



Comptroller of the Currency
Administrator of National Banks

US Department of the Treasury

OCC Mortgage Metrics Report

Disclosure of National Bank and Federal Savings
Association Mortgage Loan Data

First Quarter 2012

Office of the Comptroller of the Currency
Washington, D.C.

June 2012

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Executive Summary

This *OCC Mortgage Metrics Report* for the first quarter of 2012 provides performance data on first-lien residential mortgages serviced by selected national and federal savings banks. The mortgages in this portfolio comprise 60 percent of all mortgages outstanding in the United States—31.0 million loans totaling \$5.3 trillion in principal balances. This report provides information on their performance through March 31, 2012.

The overall quality of the portfolio of serviced mortgages improved during the quarter with the percentage of mortgages that were current and performing at 88.9 percent, the highest level in three years. The percentages of mortgages that were 30 to 59 and 60 to 89 days delinquent also decreased to their lowest levels since the OCC began publishing the Mortgage Metrics report in first quarter of 2008 (see table 7). This improvement can be attributed to several factors, including strengthening economic conditions during the quarter, seasonal effects, servicing transfers, and the ongoing effects of both home retention loan modification programs as well as home forfeiture actions.

While the number of foreclosures in process has decreased from a year ago, the percentage of mortgages that were in the process of foreclosure at the end of the first quarter of 2012 increased by 1.8 percent from the previous quarter and 2.3 percent from a year earlier. The number of newly initiated foreclosures decreased by 1.8 percent from the previous quarter and 8.1 percent from a year earlier. The decrease in new foreclosures reflects the continued emphasis on home retention actions as well as the decrease in the number of seriously delinquent loans over the past few quarters. Many servicers have also slowed new foreclosure referrals in response to changing servicing standards and requirements. The number of completed foreclosures increased by 5.9 percent from the previous quarter and 2.7 percent a year earlier as the large number of foreclosures in process continues to progress.

Servicers continued to emphasize alternatives to foreclosure during the quarter, initiating nearly twice as many new home retention actions—loan modifications, trial-period plans, and payment plans—as completed foreclosures, short sales, and deed-in-lieu-of-foreclosure transactions. Servicers implemented 352,989 new home retention actions during the quarter, while starting 286,951 new foreclosures. The number of home retention actions implemented by servicers decreased 23.3 percent from the previous quarter and 36.7 percent from a year earlier as delinquencies have fallen to three-year lows and servicers exhaust alternatives to assist delinquent borrowers who have not already been assisted through available home retention programs.

Mortgage Performance

- The percentage of mortgages that were current and performing increased to 88.9 percent at the end of the first quarter of 2012 (see table 7).
- The percentage of mortgages in the portfolio that were 30 to 59 days delinquent at the end of the first quarter decreased by 17.3 percent from the previous quarter and by 3.8 percent from a year earlier (see table 7).
- The percentage of mortgages in the portfolio that were seriously delinquent at the end of the quarter was 4.5 percent—down 10.4 percent from the previous quarter and 6.2 percent from a year earlier (see table 7).

- The quality of serviced government-guaranteed mortgages improved during the quarter. Mortgages that were current and performing increased to 85.9 percent from 84.2 percent in the prior quarter. The percentage of these mortgages that were current and performing a year earlier was 87.0 percent (see table 9).
- Mortgages serviced for Fannie Mae and Freddie Mac (government-sponsored enterprises or GSEs) made up the majority—59 percent—of mortgages in the reporting servicers' portfolios. The overall percentage of these mortgages that were current and performing has remained relatively constant over the last year. The percentage of these mortgages that were current and performing at the end of the quarter was 93.7 percent (see table 10).

Home Retention Actions: Loan Modifications, Trial-Period Plans, and Payment Plans

- Servicers implemented 352,989 new home retention actions—modifications, trial-period plans, and payment plans—during the first quarter of 2012 (see table 1). This was nearly twice the number of completed foreclosures, short sales, and deed-in-lieu-of-foreclosure actions during the quarter (see table 5). The number of new home retention actions in the first quarter decreased by 23.3 percent from the previous quarter and decreased 36.7 percent from a year earlier.
- New home retention actions comprised 102,158 modifications, 129,016 trial-period plans, and 121,815 payment plans during the quarter. Home Affordable Modification Program (HAMP) modifications decreased 13.5 percent from the previous quarter to 36,554. Other modifications decreased by 11.2 percent to 65,604. Trial-period plans also decreased with HAMP trial-period plans decreasing by 2.9 percent and other trial-period plans decreasing 44.0 percent from the previous quarter.¹ During the past five quarters, servicers initiated more than 2.2 million home retention actions (see table 1) and more than 2.5 million modifications since 2008 (see table 2).

	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Other Modifications	106,650	80,398	83,598	73,878	65,604	-11.2%	-38.5%
HAMP Modifications	53,250	70,071	53,941	42,275	36,554	-13.5%	-31.4%
Other Trial-Period Plans	181,099	118,928	127,528	182,856	102,486	-44.0%	-43.4%
HAMP Trial-Period Plans	57,649	44,148	29,338	27,323	26,530	-2.9%	-54.0%
Payment Plans	158,821	142,678	164,566	133,881	121,815	-9.0%	-23.3%
Total	557,469	456,223	458,971	460,213	352,989	-23.3%	-36.7%

- Servicers reduced interest rates in 80.6 percent of all modifications made during the first quarter of 2012. Term extensions were used in 73.7 percent of modifications, principal deferrals in 24.6 percent, and principal reductions in 10.2 percent (see table 17). Among HAMP modifications, servicers reduced interest rates in 89.9 percent of those modifications,

¹ In the fourth quarter of 2011 certain servicers converted a significant number of borrowers in existing payment plans to trial period plans.

deferred principal in 32.8 percent, and reduced principal in 20.7 percent of all HAMP modifications (see table 18).

- Servicers reduced monthly principal and interest payments in 91.5 percent of modifications made in the quarter (see table 22). Servicers reduced monthly payments by an average of 27.4 percent for all borrowers who qualified for modifications, with an average decrease of \$437. HAMP modifications reduced payments by an average of \$588, or 35.4 percent, and other modifications reduced monthly payments by \$353, or 22.9 percent (see table 24).

Modified Loan Performance

- Servicers modified 2,543,133 mortgages from the beginning of 2008 through the end of the fourth quarter of 2011. At the end of the first quarter of 2012, 50.7 percent of these modifications remained current or were paid off. Another 7.1 percent were 30 to 59 days delinquent, and 15.1 percent were seriously delinquent. Almost 11 percent were in the process of foreclosure, and 6.3 percent had completed the foreclosure process. More recent modifications that emphasized reduced payments, affordability and sustainability have outperformed modifications implemented in earlier periods (see table 2).

Table 2. Status of Mortgages Modified in 2008–2011								
	Total	Current	30–59 Days Delinquent	Seriously Delinquent	Foreclosures in Process	Completed Foreclosures	Paid Off	No Longer in the Portfolio*
2008	445,354	26.2%	5.3%	15.9%	16.1%	15.0%	3.3%	18.2%
2009	594,350	38.7%	6.6%	17.2%	14.1%	9.1%	2.0%	12.3%
2010	939,368	53.7%	7.5%	14.6%	9.9%	3.8%	0.8%	9.7%
2011	564,061	71.5%	8.6%	12.9%	4.8%	0.6%	0.3%	1.3%
Total	2,543,133	49.3%	7.1%	15.1%	10.8%	6.3%	1.4%	9.9%
HAMP Modification Performance Compared With Other Modifications**								
Other Modifications	1,194,442	53.4%	8.3%	16.8%	9.8%	4.1%	1.0%	6.6%
HAMP Modifications	565,751	68.2%	6.5%	9.3%	6.0%	1.9%	0.4%	7.7%
Modifications That Reduced Payments by 10 Percent or More								
Modifications That Reduced Payments by 10% or More	1,511,900	57.9%	7.1%	12.4%	8.3%	3.8%	0.9%	9.5%
Modifications That Reduced Payments by Less Than 10 Percent								
Modifications That Reduced Payments by Less Than 10%	1,031,233	36.8%	7.1%	18.9%	14.5%	9.9%	2.2%	10.5%

*Processing constraints prevented some servicers from reporting the reason for removal from the portfolio.

**Modifications used to compare with HAMP modifications only include modifications implemented from the third quarter of 2009 through the fourth quarter of 2011.

- HAMP modifications perform better than other modifications. Of the 565,751 HAMP modifications implemented since the third quarter of 2009, 68.2 percent remained current, compared with 53.4 percent of other modifications implemented during the same period (see table 2). The better performance of HAMP modifications reflects significantly reduced

monthly payments, its emphasis on affordability relative to borrower income, required income verification, and successfully completing a required trial period.

- Modifications that reduced borrower monthly payments by 10 percent or more performed better than those that reduced payments by less than 10 percent—the greater the payment decrease, the better the subsequent performance. At the end of the first quarter of 2012, 57.9 percent of modifications that reduced payments by 10 percent or more were current and performing, compared with 36.8 percent of those that reduced payments by less (see table 2).
- Modifications on mortgages held in the servicers' own portfolios or serviced for the GSEs performed better than modifications on mortgages serviced for others. Of the modifications implemented from January 1, 2008 through March 31, 2011 that were in effect at least one year, 23.4 percent of modifications on mortgages held in the servicers' own portfolios were 60 or more days delinquent after 12 months, 27.0 percent of Fannie Mae mortgages were 60 or more days delinquent, and 26.7 percent of Freddie Mac mortgages were 60 or more days delinquent after 12 months. Conversely, 48.3 percent of government-guaranteed mortgages and 45.8 percent of private investor-held loans were 60 or more days delinquent after 12 months. This variance may reflect differences in the underlying risk characteristics of the loans, differences in the modification programs, and servicers' additional flexibility when modifying mortgages they owned compared with mortgages serviced for others (see table 3).

Table 3. Re-Default Rates for Portfolio Loans and Loans Serviced for Others (60 or More Days Delinquent)*				
Investor Loan Type	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification
Fannie Mae	11.4%	18.3%	23.4%	27.0%
Freddie Mac	12.3%	18.6%	23.1%	26.7%
Government-Guaranteed	17.0%	34.2%	43.8%	48.3%
Private	23.3%	33.6%	40.8%	45.8%
Portfolio Loans	7.8%	14.7%	19.9%	23.4%
Overall	15.6%	25.4%	31.9%	36.2%

*Data include all modifications made since January 1, 2008 that have aged the indicated number of months.

Foreclosures and Other Home Forfeiture Actions

- Newly initiated foreclosures decreased 1.8 percent from the previous quarter and 8.1 percent from a year earlier. The number of foreclosures in process increased 0.6 percent from the previous quarter but decreased 3.0 percent from a year earlier (see table 4). This reduction in new foreclosures is attributable to servicers' ongoing emphasis on modifications and other loss mitigation programs, a declining number of seriously delinquent mortgages over the last year, and slower initiation of new foreclosure referrals.

Table 4. New Foreclosures and Foreclosures in Process							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Newly Initiated Foreclosures	312,235	287,162	347,726	292,173	286,951	-1.8%	-8.1%
Foreclosures in Process	1,308,757	1,319,987	1,327,077	1,262,294	1,269,921	0.6%	-3.0%

- Home forfeiture actions totaled 185,781 at the end of the quarter—an increase of 1.9 percent from the previous quarter and 8.3 percent from a year earlier. Completed foreclosures

increased 5.9 percent from the previous quarter and 2.7 percent from a year earlier. New short sales decreased by 5.2 percent from the previous quarter, but increased 19.7 percent from a year earlier, and comprise nearly one-third of home forfeiture actions. New deed-in-lieu-of-foreclosure actions decreased by 4.5 percent from the previous quarter but increased 65.1 percent from a year earlier (see table 5).

Table 5. Completed Foreclosures and Other Home Forfeiture Actions							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Completed Foreclosures	119,739	121,209	113,202	116,159	122,979	5.9%	2.7%
New Short Sales	50,108	56,406	57,479	63,257	59,996	-5.2%	19.7%
New Deed-in-Lieu-of-Foreclosure Actions	1,700	2,547	2,620	2,939	2,806	-4.5%	65.1%
Total	171,547	180,162	173,301	182,355	185,781	1.9%	8.3%

About Mortgage Metrics

The *OCC Mortgage Metrics Report* presents data on first-lien residential mortgages serviced by nine national and federal savings banks with the largest mortgage-servicing portfolios.² The data represent 60 percent of all first-lien residential mortgages outstanding in the country and focuses on credit performance, loss mitigation efforts, and foreclosures. More than 92 percent of the mortgages in the portfolio were serviced for investors other than the reporting institutions. At the end of March 2012, the reporting institutions serviced 31.0 million first-lien mortgage loans, totaling more than \$5.3 trillion in unpaid balances (see table 6).

Although the loans reflected in this report represent a large percentage of the overall mortgage industry, they do not represent a statistically random sample of all mortgage loans. The characteristics of these loans may differ from the overall population of mortgages. This report does not attempt to quantify or adjust for known seasonal effects that occur within the mortgage industry.

In addition to providing information to the public, the report and its data support the supervision of national bank and thrift mortgage-servicing practices. Examiners use the data to help assess emerging trends, identify anomalies, compare servicers with peers, evaluate asset quality and necessary loan-loss reserves, and assess loss mitigation actions.

The report promotes the use of standardized terms and elements, which allow better comparisons across the industry and over time. The report uses standardized definitions for prime, Alt-A, and subprime mortgages based on commonly used credit score ranges.

The OCC and the participating institutions devote significant resources to ensuring that the information is reliable and accurate. Steps to ensure the validity of the data include quality assurance processes conducted by the banks and savings association, comprehensive data validation tests performed by a third-party data aggregator, and comparisons with the institutions' quarterly call and thrift financial reports. Data sets of this size and scope inevitably incur some degree of missing or inconsistent data and other imperfections. The OCC requires servicers to adjust previous data submissions when errors and omissions are detected. In some cases, data presented in this report reflect resubmissions from institutions that restate and correct earlier information.

The report also includes mortgage modification data by state and territories in appendix E. These data fulfill reporting requirements in the Dodd–Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203).

Definitions and Method

The report uses standard definitions for three categories of mortgage creditworthiness based on the following ranges of borrowers' credit scores at the time of origination:

- **Prime**—660 and above.
- **Alt-A**—620 to 659.

² The eight national banks are Bank of America, JPMorgan Chase, Citibank, HSBC, MetLife, PNC, U.S. Bank, and Wells Fargo. The federal savings association is OneWest Bank.

- **Subprime**—below 620.

Approximately 11 percent of mortgages in the portfolio were not accompanied by credit scores and are classified as “other.” This group includes a mix of prime, Alt-A, and subprime mortgages. In large part, the lack of credit scores results from acquisitions of portfolios from third parties for which borrower credit scores at origination were not available.

Additional definitions include:

- **Completed foreclosures**—Ownership of properties transferred to servicers or investors. The ultimate result is the loss of borrowers’ homes because of nonpayment.
- **Deed-in-lieu-of-foreclosure actions**—Actions in which borrowers transfer ownership of the properties (deeds) to servicers in full satisfaction of the outstanding mortgage debt to lessen the adverse impact of the debt on borrowers’ credit records. Deed-in-lieu-of-foreclosure actions typically have a less adverse impact than foreclosures on borrowers’ credit records.
- **Foreclosures in process**—Number of mortgages for which servicers have begun formal foreclosure proceedings but have not yet completed the foreclosure process. The foreclosure process varies by state and can take 15 months or more to complete. Many foreclosures in process never result in the loss of borrowers’ homes because servicers simultaneously pursue other loss mitigation actions, and borrowers may return their mortgages to current and performing status.
- **Government-guaranteed mortgages**—All mortgages with an explicit guaranty from the U.S. government, including the Federal Housing Administration (FHA), the Department of Veterans Affairs (VA), and, to a lesser extent, certain other departments. These loans may be held in pools backing Government National Mortgage Association (Ginnie Mae) securities, owned by or securitized through different third-party investors, or held in the portfolios of reporting institutions.
- **Home retention actions**—Loan modifications, trial-period plans, and payment plans that allow borrowers to retain ownership and occupancy of their homes while attempting to return the loans to a current and performing status.
- **Loan modifications**—Actions that contractually change the terms of mortgages with respect to interest rates, maturity, principal, or other terms of the loan.
- **Newly initiated foreclosures**—Mortgages for which the servicers initiate formal foreclosure proceedings during the quarter. Many newly initiated foreclosures do not result in the loss of borrowers’ homes because servicers simultaneously pursue other loss mitigation actions, and borrowers may act to return their mortgages to current and performing status.
- **Payment plans**—Short-to-medium-term changes in scheduled terms and payments in order to return mortgages to a current and performing status.
- **Payment-option, adjustable rate mortgages (ARM)**—Mortgages that allow borrowers to choose a monthly payment that may initially reduce principal, pay interest only, or result in negative amortization, when some amount of unpaid interest is added to the principal balance of the loan and results in an increased balance.

- **Principal deferral modifications**—Modifications that remove a portion of the principal from the amount used to calculate monthly principal and interest payments for a set period. The deferred amount becomes due at the end of the loan term.
- **Principal reduction modifications**—Modifications that permanently forgive a portion of the principal amount owed on a mortgage.
- **Re-default rates**—Percentage of modified loans that subsequently become delinquent or enter the foreclosure process. As measures of delinquency, this report presents re-default rates using 30, 60, and 90 or more days delinquent and in process of foreclosure. It focuses on the 60-day-delinquent measure. All re-default data presented in this report are based on modified loans in effect for the specified amount of time after the modification. All loans that have been repaid in full, been refinanced, been sold, or completed the foreclosure process are removed from the calculation. Data include only modifications that have had time to age the indicated number of months following the modification.
- **Seriously delinquent loans**—Mortgages that are 60 or more days past due, and all mortgages held by bankrupt borrowers whose payments are 30 or more days past due.
- **Short sales**—Sales of the mortgaged properties at prices that net less than the total amount due on the mortgages. Servicers and borrowers negotiate repayment programs, forbearance, or forgiveness for any remaining deficiency on the debt. Short sales typically have a less adverse impact than foreclosures on borrowers' credit records.
- **Trial-period plans**—Home retention actions that allow borrowers to demonstrate capability and willingness to pay their modified mortgages for a set period of time. The action becomes permanent following the successful completion of the trial period.

Loan delinquencies are reported using the Mortgage Bankers Association convention that a loan is past due when a scheduled payment is unpaid for 30 days or more. The statistics and calculated ratios are based on the number of loans rather than on the dollar amount outstanding.

Percentages are rounded to one decimal place unless the result is less than 0.1 percent, which is rounded to two decimal places. The report uses whole numbers when approximating. Values in tables may not total 100 percent because of rounding.

In tables throughout this report, the quarters are indicated by the last day of the quarter (e.g., 3/31/12), quarter-to-quarter changes are shown under the column "1Q %Change" column, and year-to-year changes are shown under the column "1Y %Change" column.

In tables throughout this report, percentages shown under "1Q %Change" and "1Y %Change" are calculated using actual data, not the rounded values reported for each quarter. Calculating period-to-period changes from the rounded values reported in the tables may yield materially different values than those values indicated in the table.

Mortgage Metrics Report data may not agree with other published data because of timing delays in updating servicer-processing systems.

PART I: Mortgage Performance

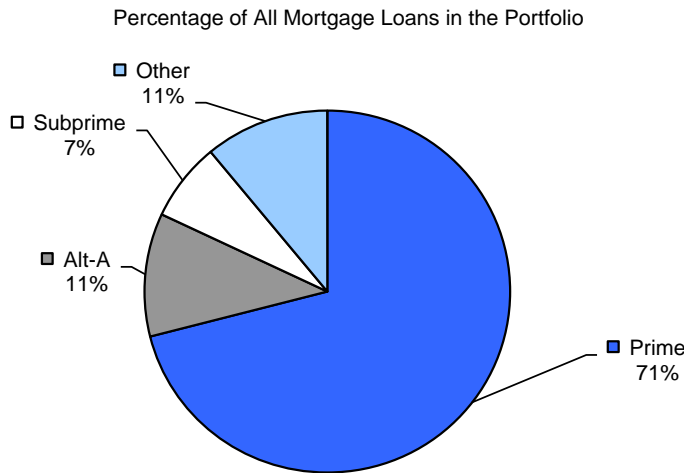
Part I describes the performance of the overall mortgage portfolio, mortgages owned and held by the reporting banks and savings association, government-guaranteed mortgages, mortgages serviced for the GSEs, and mortgages within each risk category.

