

# Making Home Affordable Program

Servicer Performance Report Through November 2010

## Report Highlights

### **Nearly 550,000 Homeowners Granted Permanent Modifications**

- Nearly 30,000 new permanent modifications reported in November.
- More than 650,000 homeowners are realizing payment relief through active HAMP trial modifications and permanent modifications.
- For homeowners in permanent modifications, their median first-lien housing expense fell from 45% of their monthly income to 31%.
- As servicers continue to work through the backlog of trials lasting six months or more, the number of these aged trials has fallen below 50,000.

### **This Month: Quarterly Results of Compliance Second-Look Reviews**

- Making Home Affordable-Compliance (MHA-C) conducts Second Look reviews of homeowner loan files that were not in HAMP modifications to ensure that the servicer's actions were appropriate.
- MHA-C disagreed with servicer-actions an average of 2.4% of the time in the 2<sup>nd</sup> quarter, lowering the year-to-date average to 2.9%.
- During this quarter, MHA-C was unable to determine whether the loan was properly evaluated for HAMP on average 15% of the time. As a result of this significant increase from the year-to-date average of 10%, MHA-C will be conducting targeted follow-up activities to understand the cause of this increase so that Treasury may determine appropriate remedial actions.
- MHA-C performs follow-up activities on loans where MHA-C disagrees with servicer decisions or is unable to determine the appropriateness of the disposition of the loan. Historically, these follow-up activities have resulted in 41% of loans in the *Disagree* category being re-classified as *Agrees* after the servicer provided additional documentation.

## Inside:

HAMP Program Snapshot	2
Characteristics of Permanent Modifications	3
Servicer Activity	4
Selected Outreach Measures	7
Disposition Path of Homeowners Ineligible for HAMP Trials	6
Selected Outreach Measures	7
Waterfall of HAMP-Eligible Borrowers	7
Results of Compliance Reviews	8
Homeowner Experience	9
HAMP Activity by State	10
HAMP Activity by Metropolitan Area	11
Modifications by Investor Type	11
List of Non-GSE Participants	12
Participants in Additional MHA Programs	13
Definitions of Compliance Activities	14
Areas of Compliance Emphasis	15

# Making Home Affordable Program

Servicer Performance Report Through November 2010

## HAMP Activity: All Servicers

		Total
<b>HAMP Eligibility</b> (As of Oct. 31, 2010)	Eligible Delinquent Loans <sup>1</sup>	2,911,106
	Eligible Delinquent Borrowers <sup>2</sup>	1,463,254
<b>Trial Modifications</b>	Trial Plan Offers Extended (Cumulative) <sup>3</sup>	1,684,136
	All Trials Started <sup>4</sup>	1,426,833
	Trials Reported Since Oct. 2010 Report <sup>5</sup>	31,290
	Trial Modifications Canceled (Cumulative)	729,109
	Active Trials	148,104
<b>Permanent Modifications</b>	All Permanent Modifications Started	549,620
	Permanent Modifications Reported Since Oct. 2010 Report	29,972
	Permanent Modifications Canceled (Cumulative) <sup>6</sup>	44,972
	Active Permanent Modifications	504,648
<b>FHA-HAMP</b>	FHA-HAMP Trial Modifications Started	1,602
	FHA-HAMP Permanent Modifications Started	576

<sup>1</sup> Estimated eligible 60+ day delinquent loans as reported by servicers as of Oct. 31, 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 September 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.

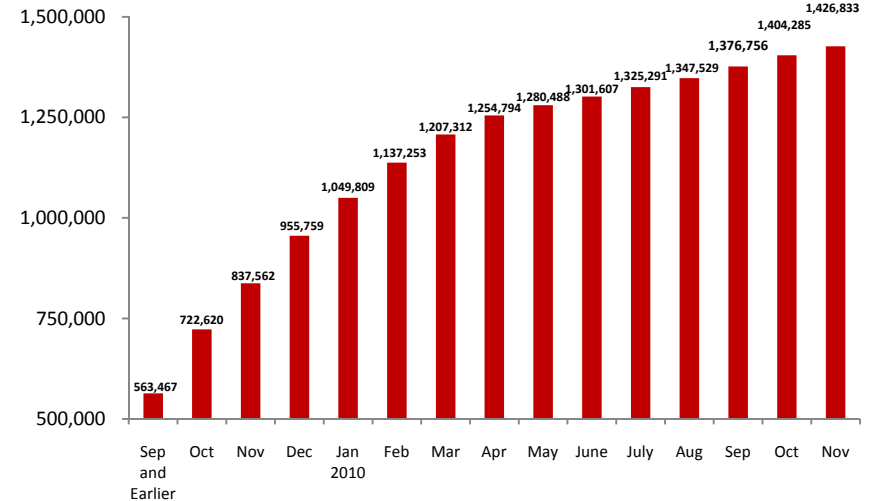
<sup>3</sup> As reported in the weekly servicer survey of large SPA servicers through December 2, 2010.

<sup>4</sup> Data includes HAMP modifications only. Except for the two lines in the above table, FHA-HAMP modifications are excluded from exhibits in this report.

<sup>5</sup> Servicers may enter new trial modifications into the HAMP system of record anytime before the loan converts to a permanent modification.

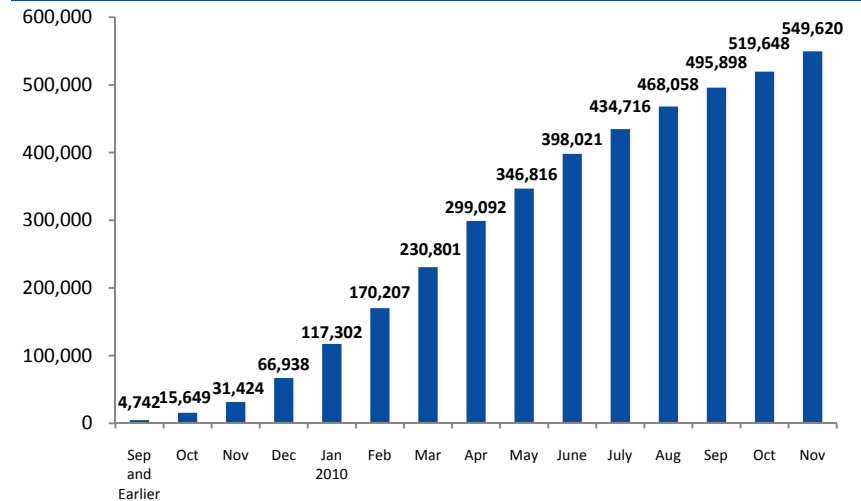
<sup>6</sup> A permanent modification is canceled when the borrower has missed three consecutive monthly payments. Includes 590 loans paid off.

## HAMP Trials Started (Cumulative)



Source: HAMP system of record. Servicers may enter new trial modifications into the HAMP system of record anytime before the loan converts to a permanent modification. For example, 31,290 trials have entered the HAMP system of record since the prior report; of those, 22,548 were trials with a first payment recorded in November.

## Permanent Modifications Started (Cumulative)



Source: HAMP system of record.

