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OCC Mortgage Metrics Report

Disclosure of National Bank and Federal Savings
Association Mortgage Loan Data

Third Quarter 2011

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Executive Summary

This *OCC Mortgage Metrics Report* for the third quarter of 2011 provides performance data on first-lien residential mortgages serviced by selected national banks and a federal savings association (or thrift). The mortgages in this portfolio comprise 62 percent of all mortgages outstanding in the United States—32.4 million loans totaling \$5.6 trillion in principal balances. This report provides information on their performance through September 30, 2011.

The overall quality of the portfolio of serviced mortgages remained almost unchanged from the previous quarter, with the percentage of current and performing loans decreasing by 0.1 percentage point from the previous quarter to 88.0 percent of the overall portfolio at the end of the third quarter. The percentage of current and performing loans increased by 0.7 percent from a year earlier (see table 7).

Delinquencies remained elevated but stable during the third quarter of 2011 but have declined from a year ago. However, the number of new foreclosures increased by 21.1 percent during the quarter as servicers lifted voluntary moratoria implemented in late 2010 and exhausted alternatives to foreclosure for the large inventory of seriously delinquent mortgages working through the loss mitigation process. The increase in new foreclosures and the increase in average time required to complete foreclosures sales has resulted in the number of foreclosures in process increasing to 4.1 percent of the overall portfolio, or 1,327,077 loans, at the end of the third quarter of 2011.

Servicers continued to emphasize alternatives to foreclosure during the third quarter, initiating more than two-and-a-half times 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.

Mortgage Performance

- The percentage of mortgages that were current and performing decreased slightly to 88.0 percent (see table 7).
- The percentage of mortgages that were 30 to 59 days delinquent did not change from the previous quarter and remained 3.0 percent of the overall portfolio. The percentage of early-stage delinquencies decreased by 5.6 percent from a year earlier (see table 7).
- The percentage of government-guaranteed mortgages that were current decreased to 85.2 from 85.7 percent in the prior quarter (see table 9).
- Mortgages serviced for Fannie Mae and Freddie Mac (government-sponsored enterprises or GSEs) made up the majority of mortgages in the reporting servicers' portfolios. The overall percentage of these mortgages that were current and performing did not change from the previous quarter percentage of 93.1 percent. However, the percentage of GSE mortgages that were seriously delinquent increased to 2.5 percent (see table 10).
- The percentage of mortgages in the overall portfolio that were seriously delinquent at the end of the third quarter of 2011 was 4.9 percent—the same percentage as the previous quarter but a decline of 305,279 mortgages from a year earlier (see table 11).

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

- Servicers implemented 458,899 new home retention actions—modifications, trial-period plans, and payment plans—during the third quarter of 2011 (see table 1). This was more than two-and-a-half times the 172,785 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 third quarter increased by 0.6 percent from the previous quarter and decreased 2.4 percent from a year earlier.
- New home retention activity comprised 137,539 modifications, 156,801 trial-period plans, and 164,559 payment plans during the third quarter of 2011. Home Affordable Modification Program (HAMP) modifications decreased 23.0 percent from the previous quarter to 53,941. During the past five quarters, servicers initiated more than 2.4 million home retention actions—889,990 modifications, 809,658 trial-period plans and 717,635 payment plans (see table 1).

Table 1. Number of New Home Retention Actions

	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Other Modifications	174,862	152,375	106,512	80,185	83,598	4.3%	-52.2%
HAMP Modifications	58,856	56,340	53,250	70,071	53,941	-23.0%	-8.4%
Other Trial-Period Plans	71,890	81,034	181,099	118,928	127,463	7.2%	77.3%
HAMP Trial-Period Plans	45,087	53,022	57,649	44,148	29,338	-33.5%	-34.9%
Payment Plans	119,589	131,988	158,821	142,678	164,559	15.3%	37.6%
Total	470,284	474,759	557,331	456,010	458,899	0.6%	-2.4%

- Servicers capitalized missed payments and fees in 88.5 percent of all modifications made during the third quarter of 2011 and reduced interest rates in 77.5 percent of modifications. Term extensions were used in 57.8 percent of modifications, principal deferrals in 20.5 percent, and principal reductions in 7.8 percent (see table 17). Among HAMP modifications, servicers reduced interest rates in 86.8 percent, deferred principal in 34.9 percent, and reduced principal in 10.2 percent of those modifications (see table 18).
- Servicers reduced monthly principal and interest payments by 24.4 percent for borrowers who qualified for modifications, with an average decrease of \$382. HAMP modifications reduced payments by an average of \$567, or 35.1 percent and other modifications reduced monthly payments by \$262 (see table 24). Nearly 90 percent of all modifications made during the third quarter reduced monthly payments (see table 22).

Modified Loan Performance

- More recent modifications that emphasized reduced payments, sustainability, and affordability have outperformed modifications implemented in earlier periods.
- Servicers modified 2,258,026 mortgages from the beginning of 2008 through the end of the second quarter of 2011. At the end of the third quarter of 2011, 50.8 percent of these modifications remained current or were paid off. Another 8.8 percent were 30 to 59 days delinquent, and 17.7 percent were seriously delinquent. Eleven percent were in the process of foreclosure, and 5.9 percent had completed the foreclosure process (see table 2).

- HAMP modifications continued to perform better than other modifications (see table 2). Of the 469,535 HAMP modifications implemented since the third quarter of 2009, 70.5 percent remained current or were paid off, compared with 55.7 percent of other modifications implemented during the same time period. The better performance of HAMP modifications reflects HAMP’s significantly reduced monthly payments, its emphasis on affordability relative to borrower income, required income verification, and required trial-period.
- Modifications that reduced payments by 10 percent or more performed better than those that reduced payments by less than 10 percent. At the end of the third quarter of 2011, 58.8 percent of modifications that reduced payments by 10 percent or more were current and performing, compared with 36.3 percent of those that reduced payments by less (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	421,322	25.0%	6.4%	19.9%	17.8%	15.5%	3.2%	12.2%
2009	587,460	39.6%	8.3%	20.7%	14.6%	7.8%	1.7%	7.3%
2010	939,226	58.6%	9.7%	16.6%	8.3%	2.3%	0.5%	4.0%
2011**	310,018	74.0%	10.3%	12.6%	2.5%	0.3%	0.2%	0.2%
Total	2,258,026	49.5%	8.8%	17.7%	11.0%	5.9%	1.3%	5.9%
HAMP Modification Performance Compared With Other Modifications***								
Other Modifications	1,035,623	55.0%	10.4%	18.8%	8.8%	3.0%	0.7%	3.2%
HAMP Modifications	469,535	70.2%	8.1%	10.8%	5.2%	1.3%	0.3%	3.9%
Modifications That Reduced Payments by 10 Percent or More								
Modifications That Reduced Payments by 10% or More	1,321,217	58.8%	8.8%	14.4%	8.2%	3.4%	0.8%	5.7%
Modifications That Reduced Payments by Less Than 10 Percent								
Modifications That Reduced Payments by Less Than 10%	936,809	36.3%	8.9%	22.4%	14.8%	9.5%	2.0%	6.1%

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

**Includes modifications implemented during 2011 in effect at least three months.

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

- Modifications on mortgages held in the servicers’ own portfolios performed better than modifications on mortgages serviced for others. Of the modifications implemented from January 1, 2008 through September 30, 2010 that were in effect at least one year, 25.2 percent of modifications on mortgages held in the servicers’ own portfolios were 60 or more days delinquent after 12 months compared with more than 28 percent for GSE mortgages, 48.3 percent for private investor-held loans, and 50.8 percent for government-guaranteed mortgages. This variance may have resulted from differences in 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	12.1%	19.4%	24.5%	28.8%
Freddie Mac	11.7%	18.9%	24.3%	28.2%
Government-Guaranteed	17.4%	34.9%	45.0%	50.8%
Private	24.3%	35.7%	43.0%	48.3%
Portfolio Loans	8.0%	15.6%	21.4%	25.2%
Overall	16.2%	26.7%	33.6%	38.5%

*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 in the third quarter of 2011 increased by 21.1 percent from the previous quarter, but decreased by 11.8 percent from a year earlier. This quarterly increase results from the large number of seriously delinquent mortgages working their way through the loss mitigation process toward foreclosure. The number of foreclosures in process increased 0.5 percent from the previous quarter and 7.6 percent from a year earlier as the length of time required to complete foreclosure lengthens (see table 4).

Table 4. New Foreclosures and Foreclosures in Process							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Newly Initiated Foreclosures	394,356	355,945	312,235	287,162	347,726	21.1%	-11.8%
Foreclosures in Process	1,233,717	1,312,462	1,308,757	1,319,987	1,327,077	0.5%	7.6%

- Home forfeiture actions totaled 172,785 at the end of the quarter—a decrease of 4.1 percent from the previous quarter and a decrease of 30.1 percent from a year earlier. Completed foreclosures decreased by 7.0 percent from the previous quarter and 40.5 percent from a year earlier. New short sales increased by 1.9 percent from the previous quarter. New deed-in-lieu-of-foreclosure actions increased by 2.9 percent from the previous quarter and 51.5 percent from a year earlier, but remained a small component of home forfeiture actions (see table 5).

Table 5. Completed Foreclosures and Other Home Forfeiture Actions							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Completed Foreclosures	189,285	95,070	119,739	121,209	112,686	-7.0%	-40.5%
New Short Sales	56,270	49,061	50,108	56,406	57,479	1.9%	2.1%
New Deed-in-Lieu-of-Foreclosure Actions	1,729	2,085	1,700	2,547	2,620	2.9%	51.5%
Total	247,284	146,216	171,547	180,162	172,785	-4.1%	-30.1%

About Mortgage Metrics

The *OCC Mortgage Metrics Report* presents data on first-lien residential mortgages serviced by national banks and a federal savings association focusing on credit performance, loss mitigation efforts, and foreclosures. The OCC collects these data from the eight national banks and one federal savings association with the largest mortgage-servicing portfolios among national banks and federal savings associations.¹ The data represent 62 percent of all first-lien residential mortgages outstanding in the country. Almost 93 percent of the mortgages in the portfolio were serviced for investors other than the reporting institution. At the end of September 2011, the reporting institutions serviced 32.4 million first-lien mortgage loans, totaling nearly \$5.6 trillion in outstanding 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 comparisons with the institutions' quarterly call and thrift financial reports, with internal quality reviews conducted by the banks and savings association and with data supplied by participating banks and savings association and aggregated by an external vendor to support this report. Data sets of this size and scope inevitably suffer from a degree of inconsistency, missing data, and other imperfections. This report notes cases in which data anomalies may have affected the results. 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 in appendix E. Developed over several quarters, 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:

¹ 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.

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

Approximately 12 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 process resulting in the loss of borrowers’ homes. 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 act to 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., 9/30/11), 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.

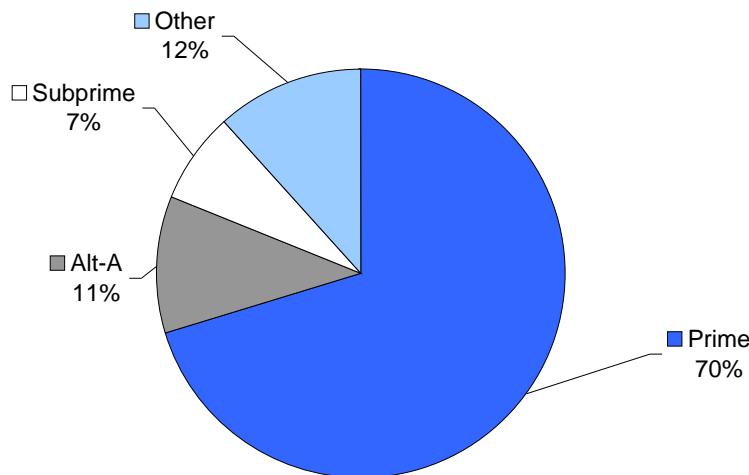
Overall Mortgage Portfolio

At the end of the third quarter of 2011, the servicing portfolio included 32.4 million loans with \$5.6 trillion in unpaid balances (see table 6). The composition was stable with 70 percent prime, 11 percent Alt-A, 7 percent subprime, and 12 percent other loans (see figure 1).

