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MAKING HOME AFFORDABLE PROGRAM ON PACE TO OFFER HELP TO MILLIONS OF HOMEOWNERS Public Release of Data Provides Transparency on Servicer Performance

WASHINGTON – Today, the Obama Administration released its first monthly Servicer Performance Report detailing the progress to date of the Making Home Affordable (MHA) loan modification program. The purpose of the report is to document the number of struggling homeowners already helped under the program, provide information on servicer performance and expand transparency around the initiative.

On February 18, the Obama Administration announced its comprehensive plan to stabilize the U.S. housing market. Two weeks later on March 4, the Administration published detailed program guidelines and authorized servicers to begin modifications immediately. MHA provides \$75 billion for sustainable mortgage modifications through the Home Affordable Modification Program (HAMP).

MHA has made rapid progress in a few short months. Servicers covering more than 85 percent of loans in the country are already modifying loans under the program. More than 400,000 modification offers have been extended and more than 230,000 trial modifications have begun. This pace of modifications puts the program on track to offer assistance to up to 3 to 4 million homeowners over the next three years, our target on February 18.

Today's report discloses performance on a servicer-by-servicer basis in order to increase transparency for participating institutions. The data show that servicer performance has been uneven. The Administration has asked servicers to ramp up implementation to a cumulative 500,000 trial modifications started by November 1, 2009. This would more than double in three months the number of trial modifications started in the first five months of the program.

The Administration is taking additional steps to improve performance. On July 9, Treasury Secretary Tim Geithner and Housing and Urban Development Secretary Shaun Donovan wrote the CEOs of participating servicers calling upon them to redouble their efforts to increase staffing, improve borrower response times and streamline the application process. Senior Administration officials discussed the importance of these steps in a face-to-face meeting with servicer executives on July 28. The Administration will develop more exacting metrics to measure the quality of borrower experience, such as average borrower wait time for inbound inquiries, completeness and accuracy of information provided applicants, and response time for completed applications. As an additional protection for borrowers, the Administration has asked the program compliance agent, Freddie Mac, to develop a "second look" process to audit MHA modification applications that have been declined on an ongoing basis.

Making Home Affordable

MHA On Pace to Offer Help to Millions of Homeowners

1. Program On Pace to Help up to 3-4 Million Homeowners Over the Next Three Years

- More Than 230,000 Trial Modifications Started

- More Than 85 Percent of Mortgage Market Covered by Participating Servicers

2. Performance Metrics Aimed at Improving Consistency of Servicer Performance

- Description of Metrics Used to Measure Servicer Performance
- Servicer Performance Metrics Show Uneven Progress in Implementation
- Target of 500,000 Cumulative Trial Modifications Started by November 1, 2009

3. Public Report Increases MHA Program Transparency

1. Program On Pace to Help up to 3-4 Million Homeowners Over the Next Three Years

- More Than 230,000 Trial Modifications Started

No program has previously attempted to modify so many mortgages at such affordable terms for borrowers. The Administration is seeing real results – modifications that provide long-term solutions for borrowers.

- In 2008, 42 percent of modifications by the largest servicers lowered monthly payments. Under the MHA modification program, 100 percent of borrowers starting trial modifications have had their payments reduced.

- More Than 85 Percent of Mortgage Market Covered by Participating Servicers

- Thirty-eight servicers have signed Servicer Participation Agreements (SPAs) to participate in the program. These 38 servicers service many types of loans, including Fannie Mae and Freddie Mac loans, private label loans and loans in portfolio.
- Approximately 2300 servicers that service Fannie Mae and Freddie Mac loans are automatically participating in HAMP.

2. Performance Metrics Aimed at Improving Consistency of Servicer Performance

- Description of Metrics Used to Measure Servicer Performance

The Administration has established a servicer-by-servicer performance metric to enhance overall program performance.

- The report includes the absolute number of trial modifications begun by each servicer.
- The report also includes a simple performance metric which measures each servicer's performance relative to an estimate of the servicer's HAMP eligible loans.