# Making Home Affordable Program

Servicer Performance Report Through November 2010

## Modification Characteristics

- Aggregate reductions in monthly mortgage payments for borrowers who received permanent modifications are estimated to total \$4.1 billion.
- The median savings for borrowers in active permanent modifications is \$524.41, or 37% of the median payment before modification.

## Active Permanent Modifications by Modification Step

Interest Rate Reduction	100%
Term Extension	57.8%
Principal Forbearance	30.1%

## Select Median Characteristics of Active Permanent Modifications

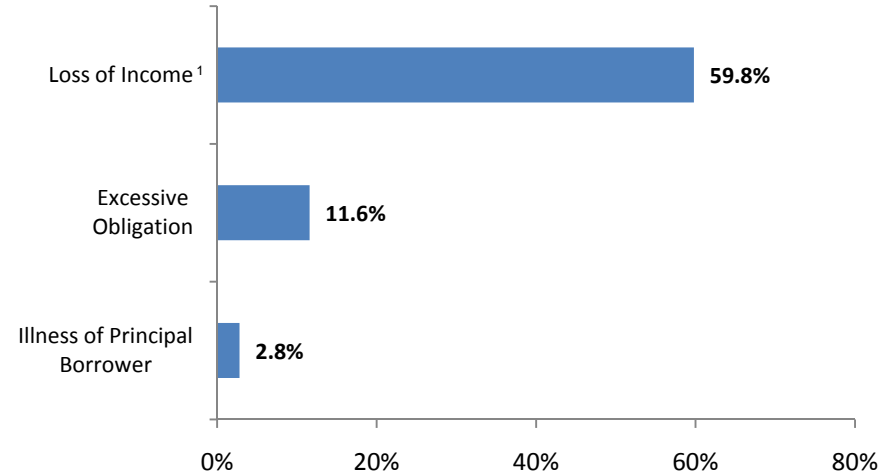
Loan Characteristic	Before Modification	After Modification	Median Decrease
Front-End Debt-to-Income Ratio <sup>1</sup>	45.2%	31.0%	-14.2 pct pts
Back-End Debt-to-Income Ratio <sup>2</sup>	79.2%	62.4%	-14.8 pct pts
Median Monthly Housing Payment <sup>3</sup>	\$1,434.98	\$838.00	-\$524.41

<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.

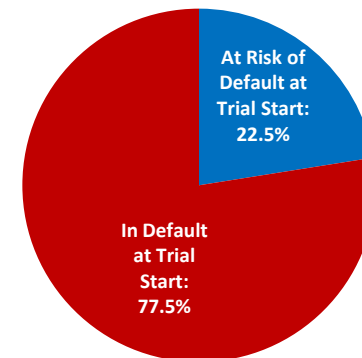
## Predominant Hardship Reasons for Active Permanent Modifications



<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 17.5% 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 of permanent modifications is reported quarterly.

# Making Home Affordable Program

Servicer Performance Report Through November 2010

## HAMP Modification Activity by Servicer

Servicer	As of Oct. 31, 2010	Cumulative			As of Nov. 30, 2010	
	Estimated Eligible 60+ Day Delinquent Borrowers <sup>1</sup>	Trial Plan Offers Extended <sup>2</sup>	All HAMP Trials Started <sup>3</sup>	All HAMP Permanent Modifications Started <sup>4</sup>	Active Trial Modifications <sup>3</sup>	Active Permanent Modifications <sup>3</sup>
American Home Mortgage Servicing Inc	53,042	31,536	28,270	17,204	8,437	16,167
Aurora Loan Services, LLC	31,442	49,177	38,458	13,992	1,476	12,830
Bank of America, NA <sup>4</sup>	425,308	455,730	342,602	93,499	46,749	83,759
CitiMortgage, Inc.	113,843	167,666	153,178	55,333	8,580	52,856
GMAC Mortgage, LLC	16,442	65,721	53,771	36,718	4,071	34,116
J.P. Morgan Chase Bank, NA <sup>5</sup>	203,594	276,554	222,988	76,140	17,501	67,722
Litton Loan Servicing LP	46,871	38,977	36,031	9,831	1,429	8,983
Nationstar Mortgage LLC	18,460	28,399	25,800	13,020	2,367	11,937
Ocwen Financial Corp. Inc.	48,880	42,426	38,077	27,813	5,576	24,454
OneWest Bank	41,564	64,184	47,710	22,844	4,468	21,393
PNC Mortgage <sup>6</sup>	15,155	23,496	18,758	4,689	989	4,350
Saxon Mortgage Services, Inc.	25,432	41,992	36,465	13,292	1,946	12,563
Select Portfolio Servicing	19,086	64,956	39,426	18,440	2,063	16,607
US Bank NA	16,059	15,256	14,019	8,675	2,750	8,132
Wells Fargo Bank, NA <sup>7</sup>	175,362	287,197	207,793	72,794	16,612	68,449
Other SPA servicers <sup>8</sup>	26,407	30,869	29,141	17,908	4,253	16,493
Other GSE Servicers <sup>9</sup>	186,307	NA	94,346	47,428	18,837	43,837
<b>Total</b>	<b>1,463,254</b>	<b>1,684,136</b>	<b>1,426,833</b>	<b>549,620</b>	<b>148,104</b>	<b>504,648</b>

<sup>1</sup> Estimated eligible 60+ day delinquent borrowers as reported by servicers as of October 31, 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 September 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 of large SPA servicers through December 2, 2010.

<sup>3</sup> As reported into the HAMP system of record by servicers. Excludes FHA-HAMP modifications. 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.

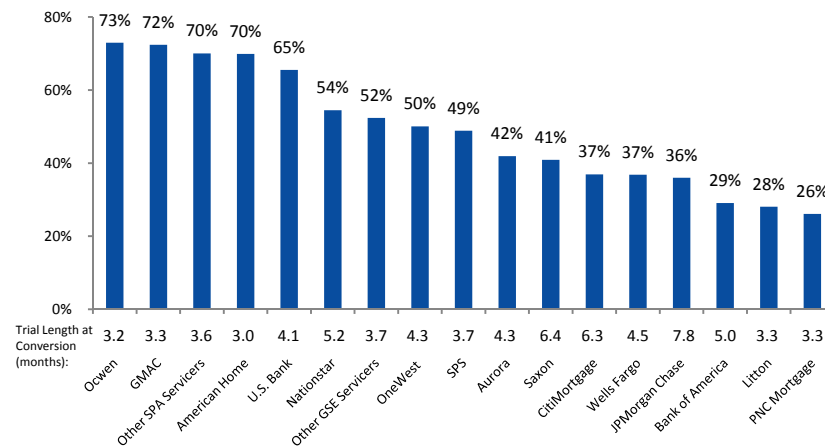
<sup>6</sup> Formerly National City Bank.

<sup>7</sup> Wells Fargo Bank, NA includes all loans previously reported under Wachovia Mortgage, FSB.

<sup>8</sup> Other SPA servicers are entities with less than 5,000 estimated eligible 60+ day delinquent borrowers as of October 31, 2010, that have signed participation agreements with Treasury and Fannie Mae. A full list of participating servicers is in Appendix A.