Table 6. Overall Mortgage Portfolio					
	9/30/10	12/31/10	3/30/11	6/30/11	9/30/11
Total Servicing (Millions)	\$5,820,521	\$5,729,421	\$5,686,103	\$5,682,951	\$5,598,366
Total Servicing (Number of Loans)	33,341,642	32,867,917	32,713,033	32,769,737	32,434,997
Composition (Percentage of All Mortgages in the Portfolio)					
Prime	69%	69%	70%	70%	70%
Alt-A	11%	11%	11%	11%	11%
Subprime	8%	8%	7%	8%	7%
Other	13%	12%	12%	12%	12%
Composition (Number of Loans in Each Risk Category of the Portfolio)					
Prime	23,018,251	22,831,966	22,804,671	22,904,910	22,765,207
Alt-A	3,591,171	3,533,524	3,505,201	3,522,896	3,499,907
Subprime	2,550,698	2,471,207	2,418,112	2,476,801	2,426,056
Other	4,181,522	4,031,220	3,985,049	3,865,130	3,743,827

Figure 1. Portfolio Composition

Percentage of All Mortgage Loans in the Portfolio

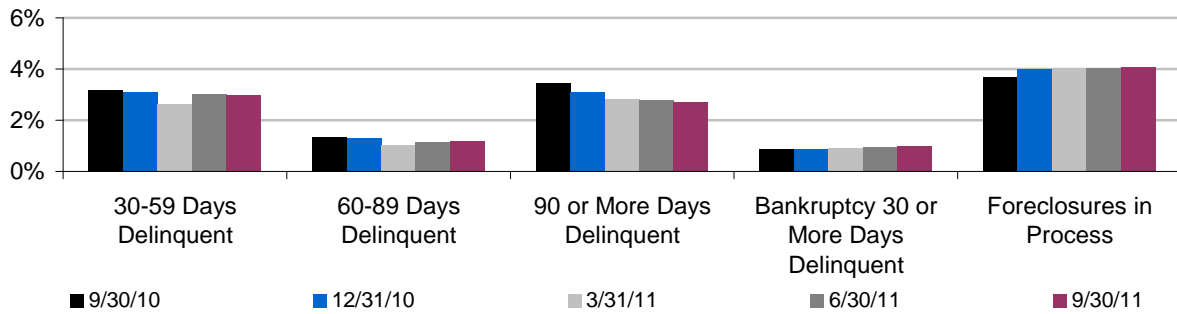


Overall Mortgage Performance

The overall performance of the portfolio of mortgages serviced by reporting banks and thrift remained almost unchanged from the previous quarter. The percentage of mortgages that were current and performing was almost unchanged at 88.0 percent from the previous quarter but improved from 87.5 percent a year earlier (see table 7). The percentages of mortgages that were 30 to 59 days delinquent and those that were seriously delinquent (loans 60 or more days delinquent or in bankruptcy and 30 or more days past due) were unchanged from the previous quarter, but down from a year earlier. The percentage of foreclosures in process increased to 4.1 percent from 4.0 percent the previous quarter and 3.7 percent a year earlier.

Table 7. Overall Portfolio Performance							
(Percentage of Mortgages in the Portfolio)							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Current and Performing	87.5%	87.6%	88.6%	88.1%	88.0%	0.0%	0.7%
30–59 Days Delinquent	3.2%	3.1%	2.6%	3.0%	3.0%	-1.4%	-5.6%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	1.3%	1.3%	1.0%	1.1%	1.2%	4.5%	-10.9%
90 or More Days Delinquent	3.5%	3.1%	2.8%	2.8%	2.7%	-2.8%	-22.1%
Bankruptcy 30 or More Days Delinquent	0.9%	0.9%	0.9%	1.0%	1.0%	3.2%	15.0%
Subtotal for Seriously Delinquent	5.7%	5.3%	4.8%	4.9%	4.9%	0.1%	-13.8%
Foreclosures in Process	3.7%	4.0%	4.0%	4.0%	4.1%	1.6%	10.6%
(Number of Mortgages in the Portfolio)							
Current and Performing	29,158,524	28,794,279	28,991,538	28,853,845	28,550,780	-1.1%	-2.1%
30–59 Days Delinquent	1,059,697	1,020,763	853,484	996,859	972,715	-2.4%	-8.2%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	443,902	428,103	340,258	371,716	384,638	3.5%	-13.4%
90 or More Days Delinquent	1,156,348	1,020,997	920,363	910,183	875,943	-3.8%	-24.2%
Bankruptcy 30 or More Days Delinquent	289,454	291,313	298,633	317,147	323,844	2.1%	11.9%
Subtotal for Seriously Delinquent	1,889,704	1,740,413	1,559,254	1,599,046	1,584,425	-0.9%	-16.2%
Foreclosures in Process	1,233,717	1,312,462	1,308,757	1,319,987	1,327,077	0.5%	7.6%

Figure 2. Overall Portfolio Performance



Performance of Mortgages Held by Reporting Banks and Thrift

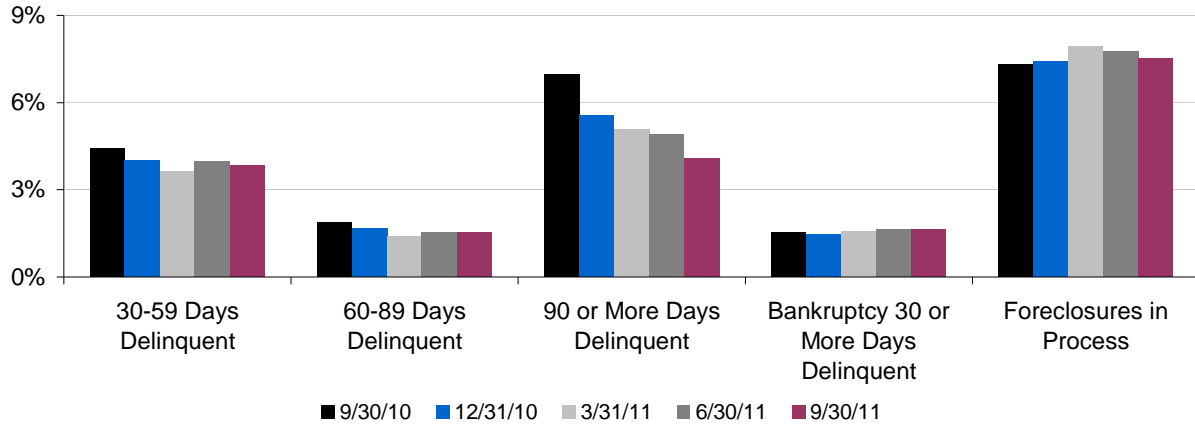
The performance of mortgages held by the reporting banks and thrift improved in the third quarter of 2011 (see table 8). The percentage of these mortgages that were current at the end of the quarter increased to 81.4 percent from 80.3 percent during the previous quarter and 77.9 percent a year earlier. The percentage of these mortgages that were 30 to 59 days delinquent decreased to 3.8 percent from 4.0 percent in the previous quarter and 4.4 percent a year earlier. The percentage of these mortgages that were seriously delinquent decreased to 7.2 percent from 8.0 percent the previous quarter and 10.4 percent a year earlier. The percentage of these mortgages in the process of foreclosure decreased to 7.5 percent from 7.7 in percent the previous quarter but increased from 7.3 percent a year earlier. The reporting banks and federal savings associations held 7.2 percent of the loans in this report.² Because more of these loans tended to be nonconforming with increased risk characteristics and geographic concentration in weaker real estate markets, these mortgages performed worse than mortgages serviced for others.

Table 8. Performance of Mortgages Held by Reporting Banks and Thrift (Percentage)*							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Current and Performing	77.9%	79.9%	80.4%	80.3%	81.4%	1.4%	4.5%
30–59 Days Delinquent	4.4%	4.0%	3.6%	4.0%	3.8%	-3.0%	-12.9%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	1.9%	1.7%	1.4%	1.5%	1.5%	0.4%	-18.9%
90 or More Days Delinquent	7.0%	5.5%	5.1%	4.9%	4.1%	-16.9%	-41.7%
Bankruptcy 30 or More Days Delinquent	1.5%	1.5%	1.6%	1.6%	1.7%	2.2%	7.5%
Subtotal for Seriously Delinquent	10.4%	8.7%	8.0%	8.0%	7.2%	-9.8%	-30.3%
Foreclosures in Process	7.3%	7.4%	7.9%	7.7%	7.5%	-3.1%	2.6%
Performance of Mortgages Held by Reporting Banks and Thrift (Number)							
Current and Performing	1,940,418	1,984,871	1,899,830	1,870,686	1,909,527	2.1%	-1.6%
30–59 Days Delinquent	109,863	99,163	86,162	92,254	90,053	-2.4%	-18.0%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	46,735	41,437	33,286	35,294	35,678	1.1%	-23.7%
90 or More Days Delinquent	173,504	137,620	119,884	113,916	95,298	-16.3%	-45.1%
Bankruptcy 30 or More Days Delinquent	38,328	36,228	36,970	37,723	38,808	2.9%	1.3%
Subtotal for Seriously Delinquent	258,567	215,285	190,140	186,933	169,784	-9.2%	-34.3%
Foreclosures in Process	182,292	184,046	187,204	180,587	176,048	-2.5%	-3.4%

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

² The *OCC and OTS Mortgage Metrics Report* for the first quarter of 2011 incorrectly identified the percentage of the portfolio held by national banks and thrift as 14.5 percent.

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

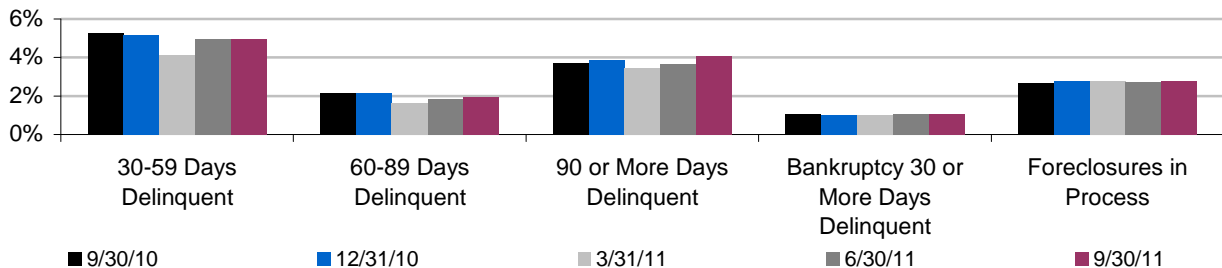


Performance of Government-Guaranteed Mortgages

The performance of government-guaranteed mortgages declined in the third quarter (see table 9). The percentage of these loans that were current and performing decreased to 85.2 percent from 85.7 percent in the previous quarter but improved from 85.1 percent a year earlier. The percentage that were 30 to 59 days delinquent decreased to 4.9 percent from 5.0 percent in the previous quarter and 5.3 percent a year earlier. Serious delinquencies increased to 7.1 percent from 6.6 percent during the previous quarter and 7.0 percent a year earlier. The percentage in the process of foreclosure increased to 2.8 percent from 2.7 percent the previous quarter and 2.7 percent a year earlier. Government-guaranteed mortgages represent more than 21 percent of the portfolio compared with 19 percent a year earlier. Almost 80 percent of these loans were FHA loans, 15 percent were VA loans, and 5 percent were other government-guaranteed mortgages. Almost 86 percent were in pools of loans backing Ginnie Mae securities.

Table 9. Performance of Government-Guaranteed Mortgages (Percentage)							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Current and Performing	85.1%	85.0%	87.0%	85.7%	85.2%	-0.6%	0.1%
30–59 Days Delinquent	5.3%	5.2%	4.1%	5.0%	4.9%	-1.0%	-6.3%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	2.2%	2.2%	1.6%	1.9%	2.0%	5.9%	-8.9%
90 or More Days Delinquent	3.7%	3.8%	3.5%	3.6%	4.1%	11.2%	8.3%
Bankruptcy 30 or More Days Delinquent	1.0%	1.0%	1.0%	1.1%	1.1%	0.1%	1.0%
Subtotal for Seriously Delinquent	7.0%	7.0%	6.1%	6.6%	7.1%	7.9%	1.8%
Foreclosures in Process	2.7%	2.8%	2.8%	2.7%	2.8%	0.9%	3.5%
Performance of Government-Guaranteed Mortgages (Number)							
Current and Performing	5,344,688	5,483,548	5,743,866	5,826,732	5,914,032	1.5%	10.7%
30–59 Days Delinquent	330,323	332,322	272,272	338,346	342,104	1.1%	3.6%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	135,607	139,545	106,493	126,264	136,485	8.1%	0.6%
90 or More Days Delinquent	235,060	248,171	229,401	247,804	281,264	13.5%	19.7%
Bankruptcy 30 or More Days Delinquent	65,756	66,779	67,748	71,810	73,375	2.2%	11.6%
Subtotal for Seriously Delinquent	436,423	454,495	403,642	445,878	491,124	10.1%	12.5%
Foreclosures in Process	167,062	178,177	182,041	185,423	191,055	3.0%	14.4%

Figure 4. Performance of Government-Guaranteed Mortgages

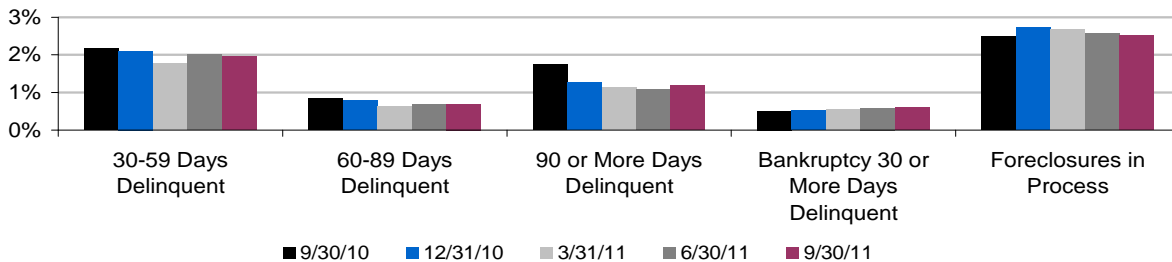


Performance of GSE Mortgages

GSE mortgages perform better than the overall portfolio because they contain more prime loans. The percentage of GSE mortgages that were current and performing was 93.1 percent at the end of the quarter, unchanged from the previous quarter and up from 92.3 percent a year earlier (see table 10). The percentage of GSE mortgages that were 30 to 59 days delinquent was also unchanged from the previous quarter at 2.0 percent and down from 2.2 percent a year earlier. The percentage of GSE mortgages that were seriously delinquent increased to 2.5 percent from 2.3 percent in the previous quarter, but decreased from 3.1 percent a year earlier. The percentage of these loans in the process of foreclosure decreased to 2.5 percent from 2.6 percent during the previous quarter and was unchanged from a year earlier. GSE mortgages made up 60 percent of the overall portfolio. Of the GSE mortgages, 58 percent were serviced for Fannie Mae and 42 percent were serviced for Freddie Mac.