§ The performance metric used in the report is trial modification starts as a share of estimated HAMP eligible loans.

§ Many loans are eligible for HAMP that are not included in the estimated HAMP eligible loans in the public report, including current borrowers in imminent default.

§ This measure of estimated HAMP eligible loans was developed solely to provide a common denominator across which to compare performance of servicers.

- Servicer Performance Metrics Show Uneven Progress in Implementation

The metric measuring comparative servicer performance shows uneven ramp-up, and substantial variation in the pace of modifications. To improve performance, the Administration has asked servicers to commit to starting 500,000 trial modifications by November 1, 2009 and to establishing exacting metrics to monitor servicer specific program performance.

3. Public Report Increases HAMP Program Transparency

Today's report will provide transparency into program results on a servicer specific basis.

- Reports Will Be Issued on a Monthly Basis

The Administration expects to issue reports detailing the progress of modifications under the HAMP program each month. This report will be updated to include additional metrics and results as the program progresses and more data becomes available.

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Report

- [Making Home Affordable Program Report](#) 

Making Home Affordable Program

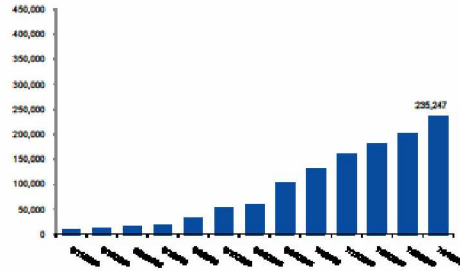
Servicer Performance Report through July 2009

Home Affordable Modification Program (HAMP) Snapshot through July 2009¹

Number of Trial Modifications Started ² (Cumulative)	235,247
Number of Trial Period Plan Offers Extended to Borrowers (Cumulative)	408,542
Number of Requests for Financial Information Sent to Borrowers (Cumulative)	1,387,218

¹Source: Survey data provided by servicers.
² Trial modifications start when the first trial payment is received.

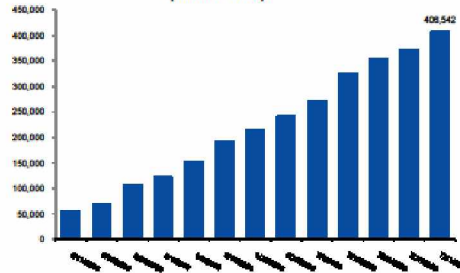
HAMP Trial Modifications Started (Cumulative)



HAMP Participating Servicers

- Approximately 85% of mortgages are covered by HAMP participating servicers.
- 38 servicers have signed servicer participation agreements to modify loans under HAMP. These participants service loans owned or guaranteed by Fannie Mae or Freddie Mac, loans held in portfolio, or loans serviced on behalf of other investors.
- Approximately 2,300 participants service loans owned or guaranteed by Fannie Mae or Freddie Mac. These servicers automatically participate in HAMP.

HAMP Trial Plans Extended to Borrowers (Cumulative)



Making Home Affordable Program

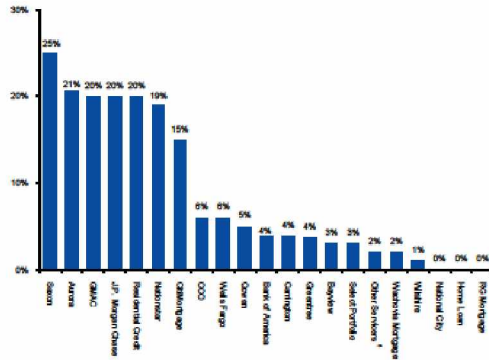
Servicer Performance Report through July 2009