<sup>9</sup> Includes servicers of loans owned or guaranteed by Fannie Mae and Freddie Mac. Includes GSE loans transferred from SPA servicers.

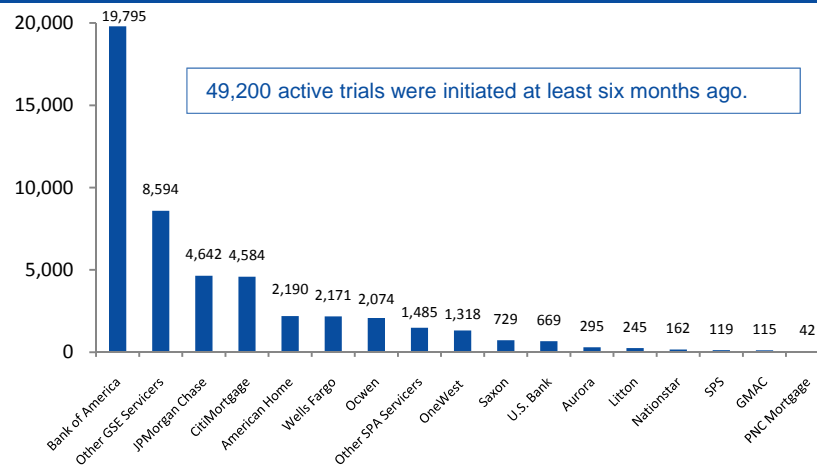
## Conversion Rate<sup>1</sup>



Note: Per program guidelines, effective June 1, 2010 all trials must be started using verified income. Prior to June 1, some servicers initiated trials using stated income information.

<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. Permanent modifications transferred among servicers are credited to the originating servicer.

## Aged Trials<sup>1</sup>



<sup>1</sup> As of November 30, 2010. Active trials initiated at least six months ago.

# Making Home Affordable Program

Servicer Performance Report Through November 2010

## Disposition Path Homeowners in Canceled HAMP Trial Modifications Survey Data Through October 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 October 2010)
American Home Mortgage Servicing Inc.	210	25	199	787	33	43	90	192	22	1,601
Bank of America, NA <sup>4</sup>	52,790	4,409	18,135	63,627	1,794	2,227	20,313	17,021	3,603	183,919
CitiMortgage Inc.	21,165	3,912	7,876	36,237	1,079	1,224	2,473	11,267	2,743	87,976
GMAC Mortgage, LLC	1,764	347	1,072	5,904	177	271	592	1,779	824	12,730
JP Morgan Chase Bank NA <sup>5</sup>	12,320	844	2,814	61,527	321	2,606	4,918	20,900	7,059	113,309
Litton Loan Servicing LP	3,387	668	1,856	13,615	363	118	1,107	2,476	671	24,261
OneWest Bank	1,279	718	470	10,501	231	15	726	3,658	1,962	19,560
Wells Fargo Bank NA <sup>6</sup>	4,690	737	13,252	63,071	1,024	4,221	4,448	19,333	8,090	118,866
<b>TOTAL (These 8 Servicers)</b>	<b>97,605 17.4%</b>	<b>11,660 2.1%</b>	<b>45,674 8.1%</b>	<b>255,269 45.4%</b>	<b>5,022 0.9%</b>	<b>10,725 1.9%</b>	<b>34,667 6.2%</b>	<b>76,626 13.6%</b>	<b>24,974 4.4%</b>	<b>562,222 100.0%</b>

The most common causes of trial cancellations are:

- Insufficient documentation
- Trial plan payment default
- Ineligible borrower: first-lien housing expense is already below 31% of household income

Note: Data is as reported by servicers for actions completed through October 31, 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 all loans previously reported under Wachovia Mortgage, FSB.

Note: Excludes cancellations pending data corrections and loans otherwise removed from servicing portfolios.

# Making Home Affordable Program

Servicer Performance Report Through November 2010

## Disposition Path Homeowners Not Accepted for HAMP Trial Modifications Survey Data Through October 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 October 2010)
American Home Mortgage Servicing Inc.	1,494	497	4,590	18,524	454	87	858	3,562	343	30,409
Bank of America, NA <sup>4</sup>	20,395	3,629	5,331	13,921	1,217	1,331	19,405	33,750	12,867	111,846
CitiMortgage Inc.	39,366	7,736	34,762	34,290	6,603	2,460	3,664	8,862	4,081	141,824
GMAC Mortgage, LLC	25,421	4,868	27,902	34,312	2,744	1,639	4,418	19,373	7,263	127,940
JP Morgan Chase Bank NA <sup>5</sup>	48,292	3,365	91,441	89,961	853	21,650	7,768	27,744	7,808	298,882
Litton Loan Servicing LP	9,685	3,673	7,815	12,697	1,104	444	4,118	9,973	3,118	52,627
OneWest Bank	5,103	2,107	17,220	6,351	1,124	470	1,833	9,945	3,499	47,652
Wells Fargo Bank NA <sup>6</sup>	18,775	3,678	48,362	53,472	1,289	5,880	10,273	19,163	10,394	171,286
<b>TOTAL (These 8 Servicers)</b>	<b>168,531</b> <b>17.2%</b>	<b>29,553</b> <b>3.0%</b>	<b>237,423</b> <b>24.2%</b>	<b>263,528</b> <b>26.8%</b>	<b>15,388</b> <b>1.6%</b>	<b>33,961</b> <b>3.5%</b>	<b>52,337</b> <b>5.3%</b>	<b>132,372</b> <b>13.5%</b>	<b>49,373</b> <b>5.0%</b>	<b>982,466</b> <b>100.0%</b>

The most common causes of trials not accepted are:

- Insufficient documentation
- Ineligible borrower: first-lien housing expense is already below 31% of household income
- Ineligible mortgage

Note: Data is as reported by servicers for actions completed through October 31, 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 all loans previously reported under Wachovia Mortgage, FSB.

Note: Excludes loans removed from servicing portfolios.

# Making Home Affordable Program

Servicer Performance Report Through November 2010

## Selected Homeowner Outreach Measures

Homeowner Outreach Events Hosted Nationally by Treasury and Partners (cumulative)	49
Homeowners Attending Treasury-Sponsored Events (cumulative)	49,506
Servicer Solicitation of Borrowers (cumulative) <sup>1</sup>	6,638,016
Page views on <a href="http://MakingHomeAffordable.gov">MakingHomeAffordable.gov</a> (November 2010)	2,560,921
Page views on <a href="http://MakingHomeAffordable.gov">MakingHomeAffordable.gov</a> (cumulative)	104,440,505
Percentage to Goal of 3-4 Million Modification Offers	42-56%

<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.

