | 7 | 9 | 0 | 1 | 576 | 6 | 650 |
| Kansas | 29 | 4 | 5 | 0 | 1 | 601 | 11 | 651 |
| Kentucky | 40 | 23 | 21 | 0 | 0 | 890 | 32 | 1,006 |
| Louisiana | 54 | 9 | 9 | 0 | 1 | 1,296 | 7 | 1,376 |
| Maine | 23 | 4 | 4 | 0 | 0 | 342 | 3 | 376 |
| Maryland | 196 | 74 | 115 | 0 | 15 | 4,217 | 80 | 4,697 |
| Massachusetts | 99 | 70 | 118 | 0 | 7 | 2,510 | 134 | 2,938 |
| Michigan | 231 | 131 | 80 | 0 | 1 | 4,112 | 182 | 4,737 |
| Minnesota | 92 | 38 | 59 | 0 | 3 | 2,238 | 39 | 2,469 |
| Mississippi | 45 | 7 | 15 | 0 | 0 | 724 | 14 | 805 |
| Missouri | 96 | 18 | 22 | 1 | 4 | 1,929 | 32 | 2,102 |
| Montana | 7 | 2 | 3 | 0 | 0 | 195 | 3 | 210 |
| Nebraska | 14 | 2 | 2 | 0 | 1 | 335 | 2 | 356 |
| Nevada | 92 | 84 | 83 | 0 | 14 | 2,762 | 93 | 3,128 |
| New Hampshire | 28 | 8 | 19 | 0 | 0 | 528 | 13 | 596 |
| New Jersey | 166 | 79 | 149 | 0 | 8 | 4,702 | 116 | 5,220 |
| New Mexico | 34 | 4 | 6 | 0 | 1 | 539 | 8 | 592 |
| New York | 258 | 121 | 301 | 0 | 16 | 5,674 | 239 | 6,609 |
| North Carolina | 211 | 55 | 81 | 0 | 6 | 4,030 | 74 | 4,457 |
| North Dakota | 2 | 0 | 3 | 0 | 0 | 52 | 0 | 57 |
| Ohio | 186 | 64 | 91 | 0 | 1 | 4,004 | 115 | 4,461 |
| Oklahoma | 42 | 4 | 6 | 0 | 0 | 793 | 9 | 854 |
| Oregon | 56 | 38 | 118 | 0 | 6 | 1,477 | 60 | 1,755 |
| Pennsylvania | 181 | 69 | 93 | 0 | 3 | 3,433 | 91 | 3,870 |
| Rhode Island | 27 | 8 | 8 | 0 | 1 | 511 | 14 | 569 |
| South Carolina | 102 | 26 | 31 | 0 | 3 | 1,725 | 27 | 1,914 |
| South Dakota | 7 | 0 | 3 | 0 | 1 | 93 | 0 | 104 |
| Tennessee | 75 | 18 | 26 | 0 | 3 | 2,057 | 13 | 2,192 |
| Texas | 382 | 82 | 116 | 0 | 4 | 8,365 | 142 | 9,091 |
| Utah | 48 | 37 | 36 | 0 | 4 | 1,436 | 49 | 1,610 |
| Vermont | 8 | 1 | 3 | 0 | 0 | 114 | 0 | 126 |
| Virginia | 154 | 72 | 131 | 0 | 15 | 3,367 | 77 | 3,816 |
| Washington | 121 | 68 | 201 | 0 | 5 | 2,765 | 179 | 3,339 |
| Washington, DC | 17 | 16 | 13 | 0 | 2 | 238 | 13 | 299 |
| West Virginia | 24 | 4 | 4 | 0 | 1 | 267 | 1 | 301 |
| Wisconsin | 73 | 36 | 66 | 0 | 1 | 1,555 | 50 | 1,781 |
| Wyoming | 5 | 2 | 4 | 0 | 0 | 108 | 3 | 122 |
| Other | - | 1 | 0 | 0 | 0 | 76 | 0 | 77 |

Table 49. Percentage of Mortgage Modification Actions
 Modifications Implemented in the First Quarter of 2011

| States | Capitalization | Rate Reduction or Freeze | Term Extension | Principal Reduction | Principal Deferral | Combination | Not Reported | Total Modifications |
|----------------|----------------|--------------------------|----------------|---------------------|--------------------|-------------|--------------|---------------------|
| Total | 3.6% | 2.1% | 2.9% | 0.0% | 0.2% | 88.2% | 3.0% | 159,873 |
| Alabama | 5.0% | 1.1% | 3.4% | 0.0% | 0.1% | 90.2% | 0.3% | 1,513 |
| Alaska | 7.7% | 1.0% | 0.0% | 0.0% | 0.0% | 91.3% | 0.0% | 104 |
| Arizona | 3.4% | 2.7% | 2.8% | 0.0% | 0.3% | 87.9% | 2.9% | 5,115 |
| Arkansas | 4.3% | 0.3% | 0.2% | 0.0% | 0.0% | 94.8% | 0.3% | 581 |
| California | 2.3% | 3.1% | 3.7% | 0.0% | 0.5% | 86.3% | 4.1% | 33,015 |
| Colorado | 4.2% | 2.7% | 6.5% | 0.0% | 0.3% | 78.6% | 7.6% | 2,612 |
| Connecticut | 3.9% | 1.6% | 3.5% | 0.0% | 0.3% | 86.8% | 3.8% | 1,831 |
| Delaware | 4.6% | 2.5% | 4.2% | 0.0% | 0.3% | 85.6% | 2.8% | 612 |
| Florida | 3.0% | 2.8% | 3.0% | 0.0% | 0.1% | 87.5% | 3.6% | 15,757 |
| Georgia | 3.8% | 1.3% | 1.4% | 0.0% | 0.2% | 91.5% | 1.8% | 8,062 |
