



# Federal Housing Finance Agency

1700 G Street, N.W., Washington, D.C. 20552-0003

Telephone: (202) 414-3800

Facsimile: (202) 414-3823

[www.fhfa.gov](http://www.fhfa.gov)

October 19, 2010

The Honorable Christopher Dodd  
Chairman  
Committee on Banking, Housing,  
and Urban Affairs  
United States Senate  
Washington, DC 20510

Dear Chairman Dodd:

I am transmitting the Federal Housing Finance Agency's (FHFA) Federal Property Manager's report in accordance with Section 110 of the Emergency Economic Stabilization Act of 2008 (EESA), titled *Assistance to Homeowners*. Section 110 of EESA directs Federal Property Managers (FPM) to develop and implement plans to maximize assistance for homeowners and encourage servicers of underlying mortgages to take advantage of programs to minimize foreclosures. FHFA is a designated FPM in its role as conservator for Fannie Mae and Freddie Mac. Each FPM is also required to report to Congress the number and types of loan modifications and the number of foreclosures during the reporting period.

Reducing conservatorship losses by preventing avoidable foreclosures through loan modification and mortgage refinances remains a top priority at FHFA. We continue to update, elaborate and expand FHFA's plan to maximize assistance for homeowners and minimize preventable foreclosures consistent with the intent of EESA.

Sincerely,

A handwritten signature in cursive script that reads "Peter Brereton".

Peter Brereton  
Associate Director for Congressional Affairs

Attachments



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October 19, 2010

The Honorable Richard C. Shelby  
Ranking Minority Member  
Committee on Banking, Housing,  
and Urban Affairs  
United States Senate  
Washington, DC 20510

Dear Senator Shelby:

I am transmitting the Federal Housing Finance Agency's (FHFA) Federal Property Manager's report in accordance with Section 110 of the Emergency Economic Stabilization Act of 2008 (EESA), titled *Assistance to Homeowners*. Section 110 of EESA directs Federal Property Managers (FPM) to develop and implement plans to maximize assistance for homeowners and encourage servicers of underlying mortgages to take advantage of programs to minimize foreclosures. FHFA is a designated FPM in its role as conservator for Fannie Mae and Freddie Mac. Each FPM is also required to report to Congress the number and types of loan modifications and the number of foreclosures during the reporting period.

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October 19, 2010

The Honorable Barney Frank  
Chairman  
Committee on Financial Services  
United States House of Representatives  
Washington, DC 20515

Dear Chairman Frank:

I am transmitting the Federal Housing Finance Agency's (FHFA) Federal Property Manager's report in accordance with Section 110 of the Emergency Economic Stabilization Act of 2008 (EESA), titled *Assistance to Homeowners*. Section 110 of EESA directs Federal Property Managers (FPM) to develop and implement plans to maximize assistance for homeowners and encourage servicers of underlying mortgages to take advantage of programs to minimize foreclosures. FHFA is a designated FPM in its role as conservator for Fannie Mae and Freddie Mac. Each FPM is also required to report to Congress the number and types of loan modifications and the number of foreclosures during the reporting period.

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Sincerely,

Peter Brereton  
Associate Director for Congressional Affairs

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Telephone: (202) 414-3800

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October 19, 2010

The Honorable Spencer Bachus  
Ranking Minority Member  
Committee on Financial Services  
United States House of Representatives  
Washington, DC 20515

Dear Congressman Bachus:

I am transmitting the Federal Housing Finance Agency's (FHFA) Federal Property Manager's report in accordance with Section 110 of the Emergency Economic Stabilization Act of 2008 (EESA), titled *Assistance to Homeowners*. Section 110 of EESA directs Federal Property Managers (FPM) to develop and implement plans to maximize assistance for homeowners and encourage servicers of underlying mortgages to take advantage of programs to minimize foreclosures. FHFA is a designated FPM in its role as conservator for Fannie Mae and Freddie Mac. Each FPM is also required to report to Congress the number and types of loan modifications and the number of foreclosures during the reporting period.

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Sincerely,

Peter Brereton  
Associate Director for Congressional Affairs

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# Federal Housing Finance Agency

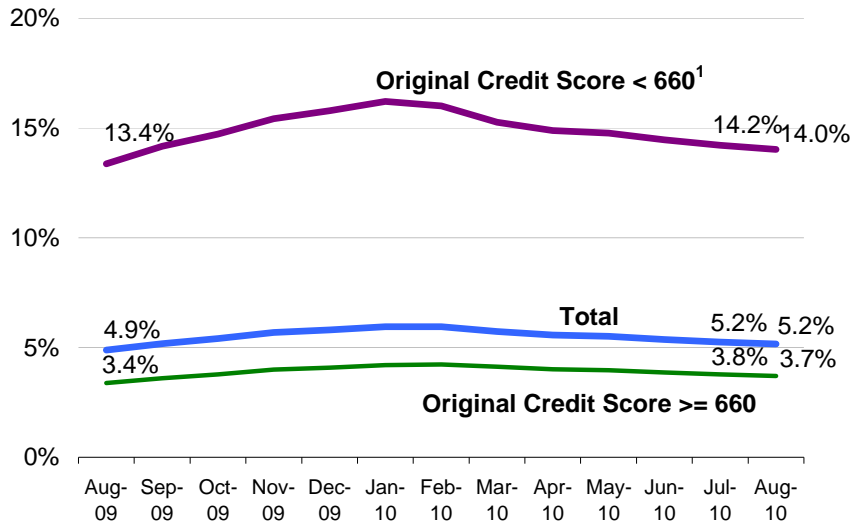
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## Foreclosure Prevention & Refinance Report August 2010

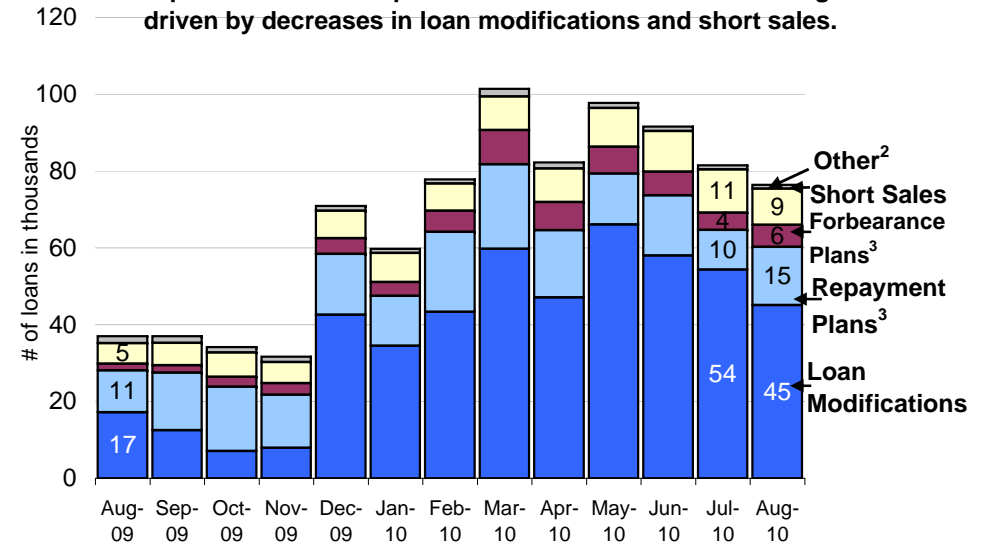
### FHFA Federal Property Manager's Report

This report contains data on foreclosure prevention activity, refinance and MHA program activity of Fannie Mae and Freddie Mac (the Enterprises) through August 2010.