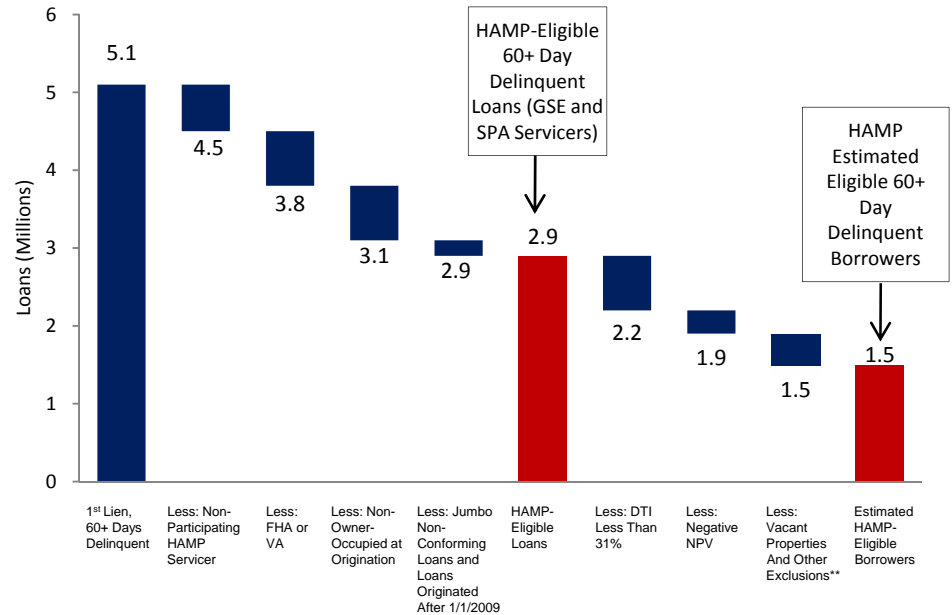
## Call Center Volume

	Cumulative	November
Total Number of Calls Taken at 1-888-995-HOPE (since program inception)	1,812,035	89,240
Borrowers Receiving Free Housing Assistance Through the Homeowner's HOPE™ Hotline	870,958	40,292

Source: Homeowner's HOPE™ Hotline.

## Waterfall of Estimated Eligible Borrowers

Not all 60-day delinquent loans are eligible for HAMP. Other characteristics may preclude homeowner eligibility. Based on the estimates, of the 5.1 million homeowners who are currently 60+ days delinquent, 1.5 million homeowners are eligible for HAMP. As this represents a point-in-time snapshot of the delinquency population and estimated HAMP eligibility, we expect that more homeowners will become seriously delinquent between now and the end of 2012, and some of those homeowners will be eligible for HAMP.



\*\* Other exclusions include: no longer owner-occupied; investor's pooling and servicing agreement precludes modification; and manufactured housing loans with titling/chattel issues that exclude them from HAMP.

Note: Chart refers only to borrowers eligible for the first-lien modification program.

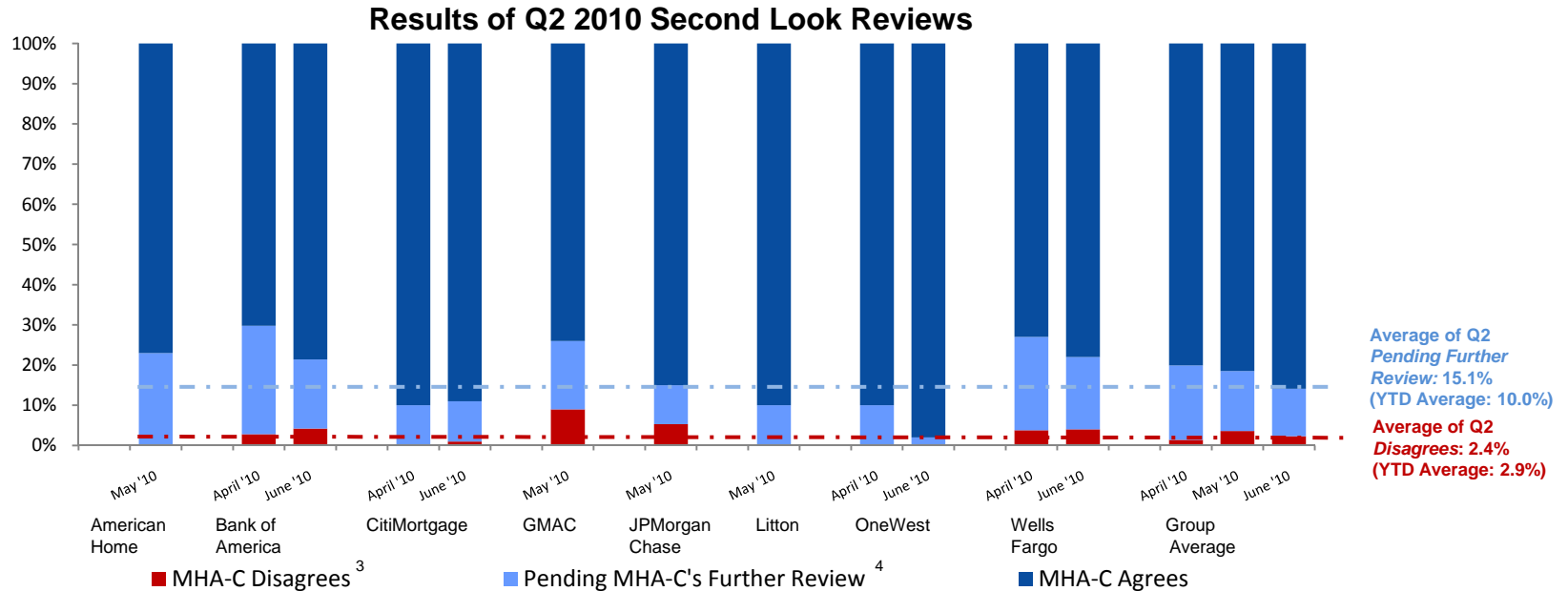
Sources: Fannie Mae; monthly survey of participating servicers for October 31, 2010. Total 60+ day delinquency figure derived from 3<sup>rd</sup> Quarter 2010 MBA National Delinquency Survey. Excluded loans are as reported by large servicers by survey who have signed a servicer participation agreement for HAMP.

# Making Home Affordable Program

Servicer Performance Report Through November 2010

## Results of Compliance Second-Look Reviews (Q2 2010)

Making Home Affordable-Compliance (MHA-C) conducts Second Look<sup>1,2</sup> reviews of homeowner loan files that were not in HAMP modifications to ensure that the servicer's actions were appropriate.



- MHA-C disagreed with servicer actions an average of 2.4% in the 2<sup>nd</sup> quarter (2.9% YTD). MHA-C conducts targeted follow-up on servicers with above-average *Disagree* rates.
- An average of 15.1% of loan file reviews are *Pending Further Review* in the 2<sup>nd</sup> quarter, above the YTD average of 10.0%. MHA-C will conduct targeted reviews to understand this increase.
- For *Disagree* or *Pending Further Review* results, actions typically required of servicers are: reevaluating loans not offered HAMP modifications; submitting additional documentation; clarifying loan status; engaging in process remediation or other actions as directed by Treasury. For such results, servicers are reminded of their obligation to forestall foreclosure of the loan until the items are resolved.
- Historically, follow-up activities have resulted in re-classifying 41% of loans in the *Disagrees* category as *Agrees* after the servicer provided additional documentation. For an additional 19% of *Disagrees*, MHA-C confirmed that appropriate remedial actions had been taken by the servicers.
- The results of Second Look reviews help determine the types of other compliance activities and the frequency with which those activities will be conducted. Please see Appendix B for a detailed description of compliance activities.

