

# Making Home Affordable Program

Servicer Performance Report Through July 2010

## Report Highlights

### **Nearly 37,000 New Permanent Modifications in July**

- Homeowners in permanent modifications are experiencing a median payment reduction of 36%, more than \$500 per month.
- Homeowners in permanent modifications are guaranteed lower payments for five years, then fixed terms at current rates for the life of the loan.
- Trial modification starts were lower, as expected, as servicers transition to upfront verification of documentation.

### **Servicers Continue to Work Through Aged Trial Population**

- As servicers continue to review aged trials, the number of active trials initiated at least six months ago has decreased from 166,000 to 118,000. Two servicers account for half of the aged trials that have yet to be decisioned. Homeowners are not subject to foreclosure sale while decisions are being made.
- As servicers work through this population, they are making extensive efforts to obtain documentation. Servicers indicate that the remaining decisions on aged trial modifications should be made in August.
- The most common causes of cancellations include insufficient documentation, missed trial payments, or mortgage payments already less than 31% of the homeowner's income.
- Servicers reported that more than half of homeowners in canceled trials receive alternative modifications, become current, or pay off the loan completely.
- As a result of the requirement that servicers verify borrower eligibility through documentation prior to initiating trials on or after June 1, cancellation activity for new trials is expected to gradually decline. However, the number of new cancellations is expected to exceed the number of new permanent modifications for the next few months as servicers clear their backlog of aged trials.

### **New Outreach Initiatives Launched to Educate Homeowners**

- Treasury and HUD partnered with the Ad Council in a public service advertising campaign featuring homeowners who received HAMP modifications.
- The advertisements, launched in late July, are being distributed to more than 33,000 media outlets nationwide. The advertisements are available in English and Spanish.

## Inside:

<a href="#">HAMP Program Snapshot</a>	<a href="#">2</a>
<a href="#">Characteristics of Permanent Modifications</a>	<a href="#">3</a>
<a href="#">Servicer Activity</a>	<a href="#">4</a>
<a href="#">Disposition Path of Homeowners Canceled From HAMP Trials</a>	<a href="#">5</a>
<a href="#">Disposition Path of Homeowners Ineligible for HAMP Trials</a>	<a href="#">6</a>
<a href="#">Selected Outreach Measures</a>	<a href="#">7</a>
<a href="#">Homeowner Experience</a>	<a href="#">8</a>
<a href="#">HAMP Activity by State</a>	<a href="#">9</a>
<a href="#">HAMP Activity by Metropolitan Area</a>	<a href="#">10</a>
<a href="#">Modifications by Investor Type</a>	<a href="#">10</a>
<a href="#">List of Non-GSE Participants</a>	<a href="#">11</a>
<a href="#">Definitions of Compliance Activities</a>	<a href="#">12</a>

# Making Home Affordable Program

Servicer Performance Report Through July 2010

## HAMP Activity: All Servicers

		Total
<b>HAMP Eligibility</b>	Eligible Delinquent Loans <sup>1</sup>	3,076,060
	Eligible Delinquent Borrowers <sup>2</sup>	1,456,363
<b>Trial Modifications</b>	Trial Plan Offers Extended <sup>3</sup>	1,553,925
	All Trials Started	1,307,489
	Trials Reported Since June 2010 Report <sup>4</sup>	24,577
	Trial Modifications Canceled (Cumulative)	616,839
	Active Trials	255,934
<b>Permanent Modifications</b>	All Permanent Modifications Started	434,716
	Permanent Modifications Begun Since June 2010 Report	36,695
	Permanent Modifications Canceled (Cumulative) <sup>5</sup>	12,912
	Active Permanent Modifications	421,804

<sup>1</sup> Estimated eligible 60+ day delinquent loans as reported by servicers as of June 30, 2010, include conventional loans:

- in foreclosure and bankruptcy.
- with a current unpaid principal balance less than \$729,750 on a one-unit property, \$934,200 on a two-unit property, \$1,129,250 on a three-unit property and \$1,403,400 on a four-unit property.
- on a property that was owner-occupied at origination.
- originated on or before January 1, 2009.

Estimated eligible 60+ day delinquent loans exclude:

- FHA and VA loans.
- loans that are current or less than 60 days delinquent, which may be eligible for HAMP if a borrower is in imminent default.

For servicers enrolling after May 1, 2010 that did not participate in the 60+ day delinquency survey, the delinquency count is from the servicer registration form.

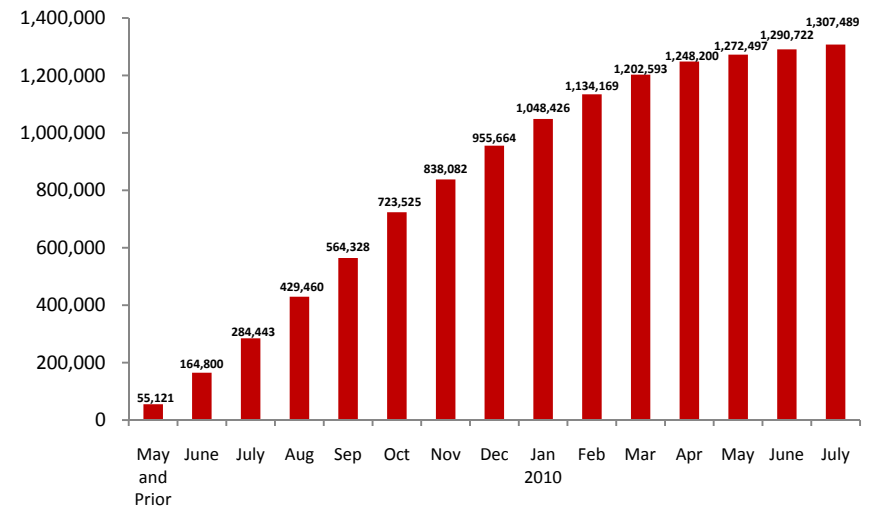
<sup>2</sup> The estimated eligible 60+ day delinquent borrowers are those in HAMP-eligible loans, minus estimated exclusions of loans on vacant properties, loans with borrower debt-to-income ratio below 31%, loans that fail the NPV test, properties no longer owner-occupied, manufactured housing loans with title/chatel issues that exclude them from HAMP, and loans where the investor pooling and servicing agreements preclude modification. Exclusions for DTI and NPV results are estimated using market analytics.

<sup>3</sup> As reported in the weekly servicer survey through July 29, 2010.

<sup>4</sup> Servicers may enter new trial modifications into the HAMP system of record anytime before the loan converts to a permanent modification.

<sup>5</sup> A permanent modification is canceled when the borrower has missed three or more consecutive monthly payments. Includes 272 loans paid off.