| Hawaii | 3.9% | 1.0% | 0.4% | 0.0% | 0.0% | 92.7% | 1.9% | 482 |
| Idaho | 4.0% | 2.8% | 3.8% | 0.0% | 0.0% | 87.0% | 2.4% | 654 |
| Illinois | 3.3% | 1.6% | 3.8% | 0.0% | 0.2% | 87.6% | 3.4% | 7,730 |
| Indiana | 4.3% | 1.2% | 1.6% | 0.0% | 0.0% | 90.7% | 2.2% | 2,492 |
| Iowa | 7.8% | 1.1% | 1.4% | 0.0% | 0.2% | 88.6% | 0.9% | 650 |
| Kansas | 4.5% | 0.6% | 0.8% | 0.0% | 0.2% | 92.3% | 1.7% | 651 |
| Kentucky | 4.0% | 2.3% | 2.1% | 0.0% | 0.0% | 88.5% | 3.2% | 1,006 |
| Louisiana | 3.9% | 0.7% | 0.7% | 0.0% | 0.1% | 94.2% | 0.5% | 1,376 |
| Maine | 6.1% | 1.1% | 1.1% | 0.0% | 0.0% | 91.0% | 0.8% | 376 |
| Maryland | 4.2% | 1.6% | 2.4% | 0.0% | 0.3% | 89.8% | 1.7% | 4,697 |
| Massachusetts | 3.4% | 2.4% | 4.0% | 0.0% | 0.2% | 85.4% | 4.6% | 2,938 |
| Michigan | 4.9% | 2.8% | 1.7% | 0.0% | 0.0% | 86.8% | 3.8% | 4,737 |
| Minnesota | 3.7% | 1.5% | 2.4% | 0.0% | 0.1% | 90.6% | 1.6% | 2,469 |
| Mississippi | 5.6% | 0.9% | 1.9% | 0.0% | 0.0% | 89.9% | 1.7% | 805 |
| Missouri | 4.6% | 0.9% | 1.0% | 0.0% | 0.2% | 91.8% | 1.5% | 2,102 |
| Montana | 3.3% | 1.0% | 1.4% | 0.0% | 0.0% | 92.9% | 1.4% | 210 |
| Nebraska | 3.9% | 0.6% | 0.6% | 0.0% | 0.3% | 94.1% | 0.6% | 356 |
| Nevada | 2.9% | 2.7% | 2.7% | 0.0% | 0.4% | 88.3% | 3.0% | 3,128 |
| New Hampshire | 4.7% | 1.3% | 3.2% | 0.0% | 0.0% | 88.6% | 2.2% | 596 |
| New Jersey | 3.2% | 1.5% | 2.9% | 0.0% | 0.2% | 90.1% | 2.2% | 5,220 |
| New Mexico | 5.7% | 0.7% | 1.0% | 0.0% | 0.2% | 91.0% | 1.4% | 592 |
| New York | 3.9% | 1.8% | 4.6% | 0.0% | 0.2% | 85.9% | 3.6% | 6,609 |
| North Carolina | 4.7% | 1.2% | 1.8% | 0.0% | 0.1% | 90.4% | 1.7% | 4,457 |
| North Dakota | 3.5% | 0.0% | 5.3% | 0.0% | 0.0% | 91.2% | 0.0% | 57 |
| Ohio | 4.2% | 1.4% | 2.0% | 0.0% | 0.0% | 89.8% | 2.6% | 4,461 |
| Oklahoma | 4.9% | 0.5% | 0.7% | 0.0% | 0.0% | 92.9% | 1.1% | 854 |
| Oregon | 3.2% | 2.2% | 6.7% | 0.0% | 0.3% | 84.2% | 3.4% | 1,755 |
| Pennsylvania | 4.7% | 1.8% | 2.4% | 0.0% | 0.1% | 88.7% | 2.4% | 3,870 |
| Rhode Island | 4.7% | 1.4% | 1.4% | 0.0% | 0.2% | 89.8% | 2.5% | 569 |
| South Carolina | 5.3% | 1.4% | 1.6% | 0.0% | 0.2% | 90.1% | 1.4% | 1,914 |
| South Dakota | 6.7% | 0.0% | 2.9% | 0.0% | 1.0% | 89.4% | 0.0% | 104 |
| Tennessee | 3.4% | 0.8% | 1.2% | 0.0% | 0.1% | 93.8% | 0.6% | 2,192 |
| Texas | 4.2% | 0.9% | 1.3% | 0.0% | 0.0% | 92.0% | 1.6% | 9,091 |
| Utah | 3.0% | 2.3% | 2.2% | 0.0% | 0.2% | 89.2% | 3.0% | 1,610 |
| Vermont | 6.3% | 0.8% | 2.4% | 0.0% | 0.0% | 90.5% | 0.0% | 126 |
| Virginia | 4.0% | 1.9% | 3.4% | 0.0% | 0.4% | 88.2% | 2.0% | 3,816 |
| Washington | 3.6% | 2.0% | 6.0% | 0.0% | 0.1% | 82.8% | 5.4% | 3,339 |
| Washington, DC | 5.7% | 5.4% | 4.3% | 0.0% | 0.7% | 79.6% | 4.3% | 299 |
| West Virginia | 8.0% | 1.3% | 1.3% | 0.0% | 0.3% | 88.7% | 0.3% | 301 |
| Wisconsin | 4.1% | 2.0% | 3.7% | 0.0% | 0.1% | 87.3% | 2.8% | 1,781 |
| Wyoming | 4.1% | 1.6% | 3.3% | 0.0% | 0.0% | 88.5% | 2.5% | 122 |
| Other | 0.0% | 1.3% | 0.0% | 0.0% | 0.0% | 98.7% | 0.0% | 77 |

Table 50. Number of Modification Actions in Combination Actions
 Modifications Implemented in the First Quarter of 2011a1

| States | Capitalization | Rate Reduction or Freeze | Term Extension | Principal Reduction | Principal Deferral | Total Combination Modifications |
|----------------|----------------|--------------------------|----------------|---------------------|--------------------|---------------------------------|