Table 10. Performance of GSE Mortgages (Percentage)							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Current and Performing	92.3%	92.6%	93.2%	93.1%	93.1%	0.0%	0.9%
30–59 Days Delinquent	2.2%	2.1%	1.8%	2.0%	2.0%	-2.5%	-9.7%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	0.8%	0.8%	0.6%	0.7%	0.7%	3.3%	-17.4%
90 or More Days Delinquent	1.7%	1.3%	1.1%	1.1%	1.2%	7.9%	-32.4%
Bankruptcy 30 or More Days Delinquent	0.5%	0.5%	0.6%	0.6%	0.6%	2.3%	17.5%
Subtotal for Seriously Delinquent	3.1%	2.6%	2.3%	2.3%	2.5%	5.2%	-20.1%
Foreclosures in Process	2.5%	2.7%	2.7%	2.6%	2.5%	-2.7%	1.1%
Performance of GSE Mortgages (Number)							
Current and Performing	18,877,065	18,451,984	18,538,136	18,351,802	18,011,620	-1.9%	-4.6%
30–59 Days Delinquent	444,431	418,299	350,152	396,676	379,596	-4.3%	-14.6%
The Following Three Categories Are Classified as Seriously Delinquent							
60–89 Days Delinquent	171,065	156,655	127,382	131,893	133,734	1.4%	-21.8%
90 or More Days Delinquent	356,227	251,808	225,932	214,901	227,679	5.9%	-36.1%
Bankruptcy 30 or More Days Delinquent	104,146	106,307	109,606	115,307	115,758	0.4%	11.1%
Subtotal for Seriously Delinquent	631,438	514,770	462,920	462,101	477,171	3.3%	-24.4%
Foreclosures in Process	507,214	541,698	529,993	507,913	484,871	-4.5%	-4.4%

Figure 5. Performance of GSE Mortgages

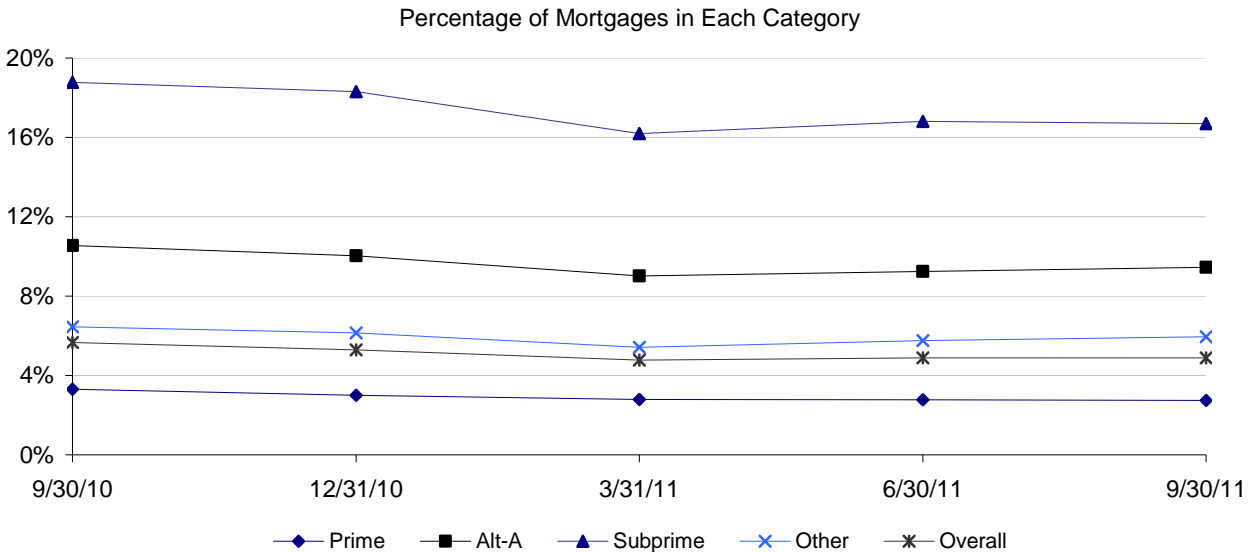


Seriously Delinquent Mortgages, by Risk Category

The portfolio contained 305,279 fewer seriously delinquent loans at the end of the third quarter of 2011 compared with a year earlier—a 16.2 percent decrease in the number of seriously delinquent mortgages (see table 11). Prime and subprime loans recorded slight decreases in seriously delinquent loans during the third quarter, while serious delinquencies increased for Alt A and other mortgages.

Table 11. Seriously Delinquent Mortgages, by Risk Category							
(Percentage of Mortgages in Each Category)							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Prime	3.3%	3.0%	2.8%	2.8%	2.7%	-0.9%	-17.1%
Alt-A	10.5%	10.0%	9.0%	9.2%	9.5%	2.4%	-10.4%
Subprime	18.8%	18.3%	16.2%	16.8%	16.7%	-0.7%	-11.1%
Other	6.4%	6.1%	5.4%	5.8%	6.0%	3.5%	-7.5%
Overall	5.7%	5.3%	4.8%	4.9%	4.9%	0.1%	-13.8%
(Number of Mortgages in Each Category)							
Prime	762,437	685,967	635,769	634,950	625,338	-1.5%	-18.0%
Alt-A	378,861	354,392	316,184	325,337	330,978	1.7%	-12.6%
Subprime	478,948	452,231	391,507	416,316	405,043	-2.7%	-15.4%
Other	269,458	247,823	215,794	222,443	223,066	0.3%	-17.2%
Total	1,889,704	1,740,413	1,559,254	1,599,046	1,584,425	-0.9%	-16.2%

Figure 6. Seriously Delinquent Mortgages, by Risk Category

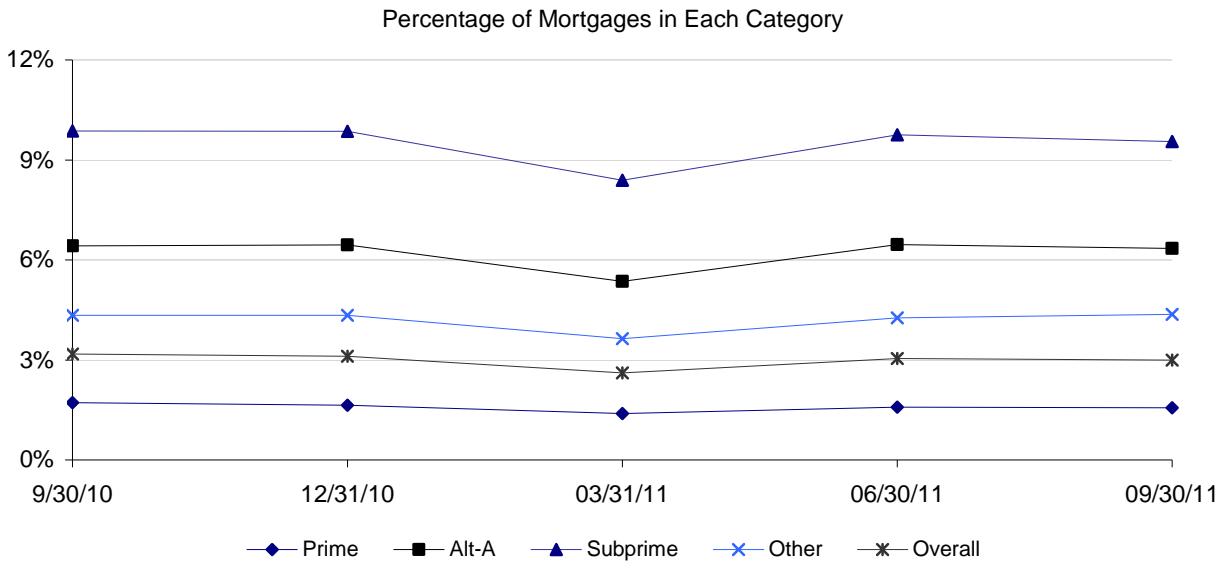


Mortgages 30 to 59 Days Delinquent, by Risk Category

The servicing portfolio contained 86,982 fewer loans that were 30 to 59 days delinquent at the end of the third quarter of 2011 than a year earlier—an 8.2 percent decrease (see table 12). Overall, 3.0 percent of the total portfolio was 30 to 59 days delinquent at the end of the quarter—unchanged from the previous quarter but down from 3.2 percent a year earlier.

Table 12. Mortgages 30 to 59 Days Delinquent, by Risk Category							
<i>(Percentage of Mortgages in Each Category)</i>							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Prime	1.7%	1.6%	1.4%	1.6%	1.6%	-1.5%	-9.2%
Alt-A	6.4%	6.5%	5.4%	6.5%	6.3%	-1.9%	-1.3%
Subprime	9.9%	9.9%	8.4%	9.8%	9.6%	-2.1%	-3.1%
Other	4.3%	4.3%	3.6%	4.3%	4.4%	2.5%	0.6%
Overall	3.2%	3.1%	2.6%	3.0%	3.0%	-1.4%	-5.6%
<i>(Number of Mortgages in Each Category)</i>							
Prime	395,789	374,158	318,045	362,953	355,420	-2.1%	-10.2%
Alt-A	230,740	227,966	187,606	227,621	221,929	-2.5%	-3.8%
Subprime	251,604	243,744	202,835	241,588	231,782	-4.1%	-7.9%
Other	181,564	174,895	144,998	164,697	163,584	-0.7%	-9.9%
Total	1,059,697	1,020,763	853,484	996,859	972,715	-2.4%	-8.2%

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 underwriting and 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.

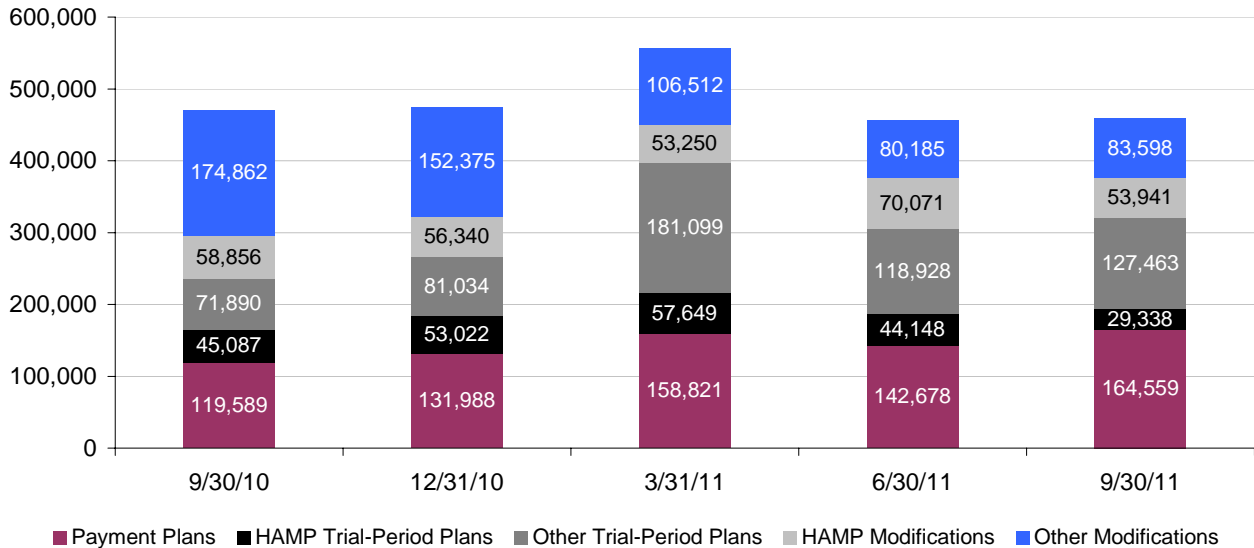
A. Loan Modifications, Trial-Period Plans, and Payment Plans

New Home Retention Actions

Servicers implemented 458,899 new home retention actions—loan modifications, trial-period plans, and payment plans—during the third quarter of 2011 (see table 13). The number of home retention actions increased slightly from the previous quarter but decreased by 2.4 percent from a year earlier. Servicers implemented 137,539 modifications during the quarter—down 8.5 percent from the previous quarter. New HAMP modifications decreased 23.0 percent to 53,941 during the quarter. The decrease in HAMP modifications was partially offset by the 4.3 percent increase in other modifications during the quarter. Servicers implemented 156,801 new trial-period plans—a 3.9 percent decrease from the previous quarter. Payment plans increased by 15.3 percent during the third quarter to 164,559. During the past five quarters, servicers initiated more than 2.4 million home retention actions—889,990 modifications, 809,658 trial-period plans, and 717,635 payment plans.