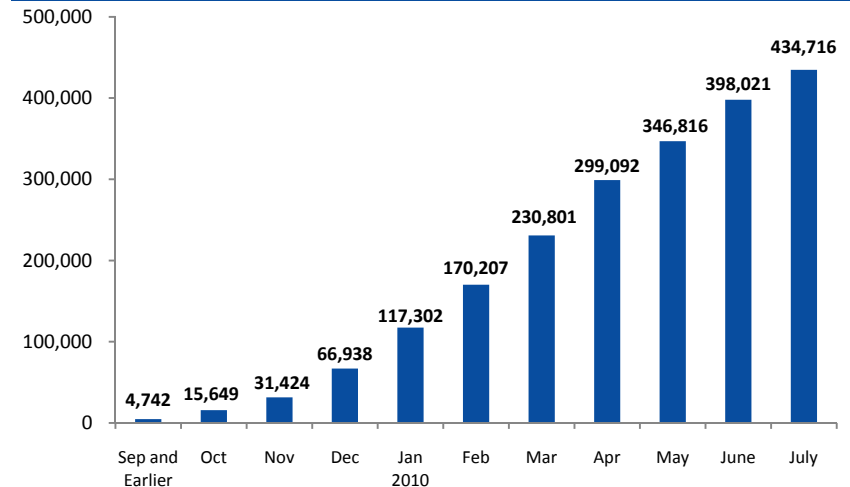
## HAMP Trials Started (Cumulative)



Source: HAMP system of record.

Note: Servicers may enter new trial modifications into the HAMP system of record anytime before the loan converts to a permanent modification.

## Permanent Modifications Started (Cumulative)



Source: HAMP system of record.

# Making Home Affordable Program

Servicer Performance Report Through July 2010

## Modification Characteristics

- Aggregate reductions in monthly mortgage payments for borrowers in active trial and permanent modifications total more than \$3.1 billion.
- The median savings for borrowers in permanent modifications is \$513.09, or 36% of the median payment before modification.

## Permanent Modifications by Modification Step

Interest Rate Reduction	100%
Term Extension	56.8%
Principal Forbearance	29.3%

## Select Median Characteristics of Permanent Modifications

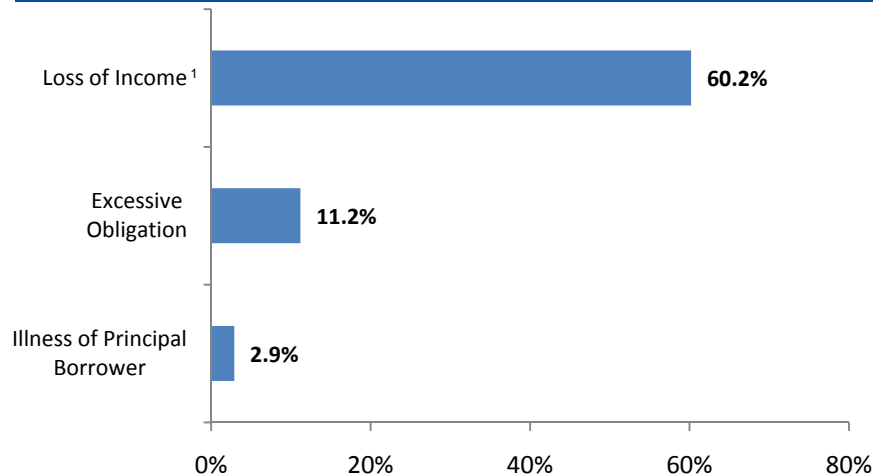
Loan Characteristic	Before Modification	After Modification	Median Decrease
Front-End Debt-to-Income Ratio <sup>1</sup>	44.8%	31.0%	-13.8 pct pts
Back-End Debt-to-Income Ratio <sup>2</sup>	79.7%	63.5%	-14.4 pct pts
Median Monthly Payment <sup>3</sup>	\$1,426.13	\$839.16	-\$513.09

<sup>1</sup> Ratio of housing expenses (principal, interest, taxes, insurance and homeowners association and/or condo fees) to monthly gross income.

<sup>2</sup> Ratio of total monthly debt payments (including mortgage principal and interest, taxes, insurance, homeowners association and/or condo fees, plus payments on installment debts, junior liens, alimony, car lease payments and investment property payments) to monthly gross income. Borrowers who have a back-end debt-to-income ratio of greater than 55% are required to seek housing counseling under program guidelines.

<sup>3</sup> Principal and interest payment.

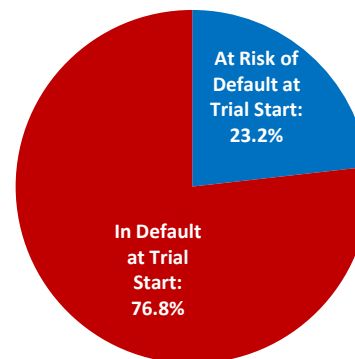
## Predominant Hardship Reasons for Permanent Modifications



<sup>1</sup> Includes borrowers who are employed but have faced a reduction in hours and/or wages as well as those who have lost their jobs.

Note: Does not include 17.3% of permanent modifications reported as Other.

## Loan Status Upon Entering Trial



Note: For all trial modifications started.

“At Risk of Default” includes borrowers up to 59 days delinquent at trial entry as well as those in imminent default. “In Default” refers to borrowers 60 or more days late at trial entry.

Note: Data on the performance and delinquency of permanent modifications, included in the June 2010 Servicer Performance Report, will be published quarterly.

# Making Home Affordable Program

Servicer Performance Report Through July 2010

## HAMP Modification Activity by Servicer

Servicer	Estimated Eligible 60+ Day Delinquent Borrowers <sup>1</sup>	Trial Plan Offers Extended <sup>2</sup>	All HAMP Trials Started <sup>3</sup>	Active Trial Modifications <sup>3</sup>	Permanent Modifications <sup>3</sup>
American Home Mortgage Servicing Inc	48,122	25,862	21,894	9,992	10,761
Aurora Loan Services, LLC	35,216	47,768	44,243	4,434	13,823
Bank of America, NA <sup>4</sup>	416,879	408,019	312,318	84,741	76,330
Carrington Mortgage Services LLC	3,529	3,743	3,110	751	2,109
CitiMortgage, Inc.	127,618	158,499	148,274	20,458	44,276
GMAC Mortgage, Inc.	16,570	58,817	48,203	2,777	29,636
Green Tree Servicing LLC	5,949	7,431	6,432	1,686	2,800
HomeEq Servicing	14,564	7,048	6,107	1,419	4,403
J.P. Morgan Chase Bank, NA <sup>5</sup>	215,640	263,553	208,270	37,586	58,489
Litton Loan Servicing LP	47,451	37,194	34,808	2,783	8,447
Nationstar Mortgage LLC	17,677	26,188	22,763	3,885	9,170
Ocwen Financial Corp. Inc.	31,440	26,269	28,144	5,991	17,403
OneWest Bank	42,697	61,249	44,635	15,141	17,334
PNC Mortgage <sup>6</sup>	17,742	22,128	18,036	1,915	3,009
Saxon Mortgage Services, Inc.	24,211	45,202	34,774	3,206	10,815
Select Portfolio Servicing	17,392	61,988	38,011	2,516	15,808
US Bank NA	12,421	13,873	11,630	1,946	7,128
Wachovia Mortgage, FSB <sup>7</sup>	27,571	16,606	14,388	8,650	5,539
Wells Fargo Bank, NA <sup>8</sup>	156,332	247,638	177,267	22,338	46,732
Other SPA servicers <sup>9</sup>	11,592	14,850	13,719	3,754	7,153
Other GSE Servicers <sup>10</sup>	165,750	NA	70,463	19,965	30,639
<b>Total</b>	<b>1,456,363</b>	<b>1,553,925</b>	<b>1,307,489</b>	<b>255,934</b>	<b>421,804</b>