Overall Mortgage Portfolio

At the end of the first quarter of 2012, the servicing portfolio included 31.0 million loans with \$5.3 trillion in unpaid balances (see table 6). Portfolio composition has remained essentially the same over the past year. Prime loans were 71 percent of the portfolio at quarter end, increased from 70 percent a year ago. Alt A and other loans were both 11 percent of the portfolio at quarter end, and subprime loans were 7 percent of the total serviced portfolio.

Table 6. Overall Mortgage Portfolio					
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12
Total Servicing (Millions)	\$5,686,103	\$5,682,951	\$5,598,366	\$5,415,566	\$5,332,795
Total Servicing (Number of Loans)	32,713,033	32,769,737	32,434,997	31,381,140	31,026,381
Composition (Percentage of All Mortgages in the Portfolio)					
Prime	70%	70%	70%	71%	71%
Alt-A	11%	11%	11%	11%	11%
Subprime	7%	8%	7%	7%	7%
Other	12%	12%	12%	11%	11%
Composition (Number of Loans in Each Risk Category of the Portfolio)					
Prime	22,804,671	22,904,910	22,765,207	22,311,549	22,142,982
Alt-A	3,505,201	3,522,896	3,499,907	3,388,098	3,359,124
Subprime	2,418,112	2,476,801	2,426,056	2,307,692	2,260,455
Other	3,985,049	3,865,130	3,743,827	3,373,801	3,263,820

Figure 1. Portfolio Composition



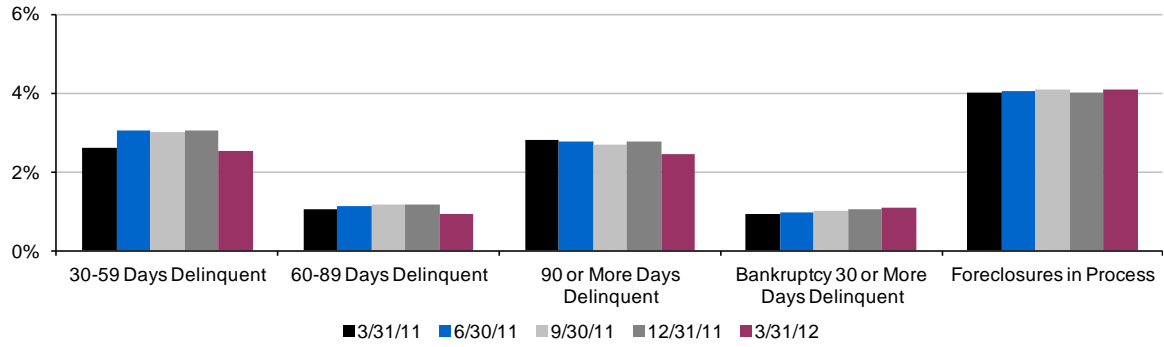
Overall Mortgage Performance

The overall performance of the portfolio of mortgages serviced by reporting banks and thrift improved from both the previous quarter and a year earlier. The percentage of mortgages that were current and performing at the end of the quarter was 88.9 percent, the highest level in three years. The percentages of mortgages that were 30 to 59 and 60 to 89 days past due decreased to their lowest levels since the the OCC began publishing the *Mortgage Metrics Report* (see table 7). Mortgages 30 to 59 days delinquent at quarter end were 2.5 percent of the portfolio, down 17.3 percent from the previous quarter and 3.8 percent from a year earlier. Seriously delinquent mortgages (those 60 or more days past due or in bankruptcy and 30 or more days past due) were 4.5 percent of the portfolio at quarter end, down 10.4 percent from the previous quarter and 6.2 percent from a year earlier. Foreclosures in process at the end of the quarter were 4.1 percent of the portfolio, up 1.8 percent from the prior quarter and 2.3 percent from a year earlier. The number of foreclosures in process increased 0.6 percent from the previous quarter but decreased 3.0 percent from a year earlier. The improvement in performance reflected in this report may not be generalized to the overall population of mortgage in the United States.

Table 7. Overall Portfolio Performance

(Percentage of Mortgages in the Portfolio)							
	3/31/2011	6/30/2011	9/30/2011	12/31/2011	3/31/2012	1Q %Change	1Y %Change
Current and Performing	88.6%	88.1%	88.0%	88.0%	88.9%	1.1%	0.3%
30–59 Days Delinquent	2.6%	3.0%	3.0%	3.0%	2.5%	-17.3%	-3.8%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	1.0%	1.1%	1.2%	1.2%	0.9%	-20.5%	-9.6%
90 or More Days Delinquent	2.8%	2.8%	2.7%	2.8%	2.5%	-11.3%	-12.9%
Bankruptcy 30 or More Days Delinquent	0.9%	1.0%	1.0%	1.0%	1.1%	3.7%	18.3%
Subtotal for Seriously Delinquent	4.8%	4.9%	4.9%	5.0%	4.5%	-10.4%	-6.2%
Foreclosures in Process	4.0%	4.0%	4.1%	4.0%	4.1%	1.8%	2.3%
(Number of Mortgages in the Portfolio)							
Current and Performing	28,991,538	28,853,845	28,550,780	27,600,497	27,589,940	0.0%	-4.8%
30–59 Days Delinquent	853,484	996,859	972,715	952,719	779,022	-18.2%	-8.7%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	340,258	371,716	384,638	371,164	291,663	-21.4%	-14.3%
90 or More Days Delinquent	920,363	910,183	875,943	867,508	760,736	-12.3%	-17.3%
Bankruptcy 30 or More Days Delinquent	298,633	317,147	323,844	326,958	335,099	2.5%	12.2%
Subtotal for Seriously Delinquent	1,559,254	1,599,046	1,584,425	1,565,630	1,387,498	-11.4%	-11.0%
Foreclosures in Process	1,308,757	1,319,987	1,327,077	1,262,294	1,269,921	0.6%	-3.0%
Total	32,713,033	32,769,737	32,434,997	31,381,140	31,026,381	-1.1%	-5.2%

Figure 2. Overall Portfolio Performance



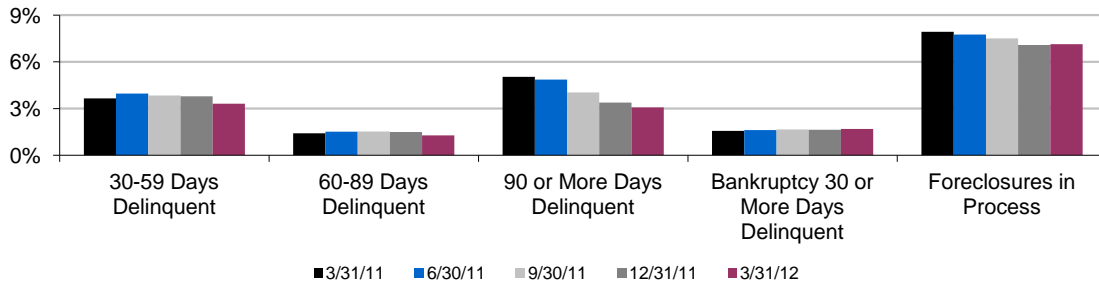
Performance of Mortgages Held by Reporting Banks and Thrift

The nine reporting institutions held 7.5 percent of all mortgages reviewed in their own portfolios (excluding government-guaranteed mortgages.) The remaining mortgages were serviced for others. The performance of mortgages held by the reporting banks improved during the quarter (see table 8). The percentage of these mortgages that were current at the end of the quarter was 83.5 percent, increased from 82.6 percent the previous quarter and 80.4 percent a year earlier. The percentage of these mortgages that were 30 to 59 days delinquent at the end of the quarter was 3.3 percent, a 12.4 percent reduction from the previous quarter and 9.1 percent reduction from a year earlier. The percentage of these mortgages that were seriously delinquent at quarter end was 6.0 percent, down 7.4 percent from the prior quarter and 24.7 percent from a year earlier. The percentage of these mortgages in the process of foreclosure was 7.1 percent, a 0.7 percent increase from the previous quarter but a 9.9 percent decrease from a year earlier. Historically, mortgages held by the reporting institutions have underperformed mortgages serviced for the GSEs, but performed better than government guaranteed mortgages. Mortgages held in bank portfolios include concentrations of loans with non-conforming risk characteristics that fall between GSE and government-guaranteed underwriting criteria, loans on properties located in weaker geographic markets acquired through the purchase of failed institutions, or more recently, loans repurchased from investors.

Table 8. Performance of Mortgages Held by Reporting Banks and Thrift (Percentage)*							
	3/31/2011	6/30/2011	9/30/2011	12/31/2011	3/31/2012	1Q %Change	1Y %Change
Current and Performing	80.4%	80.3%	81.4%	82.6%	83.5%	1.1%	3.9%
30–59 Days Delinquent	3.6%	4.0%	3.8%	3.8%	3.3%	-12.4%	-9.1%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	1.4%	1.5%	1.5%	1.5%	1.3%	-14.7%	-9.6%
90 or More Days Delinquent	5.0%	4.9%	4.0%	3.4%	3.1%	-9.0%	-39.0%
Bankruptcy 30 or More Days Delinquent	1.6%	1.6%	1.7%	1.6%	1.7%	2.8%	7.8%
Subtotal for Seriously Delinquent	8.0%	8.0%	7.2%	6.5%	6.0%	-7.4%	-24.7%
Foreclosures in Process	7.9%	7.8%	7.5%	7.1%	7.1%	0.7%	-9.9%
Performance of Mortgages Held by Reporting Banks and Thrift (Number)							
Current and Performing	1,899,820	1,870,675	1,909,516	1,971,555	1,939,317	-1.6%	2.1%
30–59 Days Delinquent	86,162	92,252	90,050	90,346	76,969	-14.8%	-10.7%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	33,286	35,294	35,675	35,636	29,561	-17.0%	-11.2%
90 or More Days Delinquent	118,953	113,134	94,524	80,609	71,355	-11.5%	-40.0%
Bankruptcy 30 or More Days Delinquent	36,963	37,712	38,799	39,148	39,150	0.0%	5.9%
Subtotal for Seriously Delinquent	189,202	186,140	168,998	155,393	140,066	-9.9%	-26.0%
Foreclosures in Process	187,173	180,549	175,969	169,064	165,679	-2.0%	-11.5%
Total	2,362,357	2,329,616	2,344,533	2,386,358	2,322,031	-2.7%	-1.7%

*The data in this table exclude government-guaranteed mortgages owned and held by the reporting institutions.

Figure 3. Performance of Mortgages Held by Reporting Banks and Thrift

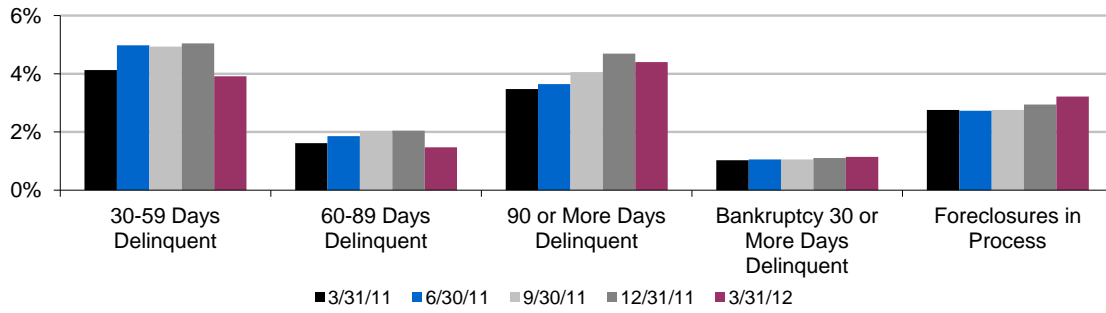


Performance of Government-Guaranteed Mortgages

Government-guaranteed mortgages were 22.3 percent of the portfolio at the end of the quarter, increased from 20.2 percent a year earlier. The performance of government-guaranteed mortgages improved in the first quarter but remained substantially weaker than a year earlier (see table 9). The percentage of these loans that were current and performing was 85.9 percent at the end of the quarter, up from 84.2 percent at the end of the previous quarter but down from 87.0 percent a year earlier. The percentage of these loans that were 30 to 59 days delinquent was 3.9 percent at the end of the quarter, a 22.4 percent decrease from the previous quarter and 5.1 percent decrease from a year earlier. The percentage of these loans that were seriously delinquent was 7.0 percent at quarter end, down 10.5 percent from the previous quarter but increased 14.8 percent from a year earlier. The percentage of these loans in the process of foreclosure at the end of the quarter was 3.2 percent, up 9.4 percent from the previous quarter and 16.7 percent from a year earlier. More than 79 percent of these loans were FHA loans, 15 percent were VA loans, and 6 percent were other government-guaranteed mortgages. Almost 86 percent of the government-guaranteed mortgages were in pools of loans backing Ginnie Mae securities.

Table 9. Performance of Government-Guaranteed Mortgages (Percentage)							
	3/31/2011	6/30/2011	9/30/2011	12/31/2011	3/31/2012	1Q %Change	1Y %Change
Current and Performing	87.0%	85.7%	85.2%	84.2%	85.9%	2.0%	-1.3%
30–59 Days Delinquent	4.1%	5.0%	4.9%	5.0%	3.9%	-22.4%	-5.1%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	1.6%	1.9%	2.0%	2.0%	1.5%	-27.8%	-8.6%
90 or More Days Delinquent	3.5%	3.6%	4.1%	4.7%	4.4%	-6.3%	26.6%
Bankruptcy 30 or More Days Delinquent	1.0%	1.1%	1.1%	1.1%	1.1%	3.4%	11.6%
Subtotal for Seriously Delinquent	6.1%	6.6%	7.1%	7.8%	7.0%	-10.5%	14.8%
Foreclosures in Process	2.8%	2.7%	2.8%	2.9%	3.2%	9.4%	16.7%
Performance of Government-Guaranteed Mortgages (Number)							
Current and Performing	5,743,866	5,826,732	5,914,032	5,766,800	5,940,585	3.0%	3.4%
30–59 Days Delinquent	272,272	338,346	342,104	345,295	270,710	-21.6%	-0.6%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	106,493	126,264	136,485	139,849	101,989	-27.1%	-4.2%
90 or More Days Delinquent	229,401	247,804	281,264	321,608	304,492	-5.3%	32.7%
Bankruptcy 30 or More Days Delinquent	67,748	71,810	73,375	75,869	79,266	4.5%	17.0%
Subtotal for Seriously Delinquent	403,642	445,878	491,124	537,326	485,747	-9.6%	20.3%
Foreclosures in Process	182,041	185,423	191,055	201,460	222,648	10.5%	22.3%
Total	6,601,821	6,796,379	6,938,315	6,850,881	6,919,690	1.0%	4.8%

Figure 4. Performance of Government-Guaranteed Mortgages

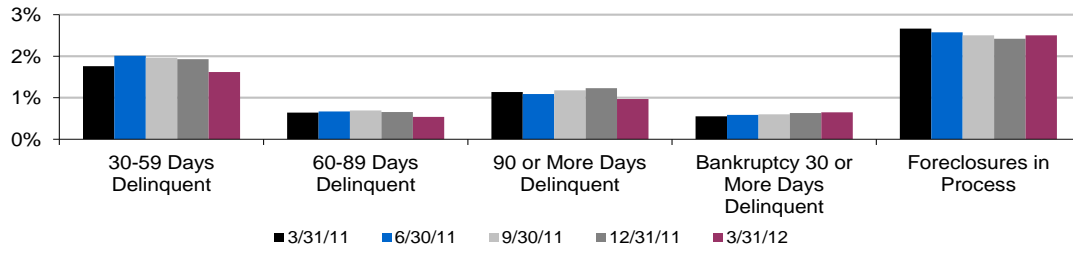


Performance of GSE Mortgages

GSE mortgages made up 59 percent of the overall portfolio, down from 61 percent a year earlier. The portfolio of GSE mortgages performs better than the overall portfolio because it contains more prime loans. The percentage of GSE mortgages that were current and performing at the end of the first quarter of 2012 was 93.7 percent, up from 93.1 percent the previous quarter and 93.2 percent a year earlier (see table 10). The percentage of GSE mortgages that were 30 to 59 days delinquent at the end of the quarter was 1.6 percent, down 16 percent from the previous quarter and 8.0 percent from a year earlier. The percentage of GSE mortgages that were seriously delinquent was 2.2 percent, down 14.2 percent from the previous quarter and 7.4 percent a year earlier. The percentage of these loans in the process of foreclosure was 2.5 percent, up 3.3 percent from the previous quarter but down 6.1 percent from the previous year. Of the GSE mortgages, 59 percent were serviced for Fannie Mae and 41 percent for Freddie Mac.

Table 10. Performance of GSE Mortgages (Percentage)							
	3/31/2011	6/30/2011	9/30/2011	12/31/2011	3/31/2012	1Q %Change	1Y %Change
Current and Performing	93.2%	93.1%	93.1%	93.1%	93.7%	0.6%	0.5%
30–59 Days Delinquent	1.8%	2.0%	2.0%	1.9%	1.6%	-16.0%	-8.0%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	0.6%	0.7%	0.7%	0.7%	0.5%	-17.6%	-15.9%
90 or More Days Delinquent	1.1%	1.1%	1.2%	1.2%	1.0%	-21.1%	-14.7%
Bankruptcy 30 or More Days Delinquent	0.6%	0.6%	0.6%	0.6%	0.6%	2.6%	17.4%
Subtotal for Seriously Delinquent	2.3%	2.3%	2.5%	2.5%	2.2%	-14.2%	-7.4%
Foreclosures in Process	2.7%	2.6%	2.5%	2.4%	2.5%	3.3%	-6.1%
Performance of GSE Mortgages (Number)							
Current and Performing	18,538,139	18,351,805	18,011,623	17,265,388	17,153,725	-0.6%	-7.5%
30–59 Days Delinquent	350,152	396,676	379,596	357,477	296,501	-17.1%	-15.3%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	127,382	131,893	133,734	121,162	98,584	-18.6%	-22.6%
90 or More Days Delinquent	225,997	214,952	227,724	227,880	177,483	-22.1%	-21.5%
Bankruptcy 30 or More Days Delinquent	109,607	115,311	115,759	116,843	118,413	1.3%	8.0%
Subtotal for Seriously Delinquent	462,986	462,156	477,217	465,885	394,480	-15.3%	-14.8%
Foreclosures in Process	530,004	507,925	484,867	449,138	458,137	2.0%	-13.6%
Total	19,881,281	19,718,562	19,353,303	18,537,888	18,302,843	-1.3%	-7.9%

Figure 5. Performance of GSE Mortgages

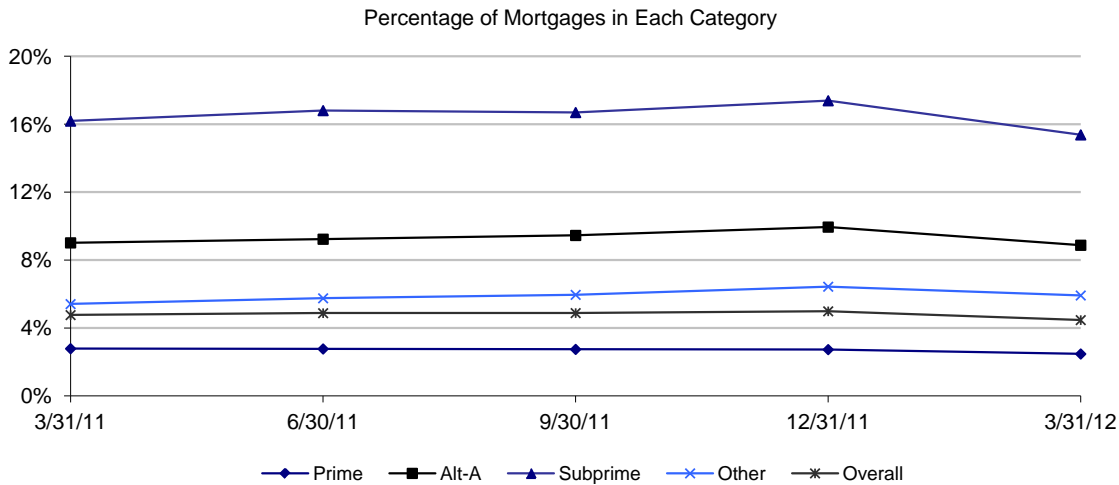


Seriously Delinquent Mortgages, by Risk Category

The portfolio contained 171,756 fewer seriously delinquent loans at the end of the first quarter of 2012 compared with a year earlier—an 11.0 percent decrease (see table 11). Seriously delinquent loans were 4.5 percent of the portfolio at the end of the quarter, down 10.4 percent from the previous quarter and 6.2 percent from a year earlier. Serious delinquencies decreased from the previous quarter across all risk categories.