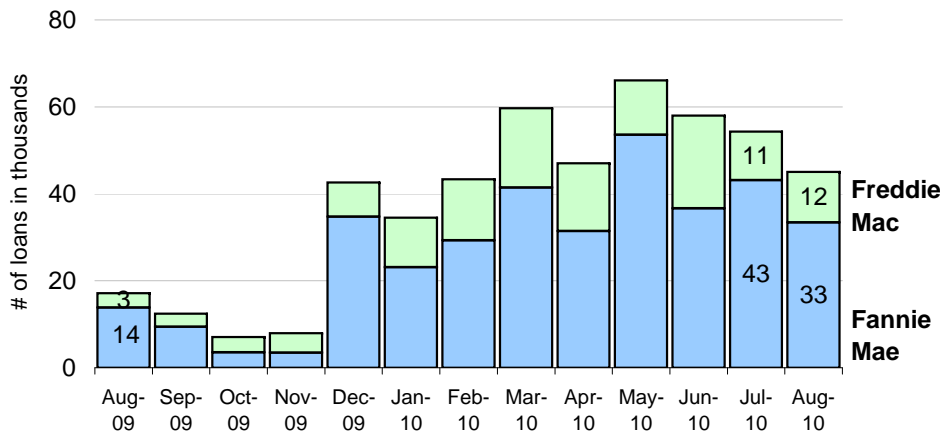
**60-plus-days Delinquency Rates**  
Delinquency rates continued to stabilize in August.



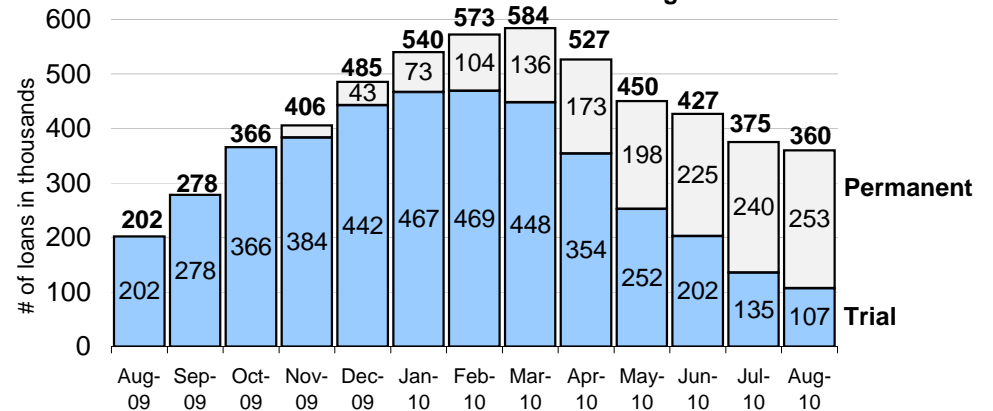
**Foreclosure Prevention Actions Completed**  
Completed foreclosure prevention actions decreased in August driven by decreases in loan modifications and short sales.



**Completed loan modifications**  
Completed loan modifications decreased in August.



**HAMP Active Trial and Permanent Modifications - Cumulative<sup>4</sup>**  
HAMP active permanent modifications continued to increase while active trials declined in August.



Source: Weekly Servicer Survey through September 2009. IR2 (Making Home Affordable system of records) starting in October 2009.

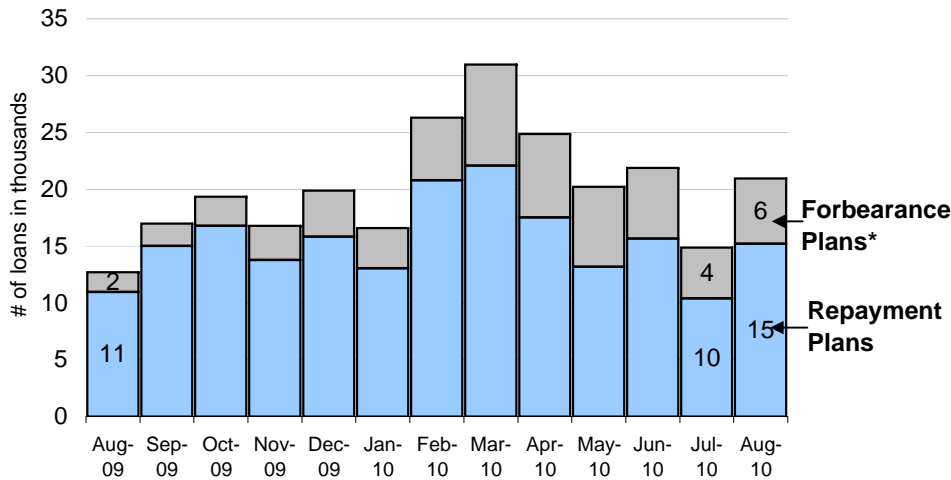
<sup>1</sup> Includes loans with missing original credit score.

<sup>2</sup> Consists of HomeSaver Advance (Fannie Mae), Charge-offs in lieu and Deeds-in-lieu.

<sup>3</sup> Includes loans that were 30+ days delinquent at initiation of the plan. In addition, the completed forbearance plans data has been revised to exclude HAMP.

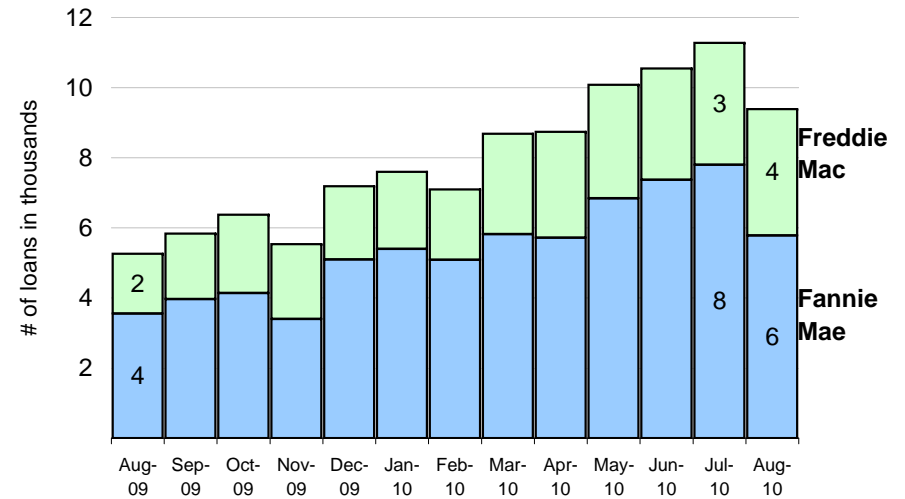
<sup>4</sup> HAMP trial modifications are based on the first trial payment posted date. HAMP permanent modifications are based on the effective date of modification. As of August 31, 2010, Fannie Mae had completed nearly 155,000 HAMP permanent modifications and Freddie Mac had completed 97,900 HAMP permanent modifications.