<sup>1</sup> Estimated eligible 60+ day delinquent borrowers as reported by servicers as of June 30, 2010, include those in conventional loans:

- in foreclosure and bankruptcy.
- with a current unpaid principal balance less than \$729,750 on a one-unit property, \$934,200 on a two-unit property, \$1,129,250 on a three-unit property and \$1,403,400 on a four-unit property.
- on a property that was owner-occupied at origination.
- originated prior to January 1, 2009.

Estimated eligible 60+ day delinquent borrowers excludes:

- Those in FHA and VA loans.
- Those in loans that are current or less than 60 days delinquent, which may be eligible for HAMP if a borrower is in imminent default.
- Those borrowers with debt-to-income ratios less than 31% or a negative NPV test.
- Owners of vacant properties or properties otherwise excluded.

Exclusions for DTI and NPV are estimated using market analytics.

For servicers enrolling after May 1, 2010 that did not participate in the 60+ day delinquency survey, the delinquency count is from the servicer registration form.

<sup>2</sup> As reported in the weekly servicer survey through July 29, 2010.

<sup>3</sup> Active trial and permanent modifications as reported into the HAMP system of record by servicers. Subject to adjustment based on servicer reconciliation of historic loan files.

<sup>4</sup> Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Wilshire Credit Corporation.

<sup>5</sup> J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

<sup>6</sup> Formerly National City Bank.

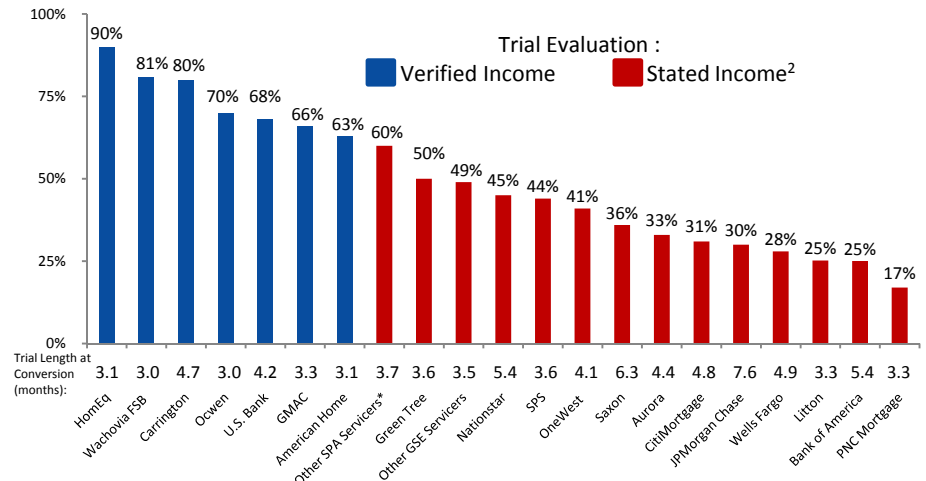
<sup>7</sup> Wachovia Mortgage, FSB consists of Pick-a-Payment loans.

<sup>8</sup> Wells Fargo Bank, NA includes a portion of the loans previously included in Wachovia Mortgage, FSB.

<sup>9</sup> Other SPA servicers are entities with less than 5,000 estimated eligible 60+ day delinquent borrowers as of March 31, 2010, that have signed participation agreements with Treasury and Fannie Mae. A full list of participating servicers is in Appendix A.

<sup>10</sup> Includes servicers of loans owned or guaranteed by Fannie Mae and Freddie Mac. Includes GSE loans transferred from SPA servicers.

## Conversion Rate<sup>1</sup>

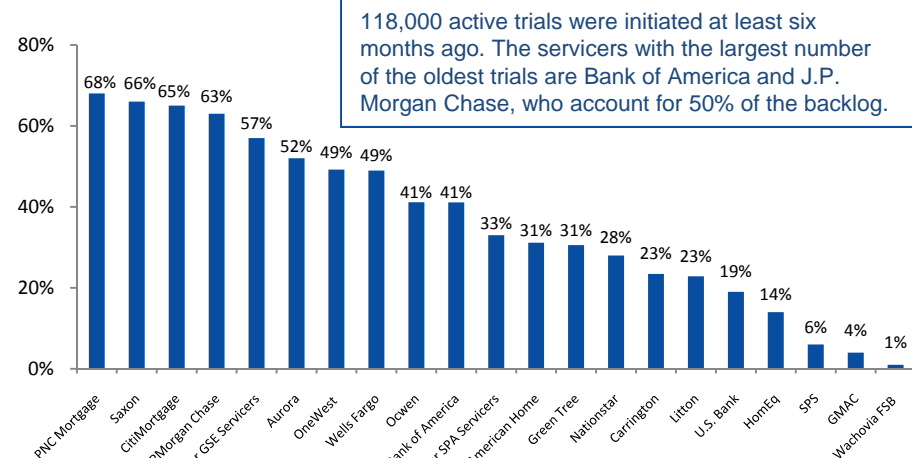


<sup>1</sup> As measured against trials eligible to convert – those three months in trial, or four months if the borrower was at risk of default.

<sup>2</sup> Per program guidelines, all servicers must be using verified income before starting trial modifications by June 1. Prior to June 1, these servicers initiated trials using stated income information.

\*Other SPA and Other GSE servicers represent a mix of verified and stated income trial starts. Permanent modifications transferred among servicers are credited to the originating servicer.

## Aged Trials<sup>1</sup> as Share of Active Trials



118,000 active trials were initiated at least six months ago. The servicers with the largest number of the oldest trials are Bank of America and J.P. Morgan Chase, who account for 50% of the backlog.

<sup>1</sup> Active trials initiated at least six months ago.