Table 11. Seriously Delinquent Mortgages, by Risk Category							
(Percentage of Mortgages in Each Category)							
	3/31/2011	6/30/2011	9/30/2011	12/31/2011	3/31/2012	1Q %Change	1Y %Change
Prime	2.8%	2.8%	2.7%	2.7%	2.5%	-9.4%	-11.2%
Alt-A	9.0%	9.2%	9.5%	9.9%	8.9%	-10.7%	-1.6%
Subprime	16.2%	16.8%	16.7%	17.4%	15.4%	-11.6%	-5.0%
Other	5.4%	5.8%	6.0%	6.4%	5.9%	-8.0%	9.3%
Overall	4.8%	4.9%	4.9%	5.0%	4.5%	-10.4%	-6.2%
(Number of Mortgages in Each Category)							
Prime	635,769	634,950	625,338	610,063	548,312	-10.1%	-13.8%
Alt-A	316,184	325,337	330,978	337,061	298,284	-11.5%	-5.7%
Subprime	391,507	416,316	405,043	401,293	347,641	-13.4%	-11.2%
Other	215,794	222,443	223,066	217,213	193,261	-11.0%	-10.4%
Total	1,559,254	1,599,046	1,584,425	1,565,630	1,387,498	-11.4%	-11.0%

Figure 6. Seriously Delinquent Mortgages, by Risk Category



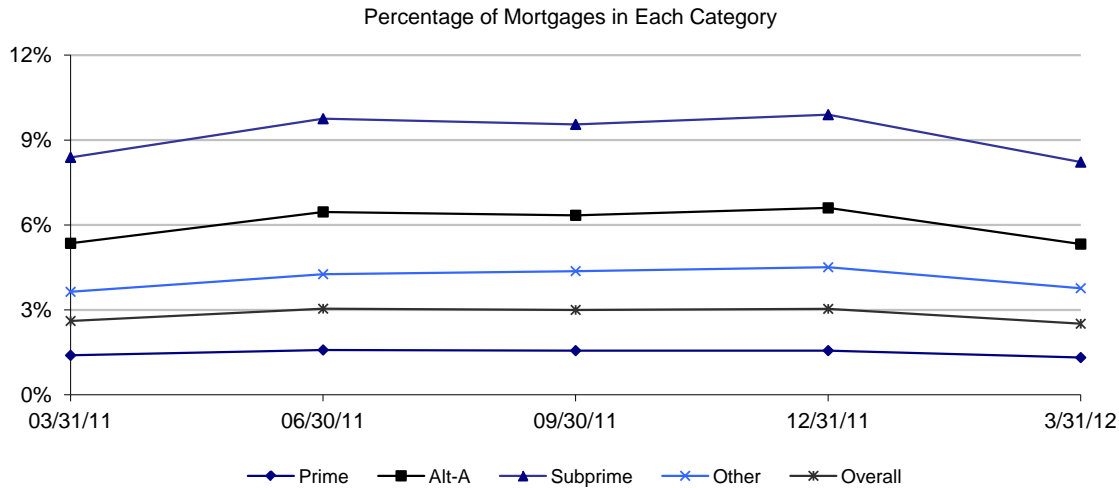
Mortgages 30 to 59 Days Delinquent, by Risk Category

Both the number and the percentage of loans that were 30 to 59 days delinquent at the end of the first quarter of 2012 reached their lowest levels since the first quarter of 2008—the earliest period recorded by the *OCC Mortgage Metrics Report*. Overall, 2.5 percent of the total portfolio was 30 to 59 days delinquent at the end of the quarter—down 17.3 percent from the previous quarter and 3.8 percent from a year earlier. All categories of risk showed decreased 30 to 59 day delinquencies compared with the prior quarter.

Table 12. Mortgages 30 to 59 Days Delinquent, by Risk Category							
(Percentage of Mortgages in Each Category)							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Prime	1.4%	1.6%	1.6%	1.6%	1.3%	-15.8%	-5.6%
Alt-A	5.4%	6.5%	6.3%	6.6%	5.3%	-19.4%	-0.5%
Subprime	8.4%	9.8%	9.6%	9.9%	8.2%	-16.9%	-2.0%
Other	3.6%	4.3%	4.4%	4.5%	3.8%	-16.4%	3.5%
Overall	2.6%	3.0%	3.0%	3.0%	2.5%	-17.3%	-3.8%
(Number of Mortgages in Each Category)							
Prime	318,045	362,953	355,420	348,561	291,413	-16.4%	-8.4%
Alt-A	187,606	227,621	221,929	223,717	178,864	-20.0%	-4.7%
Subprime	202,835	241,588	231,782	228,396	185,842	-18.6%	-8.4%
Other	144,998	164,697	163,584	152,045	122,903	-19.2%	-15.2%
Total	853,484	996,859	972,715	952,719	779,022	-18.2%	-8.7%

* Change reflects actual change rather than rounded amount.

Figure 7. Mortgages 30 to 59 Days Delinquent, by Risk Category



PART II: Home Retention Actions

Home retention actions include loan modifications, in which servicers modify one or more mortgage contract terms; trial-period plans, in which the loans will be converted to modifications upon successful completion of the trial-periods; and payment plans, in which no terms are contractually modified, but borrowers are given time to catch up on missed payments. All of these actions can help the borrower become current on the loan, attain payment sustainability, and retain the home.

A. Loan Modifications, Trial-Period Plans, and Payment Plans

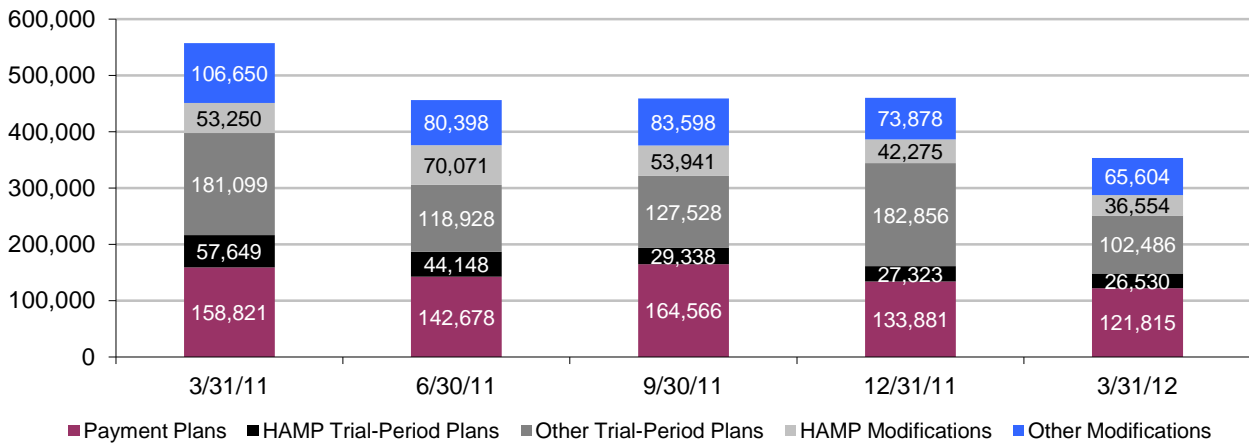
New Home Retention Actions

Servicers implemented 352,989 new home retention actions—loan modifications, trial-period plans, and payment plans—during the first quarter of 2012 (see table 13). The number of home retention actions decreased 23.3 percent from the previous quarter and 36.7 percent from a year earlier. Servicers implemented 102,158 modifications during the quarter—down 12.0 percent from the previous quarter and 36.1 percent from the previous year. New HAMP modifications decreased 13.5 percent to 36,554 during the quarter, and other modifications decreased 11.2 percent to 65,604. Servicers implemented 129,016 new trial-period plans—a 38.6 percent decrease from the previous quarter and 46.0 percent decrease from a year earlier.³ New payment plans decreased by 9.0 percent during the first quarter to 121,815. During the past five quarters, servicers initiated almost 2.3 million home retention actions—666,219 modifications, 897,885 trial-period plans, and 721,761 payment plans.

Table 13. Number of New Home Retention Actions

	3/31/2011	6/30/2011	9/30/2011	12/31/2011	3/31/2012	1Q %Change	1Y %Change
Other Modifications	106,650	80,398	83,598	73,878	65,604	-11.2%	-38.5%
HAMP Modifications	53,250	70,071	53,941	42,275	36,554	-13.5%	-31.4%
Other Trial-Period Plans	181,099	118,928	127,528	182,856	102,486	-44.0%	-43.4%
HAMP Trial-Period Plans	57,649	44,148	29,338	27,323	26,530	-2.9%	-54.0%
Payment Plans	158,821	142,678	164,566	133,881	121,815	-9.0%	-23.3%
Total	557,469	456,223	458,971	460,213	352,989	-23.3%	-36.7%

Figure 8. Number of New Home Retention Actions



³ In the fourth quarter of 2011 certain servicers converted a significant number of borrowers in existing payment plans to trial period plans.

HAMP Modifications and Trial-Period Plans, by Investor and Risk Category

Servicers implemented 36,554 HAMP modifications during the first quarter of 2012—down 13.5 percent from the previous quarter (see table 13). Almost 46 percent of HAMP modifications made during the quarter went to mortgages serviced for the GSEs. Prime mortgages, which represented 71 percent of the total portfolio, received 52.0 percent of all HAMP modifications, while subprime loans which represented 7 percent of the total portfolio received 20.4 percent of HAMP modifications during the quarter.

Table 14. HAMP Modifications, by Investor and Risk Category
(Modifications Implemented in the First Quarter of 2012)

	Fannie Mae	Freddie Mac	Government-Guaranteed	Portfolio	Private	Total
Prime	5,399	4,761	117	3,163	5,586	19,026
Alt-A	1,593	1,346	140	1,545	2,416	7,040
Subprime	911	599	105	1,767	4,063	7,445
Other	1,355	698	64	263	663	3,043
Total	9,258	7,404	426	6,738	12,728	36,554

Servicers implemented 26,530 new HAMP trial-period plans during the quarter, a decrease of 2.9 percent from the 27,323 HAMP trial plans initiated in the previous quarter (see table 13). GSE mortgages received 46.6 percent of HAMP trial-period plans initiated during the quarter. Prime mortgages received 52.7 percent of the HAMP trial-period plans implemented during the quarter, and Alt-A and subprime mortgages collectively received 37.4 percent.

Table 15. HAMP Trial-Period Plans, by Investor and Risk Category
(Trial-Period Plans Implemented in the First Quarter of 2012)

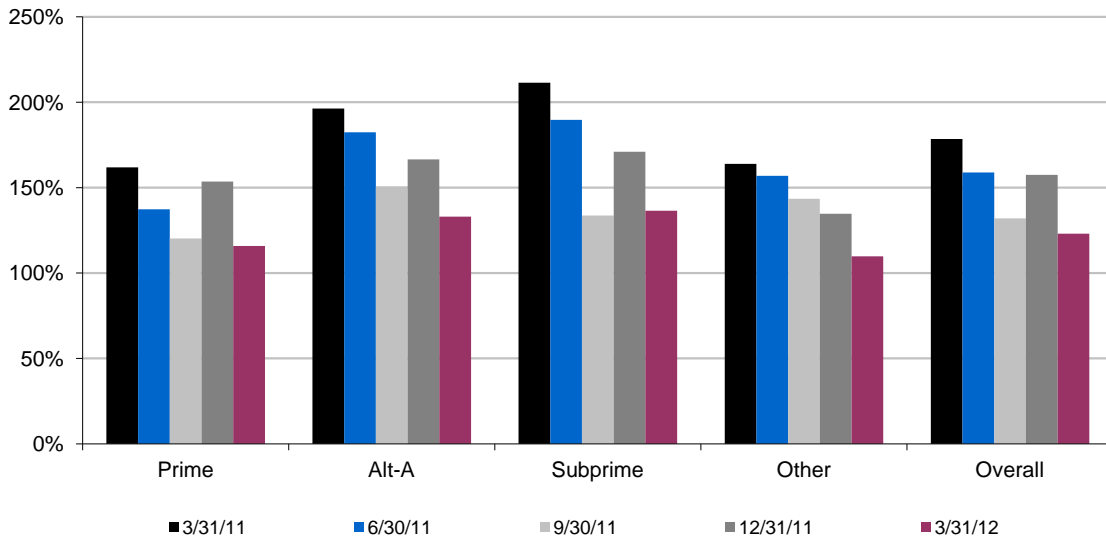
	Fannie Mae	Freddie Mac	Government-Guaranteed	Portfolio	Private	Total
Prime	3,535	3,922	210	1,991	4,318	13,976
Alt-A	1,029	1,046	199	854	1,758	4,886
Subprime	608	517	138	909	2,877	5,049
Other	1,119	575	93	158	674	2,619
Total	6,291	6,060	640	3,912	9,627	26,530

New Home Retention Actions Relative to Newly Initiated Foreclosures

The ratio of newly initiated home retention actions to newly initiated foreclosure actions decreased from both the previous quarter and the previous year. While both new home retention actions and new foreclosure actions have decreased, the decrease in new home retention actions was more than the decrease in new foreclosures (see table 16). Servicers continued to implement more new home retention actions than new foreclosures overall.

Table 16. Percentage of New Home Retention Actions Relative to Newly Initiated Foreclosures, by Risk Category							
	3/31/2011	6/30/2011	9/30/2011	9/30/2011	3/31/2012	1Q %Change	1Y %Change
Prime	161.9%	137.3%	120.2%	153.6%	115.8%	-24.6%	-28.5%
Alt-A	196.3%	182.4%	150.7%	166.5%	133.0%	-20.1%	-32.2%
Subprime	211.4%	189.7%	133.7%	171.0%	136.5%	-20.2%	-35.4%
Other	163.9%	156.9%	143.5%	134.7%	109.8%	-18.5%	-33.0%
Overall	178.5%	158.9%	132.0%	157.5%	123.0%	-21.9%	-31.1%
Number of New Home Retention Actions	557,469	456,223	458,971	460,213	352,989	-23.3%	-36.7%
Number of Newly Initiated Foreclosures	312,235	287,162	347,726	292,173	286,951	-1.8%	-8.1%

Figure 9. New Home Retention Actions Relative to Newly Initiated Foreclosures, by Risk Category



Types of Modification Actions

The types of modification actions or combinations of actions have different effects on the borrowers’ mortgages and their monthly principal and interest payments. Different actions may, over time, have different effects on the long-term sustainability of mortgages. Servicers often use a combination of actions when modifying mortgages, with more than 95 percent of modifications implemented during the first quarter of 2012 changing more than one of the original loan terms (see table 47 in appendix D). Capitalization, interest rate reduction, and term extension remain the primary actions taken with loan modifications, but the use of principal deferral or reduction in modifications has increased. During the first quarter of 2012, 24.6 percent of all modifications included principal deferral, and 10.2 percent included principal reduction compared with 11.2 percent and 3.0 percent, respectively, in the same period a year earlier (see table 17).

Servicers capitalized missed fees and payments in 91.6 percent of modifications made during the first quarter, reduced interest rates in 80.6 percent of the modified mortgages, and extended loan maturity in 73.7 percent (see table 17). Servicers deferred repayment of some portion of the principal balance in 24.6 percent of modifications made during the quarter, up from 11.2 percent a year earlier. The percentage of modifications that included principal reduction increased to 10.2 percent in the first quarter of 2012, up from 3.0 percent a year earlier. Because most modifications changed more than one term, the sum of the individual actions exceeded 100 percent of total modifications. Appendix D presents additional detail on combination modifications.

Table 17. Changes in Loan Terms for Modifications Made During the First Quarter of 2012							
(Percentage of Total Modifications in Each Category)							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Capitalization	86.9%	90.8%	88.5%	93.3%	91.6%	-1.8%	5.4%
Rate Reduction	82.6%	79.5%	77.5%	78.2%	80.6%	3.2%	-2.3%
Rate Freeze	2.0%	2.1%	4.6%	6.4%	6.2%	-2.8%	216.1%
Term Extension**	58.1%	61.1%	57.8%	55.5%	73.7%	32.7%	26.9%
Principal Reduction	3.0%	6.2%	8.1%	8.5%	10.2%	19.9%	237.4%
Principal Deferral	11.2%	18.6%	20.5%	24.5%	24.6%	0.4%	119.2%
Not Reported*	2.9%	1.7%	1.0%	1.5%	1.2%	-22.7%	-60.3%
(Number of Changes in Each Category)							
Capitalization	138,986	136,610	121,662	108,365	93,573	-13.7%	-32.7%
Rate Reduction	132,040	119,569	106,651	90,779	82,382	-9.2%	-37.6%
Rate Freeze	3,142	3,209	6,328	7,419	6,345	-14.5%	101.9%
Term Extension**	92,842	91,946	79,536	64,494	75,257	16.7%	-18.9%
Principal Reduction	4,826	9,401	11,183	9,867	10,404	5.4%	115.6%
Principal Deferral	17,958	27,989	28,133	28,496	25,154	-11.7%	40.1%
Not Reported*	4,694	2,574	1,327	1,750	1,190	-32.0%	-74.6%

*Processing constraints at some servicers prevented them from reporting specific modified term(s).

**Increase in the first quarter of 2012 results from process changes at some servicers that improved the reporting of this data element.

Types of HAMP Modification Actions

HAMP modifications follow a prescribed series of actions to attain a targeted monthly mortgage payment. Consistent with modification actions overall and the prescribed order of actions required by HAMP, HAMP modifications most often included capitalization of missed payments and fees, interest-rate reductions, and term extensions. Servicers used principal deferral, another prescribed action in the HAMP hierarchy, in 32.8 percent of HAMP modifications during the first quarter of 2012, down from 38.5 percent in the previous quarter. Principal reduction was used in 20.7 percent of HAMP modifications implemented during the quarter—up from 15.6 percent in the previous quarter and 6.2 percent a year earlier (see table 18).

Table 18. Changes in Loan Terms for HAMP Modifications During the First Quarter of 2012							
(Percentage of Total Modifications in Each Category)							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Capitalization	96.5%	97.8%	93.7%	97.3%	96.9%	-0.4%	0.5%
Rate Reduction	94.4%	84.3%	86.8%	88.5%	89.9%	1.5%	-4.8%
Rate Freeze	0.3%	0.2%	2.2%	3.3%	4.0%	20.5%	1393.9%
Term Extension**	53.4%	53.7%	48.4%	49.9%	72.5%	45.3%	35.8%
Principal Reduction	6.2%	6.6%	11.1%	15.6%	20.7%	32.9%	234.0%
Principal Deferral	23.6%	33.0%	34.9%	38.5%	32.8%	-14.8%	39.2%
Not Reported*	0.2%	0.1%	0.2%	0.1%	0.1%	-21.9%	-69.1%
(Number of Changes in Each Category)							
Capitalization	51,371	68,521	50,522	41,143	35,434	-13.9%	-31.0%
Rate Reduction	50,278	59,060	46,813	37,418	32,846	-12.2%	-34.7%
Rate Freeze	141	141	1,186	1,388	1,446	4.2%	925.5%
Term Extension**	28,413	37,642	26,123	21,084	26,489	25.6%	-6.8%
Principal Reduction	3,305	4,609	5,978	6,596	7,578	14.9%	129.3%
Principal Deferral	12,565	23,097	18,827	16,295	12,003	-26.3%	-4.5%
Not Reported*	118	66	103	37	25	-32.4%	-78.8%

*Processing constraints at some servicers prevented them from reporting specific modified term(s).

** Increase in the first quarter of 2012 results from process changes at some servicers that improved the reporting of this data element.

Types of Modification Actions, by Risk Category

Servicers use a combination of actions when modifying mortgages, and no single action can be identified as the primary component of a successful modification. Modifications across all risk categories predominantly featured interest-rate reduction and term extension in addition to the capitalization of past-due interest and fees. Because most modifications changed more than one term, the sum of individual features changed exceeded the total number of modified loans in each risk category. While most actions were used relatively consistently across all risk categories, principal deferral was used most extensively in prime loans, and principal reduction was used more in Alt-A and subprime loans (see table 19).

Table 19. Changes in Loan Terms for Modifications, by Risk Category, in First Quarter 2012					
(Percentage of Total Modifications in Each Category)					
	Prime	Alt-A	Subprime	Other	Overall
Capitalization	92.2%	91.3%	90.6%	92.2%	91.6%
Rate Reduction	81.3%	80.7%	78.7%	82.6%	80.6%
Rate Freeze	3.5%	5.8%	10.2%	9.2%	6.2%
Term Extension	74.5%	72.3%	71.8%	77.6%	73.7%
Principal Reduction	8.5%	10.7%	15.7%	2.9%	10.2%
Principal Deferral	30.5%	22.4%	19.8%	15.7%	24.6%
Not Reported*	1.3%	1.1%	0.6%	2.3%	1.2%
(Number of Changes in Each Category)					
Total Mortgages Modified	45,170	21,268	25,284	10,436	102,158
Capitalization	41,625	19,415	22,913	9,620	93,573
Rate Reduction	36,723	17,156	19,888	8,615	82,382
Rate Freeze	1,564	1,240	2,578	963	6,345
Term Extension	33,640	15,368	18,151	8,098	75,257
Principal Reduction	3,859	2,266	3,975	304	10,404
Principal Deferral	13,756	4,756	5,001	1,641	25,154
Not Reported*	582	232	141	235	1,190

*Processing constraints at some servicers prevented them from reporting specific modified term(s).