<sup>1</sup> Second Look Results are derived from a statistical sample of loan files for borrowers not in a HAMP modification (typically 100 loan files). Chart shows results for largest servicers; an additional 9 servicers were evaluated in the 2<sup>nd</sup> quarter.

<sup>2</sup> Starting with this report, loans where borrowers were in process of consideration for HAMP are included in the calculation of results, which allows for a more comprehensive picture of servicers' HAMP compliance.

<sup>3</sup> Cases where the borrower was not appropriately solicited or evaluated for HAMP.

<sup>4</sup> Cases where MHA-C was unable to determine if the servicer's actions were appropriate without further information from the servicer.

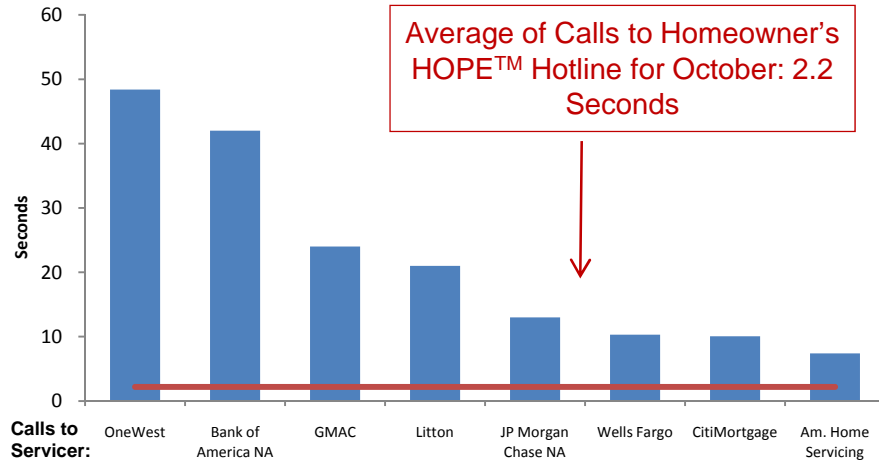


# Making Home Affordable Program

Servicer Performance Report Through November 2010

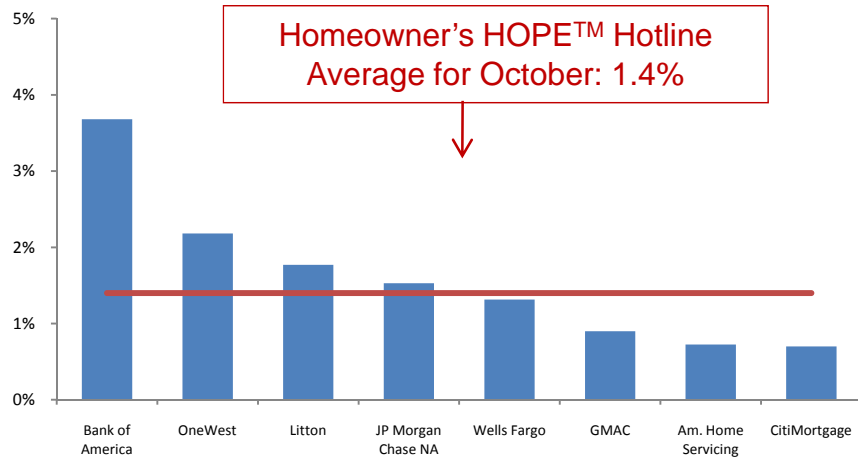
## Homeowner Experience (8 Largest Servicers)\*

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



Source: Survey data through October 31, 2010, from servicers on call volume to loss mitigation lines.

### Call Abandon Rate (October)

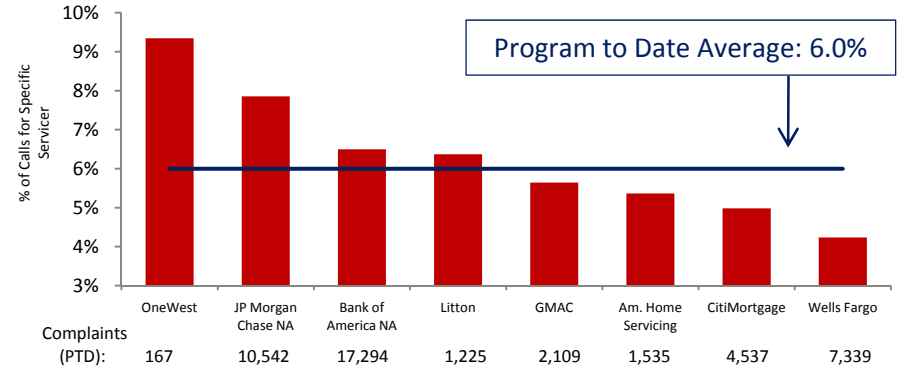


Source: Survey data through October 31, 2010, from servicers on call volume to loss mitigation lines.

\*As defined by cap amount.

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

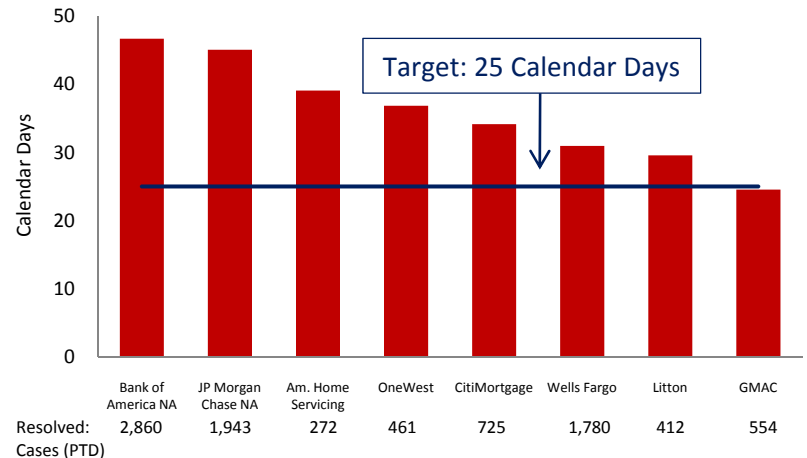
Program to date, there have been 882,644 calls to the Homeowner's HOPE™ Hotline regarding a specific SPA servicer, of which 6.0% included complaints. Below shows specific complaint rates.



Complaints (PTD):  
 OneWest: 167  
 JP Morgan Chase NA: 10,542  
 Bank of America NA: 17,294  
 Litton: 1,225  
 GMAC: 2,109  
 Am. Home Servicing: 1,535  
 CitiMortgage: 4,537  
 Wells Fargo: 7,339

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 OneWest, 9.3% included complaints.)

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



Resolved: 2,860  
 Cases (PTD)  
 JP Morgan Chase NA: 1,943  
 Am. Home Servicing: 272  
 OneWest: 461  
 CitiMortgage: 725  
 Wells Fargo: 1,780  
 Litton: 412  
 GMAC: 554

Source: HAMP Solutions Center. Target of 25 calendar days includes an estimated 5 days processing by HAMP Solutions Center.