	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Other Modifications	174,862	152,375	106,512	80,185	83,598	4.3%	-52.2%
HAMP Modifications	58,856	56,340	53,250	70,071	53,941	-23.0%	-8.4%
Other Trial-Period Plans	71,890	81,034	181,099	118,928	127,463	7.2%	77.3%
HAMP Trial-Period Plans	45,087	53,022	57,649	44,148	29,338	-33.5%	-34.9%
Payment Plans	119,589	131,988	158,821	142,678	164,559	15.3%	37.6%
Total	470,284	474,759	557,331	456,010	458,899	0.6%	-2.4%

Figure 8. Number of New Home Retention Actions



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

Servicers implemented 53,941 HAMP modifications during the third quarter of 2011—down 23.0 percent from the previous quarter (see table 13). About 44 percent of HAMP modifications made during the quarter went to mortgages serviced for GSEs. Prime mortgages represented 70 percent of the total portfolio and received 52.3 percent of all HAMP modifications, while subprime loans represented 7 percent of the total portfolio and received 19.9 percent of HAMP modifications during the quarter.

Table 14. HAMP Modifications, by Investor and Risk Category
(Modifications Implemented in the Third Quarter of 2011)

	Fannie Mae	Freddie Mac	Government-Guaranteed	Portfolio	Private	Total
Prime	7,910	6,700	120	5,979	7,487	28,196
Alt-A	2,352	1,928	144	2,736	3,326	10,486
Subprime	1,389	988	136	3,301	4,895	10,709
Other	1,715	760	58	731	1,286	4,550
Total	13,366	10,376	458	12,747	16,994	53,941

Servicers implemented 29,388 new HAMP trial-period plans during the quarter, a decrease of 33.4 percent from the 44,148 HAMP trial plans initiated in the previous quarter (see table 15). Prime mortgages received 53.0 percent of the HAMP trial-period plans implemented during the quarter. Alt-A and subprime mortgages received 37.6 percent of the HAMP trial plans implemented during the quarter. GSE mortgages received more than 47 percent of HAMP trial-period plans initiated during the quarter.

Table 15. HAMP Trial-Period Plans, by Investor and Risk Category
(Trial-Period Plans Implemented in the Third Quarter of 2011)

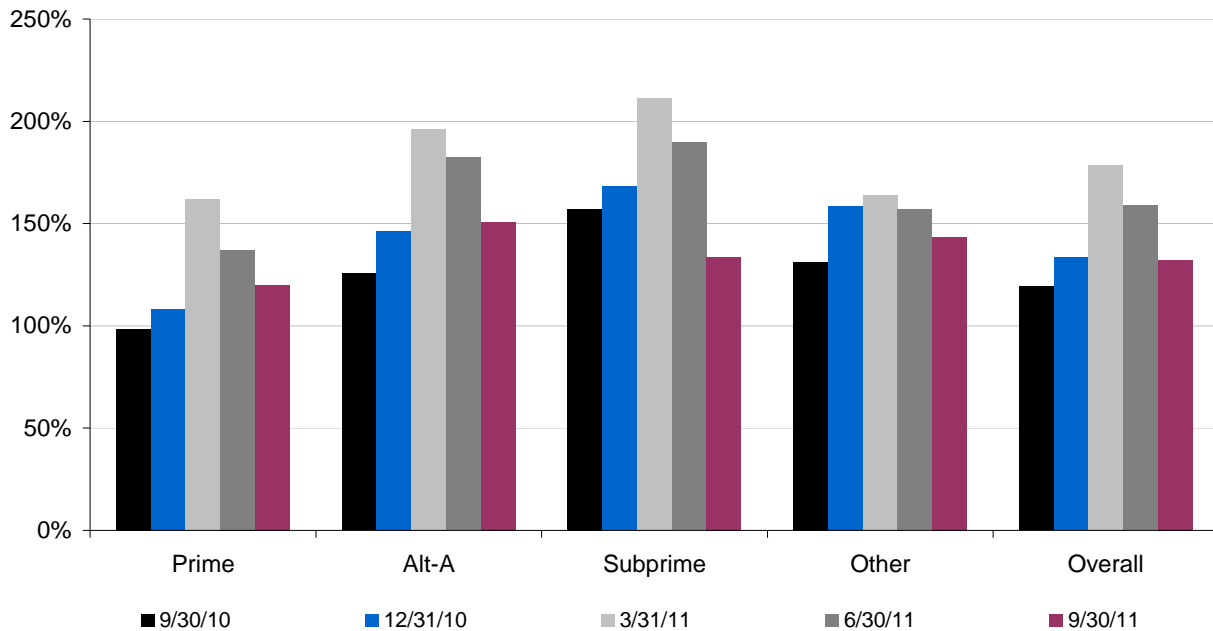
	Fannie Mae	Freddie Mac	Government-Guaranteed	Portfolio	Private	Total
Prime	4,518	3,986	66	2,753	4,217	15,540
Alt-A	1,310	1,112	74	1,173	1,699	5,368
Subprime	793	547	88	1,264	2,972	5,664
Other	1,041	498	41	358	828	2,766
Total	7,662	6,143	269	5,548	9,716	29,338

New Home Retention Actions Relative to Newly Initiated Foreclosures

The ratio of newly initiated home retention actions to newly initiated foreclosure actions decreased during the third quarter. While new home retention actions increased 0.6 percent during the quarter, newly initiated foreclosure actions increased 21.1 percent (see table 16). Servicers continued to implement significantly 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							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Prime	98.6%	108.2%	161.8%	137.2%	120.2%	-12.4%	21.8%
Alt-A	125.7%	146.3%	196.3%	182.3%	150.7%	-17.4%	19.9%
Subprime	157.1%	168.2%	211.3%	189.6%	133.7%	-29.5%	-14.9%
Other	131.1%	158.5%	163.9%	156.9%	143.5%	-8.5%	9.5%
Overall	119.3%	133.4%	178.5%	158.8%	132.0%	-16.9%	10.7%
Number of New Home Retention Actions	470,284	474,759	557,331	456,010	458,899	0.6%	-2.4%
Number of Newly Initiated Foreclosures	394,356	355,945	312,235	287,162	347,726	21.1%	-11.8%

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 94 percent of modifications implemented during the third quarter of 2011 changing more than one of the original loan terms (see table 47 in appendix D).

Servicers capitalized missed fees and payments in 88.5 percent of modifications made during the third quarter, reduced interest rates in 77.5 percent of the modified mortgages, and extended the loan maturity in 57.8 percent (see table 17). Servicers deferred repayment of some portion of the principal balance in 20.5 percent of modifications made during the quarter, while the percentage of modifications that included principal reduction increased to 7.8 percent. 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 Third Quarter of 2011							
(Percentage of Total Modifications in Each Category)							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Capitalization	87.6%	91.6%	86.9%	90.8%	88.5%	-2.6%	1.0%
Rate Reduction	86.5%	84.2%	82.6%	79.5%	77.5%	-2.4%	-10.3%
Rate Freeze	1.9%	2.4%	2.0%	2.1%	4.6%	115.4%	140.8%
Term Extension	57.6%	56.1%	58.1%	61.1%	57.8%	-5.4%	0.4%
Principal Reduction	5.7%	2.7%	2.8%	5.8%	7.8%	35.5%	36.6%
Principal Deferral	10.1%	9.0%	11.2%	18.6%	20.5%	9.8%	101.9%
Not Reported*	0.7%	1.1%	2.9%	1.7%	1.0%	-43.0%	38.2%
(Number of Changes in Each Category)							
Capitalization	204,724	191,132	138,850	136,398	121,662	-10.8%	-40.6%
Rate Reduction	202,057	175,679	131,963	119,422	106,651	-10.7%	-47.2%
Rate Freeze	4,465	5,026	3,142	3,209	6,328	97.2%	41.7%
Term Extension	134,645	117,058	92,776	91,880	79,536	-13.4%	-40.9%
Principal Reduction	13,340	5,696	4,426	8,645	10,722	24.0%	-19.6%
Principal Deferral	23,677	18,836	17,958	27,989	28,133	0.5%	18.8%
Not Reported*	1,654	2,373	4,698	2,579	1,345	-47.8%	-18.7%

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

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 34.9 percent of HAMP modifications during the third quarter of 2011 compared with 33.0 percent in the previous quarter. Principal reduction was used in 10.2 percent of all HAMP modifications implemented during the quarter, almost twice the level in the previous quarter (see table 18).

Table 18. Changes in Loan Terms for HAMP Modifications During the Third Quarter of 2011							
(Percentage of Total Modifications in Each Category)							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Capitalization	95.6%	96.5%	96.5%	97.8%	93.7%	-4.2%	-2.0%
Rate Reduction	96.2%	87.9%	94.4%	84.3%	86.8%	3.0%	-9.8%
Rate Freeze	0.1%	0.2%	0.3%	0.2%	2.2%	992.7%	1459.1%
Term Extension	56.0%	48.7%	53.4%	53.7%	48.4%	-9.8%	-13.6%
Principal Reduction	10.2%	7.4%	5.5%	5.5%	10.2%	86.1%	0.2%
Principal Deferral	24.6%	22.5%	23.6%	33.0%	34.9%	5.9%	41.8%
Not Reported*	0.3%	0.2%	0.2%	0.1%	0.2%	121.4%	-12.6%
(Number of Changes in Each Category)							
Capitalization	56,276	54,345	51,371	68,521	50,522	-26.3%	-10.2%
Rate Reduction	56,635	49,527	50,278	59,060	46,813	-20.7%	-17.3%
Rate Freeze	83	121	141	141	1,186	741.1%	1328.9%
Term Extension	32,976	27,448	28,413	37,642	26,123	-30.6%	-20.8%
Principal Reduction	6,009	4,197	2,906	3,853	5,520	43.3%	-8.1%
Principal Deferral	14,489	12,700	12,565	23,097	18,827	-18.5%	29.9%
Not Reported*	151	122	124	71	121	70.4%	-19.9%

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

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. The mix of capitalization, rate reduction, rate freeze, and term extension in modified mortgages did not differ significantly among prime, Alt-A, and subprime mortgages. 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 Third Quarter 2011					
(Percentage of Total Modifications in Each Category)					
	Prime	Alt-A	Subprime	Other	Overall
Capitalization	86.7%	89.5%	88.3%	93.4%	88.5%
Rate Reduction	78.1%	77.0%	75.9%	80.3%	77.5%
Rate Freeze	3.0%	4.2%	6.6%	6.7%	4.6%
Term Extension	59.5%	58.1%	52.0%	64.3%	57.8%
Principal Reduction	5.5%	8.7%	12.3%	4.6%	7.8%
Principal Deferral	26.0%	19.3%	15.3%	13.0%	20.5%
Not Reported*	1.0%	0.8%	0.7%	1.7%	1.0%
(Number of Changes in Each Category)					
Total Mortgages Modified	58,858	28,169	35,177	15,335	137,539
Capitalization	51,055	25,210	31,075	14,322	121,662
Rate Reduction	45,944	21,696	26,699	12,312	106,651
Rate Freeze	1,774	1,191	2,328	1,035	6,328
Term Extension	35,016	16,361	18,293	9,866	79,536
Principal Reduction	3,233	2,462	4,326	701	10,722
Principal Deferral	15,330	5,425	5,387	1,991	28,133
Not Reported*	596	232	255	262	1,345

*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 36.3 percent of all modifications made during the quarter. Government-guaranteed loans received 16.6 percent of all modifications, mortgages serviced for private investors received 27.9 percent, and mortgages held in servicer portfolios received 19.2 percent of all third-quarter modifications (see table 20). Interest-rate reduction, term extension, and the capitalization of missed payments and fees remained the primary types of modification for all investors. Principal reduction was predominantly used for 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 Third Quarter 2011						
(Percentage of Total Modifications in Each Category)						
	Fannie Mae	Freddie Mac	Government-Guaranteed	Private Investor	Portfolio	Overall
Capitalization	96.8%	99.1%	98.3%	85.3%	67.4%	88.5%
	70.4%	74.0%	93.7%	71.5%	83.6%	77.5%
Rate Freeze	3.6%	7.6%	0.8%	5.8%	5.6%	4.6%
	68.1%	69.5%	84.4%	24.2%	63.5%	57.8%
Principal Reduction	0.0%	0.0%	0.0%	15.3%	18.4%	7.8%
	25.6%	18.2%	0.1%	23.0%	29.2%	20.5%
Not Reported*	0.6%	0.2%	0.7%	1.7%	1.2%	1.0%
Total Mortgages Modified	33,698	16,251	22,841	38,313	26,436	137,539
	32,625	16,100	22,463	32,667	17,807	121,662
Rate Reduction	23,736	12,023	21,404	27,392	22,096	106,651
	1,226	1,233	178	2,208	1,483	6,328
Term Extension	22,951	11,291	19,267	9,253	16,774	79,536
	9	4	3	5,844	4,862	10,722
Principal Deferral	8,643	2,959	12	8,804	7,715	28,133
	211	28	153	640	313	1,345

*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 53,941 HAMP modifications implemented in the third quarter, 44.0 percent were on GSE mortgages, 31.5 percent were on mortgages serviced for private investors, and 23.6 percent were on mortgages held in servicers' portfolios (see table 21). Consistent with 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.