# Making Home Affordable Program

Servicer Performance Report Through July 2010

## Disposition Path Homeowners in Canceled HAMP Trial Modifications Through June 2010 (8 Largest Servicers)<sup>1</sup>

Homeowners Whose HAMP Trial Modification Was Canceled Who Are in the Process of:

Servicer	Action Pending <sup>2</sup>	Action Not Allowed – Bankruptcy in Process	Borrower Current	Alternative Modification	Payment Plan <sup>3</sup>	Loan Payoff	Short Sale/Deed in Lieu	Foreclosure Starts	Foreclosure Completions	Total (As of June 2010)
American Home Mortgage Servicing Inc.	137	15	59	373	10	164	17	68	3	846
Bank of America, NA <sup>4</sup>	75,276	2,383	3,868	26,307	812	555	1,400	3,564	824	114,989
CitiMortgage Inc.	18,992	7,019	8,414	33,948	1,197	260	1,146	5,953	573	77,502
GMAC Mortgage Inc.	2,119	287	1,026	6,455	132	394	341	1,196	392	12,342
JP Morgan Chase Bank NA <sup>5</sup>	12,503	300	1,033	44,086	71	1,141	1,313	11,977	2,062	74,486
Litton Loan Servicing LP	3,099	386	1,439	12,893	313	85	697	2,313	342	21,567
OneWest Bank	2,017	243	223	4,626	50	9	440	1,032	622	9,262
Wells Fargo Bank NA <sup>6</sup>	9,251	512	8,212	57,469	669	2,069	4,019	14,128	2,658	98,987
<b>TOTAL (These 8 Servicers)</b>	<b>123,394</b> <b>30.1%</b>	<b>11,145</b> <b>2.7%</b>	<b>24,274</b> <b>5.9%</b>	<b>186,157</b> <b>45.4%</b>	<b>3,254</b> <b>0.8%</b>	<b>4,677</b> <b>1.1%</b>	<b>9,373</b> <b>2.3%</b>	<b>40,231</b> <b>9.8%</b>	<b>7,476</b> <b>1.8%</b>	<b>409,981</b> <b>100%</b>

The most common causes of trial cancellations are:

- Insufficient documentation
- Trial plan payment default
- Ineligible borrower: debt-to-income ratio is already below 31%

Note: Data is as reported by servicers for actions completed through June 30, 2010.

<sup>1</sup> As defined by cap amount.

<sup>2</sup> Trial loans that have been canceled, but no further action has yet been taken.

<sup>3</sup> An arrangement with the borrower and servicer that does not involve a formal loan modification.

<sup>4</sup> Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Wilshire Credit Corporation.

<sup>5</sup> J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

<sup>6</sup> Wells Fargo Bank, NA includes a portion of the loans previously included in Wachovia Mortgage, FSB. Excludes Wachovia Mortgage FSB Pick-a-Payment Loans.

Note: Excludes cancellations pending data corrections.

# Making Home Affordable Program

Servicer Performance Report Through July 2010

## Disposition Path Homeowners Not Accepted for HAMP Trial Modifications Through June 2010 (8 Largest Servicers)<sup>1</sup>

Homeowners Not Accepted for a HAMP Trial Modification Who Are in the Process of:

Servicer	Action Pending <sup>2</sup>	Action Not Allowed – Bankruptcy in Process	Borrower Current	Alternative Modification	Payment Plan <sup>3</sup>	Loan Payoff	Short Sale/ Deed in Lieu	Foreclosure Starts	Foreclosure Completions	Total (As of June 2010)
American Home Mortgage Servicing Inc.	1,198	253	1,992	13,962	381	225	1,038	2,236	18	21,303
Bank of America, NA <sup>4</sup>	26,130	2,307	2,358	8,759	784	307	9,388	16,686	2,310	69,029
CitiMortgage Inc.	17,111	6,920	3,975	35,202	5,583	10,597	1,849	10,640	4,265	96,142
GMAC Mortgage Inc.	19,832	3,256	19,348	26,945	2,891	3,374	2,654	12,573	3,549	94,422
JP Morgan Chase Bank NA <sup>5</sup>	25,382	1,441	68,448	52,007	241	6,155	2,247	8,928	1,374	166,223
Litton Loan Servicing LP	7,573	3,144	6,618	9,608	1,093	280	2,943	7,085	1,908	40,252
OneWest Bank	8,363	1,433	5,440	4,465	480	127	2,534	4,012	4,115	30,969
Wells Fargo Bank NA <sup>6</sup>	13,253	1,054	20,497	40,239	1,706	2,665	3,470	12,673	4,931	100,488
<b>TOTAL (These 8 Servicers)</b>	<b>118,842</b> <b>19.2%</b>	<b>19,808</b> <b>3.2%</b>	<b>128,676</b> <b>20.8%</b>	<b>191,187</b> <b>30.9%</b>	<b>13,159</b> <b>2.1%</b>	<b>23,730</b> <b>3.8%</b>	<b>26,123</b> <b>4.2%</b>	<b>74,833</b> <b>12.1%</b>	<b>22,470</b> <b>3.6%</b>	<b>618,828</b> <b>100%</b>

The most common causes of trials not accepted are:

- Ineligible borrower: debt-to-income ratio is already below 31%
- Insufficient documentation
- Imminent default not evidenced by borrower

Note: Data is as reported by servicers for actions completed through June 30, 2010.

<sup>1</sup> As defined by cap amount.

<sup>2</sup> Homeowners who were not approved for a HAMP trial modification, but no further action has yet been taken.

<sup>3</sup> An arrangement with the borrower and servicer that does not involve a formal loan modification.

<sup>4</sup> Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Wilshire Credit Corporation.

<sup>5</sup> J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

<sup>6</sup> Wells Fargo Bank, NA includes a portion of the loans previously included in Wachovia Mortgage, FSB. Excludes Wachovia Mortgage FSB Pick-a-Payment Loans.

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Servicer Performance Report Through July 2010

## Selected Homeowner Outreach Measures

Homeowner Outreach Events Hosted Nationally by Treasury and Partners (cumulative)	42
Homeowners Attending Treasury-Sponsored Events (cumulative)	43,973
Servicer Solicitation of Borrowers (cumulative) <sup>1</sup>	5,511,941
Page views on <a href="http://MakingHomeAffordable.gov">MakingHomeAffordable.gov</a> (July 2010)	2,836,592
Page views on <a href="http://MakingHomeAffordable.gov">MakingHomeAffordable.gov</a> (cumulative)	92,804,552
Percentage to Goal of 3-4 Million Modification Offers by 2012 <sup>2</sup>	39-52%

<sup>1</sup> Source: survey data provided by SPA servicers. Servicers are encouraged by HAMP to solicit information from borrowers 60+ days delinquent, regardless of eligibility for a HAMP modification.