# Making Home Affordable Program

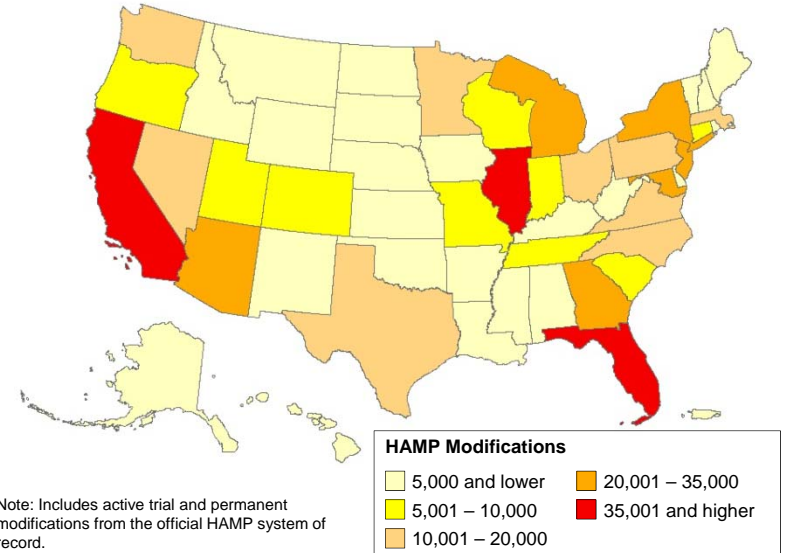
Servicer Performance Report Through November 2010

## HAMP Activity by State

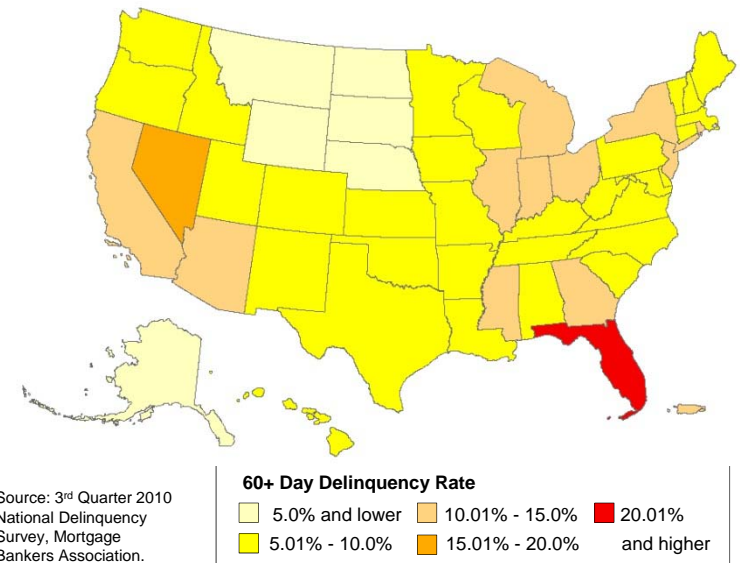
State	Active Trials	Permanent Modifications	Total	% of Total	State	Active Trials	Permanent Modifications	Total	% of Total
AK	77	201	278	0.0%	MT	195	538	733	0.1%
AL	998	2,905	3,903	0.6%	NC	2,719	9,466	12,185	1.9%
AR	336	1,160	1,496	0.2%	ND	23	85	108	0.0%
AZ	6,151	25,288	31,439	4.8%	NE	196	675	871	0.1%
CA	33,287	118,596	151,883	23.3%	NH	701	2,377	3,078	0.5%
CO	1,853	7,134	8,987	1.4%	NJ	4,948	16,253	21,201	3.2%
CT	1,819	6,429	8,248	1.3%	NM	548	1,580	2,128	0.3%
DC	248	844	1,092	0.2%	NV	3,924	13,225	17,149	2.6%
DE	463	1,581	2,044	0.3%	NY	7,087	22,082	29,169	4.5%
FL	17,880	60,117	77,997	11.9%	OH	3,486	11,374	14,860	2.3%
GA	5,541	18,250	23,791	3.6%	OK	412	1,161	1,573	0.2%
HI	628	1,883	2,511	0.4%	OR	1,586	5,478	7,064	1.1%
IA	363	1,296	1,659	0.3%	PA	3,253	10,524	13,777	2.1%
ID	657	1,883	2,540	0.4%	RI	746	2,616	3,362	0.5%
IL	7,884	27,130	35,014	5.4%	SC	1,388	4,882	6,270	1.0%
IN	1,508	4,988	6,496	1.0%	SD	62	192	254	0.0%
KS	389	1,176	1,565	0.2%	TN	1,668	5,214	6,882	1.1%
KY	558	1,962	2,520	0.4%	TX	4,441	12,784	17,225	2.6%
LA	988	2,573	3,561	0.5%	UT	1,436	4,686	6,122	0.9%
MA	3,669	12,686	16,355	2.5%	VA	3,553	12,492	16,045	2.5%
MD	4,652	16,503	21,155	3.2%	VT	124	415	539	0.1%
ME	477	1,377	1,854	0.3%	WA	2,948	9,658	12,606	1.9%
MI	4,878	17,082	21,960	3.4%	WI	1,550	4,999	6,549	1.0%
MN	2,360	9,404	11,764	1.8%	WV	228	761	989	0.2%
MO	1,632	5,482	7,114	1.1%	WY	74	251	325	0.0%
MS	614	1,931	2,545	0.4%	Other*	898	1,019	1,917	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 November 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	9,663	33,960	43,623	6.7%
New York-Northern New Jersey-Long Island, NY-NJ-PA	9,390	30,277	39,667	6.1%
Riverside-San Bernardino-Ontario, CA	6,934	27,176	34,110	5.2%
Chicago-Joliet-Naperville, IL-IN-WI	7,623	26,183	33,806	5.2%
Miami-Fort Lauderdale-Pompano Beach, FL	7,184	23,348	30,532	4.7%
Phoenix-Mesa-Glendale, AZ	4,990	20,945	25,935	4.0%
Washington-Arlington-Alexandria, DC-VA-MD-WV	4,809	17,701	22,510	3.4%
Atlanta-Sandy Springs-Marietta, GA	4,411	14,796	19,207	2.9%
Las Vegas-Paradise, NV	3,248	10,849	14,097	2.2%
Detroit-Warren-Livonia, MI	2,984	10,337	13,321	2.0%
Orlando-Kissimmee-Sanford, FL	2,830	9,803	12,633	1.9%
Boston-Cambridge-Quincy, MA-NH	2,598	9,062	11,660	1.8%
San Francisco-Oakland-Fremont, CA	2,755	8,825	11,580	1.8%
Sacramento-Arden-Arcade-Roseville, CA	2,324	8,646	10,970	1.7%
San Diego-Carlsbad-San Marcos, CA	2,383	8,337	10,720	1.6%