| Total | 133,213 | 131,621 | 88,155 | 4,423 | 17,628 | 141,002 |
| Alabama | 1,277 | 1,303 | 842 | 2 | 51 | 1,364 |
| Alaska | 92 | 93 | 65 | 0 | 2 | 95 |
| Arizona | 4,270 | 4,174 | 2,745 | 184 | 582 | 4,494 |
| Arkansas | 548 | 516 | 365 | 1 | 19 | 551 |
| California | 26,605 | 26,838 | 15,725 | 2,580 | 5,977 | 28,480 |
| Colorado | 1,927 | 1,919 | 1,333 | 19 | 130 | 2,052 |
| Connecticut | 1,524 | 1,500 | 925 | 18 | 177 | 1,590 |
| Delaware | 481 | 487 | 355 | 4 | 27 | 524 |
| Florida | 13,119 | 11,824 | 8,955 | 636 | 3,242 | 13,793 |
| Georgia | 7,097 | 7,003 | 4,644 | 28 | 525 | 7,375 |
| Hawaii | 431 | 421 | 225 | - | 56 | 447 |
| Idaho | 535 | 534 | 377 | 6 | 29 | 569 |
| Illinois | 6,456 | 6,345 | 4,432 | 144 | 937 | 6,773 |
| Indiana | 2,171 | 2,136 | 1,538 | 4 | 84 | 2,259 |
| Iowa | 533 | 531 | 396 | 1 | 32 | 576 |
| Kansas | 560 | 566 | 431 | 2 | 21 | 601 |
| Kentucky | 797 | 842 | 594 | 1 | 26 | 890 |
| Louisiana | 1,246 | 1,235 | 852 | 1 | 52 | 1,296 |
| Maine | 322 | 327 | 194 | 1 | 41 | 342 |
| Maryland | 4,018 | 3,961 | 2,511 | 91 | 447 | 4,217 |
| Massachusetts | 2,390 | 2,338 | 1,490 | 60 | 333 | 2,510 |
| Michigan | 3,921 | 3,834 | 2,575 | 46 | 366 | 4,112 |
| Minnesota | 2,136 | 2,041 | 1,522 | 30 | 248 | 2,238 |
| Mississippi | 671 | 693 | 460 | 0 | 29 | 724 |
| Missouri | 1,846 | 1,834 | 1,204 | 8 | 118 | 1,929 |
| Montana | 181 | 181 | 129 | 0 | 13 | 195 |
| Nebraska | 310 | 316 | 254 | 0 | 11 | 335 |
| Nevada | 2,626 | 2,584 | 1,551 | 100 | 440 | 2,762 |
| New Hampshire | 497 | 489 | 311 | 4 | 54 | 528 |
| New Jersey | 4,493 | 4,418 | 3,046 | 96 | 583 | 4,702 |
| New Mexico | 496 | 502 | 354 | 1 | 31 | 539 |
| New York | 5,358 | 5,365 | 3,508 | 72 | 814 | 5,674 |
| North Carolina | 3,727 | 3,796 | 2,694 | 18 | 181 | 4,030 |
| North Dakota | 44 | 49 | 40 | 0 | 0 | 52 |
| Ohio | 3,760 | 3,796 | 2,668 | 12 | 199 | 4,004 |
| Oklahoma | 761 | 757 | 524 | 0 | 18 | 793 |
| Oregon | 1,367 | 1,386 | 909 | 26 | 161 | 1,477 |
| Pennsylvania | 3,272 | 3,231 | 2,238 | 19 | 209 | 3,433 |
| Rhode Island | 490 | 469 | 300 | 5 | 81 | 511 |
| South Carolina | 1,611 | 1,627 | 1,123 | 9 | 109 | 1,725 |
| South Dakota | 87 | 83 | 63 | 0 | 2 | 93 |
| Tennessee | 1,931 | 1,950 | 1,295 | 6 | 81 | 2,057 |
| Texas | 8,083 | 7,975 | 6,115 | 18 | 244 | 8,365 |
| Utah | 1,373 | 1,357 | 928 | 42 | 100 | 1,436 |
| Vermont | 86 | 112 | 86 | 0 | 6 | 114 |
| Virginia | 3,102 | 3,166 | 2,080 | 50 | 257 | 3,367 |
| Washington | 2,534 | 2,597 | 1,746 | 59 | 318 | 2,765 |
| Washington, DC | 223 | 225 | 140 | 5 | 15 | 238 |
| West Virginia | 232 | 251 | 166 | 0 | 12 | 267 |
| Wisconsin | 1,426 | 1,468 | 1,037 | 14 | 130 | 1,555 |
| Wyoming | 94 | 100 | 72 | 0 | 3 | 108 |
| Other | 76 | 76 | 23 | 0 | 5 | 76 |

Table 51. Percentage of Modification Actions in Combination Actions
 Modifications Implemented in the First Quarter of 2011

| States | Capitalization | Rate Reduction or Freeze | Term Extension | Principal Reduction | Principal Deferral | Total Combination Modifications |
|----------------|----------------|--------------------------|----------------|---------------------|--------------------|---------------------------------|
| Total | 94.5% | 93.3% | 62.5% | 3.1% | 12.5% | 141,002 |