**Repayment Plans and Forbearance Plans Completed**  
Completed repayment plans and forbearance plans increased in August.



\* Data has been revised to exclude HAMP.

**Short Sales**  
Completed short sales decreased in August.



**Foreclosure Prevention Activity**

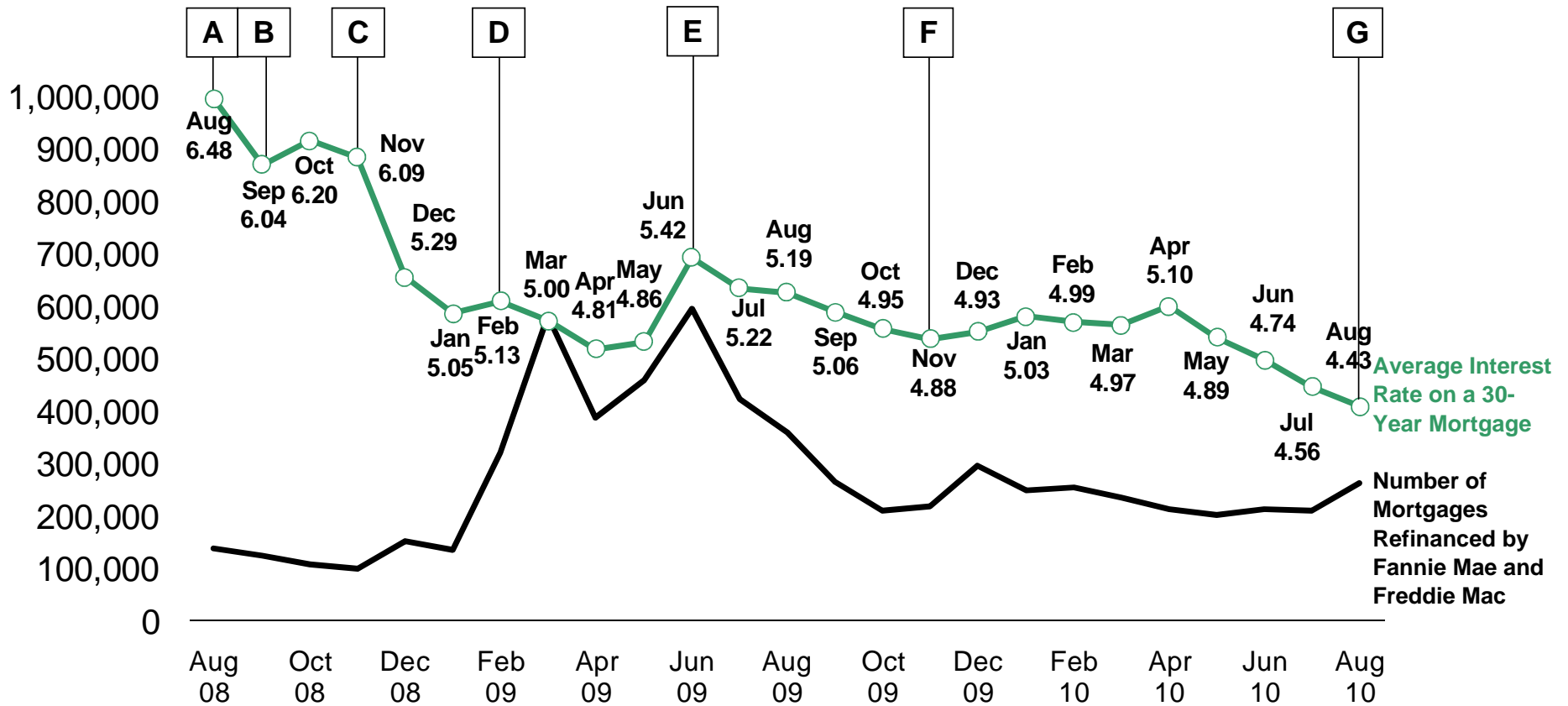
Since the first full quarter in conservatorship (4Q08), combined completed foreclosure prevention actions total nearly 1.2 million.

(Completed Actions)	Full Year 2008	Full Year 2009	YTD Aug-2010	Conservatorship to Date <sup>1</sup>
<b>Home Retention Actions</b>				
Repayment Plans	62,560	142,360	127,832	283,501
Forbearance Plans	5,692	25,227	48,791	76,134
Charge-offs in Lieu	799	2,247	1,794	4,314
HomeSaver Advance (Fannie)	70,967	39,199	4,982	69,969
Loan Modifications	68,307	163,647	408,107	595,531
<b>Total</b>	<b>208,325</b>	<b>372,680</b>	<b>591,506</b>	<b>1,029,449</b>
<b>Nonforeclosure - Home Forfeiture Actions</b>				
Short Sales	15,704	55,447	73,422	135,061
Deeds-in-lieu	1,511	2,971	3,533	7,044
<b>Total</b>	<b>17,215</b>	<b>58,418</b>	<b>76,955</b>	<b>142,105</b>
<b>Total Foreclosure Prevention Actions</b>	<b>225,540</b>	<b>431,098</b>	<b>668,461</b>	<b>1,171,554</b>

<sup>1</sup> Since the first full quarter in conservatorship (4Q08).

### Mortgage Rates and Refinance Volumes

Refinance volume rose in August in response to a decrease in mortgage rates of 0.54% between April and July.



A - Highest rate in 2008 for a 30-year mortgage.

B - GSEs placed into conservatorship on 09/06/08.

C - Fed announces MBS purchase program on 11/25/08.

D - Making Home Affordable announcement 02/20/09.

E - Treasury rates sharply rose and reached a 2009 high on a better than expected unemployment report in June.

F - Treasury rates fell sharply after Dubai sought to delay sovereign debt payments.

G - Rates on a 30-year mortgage reach a record low of 4.43% as reported in Freddie Mac's Primary Mortgage Market Survey.



**Fannie Mae and Freddie Mac Refinance Volumes**

**Fannie Mae and Freddie Mac refinanced over 435,000 loans through the HARP program through August 2010.**

	August 2010	Year to Date	Inception to Date <sup>1</sup>
<b>Total Refinances</b>			
Fannie Mae	156,737	1,054,307	2,941,792
Freddie Mac	105,079	783,939	2,107,702
Total	261,816	1,838,246	5,049,494
<b>HARP LTV &gt;80% -105%</b>			
Fannie Mae	14,145	124,241	227,388
Freddie Mac	12,669	106,440	191,550
Total	26,814	230,681	418,938
<b>HARP LTV &gt;105% -125%</b>			
Fannie Mae	891	6,275	7,245
Freddie Mac	1,222	8,101	9,054
Total	2,113	14,376	16,299
<b>All Other Streamlined Refis</b>			
Fannie Mae	31,370	222,802	447,720
Freddie Mac	22,806	153,153	236,308
Total	54,176	375,955	684,028

Notes:

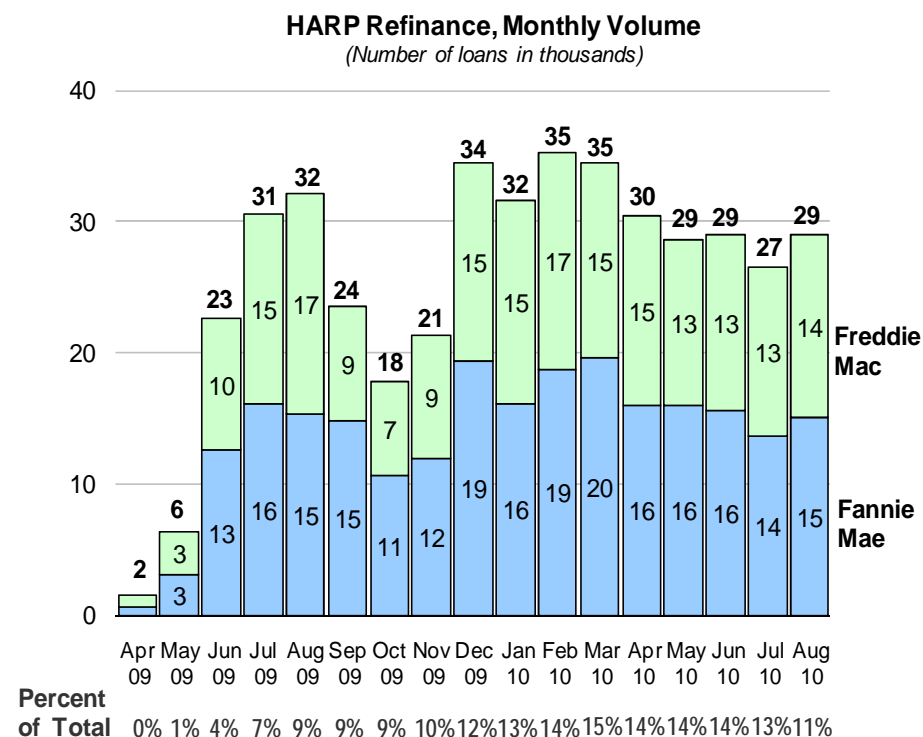
**HARP Refinance Loans** are defined as Fannie Mae to Fannie Mae and Freddie Mac to Freddie Mac first lien refinance loans with limited and no cash out that are owner-occupied with LTVs between 80% and 125%.

**All Other Streamlined Refis** are streamlined refinances that do not qualify as HARP (LTVs between 80% and 125%) refinances. Fannie Mae implements streamlined refinances through the Refi Plus product for manual underwriting and DU Refi Plus product for loans underwritten through Desktop Underwriter. The product is available for refinances of existing Fannie Mae loans only. Freddie Mac implements streamlined refinances through the Relief Refinance Mortgage product. Loans may be originated by any Freddie Mac approved servicer.

<sup>1</sup>Inception to Date - Since April 1, 2009

**Fannie Mae and Freddie Mac HARP vs Total Refinance**

**Monthly HARP volume grew in August but did not keep pace with the growth in total refinance volume.**



## Appendix: Data Tables

## 1(i) Enterprises Combined - Mortgage Performance (at period end)

(# of loans in thousands)	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10
<b>Total Loans Serviced</b>	30,575	30,629	30,575	30,510	30,509	30,495	30,522	30,454	30,376	30,330	30,265	30,170	29,967
Original Credit Score >= 660	25,959	26,044	26,024	25,990	26,022	26,036	26,087	26,052	26,009	25,996	25,963	25,903	25,742
Original Credit Score < 660	4,616	4,586	4,552	4,520	4,487	4,459	4,435	4,401	4,366	4,334	4,302	4,266	4,224
<b>Total Delinquent Loans</b>	2,240	2,321	2,359	2,480	2,494	2,577	2,589	2,355	2,310	2,359	2,288	2,241	2,207
Original Credit Score >= 660	1,289	1,341	1,373	1,458	1,468	1,522	1,556	1,419	1,391	1,417	1,372	1,341	1,318
Original Credit Score < 660	951	980	986	1,022	1,026	1,054	1,033	936	919	943	916	900	889
<b>30 - 59 Days Delinquent</b>	746	734	705	747	725	763	775	609	618	689	664	658	661
Original Credit Score >= 660	412	404	389	422	406	431	453	345	348	387	370	365	364
Original Credit Score < 660	334	330	316	325	318	332	323	264	269	302	294	294	297
<b>60 - 89 Days Delinquent</b>	294	310	308	309	310	314	293	259	248	258	255	256	255
Original Credit Score >= 660	158	171	172	174	176	178	170	154	144	148	145	145	143
Original Credit Score < 660	135	139	136	135	135	136	123	105	104	110	110	111	112
<b>60-plus-days Delinquent</b>	1,494	1,587	1,653	1,733	1,769	1,814	1,814	1,746	1,693	1,670	1,624	1,583	1,546
Original Credit Score >= 660	877	937	983	1,036	1,061	1,091	1,104	1,074	1,043	1,030	1,001	976	954
Original Credit Score < 660	617	650	670	697	708	723	710	672	650	640	622	606	592
<b>Percent of Total Loans Serviced</b>													
<b>Total Delinquent Loans</b>	7.33%	7.58%	7.71%	8.13%	8.17%	8.45%	8.48%	7.73%	7.61%	7.78%	7.56%	7.43%	7.37%
Original Credit Score >= 660	4.97%	5.15%	5.27%	5.61%	5.64%	5.85%	5.97%	5.45%	5.35%	5.45%	5.28%	5.18%	5.12%
Original Credit Score < 660	20.60%	21.37%	21.66%	22.60%	22.87%	23.65%	23.29%	21.26%	21.05%	21.75%	21.30%	21.09%	21.05%
<b>30 - 59 Days Delinquent</b>	2.44%	2.40%	2.31%	2.45%	2.38%	2.50%	2.54%	2.00%	2.03%	2.27%	2.19%	2.18%	2.21%
Original Credit Score >= 660	1.59%	1.55%	1.50%	1.62%	1.56%	1.66%	1.74%	1.32%	1.34%	1.49%	1.43%	1.41%	1.41%
Original Credit Score < 660	7.23%	7.20%	6.94%	7.19%	7.09%	7.44%	7.28%	6.00%	6.17%	6.98%	6.84%	6.88%	7.03%
<b>60 - 89 Days Delinquent</b>	0.96%	1.01%	1.01%	1.01%	1.02%	1.03%	0.96%	0.85%	0.82%	0.85%	0.84%	0.85%	0.85%
Original Credit Score >= 660	0.61%	0.66%	0.66%	0.67%	0.68%	0.68%	0.65%	0.59%	0.56%	0.57%	0.56%	0.56%	0.56%
Original Credit Score < 660	2.93%	3.04%	2.98%	2.98%	3.00%	3.04%	2.77%	2.39%	2.37%	2.53%	2.55%	2.60%	2.65%
<b>60-plus-days Delinquent</b>	4.89%	5.18%	5.41%	5.68%	5.80%	5.95%	5.94%	5.73%	5.57%	5.51%	5.36%	5.25%	5.16%
Original Credit Score >= 660	3.38%	3.60%	3.78%	3.99%	4.08%	4.19%	4.23%	4.12%	4.01%	3.96%	3.86%	3.77%	3.70%
Original Credit Score < 660	13.37%	14.17%	14.72%	15.42%	15.78%	16.21%	16.01%	15.26%	14.88%	14.77%	14.46%	14.21%	14.02%
<b>Serious Delinquency Rate</b>	3.96%	4.20%	4.45%	4.71%	4.82%	4.97%	5.03%	4.93%	4.80%	4.71%	4.58%	4.45%	4.35%
<b>In Bankruptcy</b>	0.36%	0.36%	0.36%	0.38%	0.37%	0.39%	0.38%	0.39%	0.41%	0.42%	0.42%	0.44%	0.46%