Table 21. Type of HAMP Modification Action, by Investor and Product Type, in Third Quarter 2011						
(Percentage of Total Modifications in Each Category)						
	Fannie Mae	Freddie Mac	Government-Guaranteed	Private Investor	Portfolio	Overall
Capitalization	98.6%	99.0%	93.2%	93.5%	84.4%	93.7%
Rate Reduction	84.4%	92.7%	86.9%	84.9%	86.9%	86.8%
Rate Freeze	0.0%	0.0%	1.3%	4.3%	3.5%	2.2%
Term Extension	62.2%	64.8%	98.5%	10.8%	69.0%	48.4%
Principal Reduction	0.0%	0.0%	0.0%	7.4%	33.4%	10.2%
Principal Deferral	24.3%	27.1%	0.4%	37.0%	50.7%	34.9%
Not Reported	0.4%	0.1%	0.0%	0.0%	0.3%	0.2%
(Number of Changes in Each Category)						
Total Mortgages Modified	13,366	10,376	458	16,994	12,747	53,941
Capitalization	13,177	10,271	427	15,883	10,764	50,522
Rate Reduction	11,286	9,623	398	14,432	11,074	46,813
Rate Freeze	4	2	6	723	451	1,186
Term Extension	8,308	6,726	451	1,840	8,798	26,123
Principal Reduction*	4	1	0	1,254	4,261	5,520
Principal Deferral	3,250	2,817	2	6,290	6,468	18,827
Not Reported**	57	14	0	7	43	121

*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 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.

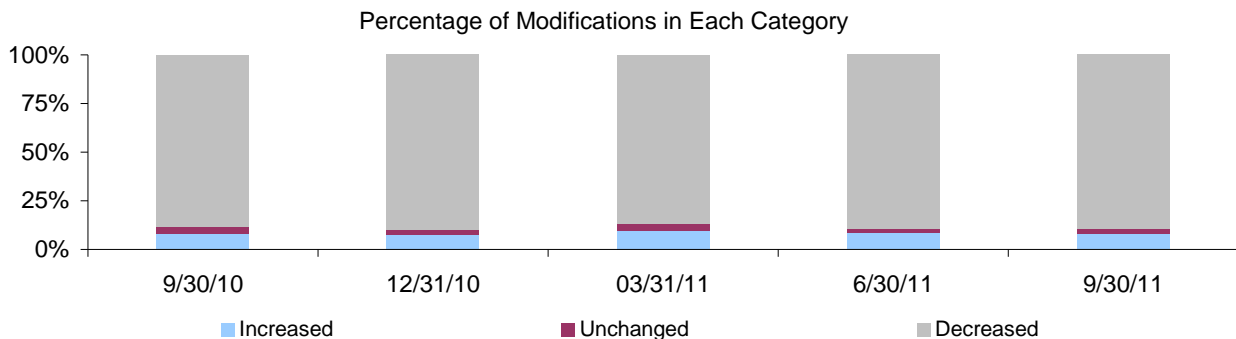
Changes in Monthly Payments Resulting From Modifications, by Quarter

More than 89 percent of modifications made in the third quarter reduced monthly principal and interest payments (see table 22). Almost 54 percent of the modifications reduced payments by 20 percent or more. More than 18 percent reduced payments between 10 percent and 20 percent, and another 17.5 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)*							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Decreased by 20% or More	54.1%	56.3%	47.3%	53.8%	53.6%	-0.5%	-1.0%
Decreased by 10% to Less Than 20%	18.0%	19.7%	18.4%	17.1%	18.3%	6.7%	1.7%
Decreased by Less Than 10%	16.0%	13.9%	20.8%	18.5%	17.5%	-5.1%	9.4%
Subtotal for Decreased	88.1%	89.9%	86.5%	89.4%	89.4%	0.0%	1.4%
Unchanged	3.7%	2.3%	4.0%	1.9%	2.4%	27.7%	-34.3%
Increased	8.2%	7.8%	9.5%	8.7%	8.2%	-5.6%	0.1%
Subtotal for Unchanged and Increased	11.9%	10.1%	13.5%	10.6%	10.6%	0.4%	-10.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%		
(Number of Modifications in Each Category)							
Decreased by 20% or More	125,770	117,072	75,116	80,493	73,353	-8.9%	-41.7%
Decreased by 10% to Less Than 20%	41,819	40,974	29,310	25,642	25,055	-2.3%	-40.1%
Decreased by Less Than 10%	37,179	28,883	33,025	27,595	23,971	-13.1%	-35.5%
Subtotal for Decreased	204,768	186,929	137,451	133,730	122,379	-8.5%	-40.2%
Unchanged	8,610	4,817	6,289	2,852	3,335	16.9%	-61.3%
Increased	18,986	16,265	15,127	12,968	11,202	-13.6%	-41.0%
Subtotal for Unchanged and Increased	27,596	21,082	21,416	15,820	14,537	-8.1%	-47.3%
Total	232,364	208,011	158,867	149,550	136,916	-8.4%	-41.1%

*No payment change information was reported on 1,354 modifications in the third quarter of 2010, 704 in the fourth quarter of 2010, 895 in the first quarter of 2011, 706 in the second quarter of 2011, and 623 in the third quarter of 2011.

Figure 10. Changes in Monthly Principal and Interest Payments



Changes in Monthly Payments Resulting From HAMP Modifications, by Quarter

Nearly 99 percent of HAMP modifications made during the third quarter reduced borrower monthly payments, with 75.8 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)*/**							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Decreased by 20% or More	76.0%	77.3%	75.9%	77.1%	75.8%	-1.7%	-0.2%
Decreased by 10% to Less Than 20%	13.3%	12.0%	13.4%	13.1%	13.6%	3.5%	1.9%
Decreased by Less Than 10%	8.8%	7.5%	8.7%	8.6%	9.2%	7.1%	4.8%
Subtotal for Decreased	98.1%	96.8%	98.0%	98.8%	98.6%	-0.2%	0.5%
Unchanged	0.3%	1.1%	1.0%	0.2%	0.2%	1.9%	-34.8%
Increased	1.6%	2.1%	1.0%	1.0%	1.2%	23.8%	-25.5%
Subtotal for Unchanged and Increased	1.9%	3.2%	2.0%	1.2%	1.4%	20.3%	-26.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%		
(Number of HAMP Modifications in Each Category)							
Decreased by 20% or More	44,555	43,338	40,321	53,941	40,756	-24.4%	-8.5%
Decreased by 10% to Less Than 20%	7,818	6,735	7,124	9,178	7,299	-20.5%	-6.6%
Decreased by Less Than 10%	5,159	4,187	4,604	6,024	4,957	-17.7%	-3.9%
Subtotal for Decreased	57,532	54,260	52,049	69,143	53,012	-23.3%	-7.9%
Unchanged	169	606	530	129	101	-21.7%	-40.2%
Increased	952	1,200	517	683	650	-4.8%	-31.7%
Subtotal for Unchanged and Increased	1,121	1,806	1,047	812	751	-7.5%	-33.0%
Total	58,653	56,066	53,096	69,955	53,763	-23.1%	-8.3%

*No payment change information was reported on 203 modifications in the third quarter of 2010, 274 in the fourth quarter of 2010, 154 in the first quarter of 2011, 116 in the second quarter of 2011, and 178 in the third quarter of 2011.

**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 third quarter of 2011 reduced monthly principal and interest payments by 24.4 percent on average, or \$382 (see table 24). HAMP modifications made during the quarter reduced payments by 35.1 percent on average, or \$567. Other modifications reduced borrower monthly payments by 17.5 percent on average, or \$262 during the third quarter.

Table 24. Average Change in Monthly Payments Resulting From Modifications, by Quarter*							
All Modifications							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Decreased by 20% or More	(629)	(610)	(634)	(667)	(646)	-3.2%	2.7%
Decreased by 10% to Less Than 20%	(188)	(186)	(184)	(187)	(192)	2.5%	2.2%
Decreased by Less Than 10%	(59)	(69)	(55)	(60)	(64)	6.8%	8.7%
Unchanged	0	0	0	0	0		
Increased**	132	134	122	106	128	21.1%	-2.9%
Overall	(373)	(379)	(334)	(393)	(382)	-2.8%	2.5%
Percentage Change	-24.6%	-25.5%	-21.6%	-25.1%	-24.4%		
Other Modifications							
Decreased by 20% or More	(576)	(543)	(566)	(592)	(576)	-2.6%	0.0%
Decreased by 10% to Less Than 20%	(181)	(178)	(171)	(170)	(181)	6.6%	-0.3%
Decreased by Less Than 10%	(55)	(67)	(50)	(55)	(61)	10.7%	9.8%
Unchanged	0	0	0	0	0		
Increased**	131	128	120	103	126	22.8%	-3.6%
Overall	(302)	(302)	(219)	(231)	(262)	13.4%	-13.0%
Percentage Change	-20.9%	-21.6%	-15.1%	-15.6%	-17.5%		
HAMP Modifications							
Decreased by 20% or More	(724)	(725)	(693)	(704)	(702)	-0.4%	-3.1%
Decreased by 10% to Less Than 20%	(217)	(223)	(222)	(219)	(219)	0.1%	1.2%
Decreased by Less Than 10%	(82)	(82)	(83)	(79)	(77)	-1.8%	-6.0%
Unchanged	0	0	0	0	0		
Increased**	149	213	164	158	158	-0.4%	
Overall	(584)	(588)	(562)	(577)	(567)	-1.8%	-2.9%
Percentage Change	-35.6%	-35.9%	-34.6%	-35.9%	-35.1%		

*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

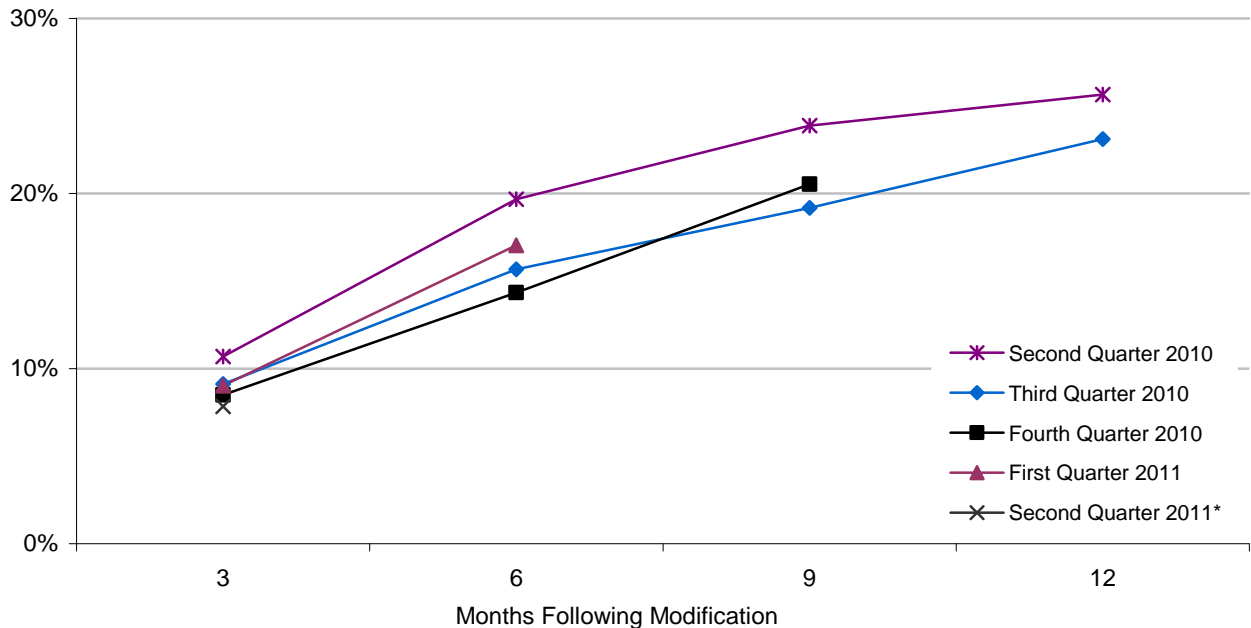
Re-Default Rates of Modified Loans: 60 or More Days Delinquent

More recent modifications have generally performed better than earlier modifications, reflecting the ongoing emphasis on lower monthly payments and payment sustainability (see table 25). Modifications implemented during the second quarter of 2011 re-defaulted at a lower rate than any previous quarter when measured at three months subsequent to modification. After six months, modifications implemented during the first quarter of 2011 re-defaulted at a slightly higher rate than modifications implemented during either of the previous two quarters; a lesser percentage of first quarter 2011 modifications lowered monthly payments than did modifications in earlier quarters.