| Alabama | 93.6% | 95.5% | 61.7% | 0.1% | 3.7% | 1,364 |
| Alaska | 96.8% | 97.9% | 68.4% | 0.0% | 2.1% | 95 |
| Arizona | 95.0% | 92.9% | 61.1% | 4.1% | 13.0% | 4,494 |
| Arkansas | 99.5% | 93.6% | 66.2% | 0.2% | 3.4% | 551 |
| California | 93.4% | 94.2% | 55.2% | 9.1% | 21.0% | 28,480 |
| Colorado | 93.9% | 93.5% | 65.0% | 0.9% | 6.3% | 2,052 |
| Connecticut | 95.8% | 94.3% | 58.2% | 1.1% | 11.1% | 1,590 |
| Delaware | 91.8% | 92.9% | 67.7% | 0.8% | 5.2% | 524 |
| Florida | 95.1% | 85.7% | 64.9% | 4.6% | 23.5% | 13,793 |
| Georgia | 96.2% | 95.0% | 63.0% | 0.4% | 7.1% | 7,375 |
| Hawaii | 96.4% | 94.2% | 50.3% | 0.0% | 12.5% | 447 |
| Idaho | 94.0% | 93.8% | 66.3% | 1.1% | 5.1% | 569 |
| Illinois | 95.3% | 93.7% | 65.4% | 2.1% | 13.8% | 6,773 |
| Indiana | 96.1% | 94.6% | 68.1% | 0.2% | 3.7% | 2,259 |
| Iowa | 92.5% | 92.2% | 68.8% | 0.2% | 5.6% | 576 |
| Kansas | 93.2% | 94.2% | 71.7% | 0.3% | 3.5% | 601 |
| Kentucky | 89.6% | 94.6% | 66.7% | 0.1% | 2.9% | 890 |
| Louisiana | 96.1% | 95.3% | 65.7% | 0.1% | 4.0% | 1,296 |
| Maine | 94.2% | 95.6% | 56.7% | 0.3% | 12.0% | 342 |
| Maryland | 95.3% | 93.9% | 59.5% | 2.2% | 10.6% | 4,217 |
| Massachusetts | 95.2% | 93.1% | 59.4% | 2.4% | 13.3% | 2,510 |
| Michigan | 95.4% | 93.2% | 62.6% | 1.1% | 8.9% | 4,112 |
| Minnesota | 95.4% | 91.2% | 68.0% | 1.3% | 11.1% | 2,238 |
| Mississippi | 92.7% | 95.7% | 63.5% | 0.0% | 4.0% | 724 |
| Missouri | 95.7% | 95.1% | 62.4% | 0.4% | 6.1% | 1,929 |
| Montana | 92.8% | 92.8% | 66.2% | 0.0% | 6.7% | 195 |
| Nebraska | 92.5% | 94.3% | 75.8% | 0.0% | 3.3% | 335 |
| Nevada | 95.1% | 93.6% | 56.2% | 3.6% | 15.9% | 2,762 |
| New Hampshire | 94.1% | 92.6% | 58.9% | 0.8% | 10.2% | 528 |
| New Jersey | 95.6% | 94.0% | 64.8% | 2.0% | 12.4% | 4,702 |
| New Mexico | 92.0% | 93.1% | 65.7% | 0.2% | 5.8% | 539 |
| New York | 94.4% | 94.6% | 61.8% | 1.3% | 14.3% | 5,674 |
| North Carolina | 92.5% | 94.2% | 66.8% | 0.4% | 4.5% | 4,030 |
| North Dakota | 84.6% | 94.2% | 76.9% | 0.0% | 0.0% | 52 |
| Ohio | 93.9% | 94.8% | 66.6% | 0.3% | 5.0% | 4,004 |
| Oklahoma | 96.0% | 95.5% | 66.1% | 0.0% | 2.3% | 793 |
| Oregon | 92.6% | 93.8% | 61.5% | 1.8% | 10.9% | 1,477 |
| Pennsylvania | 95.3% | 94.1% | 65.2% | 0.6% | 6.1% | 3,433 |
| Rhode Island | 95.9% | 91.8% | 58.7% | 1.0% | 15.9% | 511 |
| South Carolina | 93.4% | 94.3% | 65.1% | 0.5% | 6.3% | 1,725 |
| South Dakota | 93.5% | 89.2% | 67.7% | 0.0% | 2.2% | 93 |
| Tennessee | 93.9% | 94.8% | 63.0% | 0.3% | 3.9% | 2,057 |
| Texas | 96.6% | 95.3% | 73.1% | 0.2% | 2.9% | 8,365 |
| Utah | 95.6% | 94.5% | 64.6% | 2.9% | 7.0% | 1,436 |
| Vermont | 75.4% | 98.2% | 75.4% | 0.0% | 5.3% | 114 |
| Virginia | 92.1% | 94.0% | 61.8% | 1.5% | 7.6% | 3,367 |
| Washington | 91.6% | 93.9% | 63.1% | 2.1% | 11.5% | 2,765 |
| Washington, DC | 93.7% | 94.5% | 58.8% | 2.1% | 6.3% | 238 |
| West Virginia | 86.9% | 94.0% | 62.2% | 0.0% | 4.5% | 267 |
| Wisconsin | 91.7% | 94.4% | 66.7% | 0.9% | 8.4% | 1,555 |
| Wyoming | 87.0% | 92.6% | 66.7% | 0.0% | 2.8% | 108 |
| Other | 100.0% | 100.0% | 30.3% | 0.0% | 6.6% | 76 |

Table 52. Changes in Monthly Principal and Interest Payments by State (Number)
 Number of Modifications Implemented in the First Quarter of 2011

| 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 | 75,022 | 29,270 | 32,965 | 6,285 | 15,120 | 915 | 159,577 |