## Appendix: Data Tables

## 1(ii) Fannie Mae - Mortgage Performance (at period end)

(# of loans in thousands)	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10
<b>Total Loans Serviced</b>	18,317	18,360	18,325	18,286	18,284	18,273	18,288	18,234	18,186	18,157	18,109	18,060	17,947
Original Credit Score >= 660	15,418	15,480	15,468	15,450	15,469	15,476	15,506	15,475	15,450	15,443	15,419	15,393	15,307
Original Credit Score < 660	2,899	2,879	2,857	2,836	2,816	2,797	2,781	2,759	2,736	2,715	2,691	2,668	2,640
<b>Total Delinquent Loans</b>	1,451	1,518	1,548	1,631	1,636	1,686	1,699	1,549	1,517	1,544	1,493	1,455	1,429
Original Credit Score >= 660	826	870	895	953	957	991	1,016	930	909	924	892	867	849
Original Credit Score < 660	625	648	654	678	679	695	683	620	607	621	602	588	580
<b>30 - 59 Days Delinquent</b>	444	452	437	465	453	477	489	384	391	441	424	419	419
Original Credit Score >= 660	236	242	236	258	250	266	282	214	217	244	233	229	227
Original Credit Score < 660	208	210	201	207	203	211	207	170	174	197	191	190	193
<b>60 - 89 Days Delinquent</b>	190	197	196	197	196	198	186	166	160	166	164	164	164
Original Credit Score >= 660	101	107	109	110	110	112	108	98	93	95	93	93	91
Original Credit Score < 660	88	90	88	87	86	87	79	68	67	71	71	72	72
<b>60-plus-days Delinquent</b>	1,007	1,066	1,111	1,165	1,183	1,209	1,210	1,166	1,126	1,104	1,070	1,037	1,009
Original Credit Score >= 660	590	628	659	694	707	725	734	715	692	680	659	638	622
Original Credit Score < 660	417	439	452	471	476	484	476	450	433	424	411	398	388
<b>Percent of Total Loans Serviced</b>													
<b>Total Delinquent Loans</b>	7.92%	8.27%	8.45%	8.92%	8.95%	9.23%	9.29%	8.50%	8.34%	8.50%	8.25%	8.06%	7.96%
Original Credit Score >= 660	5.36%	5.62%	5.78%	6.17%	6.19%	6.40%	6.56%	6.01%	5.89%	5.98%	5.78%	5.63%	5.54%
Original Credit Score < 660	21.57%	22.51%	22.88%	23.90%	24.12%	24.84%	24.55%	22.47%	22.20%	22.86%	22.36%	22.05%	21.98%
<b>30 - 59 Days Delinquent</b>	2.42%	2.46%	2.39%	2.54%	2.48%	2.61%	2.68%	2.10%	2.15%	2.43%	2.34%	2.32%	2.34%
Original Credit Score >= 660	1.53%	1.57%	1.53%	1.67%	1.61%	1.72%	1.82%	1.38%	1.40%	1.58%	1.51%	1.49%	1.48%
Original Credit Score < 660	7.18%	7.28%	7.04%	7.29%	7.22%	7.54%	7.45%	6.15%	6.36%	7.24%	7.09%	7.13%	7.29%
<b>60 - 89 Days Delinquent</b>	1.04%	1.07%	1.07%	1.08%	1.07%	1.09%	1.02%	0.91%	0.88%	0.91%	0.91%	0.91%	0.91%
Original Credit Score >= 660	0.66%	0.69%	0.70%	0.71%	0.71%	0.72%	0.69%	0.63%	0.60%	0.61%	0.60%	0.60%	0.60%
Original Credit Score < 660	3.05%	3.11%	3.07%	3.07%	3.06%	3.10%	2.82%	2.47%	2.45%	2.61%	2.66%	2.68%	2.75%
<b>60-plus-days Delinquent</b>	5.50%	5.81%	6.06%	6.37%	6.47%	6.61%	6.62%	6.39%	6.19%	6.08%	5.91%	5.74%	5.62%
Original Credit Score >= 660	3.83%	4.05%	4.26%	4.49%	4.57%	4.68%	4.74%	4.62%	4.48%	4.40%	4.27%	4.15%	4.06%
Original Credit Score < 660	14.39%	15.23%	15.83%	16.61%	16.90%	17.30%	17.10%	16.32%	15.84%	15.62%	15.27%	14.93%	14.68%
<b>Serious Delinquency Rate</b>	4.45%	4.72%	4.98%	5.29%	5.38%	5.52%	5.59%	5.47%	5.30%	5.15%	4.99%	4.82%	4.70%
<b>In Bankruptcy</b>	0.41%	0.40%	0.40%	0.42%	0.41%	0.43%	0.42%	0.42%	0.45%	0.47%	0.46%	0.49%	0.50%