Types of Modification Actions, by Investor and Product Type

Modifications of mortgages serviced for the GSEs accounted for 40.7 percent of all modifications made during the quarter. Government-guaranteed loans received 13.9 percent of all modifications, mortgages serviced for private investors received 30.3 percent, and mortgages held in the servicers' own portfolios received 15.0 percent of all first-quarter modifications (see table 20). Interest-rate reduction and capitalization of missed payments and fees remained the primary types of modification actions for all investors, as well as term extension for all except private investors. Principal reduction was used almost exclusively in modifications of loans held in portfolio or serviced for private investors. Because modifications often change more than one loan term, the sum of the actions exceeded the number of modified loans for each investor.

Table 20. Type of Modification Action, by Investor and Product Type, in First Quarter 2012						
(Percentage of Total Modifications in Each Category)						
	Fannie Mae	Freddie Mac	Government-Guaranteed	Private Investor	Portfolio	Overall
Capitalization	98.4%	93.9%	90.1%	87.0%	86.7%	91.6%
Rate Reduction	73.5%	86.1%	94.5%	78.2%	83.9%	80.6%
Rate Freeze	5.7%	5.5%	3.7%	9.3%	3.9%	6.2%
Term Extension	83.4%	78.7%	92.4%	56.3%	68.0%	73.7%
Principal Reduction	0.0%	0.0%	0.7%	18.9%	28.9%	10.2%
Principal Deferral	31.3%	24.8%	0.1%	25.6%	31.5%	24.6%
Not Reported*	0.3%	0.1%	0.1%	2.6%	1.8%	1.2%
(Number of Changes in Each Category)						
Total Mortgages Modified	31,702	9,923	14,240	30,926	15,367	102,158
Capitalization	31,180	9,322	12,835	26,909	13,327	93,573
Rate Reduction	23,289	8,544	13,461	24,194	12,894	82,382
Rate Freeze	1,813	541	529	2,867	595	6,345
Term Extension	26,435	7,808	13,160	17,407	10,447	75,257
Principal Reduction**	9	0	100	5,857	4,438	10,404
Principal Deferral	9,927	2,457	16	7,906	4,848	25,154
Not Reported	88	9	8	805	280	1,190

*Processing constraints at some servicers prevented them from reporting specific modified term(s).

**Fannie Mae and Freddie Mac do not offer modifications that include principal reduction. The principal reduction actions reflected in this table represent coding errors to be corrected in subsequent reporting periods.

Types of HAMP Modification Actions, by Investor and Product Type

Of the 36,554 HAMP modifications implemented in the first quarter, 45.6 percent were on GSE mortgages, 34.8 percent were on mortgages serviced for private investors, 18.4 percent were on mortgages held in servicers’ portfolios and 1.2 percent were on government-guaranteed loans (see table 21). Consistent with total modification actions, the prevailing actions among HAMP modifications were capitalization of past-due interest and fees, interest-rate reduction, and term extension. Principal deferral was used in a significant number of HAMP modifications for all investors other than government-guaranteed loans. HAMP modifications with principal reduction were centered in loans held in portfolio and serviced for private investors.

Table 21. Type of HAMP Modification Action, by Investor and Product Type, in First Quarter 2012						
(Percentage of Total Modifications in Each Category)						
	Fannie Mae	Freddie Mac	Government-Guaranteed	Private Investor	Portfolio	Overall
Capitalization	99.1%	99.0%	60.1%	99.4%	89.4%	96.9%
Rate Reduction	92.7%	96.8%	88.7%	85.4%	86.7%	89.9%
Rate Freeze	0.2%	0.2%	18.8%	8.7%	3.4%	4.0%
Term Extension	72.4%	79.3%	98.4%	62.7%	81.8%	72.5%
Principal Reduction	0.1%	0.0%	1.6%	33.8%	48.3%	20.7%
Principal Deferral	25.9%	28.4%	0.9%	32.8%	49.4%	32.8%
Not Reported	0.1%	0.1%	0.2%	0.0%	0.1%	0.1%
(Number of Changes in Each Category)						
Total Mortgages Modified	9,258	7,404	426	12,728	6,738	36,554
Capitalization	9,171	7,332	256	12,651	6,024	35,434
Rate Reduction	8,582	7,166	378	10,876	5,844	32,846
Rate Freeze	17	16	80	1,107	226	1,446
Term Extension	6,700	5,875	419	7,984	5,511	26,489
Principal Reduction*	9	0	7	4,305	3,257	7,578
Principal Deferral	2,397	2,101	4	4,174	3,327	12,003
Not Reported**	12	6	1	1	5	25

*Fannie Mae and Freddie Mac do not offer modifications that include principal reduction. The principal reduction actions reflected in this table represent coding errors to be corrected in subsequent reporting periods.

**Processing constraints at some servicers prevented them from reporting specific modified term(s).

Changes in Monthly Payments Resulting From Modification

The previous sections of this report describe the types of modification actions across risk categories, investors, and product types. This section describes the effect of those changes on borrowers' monthly principal and interest payments.

Modifications that decrease payments occur when servicers elect to lower interest rates, extend the amortization period, or defer or forgive principal. The reduced payments can make mortgages more affordable to borrowers and more sustainable over time. However, the lower payments also result in less monthly cash flow and interest income to mortgage investors.

Mortgage modifications may increase monthly payments when borrowers and servicers agree to add past-due interest, advances for taxes or insurance and other fees to the loan balances and re-amortize the new balances over the remaining life of the mortgages. The interest rate or maturity of the loans may be changed on these modifications but not enough to offset the increase in payments caused by the additional capitalized principal. Modifications may also result in increased monthly payments when interest rates or principal payments on adjustable rate mortgages and payment-option ARMs are reset higher but by less than the amount indicated in the original mortgage contracts.

Modifications that increase payments may be appropriate when borrowers resolve temporary problems with cash flow, or otherwise have reasonable prospects of making higher payments to repay the debt over time. However, during periods of prolonged economic stress, this strategy carries additional risk, underscoring the importance of verifying borrowers' income and debt-payment ability so that borrowers and servicers have confidence that the modifications will be sustainable.

Servicers also modify some mortgage contracts by simply leaving principal and interest payments unchanged. This occurs, for example, when servicers "freeze" current interest rates and payments instead of allowing them to increase to levels required by the original mortgage contracts.

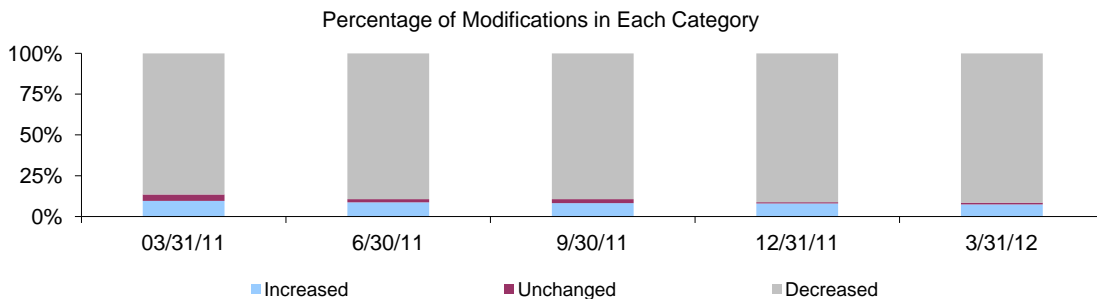
Changes in Monthly Payments Resulting From Modifications, by Quarter

Almost 92 percent of modifications made in the first quarter reduced monthly principal and interest payments (see table 22). Almost 63 percent of the modifications reduced payments by 20 percent or more, up 5.3 percent from the previous quarter and 32.5 percent from a year earlier. Almost 16 percent reduced payments between 10 percent and 20 percent, and another 13.0 percent reduced payments by less than 10 percent.

Table 22. Changes in Monthly Principal and Interest Payments Resulting From Modifications							
(Percentage of Modifications in Each Category)*							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Decreased by 20% or More	47.3%	53.8%	53.6%	59.5%	62.7%	5.3%	32.5%
Decreased by 10% to Less Than 20%	18.4%	17.1%	18.3%	16.7%	15.9%	-4.7%	-13.5%
Decreased by Less Than 10%	20.8%	18.4%	17.5%	15.0%	12.9%	-13.7%	-37.8%
Subtotal for Decreased	86.5%	89.4%	89.4%	91.2%	91.5%	0.3%	5.8%
Unchanged	4.0%	1.9%	2.4%	0.8%	1.0%	23.2%	-73.7%
Increased	9.5%	8.7%	8.2%	7.9%	7.4%	-6.4%	-22.0%
Subtotal for Unchanged and Increased	13.5%	10.6%	10.6%	8.8%	8.5%	-3.6%	-37.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	--	--
(Number of Modifications in Each Category)							
Decreased by 20% or More	75,186	80,596	73,353	68,418	63,716	-6.9%	-15.3%
Decreased by 10% to Less Than 20%	29,330	25,670	25,055	19,256	16,218	-15.8%	-44.7%
Decreased by Less Than 10%	33,037	27,619	23,971	17,221	13,134	-23.7%	-60.2%
Subtotal for Decreased	137,553	133,885	122,379	104,895	93,068	-11.3%	-32.3%
Unchanged	6,290	2,853	3,335	972	1,059	9.0%	-83.2%
Increased	15,162	13,025	11,202	9,138	7,559	-17.3%	-50.1%
Subtotal for Unchanged and Increased	21,452	15,878	14,537	10,110	8,618	-14.8%	-59.8%
Total	159,005	149,763	136,916	115,005	101,686	-11.6%	-36.0%

*No payment change information was reported on 895 modifications in the first quarter of 2011, 706 in the second quarter of 2011, 623 in the third quarter of 2011, 1,148 in the fourth quarter of 2011 and 472 in the first quarter of 2012.

Figure 10. Changes in Monthly Principal and Interest Payments



Changes in Monthly Payments Resulting From HAMP Modifications, by Quarter

Almost 98 percent of HAMP modifications made during the first quarter of 2012 reduced borrower monthly payments, with 76.1 percent reducing payments by 20 percent or more (see table 23). In addition to achieving lower payments, HAMP attempts to increase payment sustainability by targeting monthly housing payments at 31 percent of borrowers' income. Performance data on all modifications showed that reduced monthly payments result in lower re-default rates over time and that the greater the decrease in payment, the lower the rate of re-default.

Table 23. Changes in Monthly Principal and Interest Payments Resulting From HAMP Modifications							
(Percentage of HAMP Modifications in Each Category)*/**							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Decreased by 20% or More	75.9%	77.1%	75.8%	77.5%	76.1%	-1.8%	0.2%
Decreased by 10% to Less Than 20%	13.4%	13.1%	13.6%	12.5%	12.5%	0.0%	-7.0%
Decreased by Less Than 10%	8.7%	8.6%	9.2%	8.6%	8.9%	3.8%	2.9%
Subtotal for Decreased	98.0%	98.8%	98.6%	98.6%	97.5%	-1.1%	-0.6%
Unchanged	1.0%	0.2%	0.2%	0.1%	0.4%	139.1%	-64.3%
Increased	1.0%	1.0%	1.2%	1.3%	2.2%	69.4%	124.6%
Subtotal for Unchanged and Increased	2.0%	1.2%	1.4%	1.4%	2.5%	76.6%	29.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	--	--
(Number of HAMP Modifications in Each Category)							
Decreased by 20% or More	40,321	53,941	40,756	32,719	27,719	-15.3%	-31.3%
Decreased by 10% to Less Than 20%	7,124	9,178	7,299	5,266	4,546	-13.7%	-36.2%
Decreased by Less Than 10%	4,604	6,024	4,957	3,632	3,253	-10.4%	-29.3%
Subtotal for Decreased	52,049	69,143	53,012	41,617	35,518	-14.7%	-31.8%
Unchanged	530	129	101	63	130	106.3%	-75.5%
Increased	517	683	650	545	797	46.2%	54.2%
Subtotal for Unchanged and Increased	1,047	812	751	608	927	52.5%	-11.5%
Total	53,096	69,955	53,763	42,225	36,445	-13.7%	-31.4%

*No payment change information was reported on 154 modifications in the first quarter of 2011, 116 in the second quarter of 2011, 178 in the third quarter of 2011, 50 in the fourth quarter of 2011 and 109 in the first quarter of 2012.

**Some HAMP modifications, like other modifications, may increase the borrowers' monthly principal and interest payments when loans with a previous interest-only or partial payment are modified to amortize the loans over their remaining terms, or when adjustable rate mortgages are reset to higher rates and payments but at lower rates than otherwise contractually required. While the principal and interest portion of the payment might increase, the total payment will reflect a housing expense ratio of 31 percent as specified by HAMP.

Average Change in Monthly Payments Resulting From Modifications, by Quarter

Modifications made during the first quarter of 2012 reduced monthly principal and interest payments by 27.4 percent on average, or \$437 (see table 24). HAMP modifications made during the quarter reduced payments by 35.4 percent on average, or \$588. Other modifications completed during the quarter reduced payments by \$353 on average, a 22.9 percent average reduction. The average monthly payment reduction of \$437 on all modifications completed during the first quarter of 2012 was over 31 percent more than the \$334 average payment reduction on modifications completed during the first quarter of 2011.

Table 24. Average Change in Monthly Payments Resulting From Modifications, by Quarter*							
All Modifications							
	3/31/11	6/30/11	9/30/11	12/30/11	3/31/12	1Q %Change	1Y %Change
Decreased by 20% or More	(634)	(667)	(646)	(671)	(655)	-2.4%	3.3%
Decreased by 10% to Less Than 20%	(184)	(187)	(192)	(192)	(191)	-0.8%	4.0%
Decreased by Less Than 10%	(55)	(60)	(64)	(66)	(63)	-5.0%	14.8%
Unchanged	0	0	0	0	0	--	--
Increased**	122	106	128	145	162	11.4%	32.7%
Overall	(334)	(393)	(382)	(430)	(437)	1.7%	31.1%
Percentage Change	-21.6%	-25.1%	-24.4%	-26.5%	-27.4%	--	--
Other Modifications							
Decreased by 20% or More	(566)	(591)	(576)	(623)	(595)	-4.5%	5.1%
Decreased by 10% to Less Than 20%	(171)	(170)	(181)	(182)	(181)	-0.5%	5.9%
Decreased by Less Than 10%	(50)	(55)	(61)	(63)	(59)	-6.7%	16.8%
Unchanged	0	0	0	0	0	--	--
Increased**	120	103	126	143	158	10.0%	31.0%
Overall	(219)	(232)	(262)	(335)	(353)	5.3%	61.2%
Percentage Change	-15.1%	-15.6%	-17.5%	-21.1%	-22.9%	--	--
HAMP Modifications							
Decreased by 20% or More	(693)	(704)	(702)	(725)	(734)	1.3%	5.9%
Decreased by 10% to Less Than 20%	(222)	(219)	(219)	(219)	(216)	-1.7%	-2.8%
Decreased by Less Than 10%	(83)	(79)	(77)	(79)	(76)	-3.6%	-8.5%
Unchanged	0	0	0	0	0	--	--
Increased**	164	158	158	174	197	13.1%	
Overall	(562)	(577)	(567)	(593)	(588)	-1.0%	4.6%
Percentage Change	-34.6%	-35.9%	-35.1%	-36.0%	-35.4%	--	--

*Parentheses indicate that, on average, borrowers' monthly payments decreased by the amount enclosed within the parentheses.

**Some modifications may increase the borrowers' monthly principal and interest payments when past-due interest, advances for taxes or insurance and other fees are added to loan balances. The monthly payments may also increase when loans with a previous interest-only or partial payment are modified to amortize the loans over their remaining terms.

B. Modified Loan Performance

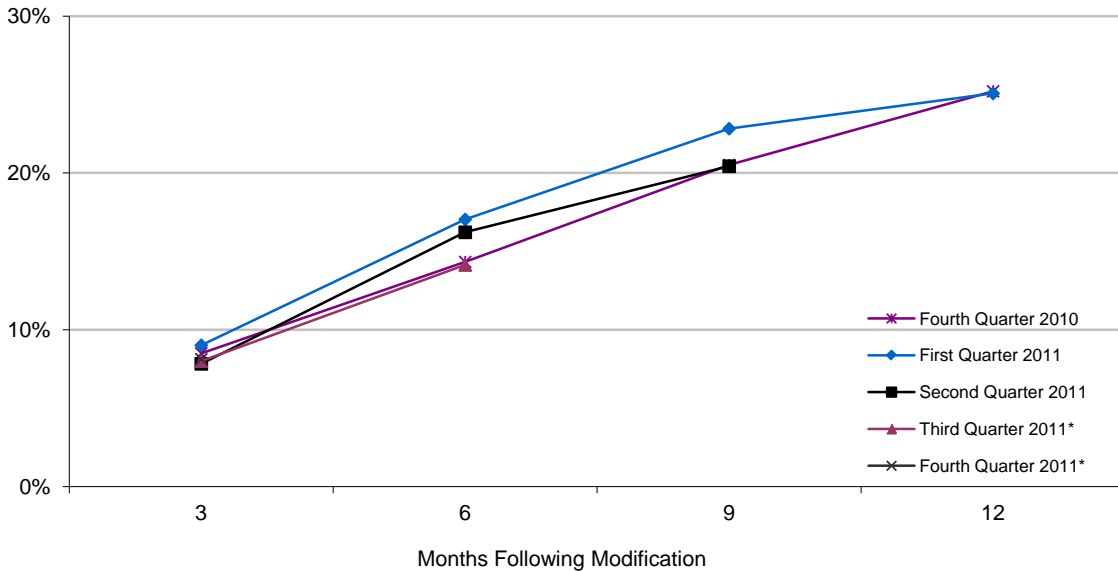
Re-Default Rates of Modified Loans: 60 or More Days Delinquent

Modification performance may vary because of many factors, including the types of modification actions, the average amount of change in the borrower’s monthly payment, the characteristics and geographic location of the modified loans, and the addition or deletion of modification programs among the reporting institutions. Despite differences in many of these factors, mortgages modified in each of the last five quarters have performed similarly over time. Among modifications completed in each of the last five quarters, approximately 9 percent of loans were 60 or more days delinquent three months after modification. Among modifications outstanding at least six or twelve months, about 16 percent were 60 or more days delinquent six months after modification and 25 percent were 60 or more days delinquent twelve months after modification (see table 25).

Table 25. Modified Loans 60 or More Days Delinquent				
Modification Date*	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification
Fourth Quarter 2010	8.5%	14.3%	20.5%	25.2%
First Quarter 2011	9.0%	17.0%	22.8%	25.1%
Second Quarter 2011	7.8%	16.2%	20.4%	--
Third Quarter 2011	8.0%	14.1%	--	--
Fourth Quarter 2011	8.1%	--	--	--

*All re-default data are based on modified loans that remain in effect at the specified amount of time after the modification. All loans that have been repaid in full, been refinanced, been sold, or completed the foreclosure process are removed from the calculation. Data include only modifications that have had time to age the indicated number of months.

Figure 11. Modified Loans 60 or More Days Delinquent



*The fourth quarter 2011 data is a single point (8.1 percent), and is obscured by the beginning of the trend line for the third quarter of 2011.