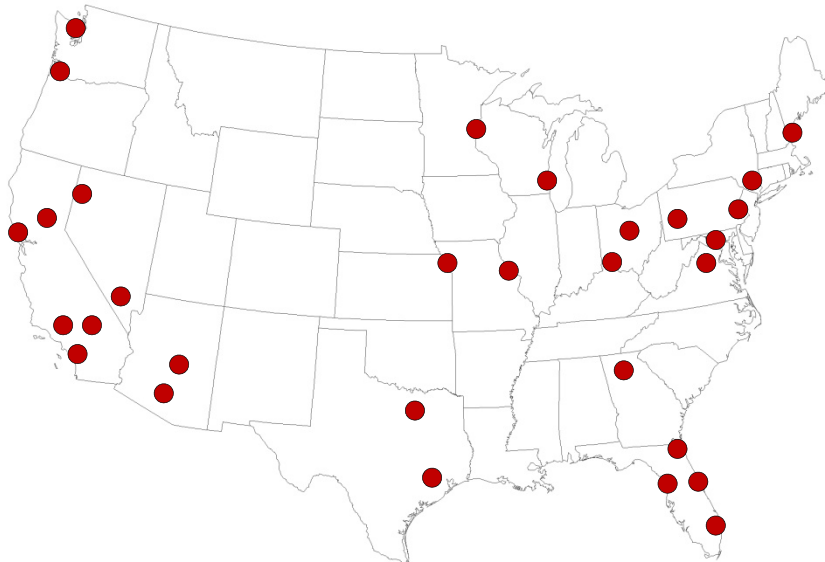
<sup>2</sup> In 2009, Treasury set a goal of offering help to 3-4 million borrowers through the end of 2012.

## Call Center Volume

	Cumulative	July
Total Number of Calls Taken at 1-888-995-HOPE (since program inception)	1,377,095	104,074
Borrowers Receiving Free Housing Assistance Through the Homeowner's HOPE™ Hotline	678,598	41,783

Source: Homeowner's HOPE™ Hotline.

## Location of Events Hosted by Treasury and Partners



Note: From program launch through July 2010. Some markets have been visited more than once.

## Event Locations (Listed in Chronological Order)

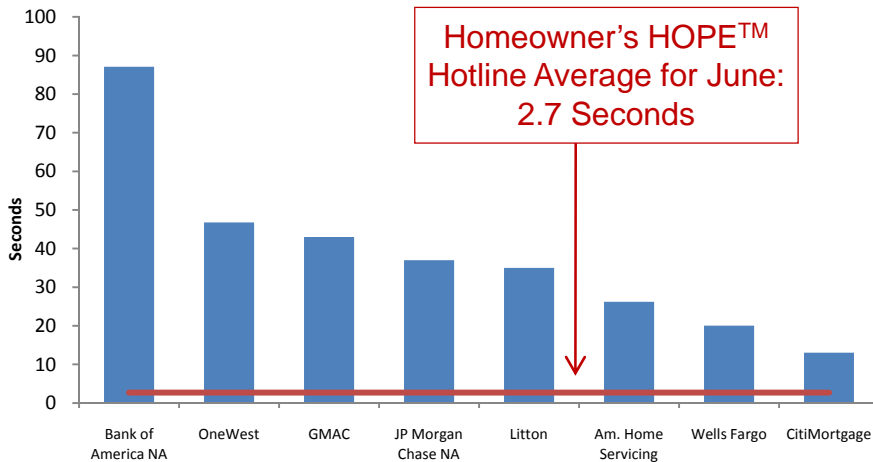
Miami, FL	Ft. Lauderdale/Coral Springs, FL
Sacramento, CA	Houston, TX
North Las Vegas, NV	Sacramento, CA
Phoenix, AZ	Tucson, AZ
Chicago, IL	Glendale, AZ
Prince William County, VA	Portland, OR
Prince George's County, MD	Seattle, WA
Boston, MA	Reno, NV
Tampa, FL	Las Vegas, NV
Stockton, CA	Richmond, VA
Philadelphia, PA	Long Island, NY
Cincinnati, OH	Anaheim, CA
San Diego, CA	San Bernardino, CA
Riverside, CA	Columbus, OH
Atlanta, GA	Kansas City, MO
St Louis, MO	San Francisco, CA
Dallas/Ft Worth, TX	Oakland, CA
Jacksonville, FL	Pittsburgh, PA
Orlando/Kissimmee, FL	Washington, DC
Los Angeles, CA	Minneapolis, MN
Ft Myers, FL	Atlanta, GA

# Making Home Affordable Program

Servicer Performance Report Through July 2010

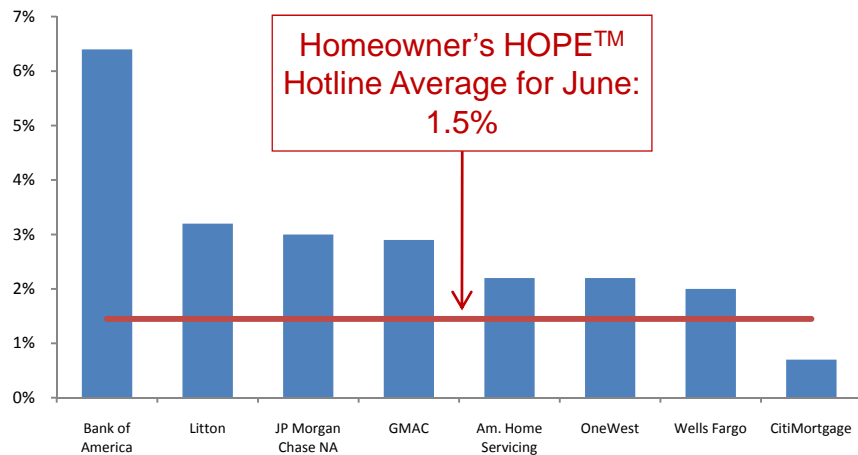
## Homeowner Experience (8 Largest Servicers)\*

### Average Speed to Answer Homeowner Calls (June)



Source: Survey data through June 30, 2010, from servicers on call volume to loss mitigation lines.

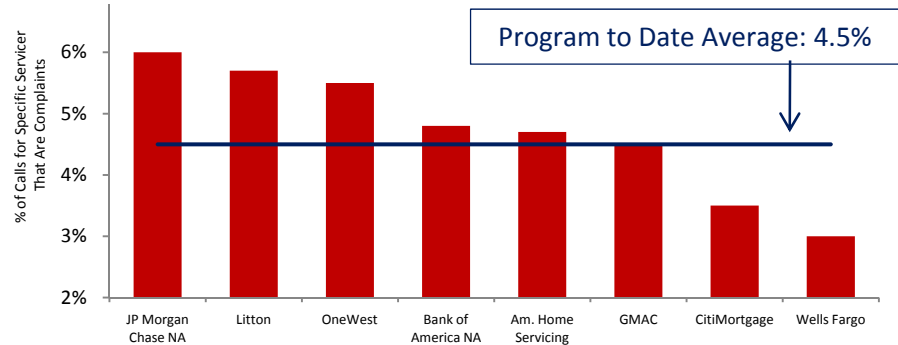
### Call Abandon Rate (June)



Source: Survey data through June 30, 2010, from servicers on call volume to loss mitigation lines.