## Appendix: Data Tables

## 1(iii) Freddie Mac - Mortgage Performance (at period end)

(# of loans in thousands)	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10
<b>Total Loans Serviced</b>	12,258	12,269	12,250	12,224	12,225	12,222	12,235	12,220	12,190	12,173	12,156	12,109	12,019
Original Credit Score >= 660	10,541	10,563	10,556	10,541	10,553	10,559	10,580	10,577	10,559	10,554	10,544	10,510	10,435
Original Credit Score < 660	1,717	1,706	1,695	1,684	1,672	1,662	1,654	1,642	1,630	1,619	1,612	1,599	1,584
<b>Total Delinquent Loans</b>	789	803	810	849	858	891	890	805	794	815	795	786	778
Original Credit Score >= 660	464	471	478	506	511	531	540	489	482	493	480	474	469
Original Credit Score < 660	325	332	332	344	347	360	350	316	312	322	315	311	309
<b>30 - 59 Days Delinquent</b>	302	282	268	282	272	285	286	225	227	248	241	240	242
Original Credit Score >= 660	176	161	153	164	157	165	171	131	131	143	138	136	137
Original Credit Score < 660	126	120	115	118	115	121	116	94	95	106	103	104	104
<b>60 - 89 Days Delinquent</b>	104	114	112	113	114	115	107	93	88	92	90	92	91
Original Credit Score >= 660	57	64	64	65	66	66	63	56	52	53	52	53	52
Original Credit Score < 660	47	50	48	48	48	49	44	37	37	39	38	39	39
<b>60-plus-days Delinquent</b>	487	521	542	568	586	606	604	580	567	567	554	546	536
Original Credit Score >= 660	288	310	324	342	354	367	369	358	351	351	343	338	332
Original Credit Score < 660	200	211	218	226	232	239	235	222	216	216	211	208	205
<b>Percent of Total Loans Serviced</b>													
<b>Total Delinquent Loans</b>	<b>6.44%</b>	<b>6.54%</b>	<b>6.61%</b>	<b>6.95%</b>	<b>7.02%</b>	<b>7.29%</b>	<b>7.27%</b>	<b>6.59%</b>	<b>6.51%</b>	<b>6.70%</b>	<b>6.54%</b>	<b>6.49%</b>	<b>6.48%</b>
Original Credit Score >= 660	4.40%	4.46%	4.53%	4.80%	4.84%	5.03%	5.10%	4.63%	4.56%	4.67%	4.55%	4.51%	4.50%
Original Credit Score < 660	18.95%	19.44%	19.62%	20.41%	20.77%	21.63%	21.17%	19.24%	19.12%	19.89%	19.52%	19.48%	19.50%
<b>30 - 59 Days Delinquent</b>	<b>2.46%</b>	<b>2.30%</b>	<b>2.19%</b>	<b>2.31%</b>	<b>2.22%</b>	<b>2.33%</b>	<b>2.34%</b>	<b>1.84%</b>	<b>1.86%</b>	<b>2.04%</b>	<b>1.98%</b>	<b>1.98%</b>	<b>2.01%</b>
Original Credit Score >= 660	1.67%	1.53%	1.45%	1.55%	1.48%	1.56%	1.61%	1.24%	1.24%	1.35%	1.30%	1.29%	1.32%
Original Credit Score < 660	7.31%	7.06%	6.77%	7.00%	6.87%	7.25%	6.98%	5.75%	5.86%	6.53%	6.40%	6.48%	6.59%
<b>60 - 89 Days Delinquent</b>	<b>0.85%</b>	<b>0.93%</b>	<b>0.91%</b>	<b>0.92%</b>	<b>0.93%</b>	<b>0.94%</b>	<b>0.87%</b>	<b>0.76%</b>	<b>0.72%</b>	<b>0.76%</b>	<b>0.74%</b>	<b>0.76%</b>	<b>0.76%</b>
Original Credit Score >= 660	0.54%	0.61%	0.60%	0.62%	0.62%	0.63%	0.59%	0.53%	0.49%	0.51%	0.49%	0.50%	0.50%
Original Credit Score < 660	2.73%	2.91%	2.83%	2.84%	2.89%	2.94%	2.67%	2.27%	2.24%	2.39%	2.38%	2.45%	2.48%
<b>60-plus-days Delinquent</b>	<b>3.98%</b>	<b>4.24%</b>	<b>4.43%</b>	<b>4.64%</b>	<b>4.80%</b>	<b>4.96%</b>	<b>4.94%</b>	<b>4.75%</b>	<b>4.65%</b>	<b>4.66%</b>	<b>4.56%</b>	<b>4.51%</b>	<b>4.46%</b>
Original Credit Score >= 660	2.73%	2.93%	3.07%	3.24%	3.35%	3.47%	3.49%	3.39%	3.32%	3.32%	3.25%	3.22%	3.18%
Original Credit Score < 660	11.64%	12.38%	12.85%	13.41%	13.90%	14.38%	14.19%	13.49%	13.27%	13.36%	13.12%	13.00%	12.92%
<b>Serious Delinquency Rate</b>	<b>3.24%</b>	<b>3.43%</b>	<b>3.65%</b>	<b>3.83%</b>	<b>3.98%</b>	<b>4.15%</b>	<b>4.20%</b>	<b>4.13%</b>	<b>4.06%</b>	<b>4.06%</b>	<b>3.96%</b>	<b>3.89%</b>	<b>3.83%</b>
<b>In Bankruptcy</b>	<b>0.29%</b>	<b>0.30%</b>	<b>0.31%</b>	<b>0.32%</b>	<b>0.33%</b>	<b>0.33%</b>	<b>0.33%</b>	<b>0.33%</b>	<b>0.34%</b>	<b>0.36%</b>	<b>0.36%</b>	<b>0.37%</b>	<b>0.39%</b>

## Appendix: Data Tables

2 Enterprises Combined - Foreclosure Prevention Actions (# of loans)<sup>1</sup>

	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	YTD 2010
<b>Starts<sup>2</sup></b>														
HAMP Active Trial & Perm. - Cum.	202,189	278,139	366,045	405,685	485,418	540,383	572,650	584,086	526,882	450,133	426,978	375,409	359,734	359,734
Repayment Plans	70,326	63,786	59,533	58,265	52,311	63,388	48,777	46,908	41,447	44,079	35,727	57,754	27,725	365,805
Forbearance Plans	101,848	116,131	100,378	79,552	155,160	77,179	89,137	55,276	47,561	35,652	27,558	25,409	24,007	381,779
<b>Completed</b>														
Repayment Plans <sup>3</sup>	10,957	15,001	16,795	13,779	15,832	13,031	20,788	22,065	17,512	13,187	15,654	10,378	15,217	127,832
Forbearance Plans <sup>3</sup>	1,755	1,972	2,542	3,001	4,046	3,561	5,525	8,905	7,342	7,029	6,214	4,481	5,734	48,791
Charge-offs in Lieu	308	366	273	215	165	149	183	373	415	216	125	181	152	1,794
HomeSaver Advance ( <i>Fannie</i> )	1,302	1,010	938	991	830	659	632	1,297	732	569	482	362	249	4,982
Loan Modifications	17,158	12,460	7,044	7,936	42,589	34,502	43,339	59,720	47,051	66,122	58,003	54,319	45,051	408,107
Home Retention Actions	<b>31,480</b>	<b>30,809</b>	<b>27,592</b>	<b>25,922</b>	<b>63,462</b>	<b>51,902</b>	<b>70,467</b>	<b>92,360</b>	<b>73,052</b>	<b>87,123</b>	<b>80,478</b>	<b>69,721</b>	<b>66,403</b>	<b>591,506</b>
Short Sales	5,256	5,838	6,377	5,538	7,187	7,600	7,092	8,687	8,741	10,082	10,552	11,276	9,392	73,422
Deeds-in-lieu	238	363	232	236	247	284	290	360	434	515	557	499	594	3,533
Nonforeclosure - Home Forfeiture Actions	<b>5,494</b>	<b>6,201</b>	<b>6,609</b>	<b>5,774</b>	<b>7,434</b>	<b>7,884</b>	<b>7,382</b>	<b>9,047</b>	<b>9,175</b>	<b>10,597</b>	<b>11,109</b>	<b>11,775</b>	<b>9,986</b>	<b>76,955</b>
<b>Total Foreclosure   Prevention Actions</b>	<b>36,974</b>	<b>37,010</b>	<b>34,201</b>	<b>31,696</b>	<b>70,896</b>	<b>59,786</b>	<b>77,849</b>	<b>101,407</b>	<b>82,227</b>	<b>97,720</b>	<b>91,587</b>	<b>81,496</b>	<b>76,389</b>	<b>668,461</b>