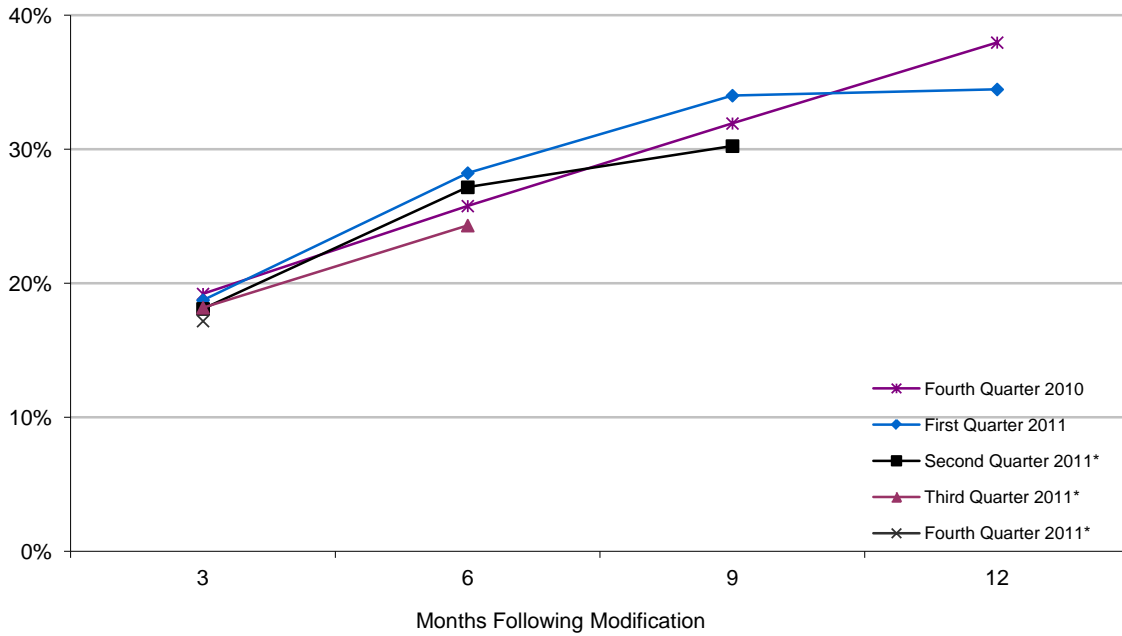
Re-Default Rates of Modified Loans: 30 or More Days Delinquent

Re-default rates measured at 30 or more days delinquent provide an early indicator of mortgages that may need additional attention to prevent more serious delinquency or foreclosure. For modifications completed in each of the last five quarters, approximately 18 percent were 30 or more days delinquent three months after modification. Among modifications outstanding at least one year, about 35 to 38 percent were 30 or more days delinquent twelve months after modification (see table 26).

Table 26. Modified Loans 30 or More Days Delinquent				
Modification Date	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification
Fourth Quarter 2010	19.2%	25.8%	31.9%	38.0%
First Quarter 2011	18.7%	28.2%	34.0%	34.5%
Second Quarter 2011	18.1%	27.2%	30.2%	--
Third Quarter 2011	18.2%	24.3%	--	--
Fourth Quarter 2011	17.2%	--	--	--

*Data include only modifications that have had time to age the indicated number of months.

Figure 12. Modified Loans 30 or More Days Delinquent



*The fourth quarter 2011 data is a single point (17.2 percent), and is obscured by the beginning of the trend lines for the second and third quarters of 2011.

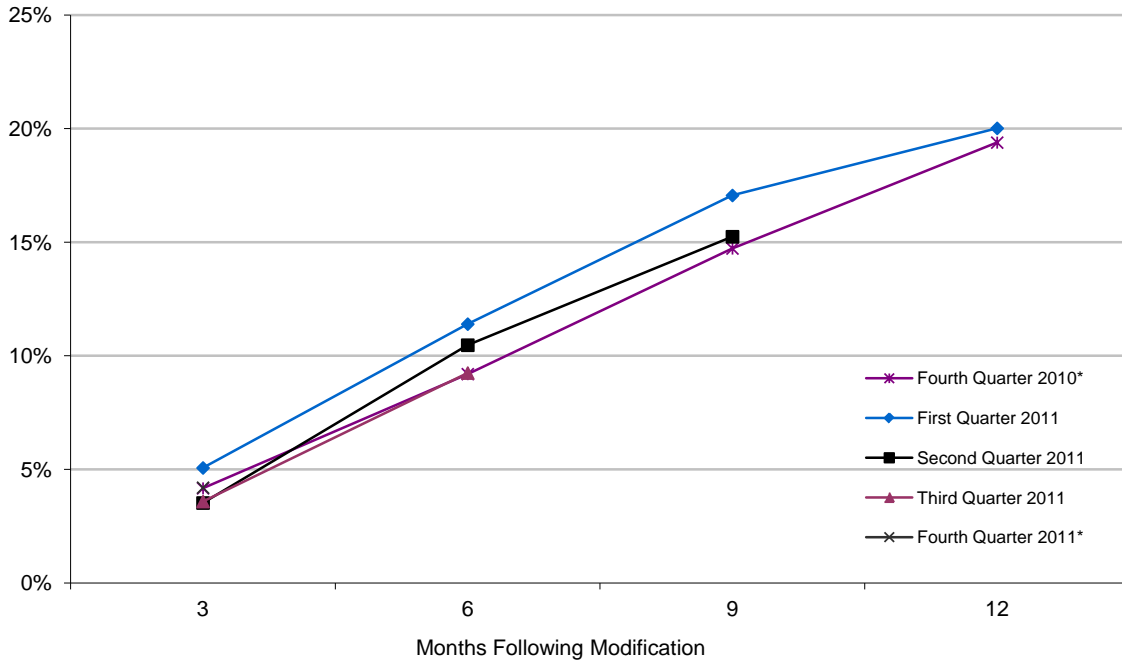
Re-Default Rates of Modified Loans: 90 or More Days Delinquent

Among modifications completed during the last five quarters, about 20 percent were 90 or more days delinquent twelve months after modification (see table 27).

Modification Date	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification
Fourth Quarter 2010	4.2%	9.2%	14.7%	19.4%
First Quarter 2011	5.1%	11.4%	17.1%	20.0%
Second Quarter 2011	3.5%	10.5%	15.2%	--
Third Quarter 2011	3.6%	9.2%	--	--
Fourth Quarter 2011	4.2%	--	--	--

*Data include only modifications that have had time to age the indicated number of months.

Figure 13. Modified Loans 90 or More Days Delinquent



*The fourth quarter 2011 data is a single point (4.2 percent), and is obscured by the beginning of the trend line for the fourth quarter of 2010.

Re-Default Rate, by Investor (60 or More Days Delinquent)

Modifications on mortgages held in the servicers’ own portfolios or serviced for the GSEs—Fannie Mae and Freddie Mac—performed better than modifications on mortgages serviced for other investors. These lower re-default rates for portfolio and GSE mortgages may reflect differences in modification programs, loan risk characteristics, and, for portfolio mortgages, additional flexibility to modify terms for greater sustainability. Re-default rates for government-guaranteed mortgages and loans serviced for private investors were highest over time, reflecting the higher risk characteristics associated with those mortgages. For all investors, re-default rates have lessened over time as more recent modifications have focused more on reducing monthly payments and the borrower’s ability to sustain the reduced payments over time.

Table 28. Re-Default Rates for Portfolio Loans and Loans Serviced for Others Modified in 2008
(60 or More Days Delinquent)

Investor Loan Type	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification
Fannie Mae	30.5%	45.0%	54.2%	59.5%
Freddie Mac	34.0%	44.9%	53.1%	59.2%
Government-Guaranteed	32.5%	53.5%	63.6%	67.8%
Private	37.5%	48.9%	56.0%	61.0%
Portfolio Loans	15.0%	25.3%	31.7%	36.2%
Overall	32.1%	44.7%	52.2%	57.1%

Table 29. Re-Default Rates for Portfolio Loans and Loans Serviced for Others Modified in 2009
(60 or More Days Delinquent)

Investor Loan Type	3 Months After Modification	6 Months after Modification	9 Months after Modification	12 Months After Modification
Fannie Mae	18.0%	31.4%	37.9%	41.2%
Freddie Mac	29.2%	37.1%	42.0%	44.5%
Government-Guaranteed	23.5%	42.2%	51.7%	55.5%
Private	28.2%	40.8%	48.8%	52.5%
Portfolio Loans	7.2%	15.3%	21.0%	24.6%
Overall	20.1%	32.3%	39.5%	43.1%

Table 30. Re-Default Rates for Portfolio Loans and Loans Serviced for Others Modified in 2010
(60 or More Days Delinquent)*

Investor Loan Type	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification
Fannie Mae	9.7%	14.4%	18.2%	20.7%
Freddie Mac	7.4%	12.3%	15.6%	17.9%
Government-Guaranteed	12.4%	27.3%	36.0%	40.7%
Private	12.2%	19.9%	25.0%	28.3%
Portfolio Loans	6.6%	11.8%	15.7%	18.0%
Overall	10.0%	17.4%	22.4%	25.4%

Table 31. Re-Default Rates for Portfolio Loans and Loans Serviced for Others Modified in 2011				
(60 or More Days Delinquent)*				
Investor Loan Type	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification
Fannie Mae	7.2%	11.4%	15.0%	18.5%
Freddie Mac	6.0%	11.2%	14.7%	17.3%
Government-Guaranteed	11.9%	28.6%	38.5%	41.6%
Private	9.7%	16.2%	21.6%	26.6%
Portfolio Loans	5.0%	8.9%	11.8%	13.6%
Overall	8.3%	15.9%	21.7%	25.1%

*Data include all modifications implemented during 2011 that have aged the indicated number of months.

Performance of HAMP Modifications Compared With Other Modifications

HAMP modifications have performed better than other modifications implemented during the same periods. These lower post-modification delinquency rates reflect HAMP's emphasis on the affordability of monthly payments relative to the borrower's income, verification of income, and completion of a successful trial payment period (see table 32). While these criteria result in better performance of HAMP modifications over time, the greater flexibility in making other modifications results in a greater number of modifications.

Table 32. Performance of HAMP Modifications Compared With Other Modifications					
(60 or More Days Delinquent)*					
	Number of Modifications	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification
HAMP Second Quarter 2010	108,155	8.3%	13.3%	15.9%	17.3%
Other Second Quarter 2010	158,900	12.3%	24.0%	29.2%	31.4%
HAMP Third Quarter 2010	58,856	7.5%	11.5%	13.5%	16.5%
Other Third Quarter 2010	174,862	9.7%	17.1%	21.1%	25.4%
HAMP Fourth Quarter 2010	56,340	9.0%	11.2%	14.7%	17.7%
Other Fourth Quarter 2010	152,513	8.3%	15.5%	22.7%	28.0%
HAMP First Quarter 2011	53,250	5.8%	9.9%	13.4%	14.9%
Other First Quarter 2011	106,650	10.7%	20.7%	27.7%	30.3%
HAMP Second Quarter 2011	70,071	5.4%	9.5%	12.1%	--
Other Second Quarter 2011	80,398	10.0%	22.1%	27.7%	--
HAMP Third Quarter 2011	53,941	5.5%	9.1%	--	--
Other Third Quarter 2011	83,598	9.6%	17.4%	--	--
HAMP Fourth Quarter 2011	42,275	4.6%	--	--	--
Other Fourth Quarter 2011	73,878	10.1%	--	--	--

*Data include all modifications that have had time to age the indicated number of months.

C. Modified Loan Performance, by Change in Monthly Payments

Modifications that reduce borrowers' monthly payments consistently show re-default rates lower than other modifications—the larger the reduction in monthly payment, the lower the subsequent re-default rates. Lower re-default rates may also result from setting monthly payments relative to the borrower's income and ability to repay, as well as verification of income and completion of a successful trial period.

For servicers and investors, determining the optimal type of modification often requires weighing the reduction in cash flow from loan terms that reduce monthly principal and interest payments, along with the possible costs of delaying foreclosure, against the potential for longer-term sustainability of the payments and ultimate repayment of the mortgage.

Re-Default Rates of Loans by Change in Payment

The following tables present re-default rates, measured as 60 or more days delinquent, for modifications made since January 1, 2008. Data show that re-default rates decrease as reductions in monthly principal and interest payments increase. Modification performance has continued to improve over time as more recent modifications, those made during 2010 and 2011, focused more on substantively reducing monthly payments and setting payments relative to the borrower’s income and ability to pay.

Modifications that resulted in no change to the borrower’s monthly payment have performed better than many modifications that reduced payments. These modifications generally freeze the interest rate on an adjustable rate mortgage so that the rate and payment do not increase, and tend to be offered to borrowers who were not in default on their payments.

Table 33. Re-Default Rates of Loans Modified in 2008 by Change in Payment
(60 or More Days Delinquent)

	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification
Decreased by 20% or More	15.8%	25.9%	33.2%	39.4%
Decreased by 10% to Less Than 20%	20.8%	32.9%	41.3%	47.9%
Decreased by Less Than 10%	23.8%	40.1%	49.5%	55.1%
Unchanged	47.8%	54.4%	59.6%	63.0%
Increased	34.6%	53.1%	61.9%	66.9%
Total	32.1%	44.5%	52.0%	57.0%

Table 34. Re-Default Rates of Loans Modified in 2009 by Change in Payment
(60 or More Days Delinquent)

	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification
Decreased by 20% or More	11.4%	19.3%	25.3%	28.7%
Decreased by 10% to Less Than 20%	15.9%	29.2%	37.3%	41.7%
Decreased by Less Than 10%	17.8%	33.9%	42.6%	46.7%
Unchanged	41.8%	49.6%	54.6%	57.0%
Increased	26.7%	46.6%	56.0%	59.8%
Total	20.0%	32.2%	39.5%	43.1%

Table 35. Re-Default Rates of Loans Modified in 2010 by Change in Payment
(60 or More Days Delinquent)

	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months after Modification
Decreased by 20% or More	7.3%	11.5%	15.0%	17.5%
Decreased by 10% to Less Than 20%	10.0%	19.8%	26.3%	30.2%
Decreased by Less Than 10%	13.5%	26.2%	33.5%	37.5%
Unchanged	17.6%	20.9%	23.8%	25.2%
Increased	18.2%	32.9%	40.4%	44.2%
Total	10.0%	17.4%	22.4%	25.4%

Table 36. Re-Default Rates of Loans Modified in 2011 by Change in Payment				
(60 or More Days Delinquent)*				
	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months after Modification
Decreased by 20% or More	5.6%	9.9%	13.6%	16.5%
Decreased by 10% to Less Than 20%	8.2%	17.3%	24.8%	29.2%
Decreased by Less Than 10%	11.0%	22.8%	30.3%	32.3%
Unchanged	10.0%	12.7%	15.9%	17.3%
Increased	18.6%	33.6%	43.3%	46.8%
Total	8.3%	15.9%	21.7%	25.1%

*Data include all modifications implemented during 2011 that have aged the indicated number of months.

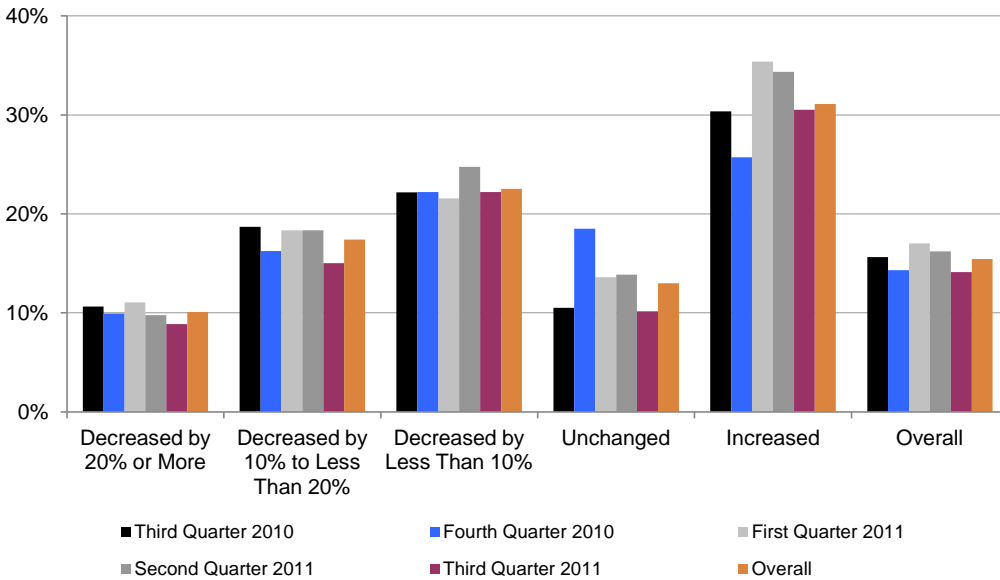
60+ Delinquency at Six Months After Modification by Change in Monthly Payment

Modifications that significantly reduced monthly principal and interest payments consistently performed better than other modifications. Modifications with the greatest decrease in monthly payments consistently had the lowest re-default rates (see table 37). Modifications that result in no change to the borrowers' monthly payments generally have performed better than many modifications that reduced payments because these modifications tend to be offered to borrowers with adjustable rate mortgages who had not defaulted on their payments.

Table 37. 60+ Delinquency at Six Months After Modification by Change in Monthly Payment

	Decreased by 20% or More	Decreased by 10% to Less Than 20%	Decreased by Less Than 10%	Unchanged	Increased	Overall
Third Quarter 2010	10.6%	18.7%	22.2%	10.5%	30.4%	15.6%
Fourth Quarter 2010	9.9%	16.2%	22.2%	18.5%	25.7%	14.3%
First Quarter 2011	11.1%	18.3%	21.5%	13.6%	35.4%	17.0%
Second Quarter 2011	9.8%	18.3%	24.8%	13.9%	34.3%	16.2%
Third Quarter 2011	8.9%	15.0%	22.2%	10.2%	30.5%	14.1%
Overall	10.1%	17.4%	22.5%	13.0%	31.1%	15.4%

Figure 14. 60+ Delinquency at Six Months After Modification by Change in Monthly Payment



Status of Mortgages Modified in 2008–2011

Servicers implemented 2,543,133 modifications from January 1, 2008 through December 31, 2011. Of these modifications, 49.3 percent were current and performing at the end of the first quarter of 2012 with another 1.4 percent paid off. More than 22 percent of these modifications were delinquent, while 17.1 percent were in process of foreclosure or had completed the foreclosure process. HAMP modifications implemented since the third quarter of 2009 have performed better than other modifications. Modifications that reduced borrowers' monthly payments by 10 percent or more performed significantly better than other modifications. Of the 1,511,900 modifications that reduced payments by 10 percent or more, 57.9 percent were current and performing at the end of the first quarter, compared with 36.8 percent of modifications that reduced payments less than 10 percent (see table 38). Modifications of mortgages held in the servicers' portfolios and those serviced for GSEs performed better than modifications of mortgages serviced for other investors (see tables 28 through 31).

Table 38. Status of Mortgages Modified in 2008–2011								
	Total	Current	30–59 Days Delinquent	Seriously Delinquent	Foreclosures in Process	Completed Foreclosures	Paid Off	No Longer in the Portfolio*
2008	445,354	26.2%	5.3%	15.9%	16.1%	15.0%	3.3%	18.2%
2009	594,350	38.7%	6.6%	17.2%	14.1%	9.1%	2.0%	12.3%
2010	939,368	53.7%	7.5%	14.6%	9.9%	3.8%	0.8%	9.7%
2011	564,061	71.5%	8.6%	12.9%	4.8%	0.6%	0.3%	1.3%
Total	2,543,133	49.3%	7.1%	15.1%	10.8%	6.3%	1.4%	9.9%
HAMP Modification Performance Compared With Other Modifications**								
Other Modifications	1,194,442	53.4%	8.3%	16.8%	9.8%	4.1%	1.0%	6.6%
HAMP Modifications	565,751	68.2%	6.5%	9.3%	6.0%	1.9%	0.4%	7.7%
Modifications That Reduced Payments by 10 Percent or More								
Modifications That Reduced Payments by 10% or More	1,511,900	57.9%	7.1%	12.4%	8.3%	3.8%	0.9%	9.5%
Modifications That Reduced Payments by Less Than 10 Percent								
Modifications That Reduced Payments by Less Than 10%	1,031,233	36.8%	7.1%	18.9%	14.5%	9.9%	2.2%	10.5%

*Processing constraints prevented some servicers from reporting the reason for removal from the portfolio.

**Modifications used to compare with HAMP modifications only include modifications implemented from the third quarter of 2009 through the fourth quarter of 2011.

Part III: Home Forfeiture Actions—Foreclosures, Short Sales, and Deed-in-Lieu-of-Foreclosure Actions

Completed Foreclosures and Other Home Forfeiture Actions

Home forfeiture actions—foreclosure sales, short sales, and deed-in-lieu-of-foreclosure actions—totaled 185,781 during the first quarter of 2012, an increase of 1.9 percent from the previous quarter and 8.3 percent from a year earlier (see table 39). Completed foreclosures increased to 122,979—up 5.9 percent from the previous quarter and 2.7 percent from the same quarter the previous year. Short sales decreased 5.2 percent from the previous quarter but were up 19.7 percent from a year earlier. Short sales have increased to 32 percent of total home forfeiture actions, up from 29 percent during the first quarter of 2011. Deed-in-lieu-of-foreclosure actions, while up 65.1 percent from a year earlier, remained a small portion of total home forfeiture actions.