| Alabama | 500 | 387 | 385 | 56 | 176 | 9 | 1,513 |
| Alaska | 46 | 24 | 22 | 2 | 9 | 1 | 104 |
| Arizona | 2,606 | 919 | 941 | 212 | 405 | 27 | 5,110 |
| Arkansas | 196 | 141 | 166 | 12 | 65 | 1 | 581 |
| California | 18,501 | 4,369 | 5,694 | 1,533 | 2,504 | 239 | 32,840 |
| Colorado | 880 | 516 | 737 | 208 | 258 | 11 | 2,610 |
| Connecticut | 848 | 286 | 410 | 74 | 199 | 13 | 1,830 |
| Delaware | 210 | 128 | 167 | 33 | 71 | 2 | 611 |
| Florida | 8,933 | 2,221 | 2,598 | 670 | 1,214 | 77 | 15,713 |
| Georgia | 3,242 | 1,945 | 1,747 | 204 | 872 | 49 | 8,059 |
| Hawaii | 267 | 98 | 73 | 4 | 36 | 4 | 482 |
| Idaho | 295 | 123 | 143 | 28 | 62 | 3 | 654 |
| Illinois | 3,694 | 1,251 | 1,620 | 363 | 755 | 36 | 7,719 |
| Indiana | 801 | 672 | 592 | 84 | 328 | 15 | 2,492 |
| Iowa | 222 | 147 | 156 | 30 | 94 | 1 | 650 |
| Kansas | 236 | 170 | 156 | 19 | 62 | 8 | 651 |
| Kentucky | 332 | 227 | 255 | 54 | 128 | 10 | 1,006 |
| Louisiana | 476 | 358 | 330 | 22 | 182 | 8 | 1,376 |
| Maine | 181 | 80 | 70 | 5 | 37 | 3 | 376 |
| Maryland | 2,134 | 851 | 1,030 | 149 | 501 | 28 | 4,693 |
| Massachusetts | 1,465 | 448 | 613 | 140 | 247 | 20 | 2,933 |
| Michigan | 2,088 | 1,040 | 921 | 199 | 455 | 34 | 4,737 |
| Minnesota | 1,223 | 472 | 491 | 58 | 214 | 11 | 2,469 |
| Mississippi | 247 | 202 | 220 | 31 | 103 | 2 | 805 |
| Missouri | 836 | 534 | 459 | 46 | 216 | 10 | 2,101 |
| Montana | 84 | 43 | 52 | 5 | 26 | - | 210 |
| Nebraska | 129 | 99 | 85 | 13 | 28 | 1 | 355 |
| Nevada | 1,701 | 485 | 578 | 123 | 219 | 18 | 3,124 |
| New Hampshire | 292 | 99 | 131 | 19 | 48 | 6 | 595 |
| New Jersey | 2,565 | 845 | 1,077 | 150 | 529 | 39 | 5,205 |
| New Mexico | 235 | 149 | 121 | 13 | 72 | 2 | 592 |
| New York | 3,559 | 977 | 1,281 | 273 | 463 | 51 | 6,604 |
| North Carolina | 1,709 | 984 | 1,078 | 147 | 515 | 21 | 4,454 |
| North Dakota | 24 | 15 | 8 | 2 | 7 | 1 | 57 |
| Ohio | 1,579 | 1,061 | 1,070 | 174 | 563 | 14 | 4,461 |
| Oklahoma | 271 | 244 | 203 | 23 | 106 | 7 | 854 |
| Oregon | 826 | 290 | 381 | 102 | 142 | 13 | 1,754 |
| Pennsylvania | 1,604 | 775 | 867 | 164 | 438 | 20 | 3,868 |
| Rhode Island | 336 | 85 | 84 | 9 | 51 | 4 | 569 |
| South Carolina | 748 | 410 | 416 | 52 | 273 | 15 | 1,914 |
| South Dakota | 35 | 26 | 25 | 5 | 13 | 00 | 104 |
| Tennessee | 855 | 547 | 523 | 44 | 220 | 3 | 2,192 |
| Texas | 3,121 | 2,402 | 2,250 | 222 | 1,075 | 19 | 9,089 |
| Utah | 663 | 319 | 391 | 65 | 166 | 6 | 1,610 |
| Vermont | 62 | 21 | 27 | 2 | 13 | 1 | 126 |
| Virginia | 1,658 | 762 | 869 | 137 | 367 | 19 | 3,812 |
| Washington | 1,449 | 531 | 849 | 193 | 297 | 17 | 3,336 |
| Washington DC | 124 | 43 | 84 | 13 | 32 | 2 | 298 |
| West Virginia | 126 | 61 | 64 | 10 | 37 | 3 | 301 |
| Wisconsin | 728 | 343 | 408 | 83 | 206 | 11 | 1,779 |
| Wyoming | 43 | 21 | 31 | 6 | 21 | 0 | 122 |
| Other | 37 | 24 | 16 | 0 | 0 | 0 | 77 |

| Table 53. Changes in Monthly Principal and Interest Payments (Percentage) | | | | | | | |
|--|--------------------------|-----------------------------------|----------------------------|-----------|-----------|--------------|---------------------|
| Percentage of Modifications Implemented During the First Quarter of 2011 | | | | | | | |
| 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 | 47.0% | 18.3% | 20.7% | 3.9% | 9.5% | 0.6% | 159,577 |
| Alabama | 33.0% | 25.6% | 25.4% | 3.7% | 11.6% | 0.6% | 1,513 |