## Percent of Total Foreclosure Prevention Actions

Repayment Plans	30%	41%	49%	43%	22%	22%	27%	22%	21%	13%	17%	13%	20%	19%
Forbearance Plans	5%	5%	7%	9%	6%	6%	7%	9%	9%	7%	7%	5%	8%	7%
Charge-offs in Lieu	1%	1%	1%	1%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%
HomeSaver Advance ( <i>Fannie</i> )	4%	3%	3%	3%	1%	1%	1%	1%	1%	1%	1%	0%	0%	1%
Loan Modifications	46%	34%	21%	25%	60%	58%	56%	59%	57%	68%	63%	67%	59%	61%
Home Retention Actions	<b>85%</b>	<b>83%</b>	<b>81%</b>	<b>82%</b>	<b>90%</b>	<b>87%</b>	<b>91%</b>	<b>91%</b>	<b>89%</b>	<b>89%</b>	<b>88%</b>	<b>86%</b>	<b>87%</b>	<b>88%</b>
Short Sales	14%	16%	19%	17%	10%	13%	9%	9%	11%	10%	12%	14%	12%	11%
Deeds-in-lieu	1%	1%	1%	1%	0%	0%	0%	0%	1%	1%	1%	1%	1%	1%
Nonforeclosure - Home Forfeiture Actions	<b>15%</b>	<b>17%</b>	<b>19%</b>	<b>18%</b>	<b>10%</b>	<b>13%</b>	<b>9%</b>	<b>9%</b>	<b>11%</b>	<b>11%</b>	<b>12%</b>	<b>14%</b>	<b>13%</b>	<b>12%</b>

<sup>1</sup> The number of foreclosure prevention actions reported in this table may not tie to the Enterprises' financial statements due to timing differences in reporting systems.<sup>2</sup> Forbearance plans initiated include HAMP trials initiated by servicers under the MHA program. In addition, starting in August, forbearance plans initiated include Fannie Mae's HomeSaver forbearance plans. HAMP trial modifications are based on the first trial payment posted date. HAMP permanent modifications are based on the effective date of modification. As of August 31, 2010, Fannie Mae had completed nearly 155,000 HAMP permanent modifications and Freddie Mac had completed nearly 97,900 HAMP permanent modifications.<sup>3</sup> Includes loans that were 30+ days delinquent at initiation of the plan. In addition, the completed forbearance plans data has been revised to exclude HAMP.

**Appendix: Data Tables****3(i) Enterprises Combined - Loan Modifications**

	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	YTD 2010
<b>Loan Modifications (# of loans)</b>	17,158	12,460	7,044	7,936	42,589	34,502	43,339	59,720	47,051	66,122	58,003	54,319	45,051	408,107
<b>Type of Modifications (%)</b>														
Extend Term Only	19%	14%	14%	15%	6%	4%	4%	3%	5%	3%	4%	3%	5%	4%
Reduce Rate Only	9%	13%	14%	12%	24%	34%	33%	35%	31%	33%	29%	32%	30%	32%
Extend Term and Reduce Rate*	65%	67%	64%	65%	61%	50%	57%	53%	57%	59%	62%	61%	60%	58%
Other	8%	6%	8%	8%	9%	12%	7%	9%	7%	4%	5%	4%	6%	6%

\* Includes extend term, reduce rate and forbear principal.

**Appendix: Data Tables****3(ii) Fannie Mae - Loan Modifications**

	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	YTD 2010
<b>Loan Modifications (# of loans)</b>	13,831	9,453	3,567	3,442	34,744	23,077	29,271	41,408	31,434	53,580	36,679	43,140	33,378	291,967
<b>Type of Modifications (%)</b>														
Extend Term Only	12%	7%	7%	8%	6%	2%	1%	1%	1%	1%	1%	1%	1%	1%
Reduce Rate Only	10%	15%	17%	15%	25%	41%	38%	40%	37%	37%	31%	36%	35%	37%
Extend Term and Reduce Rate*	71%	74%	71%	73%	62%	43%	55%	49%	54%	58%	63%	60%	58%	56%
Other	6%	4%	5%	4%	8%	14%	6%	10%	8%	4%	5%	3%	6%	6%

\* Includes extend term, reduce rate and forbear principal.

**Appendix: Data Tables****3(iii) Freddie Mac - Loan Modifications**

	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	YTD 2010
<b>Loan Modifications (# of loans)</b>	3,327	3,007	3,477	4,494	7,845	11,425	14,068	18,312	15,617	12,542	21,324	11,179	11,673	116,140
<b>Type of Modifications (%)</b>														
Extend Term Only	44%	39%	22%	20%	11%	7%	9%	9%	13%	13%	9%	12%	16%	11%
Reduce Rate Only	2%	5%	10%	9%	18%	22%	21%	23%	20%	16%	25%	18%	14%	20%
Extend Term and Reduce Rate*	40%	44%	57%	59%	59%	62%	62%	62%	61%	64%	61%	62%	63%	62%
Other	14%	12%	11%	12%	12%	9%	8%	5%	6%	7%	5%	8%	7%	7%

\* Includes extend term, reduce rate and forbear principal.



**Appendix: Data Tables****4 Enterprises Combined - Home Forfeiture Actions (# of loans)**

	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	YTD 2010
Short Sales	5,256	5,838	6,377	5,538	7,187	7,600	7,092	8,687	8,741	10,082	10,552	11,276	9,392	73,422
Deeds-in-lieu	238	363	232	236	247	284	290	360	434	515	557	499	594	3,533
Nonforeclosure - Home Forfeiture Actions*	5,494	6,201	6,609	5,774	7,434	7,884	7,382	9,047	9,175	10,597	11,109	11,775	9,986	76,955
Third-party Sales	1,312	1,596	1,844	1,582	1,482	1,753	1,677	1,741	2,278	2,304	3,274	3,384	4,302	20,713
Foreclosure Sales	20,112	22,123	26,726	20,646	25,617	31,226	25,165	36,369	35,769	31,394	37,334	39,120	42,032	278,409
Third-party & Foreclosure Sales	21,424	23,719	28,570	22,228	27,099	32,979	26,842	38,110	38,047	33,698	40,608	42,504	46,334	299,122
Foreclosure Starts	94,754	74,072	77,865	67,915	97,705	97,436	71,045	77,792	88,551	91,968	94,576	121,696	118,547	761,611
<b>Top Five Reasons for Delinquency</b>														
Curtailment of Income	40%	41%	41%	39%	41%	44%	48%	49%	49%	48%	48%	48%	47%	
Excessive obligations	16%	15%	14%	13%	13%	13%	13%	13%	13%	14%	14%	14%	14%	
Unemployment	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	
Illness of principal mortgagor or family member	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	
Marital Difficulties	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	

\* Short sales and deeds in lieu of foreclosure completed.