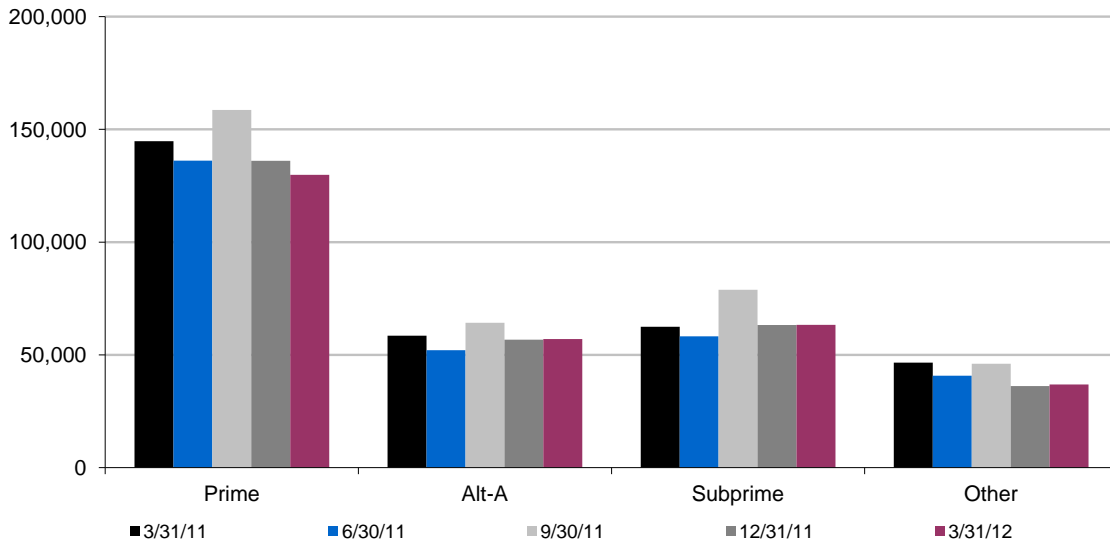
Table 39. Completed Foreclosures and Other Home Forfeiture Actions							
	3/31/11	6/0/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Completed Foreclosures	119,739	121,209	113,202	116,159	122,979	5.9%	2.7%
New Short Sales	50,108	56,406	57,479	63,257	59,996	-5.2%	19.7%
New Deed-in-Lieu-of-Foreclosure Actions	1,700	2,547	2,620	2,939	2,806	-4.5%	65.1%
Total	171,547	180,162	173,301	182,355	185,781	1.9%	8.3%

Newly Initiated Foreclosures

Servicers initiate foreclosure actions at defined stages of loan delinquency. Foreclosure actions will progress to sale of the property only if servicers and borrowers cannot arrange a permanent loss mitigation action, modification, or alternate workout solution or home sale. Newly initiated foreclosures decreased by 1.8 percent from the previous quarter, to 286,951 from 292,173, and decreased 8.1 percent from a year earlier (see table 40). Newly initiated foreclosures of Alt-A, subprime and other loans increased from the prior quarter. Prime loans experienced a decrease in newly initiated foreclosures from both the prior quarter and the same period in the prior year.

	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Prime	144,742	136,119	158,632	136,026	129,823	-4.6%	-10.3%
Alt-A	58,474	52,064	64,215	56,736	56,996	0.5%	-2.5%
Subprime	62,459	58,229	78,852	63,225	63,286	0.1%	1.3%
Other	46,560	40,750	46,027	36,186	36,846	1.8%	-20.9%
Total	312,235	287,162	347,726	292,173	286,951	-1.8%	-8.1%

Figure 15. Number of Newly Initiated Foreclosures

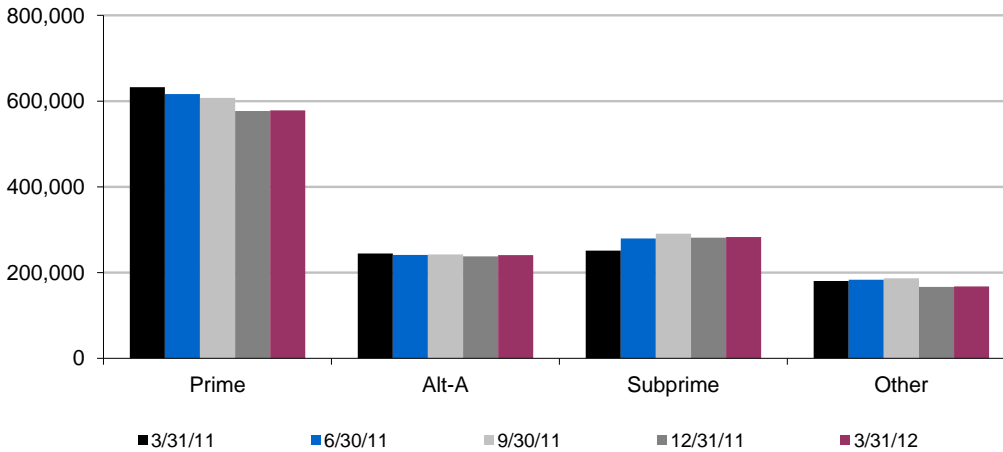


Foreclosures in Process

The number of mortgages in process of foreclosure increased 0.6 percent from the previous quarter, to 1,269,921. Foreclosures in process as a percentage of all mortgages serviced have remained relatively stable over the past five quarters at 4.0 to 4.1 percent (see table 41).

Table 41. Foreclosures in Process							
Percentage of Foreclosures in Process Relative to Mortgages in That Risk Category							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Prime	2.8%	2.7%	2.7%	2.6%	2.6%	1.1%	-5.8%
Alt-A	7.0%	6.8%	6.9%	7.0%	7.2%	2.3%	2.8%
Subprime	10.4%	11.3%	12.0%	12.2%	12.5%	2.6%	20.5%
Other	4.5%	4.7%	5.0%	4.9%	5.1%	4.0%	13.5%
Total	4.0%	4.0%	4.1%	4.0%	4.1%	1.8%	2.3%
Number of Foreclosures in Process							
Prime	632,578	616,238	607,532	576,761	578,547	0.3%	-8.5%
Alt-A	244,588	241,010	242,376	237,558	240,876	1.4%	-1.5%
Subprime	251,201	279,636	290,556	281,440	282,879	0.5%	12.6%
Other	180,390	183,103	186,613	166,535	167,619	0.7%	-7.1%
Total	1,308,757	1,319,987	1,327,077	1,262,294	1,269,921	0.6%	-3.0%

Figure 16. Number of Foreclosures in Process



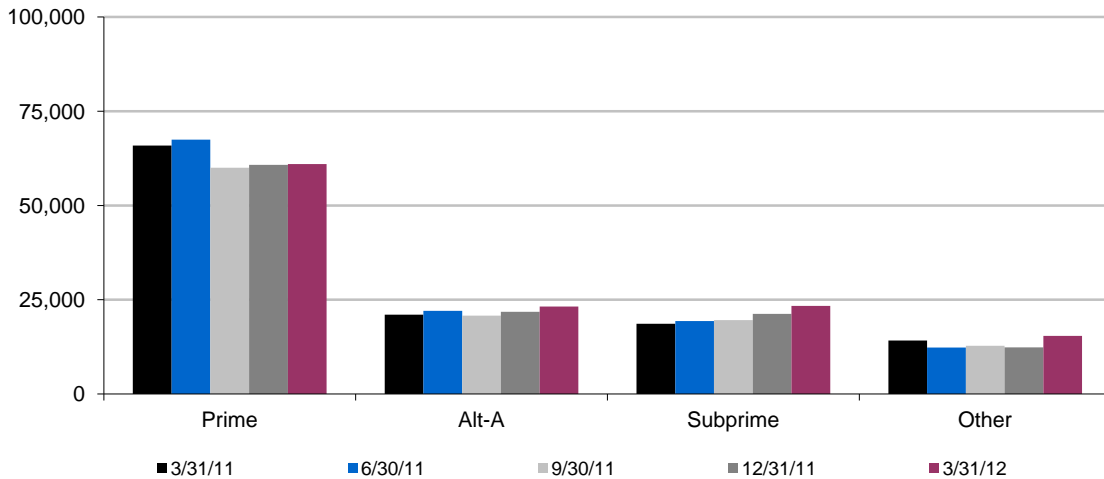
Completed Foreclosures

The number of completed foreclosures increased to 122,979 during the quarter—up 5.9 percent from the previous quarter and 2.7 percent from a year earlier (see table 42). The quarter-to-quarter and year-to-year increases were concentrated among Alt-A, subprime and other risk categories.

Table 42. Completed Foreclosures							
Percentage of Completed Foreclosures Relative to Mortgages in That Risk Category							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Prime	0.3%	0.3%	0.3%	0.3%	0.3%	1.1%	-4.7%
Alt-A	0.6%	0.6%	0.6%	0.6%	0.7%	7.4%	15.1%
Subprime	0.8%	0.8%	0.8%	0.9%	1.0%	12.4%	34.1%
Other	0.4%	0.3%	0.3%	0.4%	0.5%	29.0%	32.9%
Total	0.4%	0.4%	0.3%	0.4%	0.4%	7.1%	8.3%

Number of Completed Foreclosures							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Prime	65,889	67,451	60,033	60,777	60,984	0.3%	-7.4%
Alt-A	21,033	22,066	20,793	21,788	23,196	6.5%	10.3%
Subprime	18,644	19,364	19,598	21,230	23,373	10.1%	25.4%
Other	14,173	12,328	12,778	12,364	15,426	24.8%	8.8%
Total	119,739	121,209	113,202	116,159	122,979	5.9%	2.7%

Figure 17. Number of Completed Foreclosures

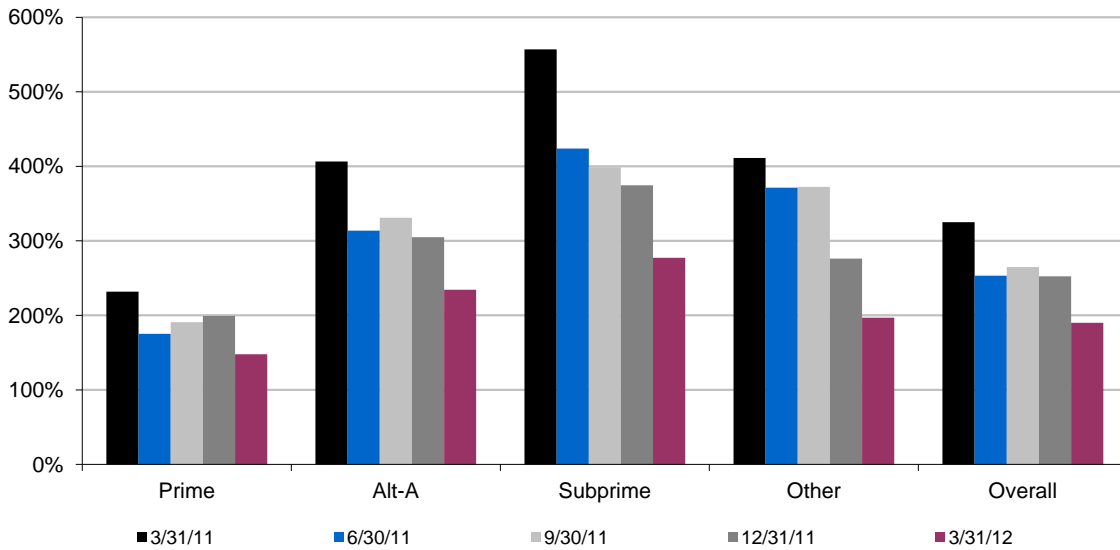


New Home Retention Actions Relative to Forfeiture Actions, by Risk Category

Home retention actions relative to home forfeitures decreased during the first quarter of 2012 because of a 23.3 percent decrease in new home retention actions compared to a 1.9 percent increase in completed foreclosures and other home forfeiture actions (see tables 1 and 5). The percentage of new home retention actions relative to home forfeitures continued to be highest for subprime loans and lowest for prime loans during first quarter 2012. New home retention actions continued to significantly exceed home forfeitures as servicers initiated 1.9 times as many home retention actions as home forfeiture actions during the quarter (see table 43).

Table 43. Percentage of New Home Retention Actions Relative to Forfeiture Actions, by Risk Category							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Prime	231.9%	175.3%	190.9%	199.2%	147.8%	-25.8%	-36.3%
Alt-A	406.5%	313.6%	331.0%	304.9%	234.3%	-23.1%	-42.4%
Subprime	557.0%	423.8%	398.7%	374.5%	277.3%	-26.0%	-50.2%
Other	411.2%	371.4%	372.4%	276.1%	196.9%	-28.7%	-52.1%
Overall	325.0%	253.2%	264.8%	252.4%	190.0%	-24.7%	-41.5%

Figure 18. Percentage of New Home Retention Actions Relative to Forfeiture Actions, by Risk Category



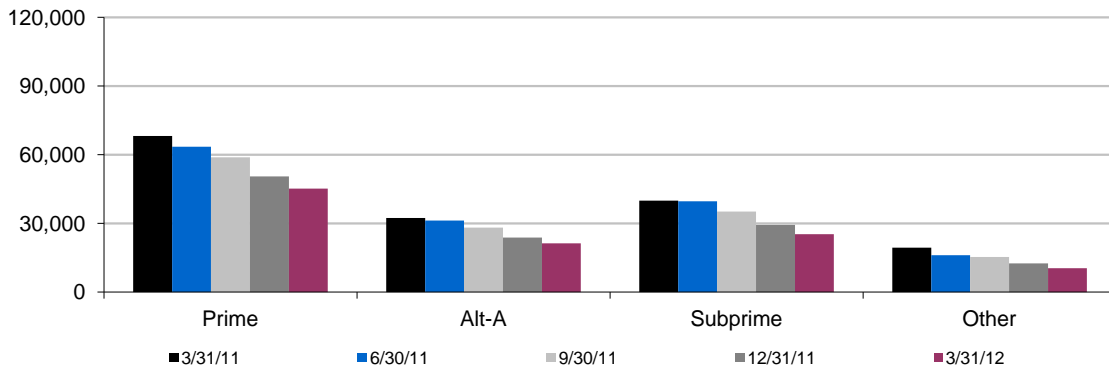
Appendixes

Appendix A—New Loan Modifications

There were 102,158 new loan modifications completed during the first quarter of 2012—a 12 percent decrease from the previous quarter and 36.1 percent decrease from a year earlier (see table 44). New modifications decreased across all risk categories during the quarter, the fourth consecutive quarterly decrease in each risk class.

Table 44. Number of New Loan Modifications							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Prime	68,178	63,466	58,858	50,480	45,170	-10.5%	-33.7%
Alt-A	32,387	31,232	28,169	23,805	21,268	-10.7%	-34.3%
Subprime	39,957	39,663	35,177	29,367	25,284	-13.9%	-36.7%
Other	19,378	16,108	15,335	12,501	10,436	-16.5%	-46.1%
Total	159,900	150,469	137,539	116,153	102,158	-12.0%	-36.1%

Figure 19. Number of New Loan Modifications

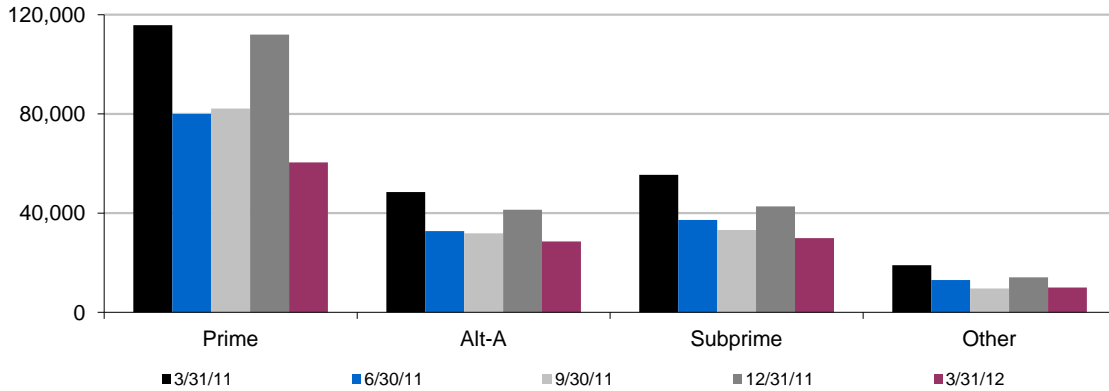


Appendix B—New Trial-Period Plans

Servicers initiated 129,016 trial-period plans during the first quarter of 2012, a 38.6 percent decrease from the previous quarter and 46.0 percent decrease from a year earlier. The size of the decreases from the prior quarter and prior year was affected by a spike in the number of plans reported as completed during the fourth quarter of 2011. In the fourth quarter of 2011 certain servicers converted a significant number of borrowers in existing payment plans to trial period plans. (see table 45).

Table 45. Number of New Trial-Period Plans							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Prime	115,742	80,012	82,183	111,968	60,432	-46.0%	-47.8%
Alt-A	48,528	32,771	31,836	41,357	28,596	-30.9%	-41.1%
Subprime	55,455	37,275	33,228	42,708	29,937	-29.9%	-46.0%
Other	19,023	13,018	9,619	14,146	10,051	-28.9%	-47.2%
Total	238,748	163,076	156,866	210,179	129,016	-38.6%	-46.0%

Figure 20. Number of New Trial-Period Plans



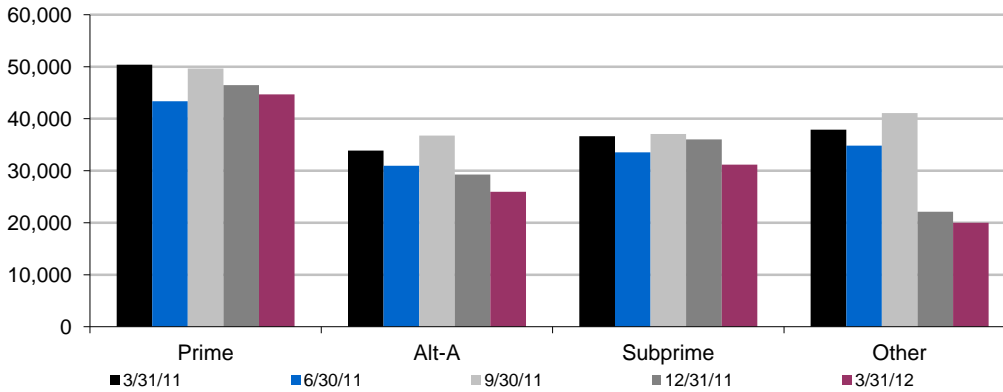
Appendix C—New Payment Plans

New payment plans decreased by 9.0 percent to 121,815 during the first quarter of 2012 (see table 46). New payment plans decreased across all risk categories during the quarter.

Table 46. Number of New Payment Plans							
	3/31/11	6/30/11	9/30/11*	12/31/11	3/31/12	1Q %Change	1Y %Change
Prime	50,401	43,356	49,646	46,462	44,697	-3.8%	-11.3%
Alt-A	33,881	30,957	36,758	29,280	25,953	-11.4%	-23.4%
Subprime	36,632	33,544	37,058	36,036	31,177	-13.5%	-14.9%
Other	37,907	34,821	41,104	22,103	19,988	-9.6%	-47.3%
Total	158,821	142,678	164,566	133,881	121,815	-9.0%	-23.3%

*New payment plans completed in the third quarter of 2011 included a one-time increase due to a process change at some servicers that expanded the definition of payment plans to include short-term informal plans.

Figure 21. Number of New Payment Plans



Appendix D—Breakdown of Individual and Combination Modification Actions

Servicers generally use a combination of actions to reduce monthly payments and achieve payment sustainability when modifying a mortgage. Servicers changed more than one loan term in 95.3 percent of all modifications completed during the first quarter of 2012 (see table 47).

Table 47. Changes in Terms for Modifications Made Through the First Quarter of 2012							
(Percentage of Modifications in Each Category)							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Combination*	88.2%	94.2%	94.4%	94.5%	95.3%	0.9%	8.0%
Capitalization	3.6%	1.6%	2.5%	2.8%	1.9%	-34.1%	-48.2%
Rate Reduction	1.7%	1.3%	1.2%	0.7%	0.8%	15.1%	-53.0%
Rate Freeze	0.4%	0.3%	0.4%	0.0%	0.2%	1055.9%	-41.9%
Term Extension***	2.9%	0.8%	0.4%	0.4%	0.6%	33.5%	-80.4%
Principal Reduction	0.0%	0.0%	0.0%	0.0%	0.0%	-62.1%	-82.6%
Principal Deferral	0.2%	0.1%	0.0%	0.1%	0.1%	28.1%	-69.2%
Not Reported**	2.9%	1.7%	1.0%	1.5%	1.2%	-22.7%	-60.3%
(Number of Changes in Each Category)							
Combination*	141,030	141,730	129,896	109,726	97,350	-11.3%	-31.0%
Capitalization	5,750	2,385	3,487	3,284	1,902	-42.1%	-66.9%
Rate Reduction	2,709	1,971	1,682	803	813	1.2%	-70.0%
Rate Freeze	657	389	564	24	244	916.7%	-62.9%
Term Extension***	4,690	1,278	482	500	587	17.4%	-87.5%
Principal Reduction	9	10	40	3	1	-66.7%	-88.9%
Principal Deferral	361	132	61	63	71	12.7%	-80.3%
Not Reported**	4,694	2,574	1,327	1,750	1,190	-32.0%	-74.6%
All Modifications	159,900	150,469	137,539	116,153	102,158	-12.0%	-36.1%

*Combination modifications result in a change to two or more loan terms. All other modification types detailed in this table involve only the individual listed action.