| Alaska | 44.2% | 23.1% | 21.2% | 1.9% | 8.7% | 1.0% | 104 |
| Arizona | 51.0% | 18.0% | 18.4% | 4.1% | 7.9% | 0.5% | 5,110 |
| Arkansas | 33.7% | 24.3% | 28.6% | 2.1% | 11.2% | 0.2% | 581 |
| California | 56.3% | 13.3% | 17.3% | 4.7% | 7.6% | 0.7% | 32,840 |
| Colorado | 33.7% | 19.8% | 28.2% | 8.0% | 9.9% | 0.4% | 2,610 |
| Connecticut | 46.3% | 15.6% | 22.4% | 4.0% | 10.9% | 0.7% | 1,830 |
| Delaware | 34.4% | 20.9% | 27.3% | 5.4% | 11.6% | 0.3% | 611 |
| Florida | 56.9% | 14.1% | 16.5% | 4.3% | 7.7% | 0.5% | 15,713 |
| Georgia | 40.2% | 24.1% | 21.7% | 2.5% | 10.8% | 0.6% | 8,059 |
| Hawaii | 55.4% | 20.3% | 15.1% | 0.8% | 7.5% | 0.8% | 482 |
| Idaho | 45.1% | 18.8% | 21.9% | 4.3% | 9.5% | 0.5% | 654 |
| Illinois | 47.9% | 16.2% | 21.0% | 4.7% | 9.8% | 0.5% | 7,719 |
| Indiana | 32.1% | 27.0% | 23.8% | 3.4% | 13.2% | 0.6% | 2,492 |
| Iowa | 34.2% | 22.6% | 24.0% | 4.6% | 14.5% | 0.2% | 650 |
| Kansas | 36.3% | 26.1% | 24.0% | 2.9% | 9.5% | 1.2% | 651 |
| Kentucky | 33.0% | 22.6% | 25.3% | 5.4% | 12.7% | 1.0% | 1,006 |
| Louisiana | 34.6% | 26.0% | 24.0% | 1.6% | 13.2% | 0.6% | 1,376 |
| Maine | 48.1% | 21.3% | 18.6% | 1.3% | 9.8% | 0.8% | 376 |
| Maryland | 45.5% | 18.1% | 21.9% | 3.2% | 10.7% | 0.6% | 4,693 |
| Massachusetts | 49.9% | 15.3% | 20.9% | 4.8% | 8.4% | 0.7% | 2,933 |
| Michigan | 44.1% | 22.0% | 19.4% | 4.2% | 9.6% | 0.7% | 4,737 |
| Minnesota | 49.5% | 19.1% | 19.9% | 2.3% | 8.7% | 0.4% | 2,469 |
| Mississippi | 30.7% | 25.1% | 27.3% | 3.9% | 12.8% | 0.2% | 805 |
| Missouri | 39.8% | 25.4% | 21.8% | 2.2% | 10.3% | 0.5% | 2,101 |
| Montana | 40.0% | 20.5% | 24.8% | 2.4% | 12.4% | 0.0% | 210 |
| Nebraska | 36.3% | 27.9% | 23.9% | 3.7% | 7.9% | 0.3% | 355 |
| Nevada | 54.4% | 15.5% | 18.5% | 3.9% | 7.0% | 0.6% | 3,124 |
| New Hampshire | 49.1% | 16.6% | 22.0% | 3.2% | 8.1% | 1.0% | 595 |
| New Jersey | 49.3% | 16.2% | 20.7% | 2.9% | 10.2% | 0.7% | 5,205 |
| New Mexico | 39.7% | 25.2% | 20.4% | 2.2% | 12.2% | 0.3% | 592 |
| New York | 53.9% | 14.8% | 19.4% | 4.1% | 7.0% | 0.8% | 6,604 |
| North Carolina | 38.4% | 22.1% | 24.2% | 3.3% | 11.6% | 0.5% | 4,454 |
| North Dakota | 42.1% | 26.3% | 14.0% | 3.5% | 12.3% | 1.8% | 57 |
| Ohio | 35.4% | 23.8% | 24.0% | 3.9% | 12.6% | 0.3% | 4,461 |
| Oklahoma | 31.7% | 28.6% | 23.8% | 2.7% | 12.4% | 0.8% | 854 |
| Oregon | 47.1% | 16.5% | 21.7% | 5.8% | 8.1% | 0.7% | 1,754 |
| Pennsylvania | 41.5% | 20.0% | 22.4% | 4.2% | 11.3% | 0.5% | 3,868 |
| Rhode Island | 59.1% | 14.9% | 14.8% | 1.6% | 9.0% | 0.7% | 569 |
| South Carolina | 39.1% | 21.4% | 21.7% | 2.7% | 14.3% | 0.8% | 1,914 |
| South Dakota | 33.7% | 25.0% | 24.0% | 4.8% | 12.5% | 0.0% | 104 |
| Tennessee | 39.0% | 25.0% | 23.9% | 2.0% | 10.0% | 0.1% | 2,192 |
| Texas | 34.3% | 26.4% | 24.8% | 2.4% | 11.8% | 0.2% | 9,089 |
| Utah | 41.2% | 19.8% | 24.3% | 4.0% | 10.3% | 0.4% | 1,610 |
| Vermont | 49.2% | 16.7% | 21.4% | 1.6% | 10.3% | 0.8% | 126 |
| Virginia | 43.5% | 20.0% | 22.8% | 3.6% | 9.6% | 0.5% | 3,812 |
| Washington | 43.4% | 15.9% | 25.4% | 5.8% | 8.9% | 0.5% | 3,336 |
| Washington, DC | 41.6% | 14.4% | 28.2% | 4.4% | 10.7% | 0.7% | 298 |
| West Virginia | 41.9% | 20.3% | 21.3% | 3.3% | 12.3% | 1.0% | 301 |
| Wisconsin | 40.9% | 19.3% | 22.9% | 4.7% | 11.6% | 0.6% | 1,779 |
| Wyoming | 35.2% | 17.2% | 25.4% | 4.9% | 17.2% | 0.0% | 122 |