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

## Modifications by Investor Type (Large Servicers)

Servicer	GSE	Private	Portfolio	Total
Bank of America, NA <sup>1</sup>	81,336	42,845	6,327	130,508
JP Morgan Chase NA <sup>2</sup>	39,266	31,996	13,961	85,223
Wells Fargo Bank, NA <sup>3</sup>	45,859	12,933	26,269	85,061
CitiMortgage, Inc.	40,793	4,407	16,236	61,436
GMAC Mortgage, LLC	22,213	5,682	10,292	38,187
Ocwen Financial Corporation, Inc.	6,841	22,912	277	30,030
OneWest Bank	12,681	11,288	1,892	25,861
American Home Mortgage Servicing Inc	1,270	23,334	0	24,604
Select Portfolio Servicing	487	16,338	1,845	18,670
Saxon Mortgage Services Inc.	1,508	11,862	1,139	14,509
Aurora Loan Services, LLC	7,230	6,865	211	14,306
Nationstar Mortgage LLC	9,311	4,977	16	14,304
US Bank NA	7,346	19	3,517	10,882
Litton Loan Servicing LP	1,075	9,337	0	10,412
PNC Mortgage <sup>4</sup>	4,655	243	441	5,339
Remainder of HAMP Servicers	70,087	6,436	6,897	83,420
<b>Total</b>	<b>351,958</b>	<b>211,474</b>	<b>89,320</b>	<b>652,752</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 all loans previously reported under Wachovia Mortgage, FSB.

<sup>4</sup> Formerly National City Bank.

Note: Figures reflect active trials and permanent modifications.

# Making Home Affordable Program

Servicer Performance Report Through November 2010

## Appendix A1: Non-GSE Participants in HAMP

Servicers participating in the HAMP First-Lien Modification Program may also offer additional homeowner incentives, including Home Affordable Foreclosure Alternatives (HAFA), at least three months' forbearance for unemployed borrowers, and Principal Reduction Alternative (PRA).

AgFirst Farm Credit Bank	First Bank	Lake National Bank	Roebling Bank
Allstate Mortgage Loans & Investments, Inc.	First Financial Bank, N.A.	Liberty Bank and Trust Co.	RoundPoint Mortgage Servicing Corporation
American Eagle Federal Credit Union	First Keystone Bank	Litton Loan Servicing	Saxon Mortgage Services, Inc.
American Finance House LARIBA	First National Bank of Grant Park	Los Alamos National Bank	Schools Financial Credit Union
American Home Mortgage Servicing, Inc	First Safety Bank	Magna Bank	SEFCU
AMS Servicing, LLC	Franklin Credit Management Corporation	Mainstreet Credit Union	Select Portfolio Servicing
Aurora Loan Services, LLC	Franklin Savings	Marix Servicing, LLC	Servis One Inc., dba BSI Financial Services, Inc.
Bank of America, N.A. <sup>1</sup>	Fresno County Federal Credit Union	Metropolitan National Bank	ShoreBank
Bank United	GFA Federal Credit Union	Midland Mortgage Company	Silver State Schools Credit Union
Bay Federal Credit Union	Glass City Federal Credit Union	Midwest Bank & Trust Co.	Specialized Loan Servicing, LLC
Bayview Loan Servicing, LLC	GMAC Mortgage, LLC	Midwest Community Bank	Spirit of Alaska Federal Credit Union
Bramble Savings Bank	Golden Plains Credit Union	Mission Federal Credit Union	Stanford Federal Credit Union
Carrington Mortgage Services, LLC	Grafton Suburban Credit Union	MorEquity, Inc.	Sterling Savings Bank
CCO Mortgage	Great Lakes Credit Union	Mortgage Center, LLC	Suburban Mortgage Company of New Mexico
Central Florida Educators Federal Credit Union	Greater Nevada Mortgage Services	Mortgage Clearing Corporation	Technology Credit Union
Centrue Bank	Green Tree Servicing LLC	Nationstar Mortgage LLC	Tempe Schools Credit Union
CitiMortgage, Inc.	Hartford Savings Bank	Navy Federal Credit Union	The Golden 1 Credit Union
Citizens 1st National Bank	Hillsdale County National Bank	Oakland Municipal Credit Union	U.S. Bank National Association
Citizens Community Bank	HomEq Servicing	Ocwen Financial Corporation, Inc.	United Bank
Citizens First Wholesale Mortgage Company	HomeStar Bank & Financial Services	OneWest Bank	United Bank Mortgage Corporation
Community Bank & Trust Company	Horicon Bank	ORNL Federal Credit Union	University First Federal Credit Union
Community Credit Union of Florida	Horizon Bank, NA	Park View Federal Savings Bank	Vantium Capital, Inc.
CUC Mortgage Corporation	Iberiabank	Pathfinder Bank	Verity Credit Union
DuPage Credit Union	IBM Southeast Employees' Federal Credit Union	PennyMac Loan Services, LLC	Vist Financial Corp.
Eaton National Bank & Trust Co	IC Federal Credit Union	PNC Bank, National Association	Wealthbridge Mortgage Corp.
Farmers State Bank	Idaho Housing and Finance Association	PNC Mortgage <sup>3</sup>	Wells Fargo Bank, NA <sup>4</sup>
Fay Servicing, LLC	Idaho Housing and Finance Association	Purdue Employees Federal Credit Union	Wescom Central Credit Union
Fidelity Homestead Savings Bank	iServe Residential Lending LLC	QLending, Inc.	Yadkin Valley Bank
	iServe Servicing Inc.	Quantum Servicing Corporation	
	J.P.Morgan Chase Bank, NA <sup>2</sup>	Residential Credit Solutions	
	Lake City Bank	RG Mortgage Corporation	

<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> Formerly National City Bank

<sup>4</sup> Wells Fargo Bank, NA includes all loans previously reported under Wachovia Mortgage, FSB.

# Making Home Affordable Program

Servicer Performance Report Through November 2010

## Appendix A2: Participants in Additional Making Home Affordable Programs

### Second-Lien Modification Program (2MP)

Bank of America, NA<sup>1</sup>  
Bayview Loan Servicing, LLC  
CitiMortgage, Inc.  
Community Credit Union of Florida  
GMAC Mortgage, LLC  
Green Tree Servicing LLC  
iServe Residential Lending, LLC  
iServe Servicing, Inc.  
J.P.Morgan Chase Bank, NA<sup>2</sup>  
Nationstar Mortgage LLC  
OneWest Bank  
PennyMac Loan Services, LLC  
PNC Bank, National Association  
PNC Mortgage<sup>3</sup>  
Residential Credit Solutions  
Servis One Inc., dba BSI Financial Services, Inc.  
Wells Fargo Bank, NA<sup>4</sup>

### FHA First-Lien Program (FHA-HAMP)

Amarillo National Bank  
American Financial Resources Inc.  
Aurora Financial Group, Inc.  
Aurora Loan Services, LLC  
Banco Popular de Puerto Rico  
Bank of America, NA<sup>1</sup>  
Capital International Financial, Inc.  
CitiMortgage, Inc.  
CU Mortgage Services, Inc.  
First Federal Bank of Florida  
First Mortgage Corporation

Franklin Savings  
Gateway Mortgage Group, LLC  
GMAC Mortgage, LLC.  
Green Tree Servicing LLC  
Guaranty Bank  
iServe Residential Lending, LLC  
iServe Servicing, Inc.  
James B. Nutter & Company  
J.P.Morgan Chase Bank,NA<sup>2</sup>  
M&T Bank  
Marix Servicing, LLC  
Marsh Associates, Inc.  
Midland Mortgage Company  
Nationstar Mortgage LLC  
Ocwen Financial Corporation, Inc.  
PennyMac Loan Services, LLC  
PNC Mortgage<sup>3</sup>  
RBC Bank (USA)  
Residential Credit Solutions  
Saxon Mortgage Services, Inc.  
Schmidt Mortgage Company  
Select Portfolio Servicing  
Servis One Inc., dba BSI Financial Services, Inc.  
Spirit of Alaska Federal Credit Union  
Stockman Bank of Montana  
Wells Fargo Bank, NA<sup>4</sup>  
Weststar Mortgage, Inc.