### Servicer Complaint Rate to Homeowner's HOPE™ Hotline (Program to Date, Through July)

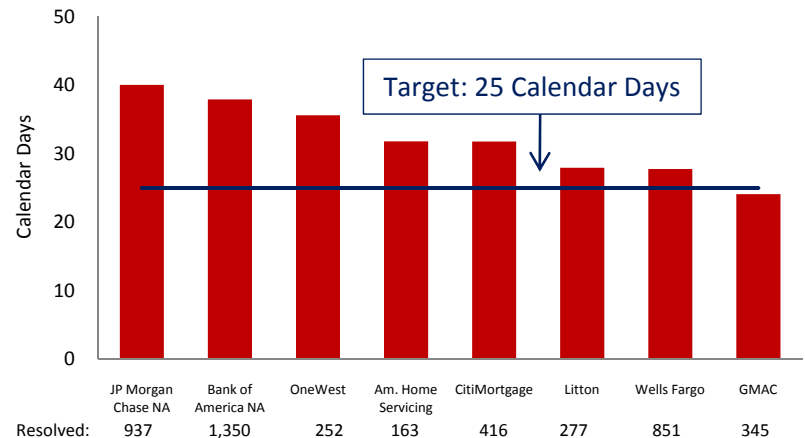
Program to date, there have been 650,202 calls to the Homeowner's HOPE™ Hotline regarding a specific SPA servicer, of which 4.5% included complaints. Below shows specific complaint rates.



Source: Homeowner's HOPE™ Hotline.

Note: Complaint rate is the share of a specific servicer's call volume that are complaints (i.e., for all calls about JP Morgan Chase, 6.0% included complaints.) The HOPE™ Hotline implemented a change to call center handling procedures effective June 25, 2010. The result of this procedural change is an increase in the capture of complaints identified by specific servicer, which previously were escalated prior to identifying the servicer involved.

### Servicer Time to Resolve Third-Party Escalations (Program to Date, Through July)



Resolved: 937 1,350 252 163 416 277 851 345  
 Cases (PTD)  
 Source: HAMP Solutions Center. Target of 25 calendar days includes an estimated 5 days processing by HAMP Solutions Center.

\*As defined by cap amount.



# Making Home Affordable Program

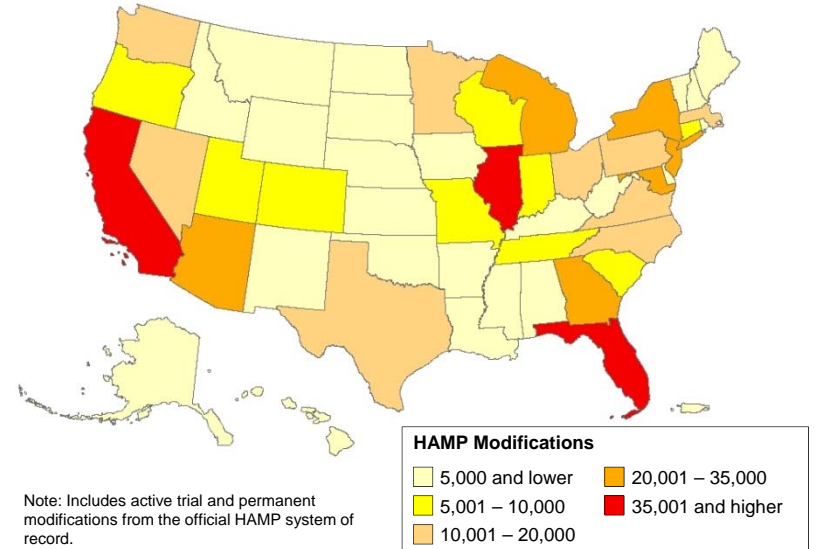
Servicer Performance Report Through July 2010

## HAMP Activity by State

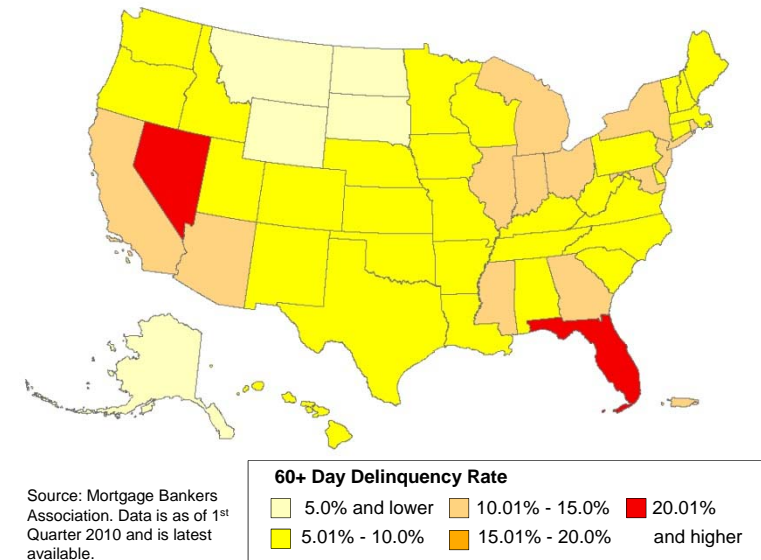
State	Active Trials	Permanent Modifications	Total	% of Total	State	Active Trials	Permanent Modifications	Total	% of Total
AK	115	178	293	0.0%	MT	328	456	784	0.1%
AL	1,645	2,545	4,190	0.6%	NC	4,709	8,109	12,818	1.9%
AR	588	1,053	1,641	0.2%	ND	49	78	127	0.0%
AZ	11,784	22,213	33,997	5.0%	NE	327	591	918	0.1%
CA	60,066	94,356	154,422	22.8%	NH	1,114	2,019	3,133	0.5%
CO	3,329	6,124	9,453	1.4%	NJ	8,421	13,793	22,214	3.3%
CT	3,156	5,505	8,661	1.3%	NM	879	1,340	2,219	0.3%
DC	463	699	1,162	0.2%	NV	7,043	11,288	18,331	2.7%
DE	749	1,383	2,132	0.3%	NY	12,774	17,613	30,387	4.5%
FL	31,206	50,687	81,893	12.1%	OH	5,561	9,559	15,120	2.2%
GA	9,285	15,521	24,806	3.7%	OK	680	1,005	1,685	0.2%
HI	984	1,562	2,546	0.4%	OR	2,747	4,700	7,447	1.1%
IA	682	1,090	1,772	0.3%	PA	5,410	8,855	14,265	2.1%
ID	972	1,612	2,584	0.4%	RI	1,175	2,229	3,404	0.5%
IL	13,223	22,627	35,850	5.3%	SC	2,338	4,190	6,528	1.0%
IN	2,434	4,279	6,713	1.0%	SD	122	153	275	0.0%
KS	643	1,039	1,682	0.2%	TN	2,552	4,529	7,081	1.0%
KY	1,001	1,639	2,640	0.4%	TX	8,213	10,563	18,776	2.8%
LA	1,417	2,120	3,537	0.5%	UT	2,299	3,922	6,221	0.9%
MA	5,849	10,637	16,486	2.4%	VA	6,122	10,660	16,782	2.5%
MD	8,066	14,184	22,250	3.3%	VT	182	359	541	0.1%
ME	676	1,186	1,862	0.3%	WA	4,919	8,296	13,215	1.9%
MI	8,117	14,525	22,642	3.3%	WI	2,406	4,284	6,690	1.0%
MN	3,947	8,360	12,307	1.8%	WV	344	682	1,026	0.2%
MO	2,790	4,728	7,518	1.1%	WY	141	209	350	0.1%
MS	861	1,622	2,483	0.4%	Other*	1,031	848	1,879	0.3%