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
Second Quarter 2010	10.7%	19.7%	23.9%	25.7%
Third Quarter 2010	9.1%	15.7%	19.2%	23.1%
Fourth Quarter 2010	8.5%	14.3%	20.5%	--
First Quarter 2011	9.0%	17.0%	--	--
Second Quarter 2011	7.8%	--	--	--

*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 second quarter 2011 data is a single point (7.8 percent), and is obscured by the beginning of the trend line for the fourth quarter of 2010.

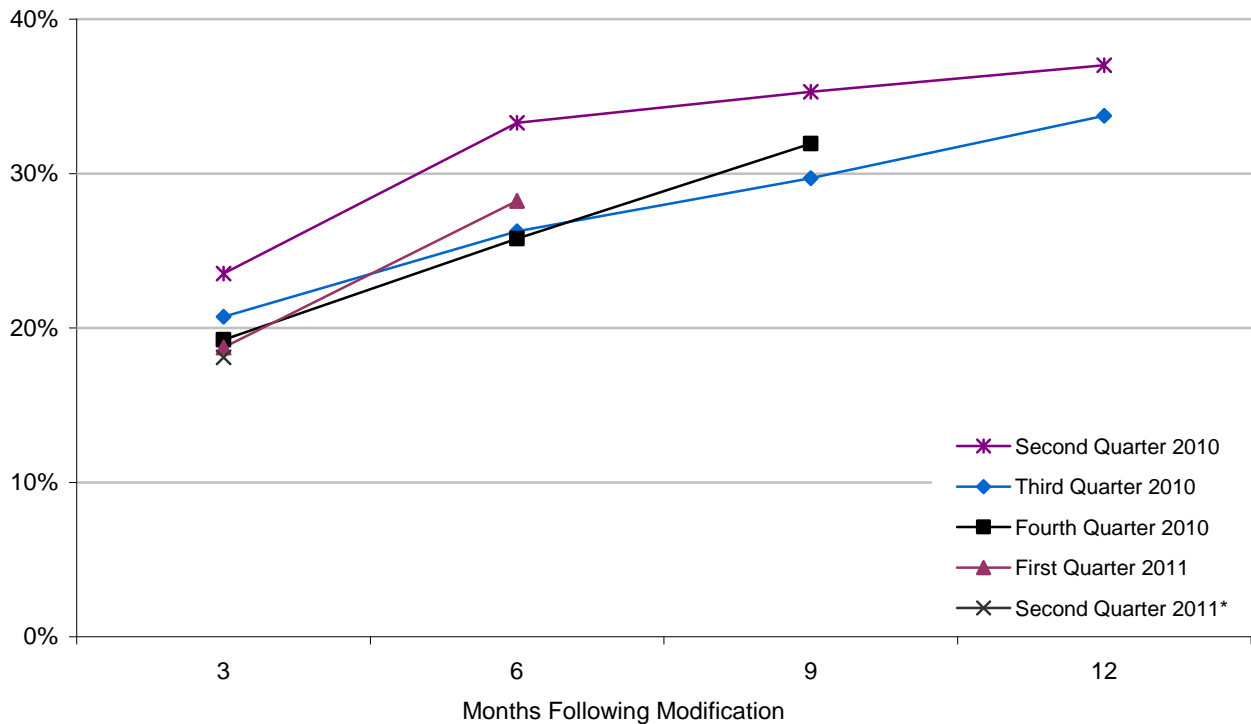
Re-Default Rates of Modified Loans: 30 or More Days Delinquent

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. More recent modifications generally showed lower re-default rates than previous modifications as a result of the increased emphasis on lower monthly payments and payment sustainability. At three months after modification, modifications implemented during the second quarter of 2011 re-defaulted at a lower rate than modifications implemented during previous quarters. At six months, however, modifications implemented during the first quarter of 2011 defaulted at a higher rate than modifications implemented in the third and fourth quarters of 2010, as fewer first quarter 2011 modifications lowered monthly payments than modifications made in earlier quarters (see table 26).

Modification Date	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification
Second Quarter 2010	23.5%	33.3%	35.3%	37.0%
Third Quarter 2010	20.7%	26.3%	29.7%	33.7%
Fourth Quarter 2010	19.2%	25.8%	31.9%	--
First Quarter 2011	18.7%	28.2%	--	--
Second Quarter 2011	18.1%	--	--	--

*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 second quarter 2011 data is a single point (18.1 percent), and is obscured by the beginning of the trend line for the first quarter of 2011.

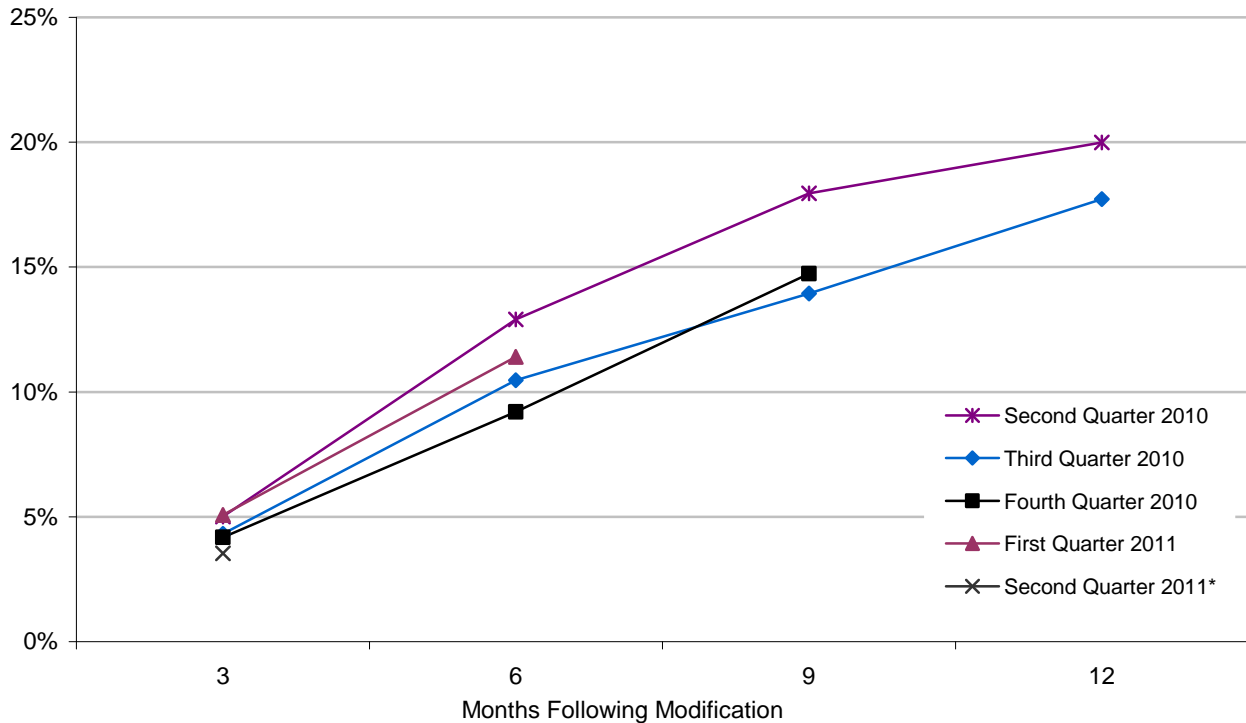
Re-Default Rates of Modified Loans: 90 or More Days Delinquent

The percentage of modified mortgages that were 90 or more days delinquent after modification was naturally lower than shorter-term delinquency measures. As with other measures of modification sustainability, more recent modifications tended to outperform previous vintages of loan modifications at three months after modification (see table 27).

Modification Date	3 Months After Modification	6 Months After Modification	9 Months After Modification	12 Months After Modification
Second Quarter 2010	5.0%	12.9%	18.0%	20.0%
Third Quarter 2010	4.3%	10.5%	13.9%	17.7%
Fourth Quarter 2010	4.2%	9.2%	14.7%	--
First Quarter 2011	5.1%	11.4%	--	--
Second Quarter 2011	3.5%	--	--	--

*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 second quarter 2011 data is a single point (7.8 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 others. These lower re-default rates for portfolio and GSE mortgages may reflect differences in modification programs 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 associated with those mortgages. Consistent with trends shown elsewhere, recent vintages of modifications generally performed better than earlier modifications, reflecting the emphasis of modifications that significantly reduce borrower monthly payments.

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	30.2%	44.9%	54.1%	59.5%
Freddie Mac	22.7%	40.0%	51.2%	57.5%
Government-Guaranteed	32.5%	53.6%	63.7%	67.8%
Private	36.8%	49.1%	56.1%	61.2%
Portfolio Loans	16.2%	27.9%	35.0%	40.0%
Overall	31.7%	45.4%	53.2%	58.2%

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	17.9%	31.3%	37.8%	41.1%
Freddie Mac	28.2%	36.5%	41.5%	43.9%
Government-Guaranteed	23.4%	42.2%	51.7%	55.5%
Private	28.0%	40.8%	48.8%	52.5%
Portfolio Loans	7.1%	15.3%	21.0%	24.6%
Overall	19.9%	32.2%	39.4%	43.0%

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%	17.5%
Government-Guaranteed	12.4%	27.3%	36.0%	41.1%
Private	12.2%	19.9%	25.0%	29.0%
Portfolio Loans	6.6%	11.8%	15.7%	18.4%
Overall	10.0%	17.4%	22.4%	25.5%

*Data include all modifications implemented during 2010 that have aged the indicated number of months.

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	7.7%	13.6%	--	--
Freddie Mac	5.8%	11.0%	--	--
Government-Guaranteed	11.1%	26.7%	--	--
Private	11.0%	20.3%	--	--
Portfolio Loans	4.4%	8.6%	--	--
Overall	8.4%	17.0%	--	--

*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).

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	158,896	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%	--
Other Fourth Quarter 2010	152,375	8.3%	15.5%	22.7%	--
HAMP First Quarter 2011	53,250	5.8%	9.9%	--	--
Other First Quarter 2011	106,512	10.7%	20.7%	--	--
HAMP Second Quarter 2011	70,071	5.4%	--	--	--
Other Second Quarter 2011	80,185	10.0%	--	--	--

*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, and the larger the reduction in monthly payment, the lower the subsequent re-default rates. Lower recent re-default rates may also result from the increased emphasis of HAMP and other modification programs on lowering 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 re-default rates decreased as reduction in monthly principal and interest payments increased. Re-default rates were lower for modifications made in 2009 than for modifications made in 2008. Re-default rates for modifications made in 2010 were lower than those made in the previous two years. Continuing this trend, modifications implemented during 2011 with greater payment reductions performed better than other modifications, and 2011 modifications performed better after three months than modifications from previous years, reflecting the continued emphasis on modifications with lower monthly 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%	26.0%	33.3%	39.5%
Decreased by 10% to Less Than 20%	20.9%	33.1%	41.5%	48.2%
Decreased by Less Than 10%	24.0%	40.7%	50.2%	55.9%
Unchanged	47.4%	56.8%	62.5%	65.9%
Increased	35.4%	54.7%	63.8%	69.0%
Total	31.6%	45.2%	53.0%	58.1%

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	11.0%	19.1%	25.1%	28.4%
Decreased by 10% to Less Than 20%	15.8%	29.2%	37.3%	41.7%
Decreased by Less Than 10%	17.7%	33.9%	42.6%	46.7%
Unchanged	42.3%	50.1%	55.1%	57.4%
Increased	26.4%	46.4%	55.9%	59.7%
Total	19.8%	32.2%	39.4%	43.0%

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%	17.4%
Decreased by 10% to Less Than 20%	10.0%	19.8%	26.3%	30.1%
Decreased by Less Than 10%	13.5%	26.2%	33.5%	37.3%
Unchanged	17.5%	20.9%	23.8%	25.1%
Increased	18.3%	32.9%	40.4%	45.1%
Total	10.0%	17.4%	22.4%	25.5%

*Data include all modifications implemented during 2010 that have aged the indicated number of months.