**Processing constraints at some servicers prevented them from reporting specific modified term(s).

***Increase in the first quarter of 2012 results from process changes at some servicers that improved the reporting of this data element.

Changes in Terms for Combination Modification Actions

Of the 97,350 combination modifications implemented during the first quarter of 2012, 94.2 percent included capitalization of missed fees and payments, 83.8 percent included interest rate reduction, and 76.7 percent included an extension of the loan maturity. Principal deferral was included in 25.8 percent of the combination modifications implemented during the quarter and principal reduction was part of 10.7 percent of first-quarter combination modifications. Because combination modifications changed more than one term, the sum of the individual actions exceeded 100 percent of total combination modifications.

Table 48. Changes in Terms for Combination Modifications Through the First Quarter of 2012							
(Percentage of Modifications in Each Category)							
	3/31/11	6/30/11	9/30/11	12/31/11	3/31/12	1Q %Change	1Y %Change
Capitalization	94.5%	94.7%	91.0%	95.8%	94.2%	-1.7%	-0.3%
Rate Reduction	91.7%	83.0%	80.8%	82.0%	83.8%	2.2%	-8.6%
Rate Freeze	1.8%	2.0%	4.4%	6.7%	6.3%	-7.0%	255.7%
Term Extension*	62.5%	64.0%	60.9%	58.3%	76.7%	31.5%	22.7%
Principal Reduction	3.4%	6.6%	8.6%	9.0%	10.7%	18.9%	212.9%
Principal Deferral	12.5%	19.7%	21.6%	25.9%	25.8%	-0.6%	106.5%
(Total Number of Changes in Each Category)							
Capitalization	133,236	134,225	118,175	105,081	91,671	-12.8%	-31.2%
Rate Reduction	129,331	117,598	104,969	89,976	81,569	-9.3%	-36.9%
Rate Freeze	2,485	2,820	5,764	7,395	6,101	-17.5%	145.5%
Term Extension*	88,152	90,668	79,054	63,994	74,670	16.7%	-15.3%
Principal Reduction	4,817	9,391	11,143	9,864	10,403	5.5%	116.0%
Principal Deferral	17,597	27,857	28,072	28,433	25,083	-11.8%	42.5%

*Increase in the first quarter of 2012 results from process changes at some servicers that improved the reporting of this data element.

Appendix E—Mortgage Modification Data by State

The following tables present certain mortgage modification data by state, the District of Columbia, and U.S. territories (the latter are included in the category labeled “Other”). This data fulfills reporting requirements in the Dodd–Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203).

Table 49 presents the number and percentage of HAMP modifications and other modifications in each state during the first quarter of 2012. Tables 50 and 51 present the number and percentage of each type of action included in modifications made during the quarter in each state, the District of Columbia, and U.S. territories. Tables 52 and 53 present the number and percentage of each type of action included in combination modifications made during the quarter in each state, the District of Columbia, and U.S. territories. Tables 54 and 55 present the number and percentage of modifications made during the quarter in each state, the District of Columbia, and U.S. territories by the amount of change in the borrowers’ monthly principal and interest payments. Tables 56 and 57 present the number and percentage of modifications made in the third quarter of 2011 that were 60 or more days delinquent or in process of foreclosure at the end of the first quarter of 2012.

**Table 49. Number and Percentage of Mortgage Modifications
Implemented in the First Quarter of 2012**

States	HAMP Modifications		Other Modifications		Total Modifications	
	Total	% of State Total	Total	% of State Total	Total	% of Total
Total - All States	36,554	35.8%	65,604	64.2%	102,158	100.0%
Alabama	189	18.5%	835	81.5%	1,024	1.0%
Alaska	22	32.8%	45	67.2%	67	0.1%
Arizona	946	39.7%	1,437	60.3%	2,383	2.3%
Arkansas	65	19.2%	273	80.8%	338	0.3%
California	10,740	49.9%	10,780	50.1%	21,520	21.1%
Colorado	495	36.9%	848	63.1%	1,343	1.3%
Connecticut	483	34.0%	939	66.0%	1,422	1.4%
Delaware	86	22.8%	291	77.2%	377	0.4%
District of Columbia	89	37.2%	150	62.8%	239	0.2%
Florida	4,333	39.1%	6,757	60.9%	11,090	10.9%
Georgia	1,380	30.3%	3,174	69.7%	4,554	4.5%
Hawaii	117	35.7%	211	64.3%	328	0.3%
Idaho	105	28.2%	268	71.8%	373	0.4%
Illinois	1,888	36.1%	3,346	63.9%	5,234	5.1%
Indiana	254	18.0%	1,158	82.0%	1,412	1.4%
Iowa	79	18.9%	339	81.1%	418	0.4%
Kansas	97	26.0%	276	74.0%	373	0.4%
Kentucky	118	18.8%	510	81.2%	628	0.6%
Louisiana	180	20.2%	713	79.8%	893	0.9%
Maine	94	30.9%	210	69.1%	304	0.3%
Maryland	1,112	33.5%	2,210	66.5%	3,322	3.3%
Massachusetts	791	38.9%	1,243	61.1%	2,034	2.0%
Michigan	769	29.9%	1,800	70.1%	2,569	2.5%
Minnesota	472	35.3%	866	64.7%	1,338	1.3%
Mississippi	77	17.1%	374	82.9%	451	0.4%
Missouri	348	27.5%	917	72.5%	1,265	1.2%
Montana	34	27.6%	89	72.4%	123	0.1%
Nebraska	32	14.9%	183	85.1%	215	0.2%
Nevada	673	41.4%	953	58.6%	1,626	1.6%
New Hampshire	140	41.4%	198	58.6%	338	0.3%
New Jersey	1,359	34.9%	2,530	65.1%	3,889	3.8%
New Mexico	96	24.8%	291	75.2%	387	0.4%
New York	2,444	40.9%	3,535	59.1%	5,979	5.9%
North Carolina	658	23.0%	2,197	77.0%	2,855	2.8%
North Dakota	6	18.8%	26	81.3%	32	0.0%
Ohio	529	21.4%	1,944	78.6%	2,473	2.4%
Oklahoma	80	16.8%	395	83.2%	475	0.5%
Oregon	409	40.5%	602	59.5%	1,011	1.0%
Pennsylvania	680	25.0%	2,038	75.0%	2,718	2.7%
Rhode Island	126	32.3%	264	67.7%	390	0.4%
South Carolina	282	21.7%	1,018	78.3%	1,300	1.3%
South Dakota	12	22.2%	42	77.8%	54	0.1%
Tennessee	330	24.5%	1,019	75.5%	1,349	1.3%
Texas	1,040	21.6%	3,783	78.4%	4,823	4.7%
Utah	282	35.4%	514	64.6%	796	0.8%
Vermont	18	16.5%	91	83.5%	109	0.1%
Virginia	761	33.2%	1,532	66.8%	2,293	2.2%
Washington	845	38.1%	1,374	61.9%	2,219	2.2%
West Virginia	31	16.7%	155	83.3%	186	0.2%
Wisconsin	324	29.0%	793	71.0%	1,117	1.1%
Wyoming	10	18.9%	43	81.1%	53	0.1%
Other	24	49.0%	25	51.0%	49	0.0%

Table 50. Number of Mortgage Modification Actions Implemented in the First Quarter of 2012								
States	Capitalization	Rate Reduction or Freeze	Term Extension	Principal Reductions	Principal Deferral	Combination	Not Reported	Total Modifications
Total - All States	1,902	1,057	587	1	71	97,350	1,190	102,158
Alabama	20	8	45	0	0	945	6	1,024
Alaska	3	0	0	0	0	64	0	67
Arizona	44	28	10	0	2	2,275	24	2,383
Arkansas	14	5	1	0	0	317	1	338
California	304	180	51	0	34	20,523	428	21,520
Colorado	24	14	7	0	1	1,290	7	1,343
Connecticut	30	14	4	0	0	1,356	18	1,422
Delaware	9	3	7	0	0	357	1	377
District of Columbia	8	2	1	0	0	228	0	239
Florida	133	97	37	0	6	10,656	161	11,090
Georgia	112	52	49	0	0	4,280	61	4,554
Hawaii	1	3	1	0	0	319	4	328
Idaho	6	11	6	0	1	344	5	373
Illinois	73	32	25	0	0	5,069	35	5,234
Indiana	30	12	14	0	0	1,349	7	1,412
Iowa	8	11	3	0	0	396	0	418
Kansas	6	2	4	0	0	358	3	373
Kentucky	18	10	12	0	0	587	1	628
Louisiana	25	18	8	0	1	838	3	893
Maine	5	1	0	0	0	297	1	304
Maryland	71	28	14	0	5	3,146	58	3,322
Massachusetts	36	17	3	0	1	1,960	17	2,034
Michigan	47	25	18	0	1	2,451	27	2,569
Minnesota	33	10	4	0	1	1,281	9	1,338
Mississippi	11	6	9	0	0	423	2	451
Missouri	50	20	8	0	2	1,178	7	1,265
Montana	3	3	0	0	0	117	0	123
Nebraska	2	2	1	0	0	209	1	215
Nevada	17	25	3	0	1	1,552	28	1,626
New Hampshire	6	1	1	0	0	328	2	338
New Jersey	42	27	17	0	0	3,755	48	3,889
New Mexico	15	5	0	0	0	365	2	387
New York	70	37	22	0	7	5,762	81	5,979
North Carolina	92	47	34	0	0	2,669	13	2,855
North Dakota	2	0	1	0	0	29	0	32
Ohio	57	34	24	1	1	2,350	6	2,473
Oklahoma	16	4	1	0	0	454	0	475
Oregon	17	16	7	0	0	970	1	1,011
Pennsylvania	54	26	23	0	1	2,600	14	2,718
Rhode Island	13	4	2	0	0	368	3	390
South Carolina	29	30	12	0	0	1,225	4	1,300
South Dakota	0	0	1	0	0	52	1	54
Tennessee	38	22	27	0	0	1,256	6	1,349
Texas	177	77	14	0	0	4,531	24	4,823
Utah	12	7	5	0	0	764	8	796
Vermont	1	0	6	0	0	98	4	109
Virginia	63	33	21	0	4	2,152	20	2,293
Washington	27	28	9	0	1	2,126	28	2,219
West Virginia	10	2	1	0	1	170	2	186
Wisconsin	16	16	12	0	0	1,066	7	1,117
Wyoming	2	2	2	0	0	47	0	53
Other	0	0	0	0	0	48	1	49

**Table 51. Percentage of Mortgage Modification Actions
Implemented in the First Quarter of 2012**

States	Capitalization	Rate Reduction or Freeze	Term Extension	Principal Reduction	Principal Deferral	Combination	Not Reported	Total Modifications
Total - All States	1.9%	1.0%	0.6%	0.0%	0.1%	95.3%	1.2%	102,158
Alabama	2.0%	0.8%	4.4%	0.0%	0.0%	92.3%	0.6%	1,024
Alaska	4.5%	0.0%	0.0%	0.0%	0.0%	95.5%	0.0%	67
Arizona	1.8%	1.2%	0.4%	0.0%	0.1%	95.5%	1.0%	2,383
Arkansas	4.1%	1.5%	0.3%	0.0%	0.0%	93.8%	0.3%	338
California	1.4%	0.8%	0.2%	0.0%	0.2%	95.4%	2.0%	21,520
Colorado	1.8%	1.0%	0.5%	0.0%	0.1%	96.1%	0.5%	1,343
Connecticut	2.1%	1.0%	0.3%	0.0%	0.0%	95.4%	1.3%	1,422
Delaware	2.4%	0.8%	1.9%	0.0%	0.0%	94.7%	0.3%	377
District of Columbia	3.3%	0.8%	0.4%	0.0%	0.0%	95.4%	0.0%	239
Florida	1.2%	0.9%	0.3%	0.0%	0.1%	96.1%	1.5%	11,090
Georgia	2.5%	1.1%	1.1%	0.0%	0.0%	94.0%	1.3%	4,554
Hawaii	0.3%	0.9%	0.3%	0.0%	0.0%	97.3%	1.2%	328
Idaho	1.6%	2.9%	1.6%	0.0%	0.3%	92.2%	1.3%	373
Illinois	1.4%	0.6%	0.5%	0.0%	0.0%	96.8%	0.7%	5,234
Indiana	2.1%	0.8%	1.0%	0.0%	0.0%	95.5%	0.5%	1,412
Iowa	1.9%	2.6%	0.7%	0.0%	0.0%	94.7%	0.0%	418
Kansas	1.6%	0.5%	1.1%	0.0%	0.0%	96.0%	0.8%	373
Kentucky	2.9%	1.6%	1.9%	0.0%	0.0%	93.5%	0.2%	628
Louisiana	2.8%	2.0%	0.9%	0.0%	0.1%	93.8%	0.3%	893
Maine	1.6%	0.3%	0.0%	0.0%	0.0%	97.7%	0.3%	304
Maryland	2.1%	0.8%	0.4%	0.0%	0.2%	94.7%	1.7%	3,322
Massachusetts	1.8%	0.8%	0.1%	0.0%	0.0%	96.4%	0.8%	2,034
Michigan	1.8%	1.0%	0.7%	0.0%	0.0%	95.4%	1.1%	2,569
Minnesota	2.5%	0.7%	0.3%	0.0%	0.1%	95.7%	0.7%	1,338
Mississippi	2.4%	1.3%	2.0%	0.0%	0.0%	93.8%	0.4%	451
Missouri	4.0%	1.6%	0.6%	0.0%	0.2%	93.1%	0.6%	1,265
Montana	2.4%	2.4%	0.0%	0.0%	0.0%	95.1%	0.0%	123
Nebraska	0.9%	0.9%	0.5%	0.0%	0.0%	97.2%	0.5%	215
Nevada	1.0%	1.5%	0.2%	0.0%	0.1%	95.4%	1.7%	1,626
New Hampshire	1.8%	0.3%	0.3%	0.0%	0.0%	97.0%	0.6%	338
New Jersey	1.1%	0.7%	0.4%	0.0%	0.0%	96.6%	1.2%	3,889
New Mexico	3.9%	1.3%	0.0%	0.0%	0.0%	94.3%	0.5%	387
New York	1.2%	0.6%	0.4%	0.0%	0.1%	96.4%	1.4%	5,979
North Carolina	3.2%	1.6%	1.2%	0.0%	0.0%	93.5%	0.5%	2,855
North Dakota	6.3%	0.0%	3.1%	0.0%	0.0%	90.6%	0.0%	32
Ohio	2.3%	1.4%	1.0%	0.0%	0.0%	95.0%	0.2%	2,473
Oklahoma	3.4%	0.8%	0.2%	0.0%	0.0%	95.6%	0.0%	475
Oregon	1.7%	1.6%	0.7%	0.0%	0.0%	95.9%	0.1%	1,011
Pennsylvania	2.0%	1.0%	0.8%	0.0%	0.0%	95.7%	0.5%	2,718
Rhode Island	3.3%	1.0%	0.5%	0.0%	0.0%	94.4%	0.8%	390
South Carolina	2.2%	2.3%	0.9%	0.0%	0.0%	94.2%	0.3%	1,300
South Dakota	0.0%	0.0%	1.9%	0.0%	0.0%	96.3%	1.9%	54
Tennessee	2.8%	1.6%	2.0%	0.0%	0.0%	93.1%	0.4%	1,349
Texas	3.7%	1.6%	0.3%	0.0%	0.0%	93.9%	0.5%	4,823
Utah	1.5%	0.9%	0.6%	0.0%	0.0%	96.0%	1.0%	796
Vermont	0.9%	0.0%	5.5%	0.0%	0.0%	89.9%	3.7%	109
Virginia	2.7%	1.4%	0.9%	0.0%	0.2%	93.9%	0.9%	2,293
Washington	1.2%	1.3%	0.4%	0.0%	0.0%	95.8%	1.3%	2,219
West Virginia	5.4%	1.1%	0.5%	0.0%	0.5%	91.4%	1.1%	186
Wisconsin	1.4%	1.4%	1.1%	0.0%	0.0%	95.4%	0.6%	1,117
Wyoming	3.8%	3.8%	3.8%	0.0%	0.0%	88.7%	0.0%	53
Other	0.0%	0.0%	0.0%	0.0%	0.0%	98.0%	2.0%	49

**Table 52. Number of Modification Actions in Combination Actions
Implemented in the First Quarter of 2012**

States	Capitalization	Rate Reduction or Freeze	Term Extension	Principal Reduction	Principal Deferral	Total Combination Modifications
Total - All States	91,671	87,022	74,670	10,403	25,083	97,350
Alabama	788	885	722	32	88	945
Alaska	64	59	47	0	8	64
Arizona	2,151	1,946	1,646	304	738	2,275
Arkansas	302	292	231	15	24	317
California	19,608	18,557	14,971	3,807	7,957	20,523
Colorado	1,232	1,195	980	70	188	1,290
Connecticut	1,296	1,180	1,071	115	323	1,356
Delaware	319	325	284	15	60	357
District of Columbia	218	200	168	21	59	228
Florida	10,181	9,045	8,291	1,769	3,927	10,656
Georgia	3,943	3,932	3,326	307	848	4,280
Hawaii	307	264	218	13	80	319
Idaho	318	298	259	21	62	344
Illinois	4,809	4,363	4,098	507	1,503	5,069
Indiana	1,269	1,233	1,085	70	111	1,349
Iowa	375	357	326	16	33	396
Kansas	332	325	259	13	34	358
Kentucky	515	544	467	20	40	587
Louisiana	781	779	638	24	74	838
Maine	284	258	227	13	51	297
Maryland	2,993	2,768	2,300	307	818	3,146
Massachusetts	1,877	1,699	1,517	167	498	1,960
Michigan	2,281	2,145	1,868	228	566	2,451
Minnesota	1,210	1,150	974	93	282	1,281
Mississippi	367	396	300	23	40	423
Missouri	1,095	1,089	870	69	139	1,178
Montana	106	107	98	0	24	117
Nebraska	193	197	172	2	16	209
Nevada	1,503	1,245	1,094	215	599	1,552
New Hampshire	305	295	233	20	60	328
New Jersey	3,623	3,222	3,031	344	1,096	3,755
New Mexico	325	326	288	13	44	365
New York	5,599	5,265	4,636	524	1,423	5,762
North Carolina	2,365	2,448	2,140	66	294	2,669
North Dakota	21	26	25	0	1	29
Ohio	2,126	2,170	1,895	123	301	2,350
Oklahoma	420	426	346	10	24	454
Oregon	904	868	747	83	222	970
Pennsylvania	2,410	2,370	2,050	143	369	2,600
Rhode Island	345	319	292	27	105	368
South Carolina	1,099	1,114	979	47	149	1,225
South Dakota	51	50	40	2	3	52
Tennessee	1,125	1,180	945	70	121	1,256
Texas	4,278	4,252	3,599	175	370	4,531
Utah	728	690	553	44	130	764
Vermont	72	91	79	2	8	98
Virginia	1,950	1,967	1,629	163	428	2,152
Washington	2,008	1,896	1,677	187	528	2,126
West Virginia	148	160	126	5	20	170
Wisconsin	970	966	792	96	188	1,066
Wyoming	34	45	36	0	3	47
Other	48	43	25	3	6	48