## Appendix: Data Tables

## 5 Fannie Mae and Freddie Mac - Refinance Volume (# of loans)

	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10
<b>Total Refinances</b>														
Fannie Mae	264,802	193,814	167,958	121,997	124,644	170,612	141,199	146,909	128,921	121,994	118,632	115,956	123,959	156,737
Freddie Mac	158,182	164,875	98,048	86,796	92,498	126,134	107,589	107,436	106,861	89,650	82,229	98,170	86,925	105,079
Total	422,984	358,689	266,006	208,793	217,142	296,746	248,788	254,345	235,782	211,644	200,861	214,126	210,884	261,816
<b>HARP LTV &gt;80% -105%</b>														
Fannie Mae	16,032	15,295	14,781	10,425	11,623	18,771	15,520	18,070	18,751	15,135	15,060	14,786	12,774	14,145
Freddie Mac	14,577	16,846	8,684	7,136	9,087	14,576	14,751	15,668	14,040	13,396	11,721	12,336	11,859	12,669
Total	30,609	32,141	23,465	17,561	20,710	33,347	30,271	33,738	32,791	28,531	26,781	27,122	24,633	26,814
<b>HARP LTV &gt;105% -125%</b>														
Fannie Mae	1		36	129	283	521	626	685	794	809	892	779	799	891
Freddie Mac				106	257	590	716	868	924	1,117	989	1,122	1,143	1,222
Total	1		36	235	540	1,111	1,342	1,553	1,718	1,926	1,881	1,901	1,942	2,113
<b>All Other Streamlined Refis</b>														
Fannie Mae	38,627	27,857	23,420	16,539	19,342	30,900	26,660	32,090	29,128	26,160	27,006	24,929	25,459	31,370
Freddie Mac	9,543	11,927	7,563	7,965	12,214	19,616	21,254	22,331	17,055	18,989	16,277	14,726	19,715	22,806
Total	48,170	39,784	30,983	24,504	31,556	50,516	47,914	54,421	46,183	45,149	43,283	39,655	45,174	54,176

## Notes:

**HARP Refinance Loans** are defined as Fannie Mae to Fannie Mae and Freddie Mac to Freddie Mac first lien refinance loans with limited and no cash out that are owner-occupied with LTVs between 80% and 125%.

**All Other Streamlined Refis** are streamlined refinances that do not qualify as HARP (LTVs between 80% and 125%) refinances. Fannie Mae implements streamlined refinances through the Refi Plus product for manual underwriting and DU Refi Plus product for loans underwritten through Desktop Underwriter. The product is available for refinances of existing Fannie Mae loans only. Freddie Mac implements streamlined refinances through the Relief Refinance Mortgage product. Loans may be originated by any Freddie Mac approved servicer.

FHFA produces monthly and quarterly versions of the Foreclosure Prevention & Refinance Report. In addition to the data provided in the monthly reports, the quarterly reports include the following information: MHA program updates; benchmarking of the Enterprises' delinquency rates; the type and depth of loan modifications; and the performance of modified loans.

## Glossary

*Data and definitions in this report have been revised relative to prior versions of the report. FHFA continues to work with the Enterprises to improve the comparability of reported data.*

### Section 1: Mortgage Performance

**Total Loans Serviced** - Total conventional active book of business, excluding loans that were liquidated during the month.

**Current and Performing** - Loans that are making timely payments and are 0 months delinquent as of the reporting month.

**Total Delinquent Loans** - Loans that are at least one payment past due, i.e., total servicing *minus* current and performing.

**30-59 Days Delinquent** - Includes loans that are only one payment delinquent.

**60-89 Days Delinquent** - Includes loans that are only two payments delinquent.

**60-plus-days Delinquent** - Loans that are two or more payments delinquent, including loans in relief, in the process of foreclosure, or in the process of bankruptcy, i.e., total servicing *minus* current and performing, and 30 to 59 days delinquent loans. Our calculation may exclude loans in bankruptcy process that are less than 60 days delinquent.

**Serious Delinquency** - All loans in the process of foreclosure *plus* loans that are three or more payments delinquent (including loans in the process of bankruptcy).

**In Bankruptcy** - Loans in the process of bankruptcy; includes all delinquency status.

### Section 2: Completed Foreclosure Prevention Actions

**Home Retention Actions** - Repayment plans, forbearance plans, charge-offs in lieu of foreclosure, Home Saver Advances, and loan modifications. Home retention actions allow borrowers to retain ownership/occupancy of their homes while attempting to return loans to current and performing status.

**Repayment Plans** - An agreement between the servicer and a borrower that gives the borrower a defined period of time to reinstate the mortgage by paying normal regular payments plus an additional agreed upon amount in repayment of the delinquency.

**Forbearance Plans** - An agreement between the servicer and the borrower (or estate) to reduce or suspend monthly payments for a defined period of time after which borrower resumes regular monthly payments and pays additional money toward the delinquency to bring the account current or works with the servicer to identify a permanent solution, such as loan modification or short sale, to address the delinquency.

**Charge-offs in Lieu of Foreclosure** - A delinquent loan for which collection efforts or legal actions against the borrower are agreed to be not in the Enterprises' best interests (because of reduced property value, a low outstanding mortgage balance, or presence of certain environmental hazards). The servicer charges off the mortgage debt rather than completing foreclosure and taking the property title. The borrower retains the property. The unpaid mortgage balance becomes a lien on the borrower's property, which must be satisfied when the borrower transfers ownership.

**HomeSaver Advance (Fannie Mae)** - An unsecured personal loan to a qualified borrower to cure his or her payment defaults under a mortgage loan the Enterprises own or guarantee. The borrower must be able to resume regular monthly payments on his or her mortgage.

**Loan Modifications** - Number of modified, renegotiated, or restructured loans, regardless of performance-to-date under the plan during the month. Terms of the contract between the borrower and the lender are altered with the aim of curing the delinquency (30 days or more past due).

**Nonforeclosure-Home Forfeiture Actions**- Short sales and deeds-in-lieu of foreclosure. These actions require borrowers to give up their homes. Although homes are forfeited, foreclosure alternatives generally have less adverse impact on borrowers and their credit reports than foreclosure.

**Short Sales** - A short sale (also called a preforeclosure sale) is the sale of a mortgaged property at a price that nets less than the total amount due on the mortgage (e.g., the sum of the unpaid principal balance, accrued interest, advanced escrows, late fees, and delinquency charges.) The servicer and borrower negotiate payment of the difference between the net sales price and the total amount due on the mortgage.

**Deed(s)-in-lieu of Foreclosure** - A loan for which the borrower voluntarily conveys the property to the lender to avoid a foreclosure proceeding.

### Section 3: Loan Modifications

**Increase** - Principal and interest after modification is higher than before the modification.

**No Increase** - Original principal and interest is unchanged after the modifications.

**Decrease <=20%** - Original principal and interest is decreased by 20 percent or less after modification.

**Decrease >20%** - Original principal and interest is decreased by more than 20 percent after modification.

**Extend Term Only** - Remaining term of the loan is longer after modification.

**Reduce Rate Only** - Loan's rate is lower after modification.

**Extend Term and Reduce Rate** - Loan's rate reduced and term extended.

**Extend Term, Rate Reduction, and Forbear Principal** - Modification includes term extension, rate reduction, and forbearance of principal.

**Other** - A modification that does not fit in any of the above categories. The majority of these loans are capitalized modifications.

### Section 4: Third-party Sales and Foreclosures

**Third-party Sales** - A third party entity purchases the property at the foreclosure sale/auction above the initial bid set forth by Fannie Mae or Freddie Mac.

**Foreclosure Starts** - The total number of loans referred to an attorney to initiate the legal process of foreclosure during the month. These are loans measured as not being in foreclosure in the previous month but referred to foreclosure in the current month.

**Foreclosure Sales** - The number of loans that went to foreclosure (sheriff's) sale during the month.