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	5.9%	11.1%	--	--
Decreased by 10% to Less Than 20%	8.2%	18.3%	--	--
Decreased by Less Than 10%	10.3%	21.6%	--	--
Unchanged	9.4%	13.6%	--	--
Increased	18.6%	35.4%	--	--
Total	8.4%	17.0%	--	--

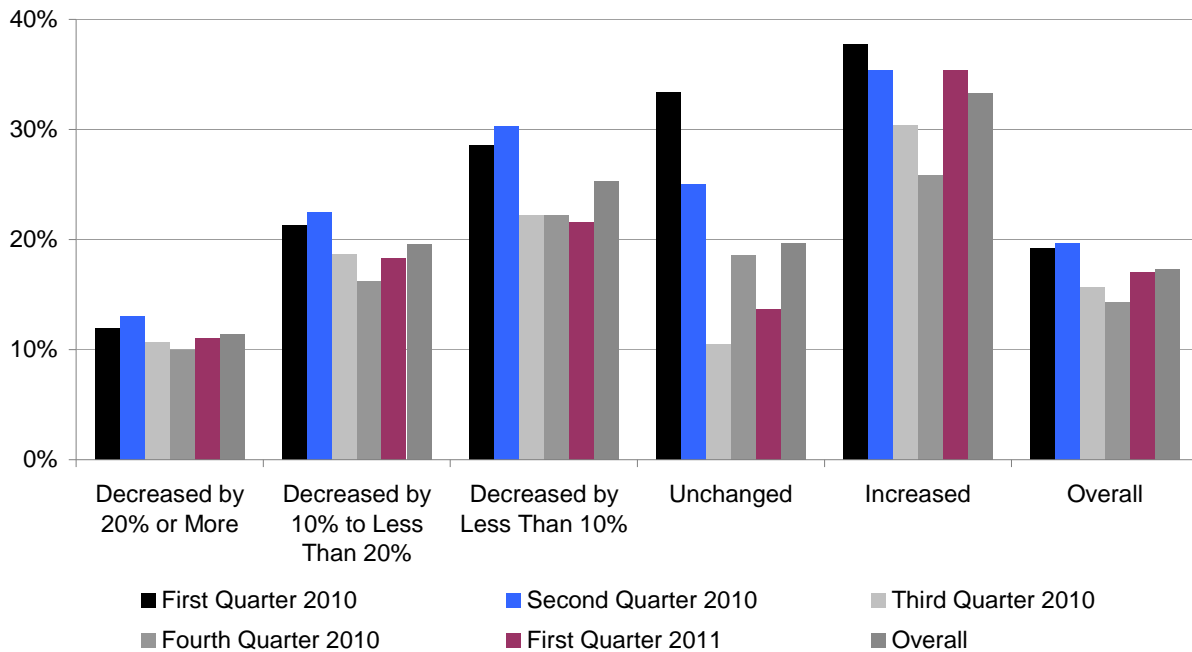
*Data include all modifications implemented during 2011 that have aged the indicated number of months.

60+ Delinquency at 6 Months After Modification by Change in Monthly Payment

Modifications that significantly reduce 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 all but the modifications with the greatest reduction in payment. Modifications with no change in payment tend to be offered to borrowers with adjustable rate mortgages who are current on their loan payments, which freezes the loan interest rate and payment so that it does not adjust higher.

Table 37. 60+ Delinquency at 6 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
First Quarter 2010	11.9%	21.3%	28.6%	33.4%	37.8%	19.2%
Second Quarter 2010	13.1%	22.5%	30.3%	25.0%	35.4%	19.7%
Third Quarter 2010	10.6%	18.7%	22.2%	10.5%	30.4%	15.6%
Fourth Quarter 2010	9.9%	16.3%	22.2%	18.5%	25.8%	14.3%
First Quarter 2011	11.1%	18.3%	21.6%	13.6%	35.4%	17.0%
Overall	11.4%	19.6%	25.3%	19.7%	33.3%	17.3%

Figure 14. 60+ Delinquency at 6 Months After Modification by Change in Monthly Payment



Status of Mortgages Modified in 2008–2011 Through the Second Quarter of 2011

Servicers implemented 2,258,026 modifications from January 1, 2008 through June 30, 2011. Of these modifications, 49.5 percent were current and performing at the end of the third quarter of 2011 with another 1.3 percent paid off. Almost 27 percent of these modifications were delinquent, while 16.8 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 1,321,217 modifications that reduced payments by 10 percent or more, 58.8 percent were current and performing at the end of the third quarter, compared with 36.4 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	421,322	25.0%	6.4%	20.0%	17.8%	15.4%	3.2%	12.2%
2009	587,460	39.6%	8.3%	20.8%	14.6%	7.7%	1.7%	7.3%
2010	939,226	58.6%	9.7%	16.6%	8.4%	2.2%	0.5%	4.0%
2011**	310,018	74.0%	10.3%	12.6%	2.5%	0.2%	0.2%	0.2%
Total	2,258,026	49.5%	8.8%	17.8%	11.0%	5.8%	1.3%	5.9%
HAMP Modification Performance Compared With Other Modifications***								
Other Modifications	1,035,623	55.1%	10.4%	18.9%	8.8%	2.9%	0.7%	3.2%
HAMP Modifications	469,535	70.2%	8.1%	10.8%	5.3%	1.3%	0.3%	3.9%
Modifications That Reduced Payments by 10 Percent or More								
Modifications That Reduced Payments by 10% or More	1,321,217	58.8%	8.8%	14.4%	8.2%	3.3%	0.8%	5.7%
Modifications That Reduced Payments by Less Than 10 Percent								
Modifications That Reduced Payments by Less Than 10%	936,809	36.4%	8.9%	22.5%	14.8%	9.4%	2.0%	6.1%

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

**Includes modifications implemented during 2011 in effect at least three months.

***Modifications used to compare with HAMP modifications only include modifications implemented from the third quarter of 2009 through the second 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 172,785 during the third quarter of 2011, a decrease of 4.1 percent from the previous quarter and a 30.1 percent decrease from a year earlier (see table 39). Completed foreclosures decreased to 112,686—down 7.0 percent from the previous quarter but up 18.5 percent from the fourth quarter 2010, a period of foreclosure moratoria. Short sales increased 1.9 percent during the third quarter and now make up more than 33 percent of all home forfeiture actions. Deed-in-lieu-of-foreclosure actions, while increased, remained a small portion of total home forfeiture actions.

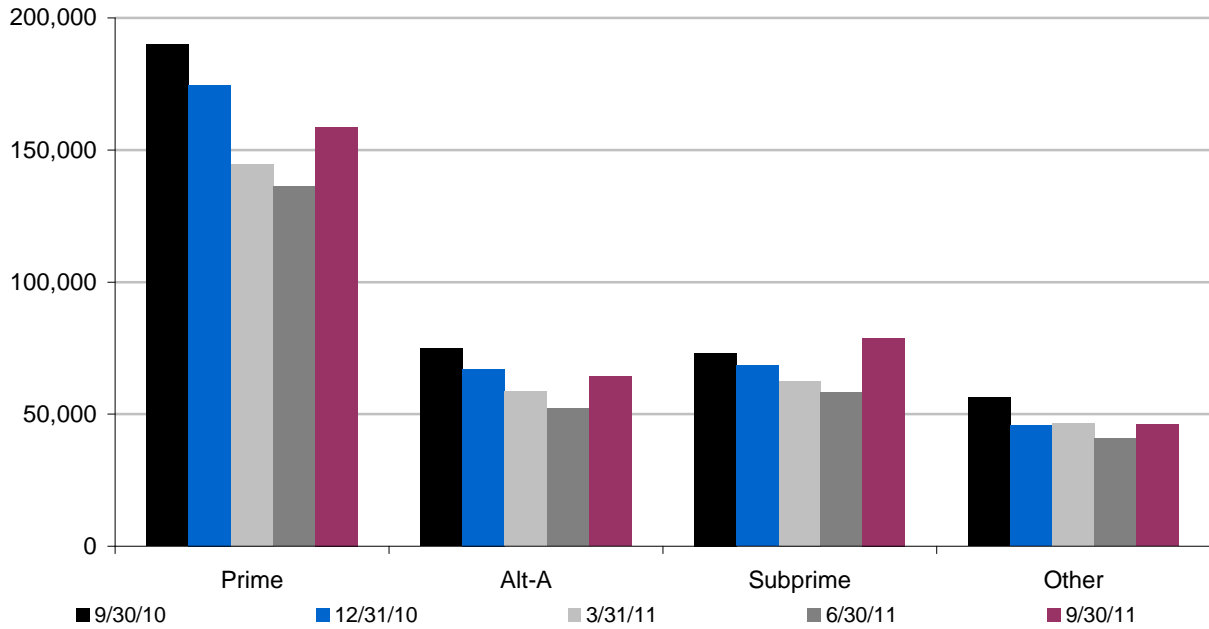
Table 39. Completed Foreclosures and Other Home Forfeiture Actions							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Completed Foreclosures	189,285	95,070	119,739	121,209	112,686	-7.0%	-40.5%
New Short Sales	56,270	49,061	50,108	56,406	57,479	1.9%	2.1%
New Deed-in-Lieu-of-Foreclosure Actions	1,729	2,085	1,700	2,547	2,620	2.9%	51.5%
Total	247,284	146,216	171,547	180,162	172,785	-4.1%	-30.1%

Newly Initiated Foreclosures

Servicers initiate foreclosure actions at defined stages of loan delinquency. However, final foreclosure sales only proceed if servicers and borrowers cannot arrange a permanent loss mitigation action, modification, or alternate workout solution. Newly initiated foreclosures increased by 21.1 percent to 347,726 during the third quarter of 2011 (see table 40).

	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Prime	189,959	174,534	144,742	136,119	158,632	16.5%	-16.5%
Alt-A	74,880	67,149	58,474	52,064	64,215	23.3%	-14.2%
Subprime	73,129	68,415	62,459	58,229	78,852	35.4%	7.8%
Other	56,388	45,847	46,560	40,750	46,027	12.9%	-18.4%
Total	394,356	355,945	312,235	287,162	347,726	21.1%	-11.8%

Figure 15. Number of Newly Initiated Foreclosures

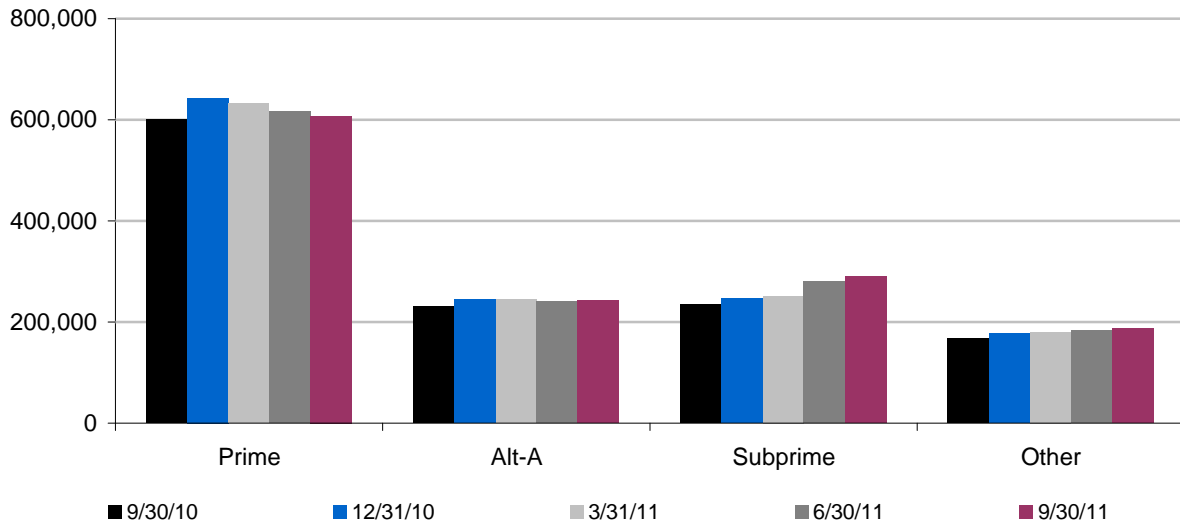


Foreclosures in Process

The number of mortgages in process of foreclosure increased 0.5 percent from the previous quarter to 1,327,077 as the number of new foreclosure actions exceeded the number of foreclosure sales during the quarter. While the number of foreclosures in process increased during the third quarter, foreclosures in process as a percentage of total serviced mortgages remained relatively stable for the fourth consecutive quarter at 4.1 percent (see table 41).