\* Includes Guam, Puerto Rico and the U.S. Virgin Islands.

## Modification Activity by State



## Mortgage Delinquency Rates by State



# Making Home Affordable Program

Servicer Performance Report Through July 2010

## 15 Metropolitan Areas With Highest HAMP Activity

Metropolitan Statistical Area	Active Trials	Permanent Modifications	Total HAMP Activity	% of All HAMP Activity
Los Angeles-Long Beach-Santa Ana, CA	17,904	26,713	44,617	6.6%
New York-Northern New Jersey-Long Island, NY-NJ-PA	16,678	24,615	41,293	6.1%
Riverside-San Bernardino-Ontario, CA	12,691	22,478	35,169	5.2%
Chicago-Naperville-Joliet, IL-IN-WI	12,734	21,842	34,576	5.1%
Miami-Fort Lauderdale-Pompano Beach, FL	12,786	18,923	31,709	4.7%
Phoenix-Mesa-Scottsdale, AZ	9,735	18,409	28,144	4.2%
Washington-Arlington-Alexandria, DC-VA-MD-WV	8,542	15,035	23,577	3.5%
Atlanta-Sandy Springs-Marietta, GA	7,510	12,621	20,131	3.0%
Las Vegas-Paradise, NV	5,866	9,242	15,108	2.2%
Detroit-Warren-Livonia, MI	5,059	8,797	13,856	2.0%
Orlando-Kissimmee, FL	4,898	8,448	13,346	2.0%
Boston-Cambridge-Quincy, MA-NH	4,148	7,570	11,718	1.7%
Sacramento-Arden-Arcade-Roseville, CA	4,045	7,194	11,239	1.7%
San Francisco-Oakland-Fremont, CA	4,912	6,327	11,239	1.7%
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	4,143	7,023	11,166	1.6%

A complete list of HAMP activity for all MSAs is available at <http://www.financialstability.gov/docs/MSA%20Data%20July%202010.pdf>

## Modifications by Investor Type (Large Servicers)

Servicer	GSE	Private	Portfolio	Total
Bank of America, NA <sup>1</sup>	104,960	48,399	7,712	161,071
JP Morgan Chase NA <sup>2</sup>	44,544	37,091	14,440	96,075
Wells Fargo Bank, NA <sup>3</sup>	48,786	14,323	5,961	69,070
CitiMortgage, Inc.	44,197	4,143	16,394	64,734
OneWest Bank	16,029	14,047	2,399	32,475
GMAC Mortgage, Inc.	19,825	6,216	6,372	32,413
Ocwen Financial Corporation, Inc.	5,850	17,114	430	23,394
American Home Mortgage Servicing Inc	1,137	19,616	-	20,753
Select Portfolio Servicing	426	15,867	2,031	18,324
Aurora Loan Services, LLC	10,897	7,139	221	18,257
Wachovia Mortgage, FSB <sup>4</sup>	159	93	13,937	14,189
Saxon Mortgage Services Inc.	1,160	12,230	631	14,021
Nationstar Mortgage LLC	8,914	4,136	5	13,055
Litton Loan Servicing LP	1,069	10,161	-	11,230
US Bank NA	6,158	14	2,902	9,074
HomeEq Servicing	2	5,569	251	5,822
PNC Mortgage <sup>5</sup>	4,295	188	441	4,924
Green Tree Servicing LLC	4,184	280	22	4,486
Carrington Mortgage Services LLC	-	2,860	-	2,860
Remainder of HAMP Servicers	52,817	3,406	5,288	61,511
<b>Total</b>	<b>375,409</b>	<b>222,892</b>	<b>79,437</b>	<b>677,738</b>

<sup>1</sup> Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loans Services and Wilshire Credit Corporation.

<sup>2</sup> J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

<sup>3</sup> Wells Fargo Bank, NA includes a portion of the loans previously included in Wachovia Mortgage, FSB.

<sup>4</sup> Wachovia Mortgage, FSB consists of Wachovia Mortgage FSB Pick-a-Payment loans.

<sup>5</sup> Formerly National City Bank.

Note: Figures reflect active trials and permanent modifications.