| Other | 48.1% | 31.2% | 20.8% | 0.0% | 0.0% | 0.0% | 77 |

| Table 54. Number of Re-Defaults for Loans Modified in the Third Quarter of 2010 (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 | 12,497 | 7,577 | 8,050 | 869 | 5,572 | 200 | 34,765 |
| Alabama | 121 | 95 | 110 | 28 | 76 | 1 | 431 |
| Alaska | 4 | 9 | 8 | 0 | 5 | 0 | 26 |
| Arizona | 491 | 231 | 263 | 23 | 159 | 2 | 1,169 |
| Arkansas | 42 | 40 | 32 | 1 | 32 | 1 | 148 |
| California | 2,053 | 762 | 927 | 263 | 868 | 43 | 4,916 |
| Colorado | 129 | 124 | 151 | 10 | 74 | 3 | 491 |
| Connecticut | 159 | 79 | 81 | 7 | 68 | 5 | 399 |
| Delaware | 57 | 44 | 39 | 3 | 13 | 1 | 157 |
| Florida | 1,468 | 555 | 595 | 105 | 515 | 13 | 3,251 |
| Georgia | 628 | 562 | 601 | 33 | 338 | 15 | 2,177 |
| Hawaii | 34 | 22 | 17 | 3 | 12 | 2 | 90 |
| Idaho | 38 | 30 | 43 | 3 | 19 | 0 | 133 |
| Illinois | 669 | 361 | 370 | 28 | 277 | 5 | 1,710 |
| Indiana | 167 | 153 | 186 | 8 | 108 | 1 | 623 |
| Iowa | 55 | 52 | 60 | 2 | 41 | 0 | 210 |
| Kansas | 53 | 33 | 43 | 3 | 25 | 0 | 157 |
| Kentucky | 76 | 73 | 91 | 3 | 33 | 2 | 278 |
| Louisiana | 89 | 99 | 96 | 11 | 76 | 0 | 371 |
| Maine | 38 | 23 | 18 | 5 | 19 | 2 | 105 |
| Maryland | 416 | 208 | 305 | 22 | 200 | 5 | 1,156 |
| Massachusetts | 269 | 128 | 125 | 12 | 83 | 4 | 621 |
| Michigan | 362 | 219 | 239 | 23 | 152 | 5 | 1,000 |
| Minnesota | 174 | 123 | 129 | 12 | 79 | 2 | 519 |
| Mississippi | 65 | 71 | 65 | 7 | 37 | 0 | 245 |
| Missouri | 176 | 145 | 134 | 10 | 76 | 3 | 544 |
| Montana | 19 | 18 | 8 | 1 | 5 | 0 | 51 |
| Nebraska | 39 | 28 | 19 | 1 | 13 | 1 | 101 |
| Nevada | 275 | 132 | 121 | 17 | 81 | 4 | 630 |
| New Hampshire | 60 | 31 | 26 | 1 | 24 | 2 | 144 |
| New Jersey | 447 | 252 | 298 | 18 | 207 | 6 | 1,228 |
| New Mexico | 48 | 45 | 35 | - | 19 | 1 | 148 |
| New York | 528 | 251 | 232 | 29 | 174 | 18 | 1,232 |
| North Carolina | 395 | 332 | 329 | 25 | 229 | 6 | 1,316 |
| North Dakota | 7 | 4 | 1 | - | 2 | 0 | 14 |
| Ohio | 371 | 267 | 294 | 19 | 213 | 4 | 1,168 |
| Oklahoma | 56 | 62 | 72 | 2 | 36 | 1 | 229 |
| Oregon | 132 | 84 | 61 | 5 | 52 | 2 | 336 |
| Pennsylvania | 335 | 228 | 237 | 14 | 171 | 9 | 994 |
| Rhode Island | 49 | 22 | 28 | 3 | 22 | 1 | 125 |
| South Carolina | 185 | 126 | 128 | 9 | 98 | 6 | 552 |
| South Dakota | 7 | 7 | 2 | 0 | 3 | 0 | 19 |
| Tennessee | 189 | 168 | 129 | 13 | 78 | 2 | 579 |
| Texas | 679 | 732 | 671 | 32 | 379 | 4 | 2,497 |
| Utah | 112 | 82 | 90 | 4 | 52 | 1 | 341 |
| Vermont | 9 | 5 | 6 | 1 | 11 | 0 | 32 |
| Virginia | 245 | 182 | 210 | 22 | 115 | 4 | 778 |
| Washington | 261 | 159 | 178 | 19 | 91 | 10 | 718 |
| Washington, DC | 23 | 14 | 14 | 3 | 8 | 0 | 62 |
| West Virginia | 28 | 20 | 24 | 0 | 17 | 2 | 91 |
| Wisconsin | 150 | 77 | 99 | 6 | 83 | 1 | 416 |
| Wyoming | 13 | 3 | 9 | 0 | 3 | 0 | 28 |
| Other | 2 | 5 | 1 | 0 | 1 | 0 | 9 |

Table 55. Re-Default Rates for Loans Modified in the Third Quarter of 2010 (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 | 10.6% | 18.7% | 22.2% | 10.5% | 30.3% | 22.5% | 15.7% |
| Alabama | 11.7% | 18.6% | 27.6% | 30.4% | 35.2% | 11.1% | 19.1% |
| Alaska | 6.9% | 18.4% | 22.2% | 0.0% | 31.3% | 0.0% | 16.1% |
| Arizona | 10.7% | 17.5% | 21.2% | 8.6% | 28.1% | 11.8% | 14.6% |
| Arkansas | 13.9% | 20.7% | 23.0% | 20.0% | 40.0% | 50.0% | 20.5% |