HAMP Modification Activity by Servicer

Servicer	Participation Date	Estimated Eligible 60+ Day Delinquencies ¹	Trial Plan Offers Extended	Total Plus Offers as Share of Estimated Eligible 60+ Day Delinquencies	Total Modifications Started	Total Modifications as Share of Estimated Eligible 60+ Day Delinquencies
American Home Mortgage Servicing Inc. ²	7/22/2009	153,067	NA	NA	NA	NA
Aurora Loan Services, LLC	5/1/2009	72,838	25,965	36%	15,320	21%
Bank of America, NA ³	4/17/2009	796,467	99,849	13%	27,665	4%
Bayview Loan Servicing, LLC	7/1/2009	4,425	225	5%	145	3%
Carriington Mortgage Services, LLC	4/27/2009	14,128	688	7%	567	4%
COO Mortgage	8/17/2009	3,818	402	11%	237	6%
J.P. Morgan Chase Bank, NA ⁴	4/13/2009	394,075	117,259	30%	79,304	20%
GM Mortgage, Inc.	4/13/2009	185,418	38,673	21%	27,571	15%
Citizens First Wholesale Mortgage Company	8/26/2009	28	8	31%	7	27%
Farmers State Bank	7/17/2009	5	NA	NA	NA	NA
First Bank ⁵	7/29/2009	848	NA	NA	NA	NA
First Federal Savings and Loan	9/16/2009	19	1	5%	1	6%
GMAC Mortgage, Inc.	4/13/2009	81,326	20,604	26%	12,540	20%
Green Tree Servicing LLC	4/24/2009	5,223	451	9%	209	4%
Home Loan Services, Inc.	4/29/2009	33,193	0	0%	0	0%
BSM Southeast Employees' Federal Credit Union	7/10/2009	72	4	6%	4	6%
Lake National Bank	7/10/2009	1	0	0%	1	100%
Mission Federal Credit Union	7/22/2009	34	NA	NA	NA	NA
Mortgage, Inc.	7/17/2009	2,189	NA	NA	NA	NA
Mortgage Center, LLC	7/22/2009	235	NA	NA	NA	NA
National City Bank	5/29/2009	37,128	92	0%	4	0%
Nationstar Mortgage LLC	5/28/2009	25,800	11,443	45%	4,854	19%
Dowen Financial Corporation, Inc.	4/16/2009	55,518	6,502	12%	2,517	5%
PHC Bank, National Association	7/17/2009	724	NA	NA	NA	NA
Purdus Employees Federal Credit Union ⁶	7/29/2009	11	NA	NA	NA	NA
Residential Credit Solutions	8/12/2009	1,304	301	23%	285	20%
RG Mortgage Corporation	8/17/2009	3,309	72	2%	0	0%
Secon Mortgage Services, Inc.	4/13/2009	84,130	38,617	37%	21,130	25%
Select Portfolio Servicing	4/13/2009	57,450	11,404	20%	1,849	3%
Shore Bank ⁷	7/17/2009	223	NA	NA	NA	NA
Technology Credit Union	8/26/2009	10	0	0%	0	0%
Wachovia Mortgage, FSB	7/1/2009	62,852	2,028	3%	1,356	2%
Wachovia Bank, NA	7/26/2009	2,583	NA	NA	NA	NA
Wells Fargo Bank, NA	4/13/2009	326,065	38,673	12%	23,219	8%
Wescam Central Credit Union	8/19/2009	138	40	29%	38	28%
Wishare Credit Corporation	4/29/2009	3,411	821	18%	20	1%
Other GSE Servicers ⁸		314,283	-	-	19,071	6%
Total		2,705,302	432,542	16%	235,247	9%

Note: NA denotes a newly signed servicer that has not yet started reporting

Trial Modification Tracker: Trial Modification Starts as a Share of Estimated Eligible 60 Plus Day Delinquencies



¹Estimated eligible sixty day delinquent loans include 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 owner-occupied at origination;
- originated prior to January 1, 2009.

Estimated eligible sixty plus 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.

² Bank of America, NA includes Countrywide Home Loans Servicing LP.

³ J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

⁴ Includes approximately 2,300 participants that service loans owned or guaranteed by Fannie Mae and Freddie Mac.

⁵ Estimated Eligible 60+ Day delinquencies based on the servicer registration form.

⁶ Other Servicers include entities with less than 1,000 Estimated Eligible 60+ Day Delinquencies.