**Table 53. Percentage of Modification Actions in Combination Actions
Implemented in the First Quarter of 2012**

States	Capitalization	Rate Reduction or Freeze	Term Extension	Principal Reduction	Principal Deferral	Total Combination Modifications
Total - All States	94.2%	89.4%	76.7%	10.7%	25.8%	97,350
Alabama	83.4%	93.7%	76.4%	3.4%	9.3%	945
Alaska	100.0%	92.2%	73.4%	0.0%	12.5%	64
Arizona	94.5%	85.5%	72.4%	13.4%	32.4%	2,275
Arkansas	95.3%	92.1%	72.9%	4.7%	7.6%	317
California	95.5%	90.4%	72.9%	18.5%	38.8%	20,523
Colorado	95.5%	92.6%	76.0%	5.4%	14.6%	1,290
Connecticut	95.6%	87.0%	79.0%	8.5%	23.8%	1,356
Delaware	89.4%	91.0%	79.6%	4.2%	16.8%	357
District of Columbia	95.6%	87.7%	73.7%	9.2%	25.9%	228
Florida	95.5%	84.9%	77.8%	16.6%	36.9%	10,656
Georgia	92.1%	91.9%	77.7%	7.2%	19.8%	4,280
Hawaii	96.2%	82.8%	68.3%	4.1%	25.1%	319
Idaho	92.4%	86.6%	75.3%	6.1%	18.0%	344
Illinois	94.9%	86.1%	80.8%	10.0%	29.7%	5,069
Indiana	94.1%	91.4%	80.4%	5.2%	8.2%	1,349
Iowa	94.7%	90.2%	82.3%	4.0%	8.3%	396
Kansas	92.7%	90.8%	72.3%	3.6%	9.5%	358
Kentucky	87.7%	92.7%	79.6%	3.4%	6.8%	587
Louisiana	93.2%	93.0%	76.1%	2.9%	8.8%	838
Maine	95.6%	86.9%	76.4%	4.4%	17.2%	297
Maryland	95.1%	88.0%	73.1%	9.8%	26.0%	3,146
Massachusetts	95.8%	86.7%	77.4%	8.5%	25.4%	1,960
Michigan	93.1%	87.5%	76.2%	9.3%	23.1%	2,451
Minnesota	94.5%	89.8%	76.0%	7.3%	22.0%	1,281
Mississippi	86.8%	93.6%	70.9%	5.4%	9.5%	423
Missouri	93.0%	92.4%	73.9%	5.9%	11.8%	1,178
Montana	90.6%	91.5%	83.8%	0.0%	20.5%	117
Nebraska	92.3%	94.3%	82.3%	1.0%	7.7%	209
Nevada	96.8%	80.2%	70.5%	13.9%	38.6%	1,552
New Hampshire	93.0%	89.9%	71.0%	6.1%	18.3%	328
New Jersey	96.5%	85.8%	80.7%	9.2%	29.2%	3,755
New Mexico	89.0%	89.3%	78.9%	3.6%	12.1%	365
New York	97.2%	91.4%	80.5%	9.1%	24.7%	5,762
North Carolina	88.6%	91.7%	80.2%	2.5%	11.0%	2,669
North Dakota	72.4%	89.7%	86.2%	0.0%	3.4%	29
Ohio	90.5%	92.3%	80.6%	5.2%	12.8%	2,350
Oklahoma	92.5%	93.8%	76.2%	2.2%	5.3%	454
Oregon	93.2%	89.5%	77.0%	8.6%	22.9%	970
Pennsylvania	92.7%	91.2%	78.8%	5.5%	14.2%	2,600
Rhode Island	93.8%	86.7%	79.3%	7.3%	28.5%	368
South Carolina	89.7%	90.9%	79.9%	3.8%	12.2%	1,225
South Dakota	98.1%	96.2%	76.9%	3.8%	5.8%	52
Tennessee	89.6%	93.9%	75.2%	5.6%	9.6%	1,256
Texas	94.4%	93.8%	79.4%	3.9%	8.2%	4,531
Utah	95.3%	90.3%	72.4%	5.8%	17.0%	764
Vermont	73.5%	92.9%	80.6%	2.0%	8.2%	98
Virginia	90.6%	91.4%	75.7%	7.6%	19.9%	2,152
Washington	94.4%	89.2%	78.9%	8.8%	24.8%	2,126
West Virginia	87.1%	94.1%	74.1%	2.9%	11.8%	170
Wisconsin	91.0%	90.6%	74.3%	9.0%	17.6%	1,066
Wyoming	72.3%	95.7%	76.6%	0.0%	6.4%	47
Other	100.0%	89.6%	52.1%	6.3%	12.5%	48

Table 54. Changes in Monthly Principal and Interest Payments by State (Number)
 Modifications Implemented in the First Quarter of 2012

States	Decreased by 20% or More	Decreased by 10% to Less Than 20%	Decreased by Less Than 10%	Unchanged	Increased	Not Reported	Total Modifications
Total - All States	63,716	16,218	13,134	1,059	7,559	472	102,158
Alabama	475	215	192	42	95	5	1,024
Alaska	37	11	12	0	7	0	67
Arizona	1,551	377	270	29	147	9	2,383
Arkansas	142	92	60	3	37	4	338
California	15,089	2,676	2,013	240	1,442	60	21,520
Colorado	766	262	213	13	87	2	1,343
Connecticut	931	226	152	6	101	6	1,422
Delaware	201	78	57	7	32	2	377
District of Columbia	139	41	34	2	23	0	239
Florida	7,990	1,344	1,000	88	616	52	11,090
Georgia	2,615	737	758	59	353	32	4,554
Hawaii	229	52	31	2	12	2	328
Idaho	198	83	61	5	24	2	373
Illinois	3,577	757	559	31	293	17	5,234
Indiana	672	296	283	18	123	20	1,412
Iowa	223	82	75	2	35	1	418
Kansas	193	74	66	3	33	4	373
Kentucky	275	127	149	10	66	1	628
Louisiana	400	203	160	9	117	4	893
Maine	174	53	49	1	26	1	304
Maryland	2,015	550	467	17	262	11	3,322
Massachusetts	1,346	338	232	8	107	3	2,034
Michigan	1,581	421	336	50	169	12	2,569
Minnesota	776	232	189	6	116	19	1,338
Mississippi	189	118	86	14	41	3	451
Missouri	607	292	211	10	134	11	1,265
Montana	64	29	14	3	13	0	123
Nebraska	102	39	40	2	25	7	215
Nevada	1,156	203	146	26	89	6	1,626
New Hampshire	190	67	48	2	29	2	338
New Jersey	2,611	596	407	29	234	12	3,889
New Mexico	205	71	67	5	37	2	387
New York	4,179	862	585	34	299	20	5,979
North Carolina	1,437	507	536	57	302	16	2,855
North Dakota	12	3	10	1	5	1	32
Ohio	1,280	464	403	38	251	37	2,473
Oklahoma	188	123	90	5	60	9	475
Oregon	633	182	125	5	62	4	1,011
Pennsylvania	1,565	503	383	24	234	9	2,718
Rhode Island	251	55	52	4	28	0	390
South Carolina	660	273	223	18	122	4	1,300
South Dakota	20	14	12	1	7	0	54
Tennessee	669	266	250	24	131	9	1,349
Texas	2,212	952	981	36	627	15	4,823
Utah	429	177	117	8	61	4	796
Vermont	51	22	20	4	7	5	109
Virginia	1,281	416	375	26	184	11	2,293
Washington	1,393	387	287	17	127	8	2,219
West Virginia	86	34	35	3	27	1	186
Wisconsin	593	215	200	9	93	7	1,117
Wyoming	25	12	9	3	4	0	53
Other	33	9	4	0	3	0	49

Table 55. Changes in Monthly Principal and Interest Payments (Percentage)							
Modifications Implemented During the First Quarter of 2012							
States	Decreased by 20% or More	Decreased by 10% to Less Than 20%	Decreased by Less Than 10%	Unchanged	Increased	Not Reported	Total Modifications
Total - All States	62.4%	15.9%	12.9%	1.0%	7.4%	0.5%	102,158
Alabama	46.4%	21.0%	18.8%	4.1%	9.3%	0.5%	1,024
Alaska	55.2%	16.4%	17.9%	0.0%	10.4%	0.0%	67
Arizona	65.1%	15.8%	11.3%	1.2%	6.2%	0.4%	2,383
Arkansas	42.0%	27.2%	17.8%	0.9%	10.9%	1.2%	338
California	70.1%	12.4%	9.4%	1.1%	6.7%	0.3%	21,520
Colorado	57.0%	19.5%	15.9%	1.0%	6.5%	0.1%	1,343
Connecticut	65.5%	15.9%	10.7%	0.4%	7.1%	0.4%	1,422
Delaware	53.3%	20.7%	15.1%	1.9%	8.5%	0.5%	377
District of Columbia	58.2%	17.2%	14.2%	0.8%	9.6%	0.0%	239
Florida	72.0%	12.1%	9.0%	0.8%	5.6%	0.5%	11,090
Georgia	57.4%	16.2%	16.6%	1.3%	7.8%	0.7%	4,554
Hawaii	69.8%	15.9%	9.5%	0.6%	3.7%	0.6%	328
Idaho	53.1%	22.3%	16.4%	1.3%	6.4%	0.5%	373
Illinois	68.3%	14.5%	10.7%	0.6%	5.6%	0.3%	5,234
Indiana	47.6%	21.0%	20.0%	1.3%	8.7%	1.4%	1,412
Iowa	53.3%	19.6%	17.9%	0.5%	8.4%	0.2%	418
Kansas	51.7%	19.8%	17.7%	0.8%	8.8%	1.1%	373
Kentucky	43.8%	20.2%	23.7%	1.6%	10.5%	0.2%	628
Louisiana	44.8%	22.7%	17.9%	1.0%	13.1%	0.4%	893
Maine	57.2%	17.4%	16.1%	0.3%	8.6%	0.3%	304
Maryland	60.7%	16.6%	14.1%	0.5%	7.9%	0.3%	3,322
Massachusetts	66.2%	16.6%	11.4%	0.4%	5.3%	0.1%	2,034
Michigan	61.5%	16.4%	13.1%	1.9%	6.6%	0.5%	2,569
Minnesota	58.0%	17.3%	14.1%	0.4%	8.7%	1.4%	1,338
Mississippi	41.9%	26.2%	19.1%	3.1%	9.1%	0.7%	451
Missouri	48.0%	23.1%	16.7%	0.8%	10.6%	0.9%	1,265
Montana	52.0%	23.6%	11.4%	2.4%	10.6%	0.0%	123
Nebraska	47.4%	18.1%	18.6%	0.9%	11.6%	3.3%	215
Nevada	71.1%	12.5%	9.0%	1.6%	5.5%	0.4%	1,626
New Hampshire	56.2%	19.8%	14.2%	0.6%	8.6%	0.6%	338
New Jersey	67.1%	15.3%	10.5%	0.7%	6.0%	0.3%	3,889
New Mexico	53.0%	18.3%	17.3%	1.3%	9.6%	0.5%	387
New York	69.9%	14.4%	9.8%	0.6%	5.0%	0.3%	5,979
North Carolina	50.3%	17.8%	18.8%	2.0%	10.6%	0.6%	2,855
North Dakota	37.5%	9.4%	31.3%	3.1%	15.6%	3.1%	32
Ohio	51.8%	18.8%	16.3%	1.5%	10.1%	1.5%	2,473
Oklahoma	39.6%	25.9%	18.9%	1.1%	12.6%	1.9%	475
Oregon	62.6%	18.0%	12.4%	0.5%	6.1%	0.4%	1,011
Pennsylvania	57.6%	18.5%	14.1%	0.9%	8.6%	0.3%	2,718
Rhode Island	64.4%	14.1%	13.3%	1.0%	7.2%	0.0%	390
South Carolina	50.8%	21.0%	17.2%	1.4%	9.4%	0.3%	1,300
South Dakota	37.0%	25.9%	22.2%	1.9%	13.0%	0.0%	54
Tennessee	49.6%	19.7%	18.5%	1.8%	9.7%	0.7%	1,349
Texas	45.9%	19.7%	20.3%	0.7%	13.0%	0.3%	4,823
Utah	53.9%	22.2%	14.7%	1.0%	7.7%	0.5%	796
Vermont	46.8%	20.2%	18.3%	3.7%	6.4%	4.6%	109
Virginia	55.9%	18.1%	16.4%	1.1%	8.0%	0.5%	2,293
Washington	62.8%	17.4%	12.9%	0.8%	5.7%	0.4%	2,219
West Virginia	46.2%	18.3%	18.8%	1.6%	14.5%	0.5%	186
Wisconsin	53.1%	19.2%	17.9%	0.8%	8.3%	0.6%	1,117
Wyoming	47.2%	22.6%	17.0%	5.7%	7.5%	0.0%	53
Other	67.3%	18.4%	8.2%	0.0%	6.1%	0.0%	49

Table 56. Number of Re-Defaults for Loans Modified in the Third Quarter of 2011 (60 or More Days Delinquent After 6 Months by Changes in Monthly Principal and Interest Payments)							
States	Decreased by 20% or More	Decreased by 10% to Less Than 20%	Decreased by Less Than 10%	Unchanged	Increased	Not Reported	Total Modifications
Total - All States	6,439	3,730	5,272	332	3,379	87	19,239
Alabama	56	52	80	8	54	1	251
Alaska	2	4	1	0	2	0	9
Arizona	208	115	145	5	66	1	540
Arkansas	25	20	33	1	15	0	94
California	1,116	457	536	40	408	8	2,565
Colorado	65	60	82	6	36	0	249
Connecticut	93	47	60	4	41	2	247
Delaware	24	17	39	3	17	0	100
District of Columbia	8	9	17	0	6	0	40
Florida	723	304	326	35	188	9	1,585
Georgia	307	220	381	18	226	9	1,161
Hawaii	18	7	15	2	4	1	47
Idaho	24	17	28	1	11	0	81
Illinois	394	212	276	15	192	5	1,094
Indiana	90	96	128	4	79	2	399
Iowa	34	26	29	1	20	1	111
Kansas	27	20	27	0	15	2	91
Kentucky	41	40	38	5	33	0	157
Louisiana	68	52	63	3	59	0	245
Maine	24	10	11	2	15	1	63
Maryland	196	114	197	7	105	1	620
Massachusetts	115	72	91	4	47	0	329
Michigan	174	123	146	11	90	6	550
Minnesota	107	55	71	3	47	1	284
Mississippi	40	26	36	5	35	1	143
Missouri	106	64	93	5	41	1	310
Montana	8	3	13	0	6	0	30
Nebraska	16	12	17	0	11	0	56
Nevada	134	67	86	5	39	0	331
New Hampshire	26	12	16	0	7	0	61
New Jersey	254	130	199	16	160	3	762
New Mexico	30	13	30	0	15	0	88
New York	324	157	202	11	139	3	836
North Carolina	184	127	224	12	132	2	681
North Dakota	0	2	0	0	2	0	4
Ohio	167	125	186	15	129	4	626
Oklahoma	28	35	52	5	29	2	151
Oregon	62	33	41	2	35	1	174
Pennsylvania	178	116	175	11	117	4	601
Rhode Island	28	17	16	1	16	0	78
South Carolina	96	66	89	6	69	4	330
South Dakota	4	0	5	0	2	0	11
Tennessee	92	62	118	8	56	1	337
Texas	340	288	465	28	315	8	1,444
Utah	38	26	55	3	36	0	158
Vermont	6	3	8	0	5	0	22
Virginia	130	64	124	7	73	3	401
Washington	108	85	99	4	66	0	362
West Virginia	9	7	15	3	12	0	46
Wisconsin	87	36	77	7	51	0	258
Wyoming	1	3	6	0	3	0	13
Other	4	2	5	0	2	0	13

Table 57. Re-Default Rates for Loans Modified in the Third Quarter of 2011 (Percentage)
 (60 or More Days Delinquent After 6 Months by Changes in Monthly Principal and Interest Payments)

States	Decreased by 20% or More	Decreased by 10% to Less Than 20%	Decreased by Less Than 10%	Unchanged	Increased	Not Reported	Total Modifications
Total - All States	8.9%	15.0%	22.2%	10.2%	30.5%	16.3%	14.1%
Alabama	11.8%	16.9%	27.5%	25.0%	40.9%	12.5%	20.1%
Alaska	7.1%	26.7%	4.3%	0.0%	12.5%	0.0%	10.7%
Arizona	8.9%	15.9%	22.7%	5.7%	26.0%	7.7%	13.3%
Arkansas	13.7%	18.5%	28.2%	11.1%	28.3%	0.0%	20.0%
California	6.1%	11.0%	13.7%	4.5%	22.7%	9.8%	8.8%
Colorado	7.4%	12.8%	18.3%	10.9%	21.6%	0.0%	12.3%
Connecticut	10.1%	15.1%	22.0%	11.8%	27.7%	33.3%	14.6%
Delaware	11.0%	16.5%	29.8%	30.0%	32.1%	0.0%	19.3%
District of Columbia	8.1%	23.1%	29.3%	0.0%	20.7%	0.0%	17.3%
Florida	8.5%	15.0%	18.6%	8.3%	24.2%	15.8%	11.7%
Georgia	10.4%	17.9%	29.9%	15.9%	42.8%	23.1%	18.9%
Hawaii	7.7%	11.7%	20.0%	50.0%	22.2%	50.0%	11.9%
Idaho	8.3%	17.0%	23.7%	20.0%	28.9%	0.0%	14.7%
Illinois	9.7%	18.6%	25.2%	11.0%	33.2%	22.7%	15.5%
Indiana	10.8%	17.1%	26.7%	10.0%	33.8%	18.2%	18.5%
Iowa	13.9%	18.3%	23.4%	12.5%	28.2%	25.0%	18.7%
Kansas	12.2%	16.7%	22.7%	0.0%	26.8%	50.0%	17.2%
Kentucky	12.3%	19.0%	21.0%	29.4%	34.7%	0.0%	18.6%
Louisiana	14.4%	21.1%	22.7%	15.8%	36.6%	0.0%	20.8%
Maine	14.7%	11.1%	18.0%	40.0%	36.6%	50.0%	17.4%
Maryland	9.6%	14.3%	23.4%	8.6%	28.4%	5.0%	15.0%
Massachusetts	8.3%	15.0%	21.7%	6.5%	25.5%	0.0%	13.0%
Michigan	8.1%	14.8%	19.9%	5.4%	26.2%	21.4%	12.8%
Minnesota	10.5%	13.7%	19.7%	4.9%	29.9%	8.3%	14.1%
Mississippi	14.2%	21.7%	25.5%	22.7%	41.7%	100.0%	22.0%
Missouri	13.1%	16.3%	24.9%	13.9%	26.3%	14.3%	17.4%
Montana	8.1%	9.7%	25.5%	0.0%	30.0%	0.0%	14.6%
Nebraska	12.6%	16.0%	26.2%	0.0%	25.6%	0.0%	17.8%
Nevada	8.3%	16.8%	23.7%	8.9%	28.3%	0.0%	12.8%
New Hampshire	9.7%	13.0%	15.5%	0.0%	18.4%	0.0%	11.8%
New Jersey	9.8%	15.8%	25.4%	20.5%	38.6%	23.1%	16.2%
New Mexico	12.1%	9.4%	25.2%	0.0%	29.4%	0.0%	15.6%
New York	8.8%	14.7%	21.3%	9.5%	32.3%	14.3%	13.3%
North Carolina	11.7%	15.9%	27.4%	17.1%	34.7%	8.7%	18.6%
North Dakota	0.0%	28.6%	0.0%	0.0%	25.0%	0.0%	10.0%
Ohio	11.4%	17.3%	25.5%	16.7%	33.1%	25.0%	18.4%
Oklahoma	11.5%	20.3%	30.8%	35.7%	29.6%	50.0%	21.6%
Oregon	8.0%	11.6%	20.0%	11.1%	32.7%	20.0%	12.5%
Pennsylvania	11.4%	15.8%	23.7%	14.9%	31.0%	33.3%	17.2%
Rhode Island	8.6%	20.7%	20.5%	9.1%	39.0%	0.0%	14.5%
South Carolina	13.4%	16.8%	22.3%	16.7%	39.0%	36.4%	19.0%
South Dakota	19.0%	0.0%	19.2%	0.0%	20.0%	0.0%	14.7%
Tennessee	12.1%	15.5%	28.6%	20.5%	29.8%	9.1%	18.6%
Texas	12.8%	19.1%	29.5%	45.2%	37.4%	34.8%	21.7%
Utah	7.1%	10.3%	22.4%	25.0%	34.0%	0.0%	13.7%
Vermont	11.1%	15.0%	23.5%	0.0%	45.5%	0.0%	17.5%
Virginia	9.1%	10.1%	20.5%	8.4%	29.8%	25.0%	13.3%
Washington	7.6%	14.6%	19.3%	5.9%	30.1%	0.0%	12.9%
West Virginia	9.2%	12.7%	21.7%	25.0%	37.5%	0.0%	17.1%
Wisconsin	12.2%	12.3%	24.8%	23.3%	33.1%	0.0%	17.1%
Wyoming	3.7%	13.6%	20.7%	0.0%	37.5%	0.0%	14.6%
Other	9.1%	7.1%	26.3%	0.0%	40.0%	0.0%	13.0%

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