# Making Home Affordable Program

Servicer Performance Report Through July 2010

## Appendix A: Non-GSE Participants in HAMP

Allstate Mortgage Loans & Investments, Inc.	Green Tree Servicing LLC	Purdue Employees Federal Credit Union
American Eagle Federal Credit Union	Hartford Savings Bank	QLending, Inc.
American Home Mortgage Servicing, Inc	Hillsdale County National Bank	Quantum Servicing Corporation
AMS Servicing, LLC	HomEq Servicing	Residential Credit Solutions
Aurora Loan Services, LLC	HomeStar Bank & Financial Services	RG Mortgage Corporation
Bank of America, N.A. <sup>1</sup>	Horicon Bank	Roebing Bank
Bank United	Horizon Bank, NA	RoundPoint Mortgage Servicing Corporation
Bay Federal Credit Union	Iberiabank	Saxon Mortgage Services, Inc.
Bay Gulf Credit Union	IBM Southeast Employees' Federal Credit Union	Schools Financial Credit Union
Bayview Loan Servicing, LLC	IC Federal Credit Union	SEFCU
Carrington Mortgage Services, LLC	Idaho Housing and Finance Association	Select Portfolio Servicing
CCO Mortgage	iServe Residential Lending LLC	Servis One Inc., dba BSI Financial Services, Inc.
Central Florida Educators Federal Credit Union	iServe Servicing Inc.	ShoreBank
Central Jersey Federal Credit Union	J.P.Morgan Chase Bank, NA <sup>2</sup>	Silver State Schools Credit Union
Chase Home Finance, LLC	Lake City Bank	Sound Community Bank
CitiMortgage, Inc.	Lake National Bank	Specialized Loan Servicing, LLC
Citizens 1st National Bank	Litton Loan Servicing	Spirit of Alaska Federal Credit Union
Citizens First Wholesale Mortgage Company	Los Alamos National Bank	Stanford Federal Credit Union
Community Bank & Trust Company	Marix Servicing, LLC	Sterling Savings Bank
CUC Mortgage Corporation	Metropolitan National Bank	Technology Credit Union
DuPage Credit Union	Midwest Bank & Trust Co.	Tempe Schools Credit Union
Eaton National Bank & Trust Co	Mission Federal Credit Union	The Golden 1 Credit Union
Farmers State Bank	MorEquity, Inc.	U.S. Bank National Association
Fidelity Homestead Savings Bank	Mortgage Center, LLC	United Bank of Georgia
First Bank	Mortgage Clearing Corporation	United Bank Mortgage Corporation
First Keystone Bank	National City Bank	Urban Trust Bank
First National Bank of Grant Park	Nationstar Mortgage LLC	Vantium Capital, Inc.
Franklin Credit Management Corporation	Navy Federal Credit Union	Verity Credit Union
Fresno County Federal Credit Union	Oakland Municipal Credit Union	Vist Financial Corp.
Glass City Federal Credit Union	Ocwen Financial Corporation, Inc.	Wells Fargo Bank, NA <sup>3</sup>
GMAC Mortgage, Inc.	OneWest Bank	Wealthbridge Mortgage Corp.
Golden Plains Credit Union	ORNL Federal Credit Union	Wescom Central Credit Union
Grafton Suburban Credit Union	Park View Federal Savings Bank	Yadkin Valley Bank
Great Lakes Credit Union	PennyMac Loan Services, LLC	
Greater Nevada Mortgage Services	PNC Bank, National Association	

<sup>1</sup> Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Wilshire Credit Corporation.

<sup>2</sup> J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

<sup>3</sup> Wells Fargo Bank, NA includes Wachovia Mortgage FSB and Wachovia Bank NA.

# Making Home Affordable Program

Servicer Performance Report Through July 2010

## Appendix B: Description of Compliance Activities

*Note: Servicer-specific compliance data will be reported quarterly.*

### Description of Compliance Activities

Freddie Mac, serving as Compliance Agent for Treasury's Home Affordable Modification Program (HAMP), has created a separate division known as Making Home Affordable - Compliance (MHA-C). Using a risk-based approach, MHA-C conducts a number of different types of compliance activities to assess servicer compliance with HAMP guidelines, as described below.

On Site Reviews: Readiness & Governance – A review performed by MHA-C to assess the servicer's preparedness for complying with new/future HAMP requirements, or to research a trend or potential implementation risk. Reviews are performed as needed, determined by frequency of new program additions.

NPV – A review conducted by MHA-C to determine the servicer's adherence to the HAMP NPV guidelines. For those servicers that have elected to recode the NPV model into their own systems (recoders), the testing process is designed to ensure the servicer's NPV model is accurately calculating NPV and that the model usage is consistent with directives. At a minimum, recoders are subject to quarterly off-site testing and semi-annual for on-site reviews. For servicers using the Treasury NPV Web Portal, reviews of data submissions are performed on a monthly basis.

On Site Reviews: Implementation – A review conducted by MHA-C covering the servicer's overall execution of the HAMP program. Areas covered include, among other things, solicitation, eligibility, underwriting, document management, payment processing, reporting, and governance. Reviews are performed at a minimum for larger servicers on a semi-annual schedule and for smaller servicers on an annual schedule.

Loan File Review – A review performed by MHA-C of a servicer's non-performing loan portfolio primarily to assess completeness of relevant documentation and appropriate loan modification decisioning. This includes reviews of

loans which have successfully converted to a permanent modification to ensure they meet the HAMP guidelines, as well as loans that have not been offered HAMP modifications to ensure that the exclusion was appropriate ("Second Look"). Larger servicers are on an alternating permanent modifications and Second Look monthly loan file review cycle. These Loan File reviews consist of a statistical sample (typically 100-150 loan files per larger servicer). Smaller servicers are also statistically sampled on a quarterly or semi-annual cycle.

Incentive Payments – A review performed by MHA-C to determine the accuracy and validity of borrower and investor incentive payments, and to assess whether borrower payments are appropriately allocated to borrowers' loan principal in accordance with HAMP guidelines. They are performed at a minimum annually on the top 21 servicers.

### Areas of Compliance Focus

Based on the results of MHA-C's reviews to date and anticipated risks to the program, HAMP compliance efforts will remain focused on the following general areas:

Borrower Solicitation – Servicers are required to solicit eligible borrowers without delay and not conduct foreclosure proceedings until such borrowers are appropriately considered for HAMP. It is critical that servicers not take actions that would lead to borrowers becoming displaced from their home without being given proper consideration for a loan modification or other foreclosure alternative. Servicers should ensure that their operating protocols identify all populations of eligible borrowers. Servicers should ensure that their operating procedures meet or exceed the minimum requirements of Supplemental Directive 10-02 related to borrower solicitation and contact.

Underwriting Documentation – Servicers must retain a complete and consistent set of documentation for all loans considered for HAMP, including evidence supporting borrower income. In addition, appropriate documentation must support all decisions (e.g., denials, permanent

modifications, etc.) made by the servicer. Servicers' quality assurance departments are required, and expected, to play an active role in the ongoing evaluation of the servicers' underwriting process and related documentation.

NPV model usage – Servicers are required to utilize net present value (NPV) models that produce valid and accurate results. In order to eliminate adverse borrower outcomes from negative NPV results, servicers must hold required inputs constant between NPV tests. Servicers should regularly test their recoded NPV models against the Treasury NPV Portal to identify any anomalous or inaccurate results.

Document processing and control – Servicers must have policies and procedures that clearly describe document acquisition, tracking, and retention practices. Any potential for misplaced or lost documents should immediately be addressed so that timely decisions can be made for borrowers eligible for assistance under HAMP. In addition, servicers should ensure that proper training and education is provided for all parties involved in the document management life cycle, including those with responsibility for the servicers' document management technology.

IR2 Data Maintenance – Servicers are required to report timely and accurate information to the Program Administrator's IR2 data base. This information serves not only to measure HAMP's progress, but also as the authoritative source for incentive payments due to borrowers, servicers, and investors. Servicers should be conducting ongoing reviews of their reported data and be prepared to explain circumstances where data is either inconsistent or missing.

Governance – Servicers should ensure that a sound governance process exists for HAMP. An appropriate governance model begins with senior executive accountability and extends to formal policies and procedures for HAMP-related activities, including the development of comprehensive fraud prevention, fair lending, and quality assurance programs.