| California | 7.8% | 13.3% | 11.4% | 6.5% | 25.2% | 26.4% | 10.3% |
| Colorado | 9.0% | 15.7% | 21.8% | 12.5% | 23.3% | 33.3% | 14.7% |
| Connecticut | 12.1% | 19.0% | 22.9% | 15.2% | 33.5% | 41.7% | 17.1% |
| Delaware | 15.7% | 22.7% | 26.7% | 14.3% | 22.0% | 50.0% | 20.0% |
| Florida | 11.5% | 17.8% | 17.4% | 11.1% | 32.3% | 17.6% | 14.8% |
| Georgia | 11.5% | 21.1% | 33.4% | 24.3% | 38.9% | 23.4% | 19.8% |
| Hawaii | 7.6% | 16.8% | 21.3% | 33.3% | 29.3% | 50.0% | 12.6% |
| Idaho | 8.5% | 15.4% | 26.9% | 13.6% | 22.9% | 0.0% | 14.6% |
| Illinois | 10.4% | 19.7% | 24.8% | 15.7% | 32.0% | 15.2% | 15.8% |
| Indiana | 13.3% | 18.7% | 29.0% | 16.3% | 29.1% | 9.1% | 19.8% |
| Iowa | 13.8% | 22.3% | 31.1% | 11.1% | 32.3% | 0.0% | 21.5% |
| Kansas | 15.1% | 16.8% | 24.2% | 13.0% | 24.3% | 0.0% | 18.4% |
| Kentucky | 14.4% | 21.7% | 32.4% | 15.8% | 26.0% | 28.6% | 21.4% |
| Louisiana | 11.5% | 23.9% | 29.6% | 32.4% | 29.9% | 0.0% | 20.6% |
| Maine | 14.0% | 21.5% | 23.7% | 38.5% | 34.5% | 66.7% | 20.0% |
| Maryland | 12.2% | 17.7% | 27.2% | 16.5% | 34.0% | 16.7% | 17.9% |
| Massachusetts | 11.6% | 18.6% | 22.7% | 16.0% | 26.4% | 30.8% | 15.7% |
| Michigan | 10.6% | 18.0% | 20.1% | 11.0% | 27.0% | 22.7% | 15.1% |
| Minnesota | 8.2% | 17.4% | 20.2% | 9.7% | 23.9% | 16.7% | 13.2% |
| Mississippi | 13.2% | 27.1% | 34.2% | 46.7% | 34.3% | 0.0% | 22.9% |
| Missouri | 11.8% | 21.6% | 28.5% | 20.0% | 26.5% | 37.5% | 18.2% |
| Montana | 11.9% | 22.2% | 17.8% | 33.3% | 18.5% | 0.0% | 16.1% |
| Nebraska | 15.0% | 19.6% | 24.4% | 10.0% | 18.8% | 25.0% | 17.9% |
| Nevada | 10.6% | 18.5% | 17.6% | 10.5% | 32.3% | 36.4% | 14.3% |
| New Hampshire | 11.6% | 19.5% | 22.4% | 6.7% | 28.9% | 50.0% | 16.1% |
| New Jersey | 11.2% | 20.1% | 27.2% | 14.0% | 34.2% | 26.1% | 17.3% |
| New Mexico | 11.7% | 22.5% | 31.5% | 0.0% | 26.0% | 33.3% | 18.4% |
| New York | 9.1% | 18.3% | 23.2% | 15.9% | 32.3% | 36.7% | 13.8% |
| North Carolina | 13.0% | 21.1% | 30.7% | 18.8% | 36.9% | 26.1% | 20.3% |
| North Dakota | 16.3% | 20.0% | 14.3% | 0.0% | 28.6% | 0.0% | 17.5% |
| Ohio | 13.0% | 19.0% | 24.9% | 17.1% | 33.6% | 13.3% | 18.8% |
| Oklahoma | 14.2% | 22.1% | 36.9% | 22.2% | 27.3% | 50.0% | 22.6% |
| Oregon | 10.0% | 18.5% | 18.1% | 6.1% | 28.4% | 33.3% | 14.1% |
| Pennsylvania | 12.5% | 19.7% | 26.8% | 17.1% | 30.5% | 20.9% | 18.4% |
| Rhode Island | 12.0% | 20.4% | 29.2% | 23.1% | 32.4% | 33.3% | 18.0% |
| South Carolina | 13.3% | 19.5% | 28.1% | 20.5% | 32.8% | 12.2% | 19.1% |
| South Dakota | 10.4% | 22.6% | 8.3% | 0.0% | 25.0% | 0.0% | 14.1% |
| Tennessee | 13.5% | 21.2% | 24.9% | 21.3% | 32.5% | 9.5% | 19.1% |
| Texas | 14.3% | 22.6% | 34.3% | 32.7% | 33.3% | 12.9% | 22.3% |
| Utah | 11.4% | 17.3% | 26.2% | 10.0% | 32.1% | 33.3% | 17.0% |
| Vermont | 8.8% | 13.5% | 18.2% | 8.3% | 42.3% | 0.0% | 15.1% |
| Virginia | 9.4% | 17.0% | 21.6% | 13.0% | 26.5% | 17.4% | 14.8% |
| Washington | 12.2% | 19.9% | 26.3% | 9.0% | 28.4% | 38.5% | 17.2% |
| Washington, DC | 11.2% | 21.9% | 22.2% | 21.4% | 19.5% | 0.0% | 15.9% |
| West Virginia | 12.7% | 26.3% | 30.0% | 0.0% | 38.6% | 50.0% | 21.0% |
| Wisconsin | 13.5% | 18.9% | 29.6% | 12.8% | 35.6% | 14.3% | 19.5% |
| Wyoming | 17.6% | 8.8% | 33.3% | 0.0% | 20.0% | 0.0% | 17.1% |
| Other | 2.9% | 25.0% | 9.1% | 0.0% | 100.0% | 0.0% | 8.8% |

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