### FHA Second-Lien Program (FHA 2LP)

Bank of America, NA<sup>1</sup>  
Bayview Loan Servicing, LLC  
CitiMortgage, Inc.  
Flagstar Capital Markets Corporation  
GMAC Mortgage, LLC.  
Green Tree Servicing LLC  
J.P.Morgan Chase Bank, NA<sup>2</sup>  
Nationstar Mortgage LLC  
PNC Bank, National Association  
PNC Mortgage<sup>3</sup>  
Residential Credit Solutions  
Saxon Mortgage Services, Inc.  
Select Portfolio Servicing  
Wells Fargo Bank, NA<sup>4</sup>

### Rural Housing Service Modification Program (RD-HAMP)

Banco Popular de Puerto Rico  
Bank of America, N.A.<sup>1</sup>  
Horicon Bank  
J.P.Morgan Chase Bank, NA<sup>2</sup>  
Magna Bank  
Marix Servicing, LLC  
Midland Mortgage Company  
Nationstar Mortgage LLC  
Wells Fargo Bank, NA<sup>4</sup>

<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> Formerly National City Bank.

<sup>4</sup> Wells Fargo Bank, NA includes all loans previously reported under Wachovia Mortgage FSB.

# Making Home Affordable Program

Servicer Performance Report Through November 2010

## Appendix B1: Description of Compliance Activities

*Note: Areas of compliance emphasis and servicer-specific compliance data will be updated 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 for those servicers that have signed a servicer participation agreement with Treasury and for those loans for which Treasury pays incentives (non-GSE loans), as described below.

**On Site Reviews: Implementation** – Reviews to assess 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. MHA-C performs reviews of larger servicers on not less than a semi-annual schedule and reviews smaller servicers on at least an annual schedule.

**On Site Reviews: Readiness & Governance** – Reviews to assess the servicer's preparedness for complying with new/future HAMP requirements or to research a trend or

potential implementation risk. MHA-C performs such reviews as needed, determined by frequency of new program additions.

**NPV Reviews** – Reviews to assess 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), MHA-C assesses whether the servicer's recoded NPV model is accurately calculating NPV and whether the servicer's model usage is consistent with HAMP guidelines. Recoders are subject to off-site testing at least quarterly and to on-site reviews at least semi-annually. For servicers using the Treasury NPV Web Portal, MHA-C reviews data submissions to the Portal on a monthly basis.

**Loan File Reviews** – Reviews of samples of the servicer's non-performing loan portfolio primarily to assess whether required steps in the modification process have been documented in the loan files and whether loan modification decisions were appropriate. This includes reviews of loans that have successfully converted to a permanent modification, to ensure they meet the HAMP guidelines. It also includes reviews of loans that have not been offered HAMP modifications, to ensure that their exclusion was appropriate ("Second Look" reviews).

MHA-C conducts these Loan File reviews on a statistical sample for each servicer (typically 100 loan files per larger servicer). Larger servicers' non-performing loan portfolios are sampled and reviewed on a monthly cycle. MHA-C statistically samples and reviews smaller servicers' non-performing loan portfolios on a quarterly or semi-annual cycle.

**Incentive Payment Reviews** – Reviews to assess the accuracy and validity of Treasury incentive payments to borrowers and investors, including whether borrower payments are appropriately allocated to borrowers' loan principal in accordance with HAMP guidelines. MHA-C performs such reviews at least annually on the largest servicers.

As stated in the August report, beginning in the 3rd quarter of the 2010 sampling period, MHA-C revised its sampling strategy to sample monthly from all servicers to provide more consistent trending by servicer and greater comparability of results across servicers. Results from this new sampling strategy will be included in the next publication of Compliance results.

*(See next page for Areas of Compliance Emphasis)*

# Making Home Affordable Program

Servicer Performance Report Through November 2010

## Appendix B2: Areas of Compliance Emphasis

In the coming months MHA-C will focus on the following areas of emphasis, to ensure ongoing compliance.

### Cancellations

Servicers are required to comply with HAMP guidance when canceling loans in HAMP trials. The Second Look review process conducted by MHA-C will continue to include an evaluation of servicers' cancellation activities, especially those around servicers' timely and appropriate decisioning and borrower communications.

MHA-C will conduct targeted reviews of the cancellations of aged trials over the course of the next several months. MHA-C will evaluate whether servicers are making appropriate cancellation decisions, with a specific focus on those loans where the cancellation reason indicates that the borrower had not made timely payments. MHA-C expects servicers to provide documentation supporting cancellation decisions and evidence that borrower notifications are timely and include all necessary information.

### Pre-Foreclosure Certification

Due to recent concerns around foreclosures and the issuance of new HAMP guidance effective in June, MHA-C will specifically focus on pre-foreclosure activities and certification

requirements. Servicers may not refer any loan to foreclosure or conduct a scheduled foreclosure sale without first satisfying the "reasonable effort" solicitation standard and borrower communication requirements described in HAMP guidelines. In addition, within seven business days of a scheduled foreclosure sale, servicers must provide the foreclosure attorney or trustee with a written certification that the servicer has satisfied the requirements to solicit and evaluate eligible borrowers as defined by HAMP guidelines, and that all other available loss mitigation alternatives have been exhausted and a non-foreclosure outcome could not be reached.

These reviews will include:

- Processes for satisfying the "reasonable effort" standard and for ensuring that consideration of HAMP and borrower notifications are executed and appropriately documented; and
- Processes for completing consideration of HAMP and other foreclosure alternatives, as appropriate, prior to any foreclosure referral or foreclosure sale; and
- Processes for providing foreclosure attorneys or trustees with accurate and timely certifications prior to a scheduled foreclosure sale.

### IR2 Reporting and Data Integrity

Servicers are required to submit HAMP loan-level data to the Program Administrator's system of record (IR2), and that data is required to be accurate and consistent with source documentation. IR2 data is used to monitor and report on HAMP activity levels and to calculate servicer, borrower, and investor incentive payments. As stated in prior reports, reporting and data integrity controls will continue to be a focus. MHA-C has recently conducted preliminary data mapping exercises with the Program Administrator and will be assessing servicers' information technology (IT) controls over IR2 reporting over the coming months, with an emphasis on system interfaces and reconciliations of data between systems.

MHA-C will continue testing IR2 data against source documentation, including loan files, with particular attention on the data elements used in the establishment of borrower payments and the calculation of incentives. MHA-C will also review servicers' calculations for accuracy and consistency with HAMP guidelines.