
FEDERAL HOUSING FINANCE AGENCY



NEWS RELEASE

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HARP Refinances Surge in First Quarter; More Underwater Borrowers Helped

Washington, D.C. – The quarterly number of loans refinanced through the Home Affordable Refinance Program (HARP) has nearly doubled since HARP 2.0 was rolled out in January, according to the Federal Housing Finance Agency's (FHFA) March 2012 *Refinance Report*. HARP refinances topped 180,000 in the first quarter of this year compared to approximately 93,000 in the fourth quarter of 2011. The increased HARP volume is attributed to enhancements to the program announced last fall. The enhancements include the removal of the loan-to-value (LTV) ceiling for borrowers who refinance into fixed-rate loans and the elimination -- or lowering -- of fees for certain borrowers. Only loans that are owned or guaranteed by Fannie Mae and Freddie Mac are eligible to participate in HARP.

Also in the report:

- Refinance volume surged in the first quarter of 2012 in response to historically low mortgage interest rates.
- One in seven refinanced loans during the quarter was through HARP.
- The number of loans refinanced through HARP in the first quarter of 2012 nearly doubled compared to the number of loans refinanced through HARP in the fourth quarter of 2011, driven by a sharp increase in the number of loans refinanced above 105 percent LTV.
- In March alone, there were nearly 80,000 HARP refinances, a quarter of them on loans with LTVs greater than 105 percent.
- More than 4,400 loans with LTVs greater than 125 percent were refinanced since the beginning of the year; over half these loans were refinanced in the states of California, Florida and Arizona.

With this report, FHFA returns to separate reporting of refinance and other foreclosure prevention data in an effort to make the refinance information available more quickly. Other foreclosure prevention actions will continue to be reported in the monthly and quarterly foreclosure prevention reports. The refinance report will be released on a monthly basis.

[Link to Refinance Report](#)

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The Federal Housing Finance Agency regulates Fannie Mae, Freddie Mac and the 12 Federal Home Loan Banks. These government-sponsored enterprises provide more than \$5.7 trillion in funding for the U.S. mortgage markets and financial institutions.