Table 41. Foreclosures in Process							
Percentage of Foreclosures in Process Relative to Mortgages in That Risk Category							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Prime	2.6%	2.8%	2.8%	2.7%	2.7%	-0.8%	2.1%
Alt-A	6.4%	6.9%	7.0%	6.8%	6.9%	1.2%	7.9%
Subprime	9.2%	10.0%	10.4%	11.3%	12.0%	6.1%	30.4%
Other	4.0%	4.4%	4.5%	4.7%	5.0%	5.2%	24.4%
Total	3.7%	4.0%	4.0%	4.0%	4.1%	1.6%	10.6%
Number of Foreclosures in Process							
Prime	601,365	642,791	632,578	616,238	607,532	-1.4%	1.0%
Alt-A	230,579	244,896	244,588	241,010	242,376	0.6%	5.1%
Subprime	234,184	247,047	251,201	279,636	290,556	3.9%	24.1%
Other	167,589	177,728	180,390	183,103	186,613	1.9%	11.4%
Total	1,233,717	1,312,462	1,308,757	1,319,987	1,327,077	0.5%	7.6%

Figure 16. Number of Foreclosures in Process

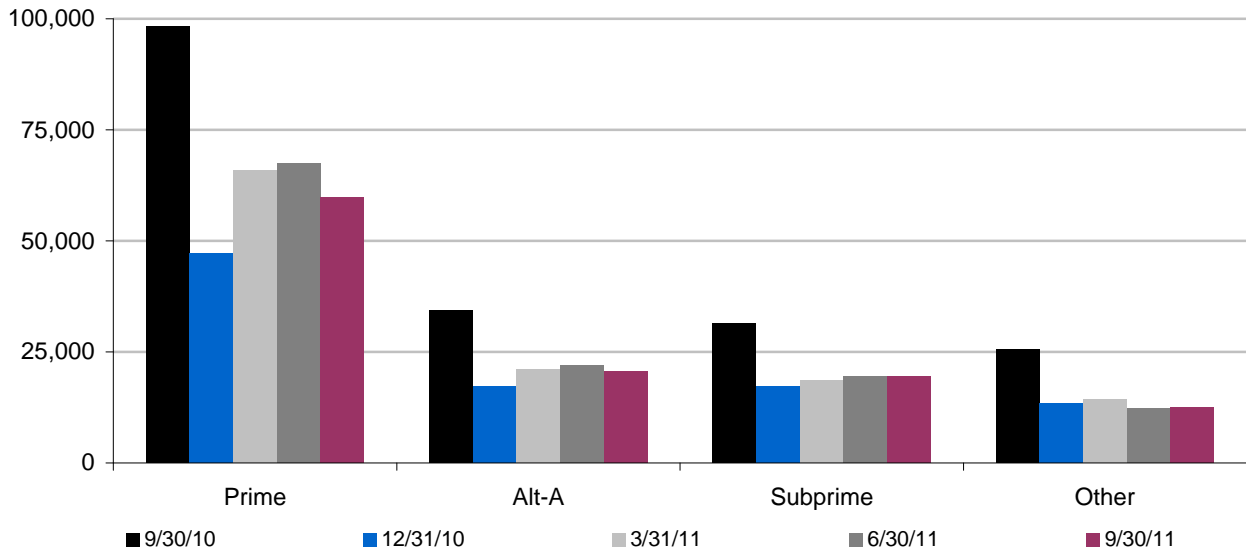


Completed Foreclosures

The number of completed foreclosures decreased to 112,686 during the third quarter of 2011—down 7.0 percent from the previous quarter and 40.5 percent from the same period a year earlier (see table 42).

Table 42. Completed Foreclosures							
Percentage of Completed Foreclosures Relative to Mortgages in That Risk Category							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Prime	0.4%	0.2%	0.3%	0.3%	0.3%	-10.7%	-38.4%
Alt-A	1.0%	0.5%	0.6%	0.6%	0.6%	-5.6%	-38.0%
Subprime	1.2%	0.7%	0.8%	0.8%	0.8%	2.7%	-34.6%
Other	0.6%	0.3%	0.4%	0.3%	0.3%	5.7%	-44.7%
Total	0.6%	0.3%	0.4%	0.4%	0.3%	-6.1%	-38.8%
Number of Completed Foreclosures							
Prime	98,211	47,224	65,889	67,451	59,878	-11.2%	-39.0%
Alt-A	34,284	17,158	21,033	22,066	20,705	-6.2%	-39.6%
Subprime	31,313	17,200	18,644	19,364	19,486	0.6%	-37.8%
Other	25,477	13,488	14,173	12,328	12,617	2.3%	-50.5%
Total	189,285	95,070	119,739	121,209	112,686	-7.0%	-40.5%

Figure 17. Number of Completed Foreclosures

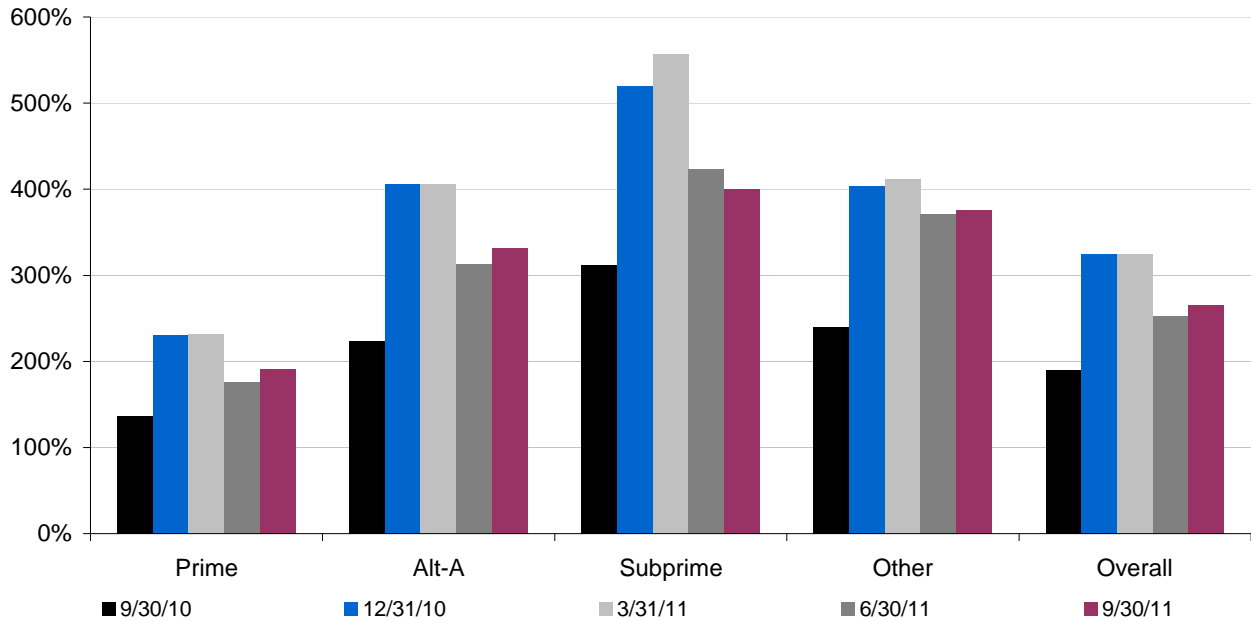


New Home Retention Actions Relative to Forfeiture Actions, by Risk Category

Home retention actions relative to home forfeitures increased during the third quarter of 2011, reflecting a 0.6 percent increase in new home retention actions and a decrease in completed foreclosures and other foreclosure actions. New home retention actions continued to significantly exceed home forfeitures as servicers initiated 2.7 times as many home retention actions as home forfeiture actions during the quarter (see table 43).

	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Prime	136.2%	230.6%	231.8%	175.2%	191.2%	9.1%	40.4%
Alt-A	223.6%	405.6%	406.3%	313.4%	332.0%	5.9%	48.4%
Subprime	312.4%	519.8%	556.8%	423.5%	400.4%	-5.4%	28.1%
Other	239.5%	403.8%	411.2%	371.4%	375.8%	1.2%	56.9%
Overall	190.2%	324.7%	324.9%	253.1%	265.6%	4.9%	39.7%

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



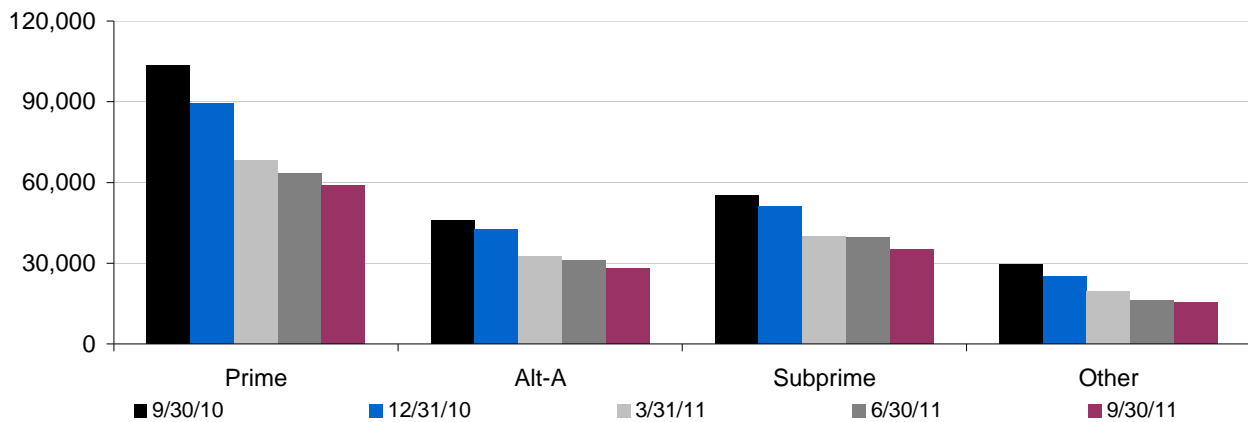
Appendixes

Appendix A—New Loan Modifications

New loan modifications decreased for the fourth consecutive quarter to 137,539 during the third quarter of 2011—down 8.5 percent from the previous quarter and 41.2 percent from a year earlier (see table 44). New modifications decreased across all risk categories during the quarter.

Table 44. Number of New Loan Modifications							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Prime	103,362	89,499	68,114	63,399	58,858	-7.2%	-43.1%
Alt-A	45,768	42,654	32,352	31,190	28,169	-9.7%	-38.5%
Subprime	55,201	51,305	39,920	39,569	35,177	-11.1%	-36.3%
Other	29,387	25,257	19,376	16,098	15,335	-4.7%	-47.8%
Total	233,718	208,715	159,762	150,256	137,539	-8.5%	-41.2%

Figure 19. Number of New Loan Modifications

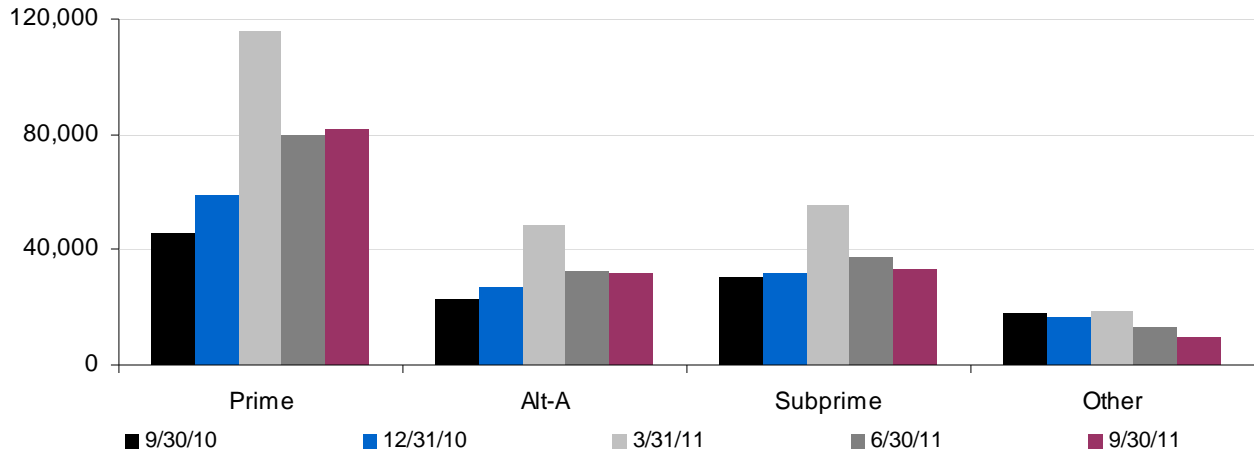


Appendix B—New Trial-Period Plans

Servicers initiated 156,801 trial-period plans during the third quarter of 2011, a 3.8 percent decrease from the previous quarter (see table 45). This was the second consecutive quarterly decrease in new trial-period plans. New trial-period plans decreased across all risk categories except for prime during the quarter.

	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Prime	46,045	58,751	115,742	80,012	82,135	2.7%	78.4%
Alt-A	22,940	26,823	48,528	32,771	31,825	-2.9%	38.7%
Subprime	30,271	32,095	55,455	37,275	33,223	-10.9%	9.8%
Other	17,721	16,387	19,023	13,018	9,618	-26.1%	-45.7%
Total	116,977	134,056	238,748	163,076	156,801	-3.8%	34.0%

Figure 20. Number of New Trial-Period Plans

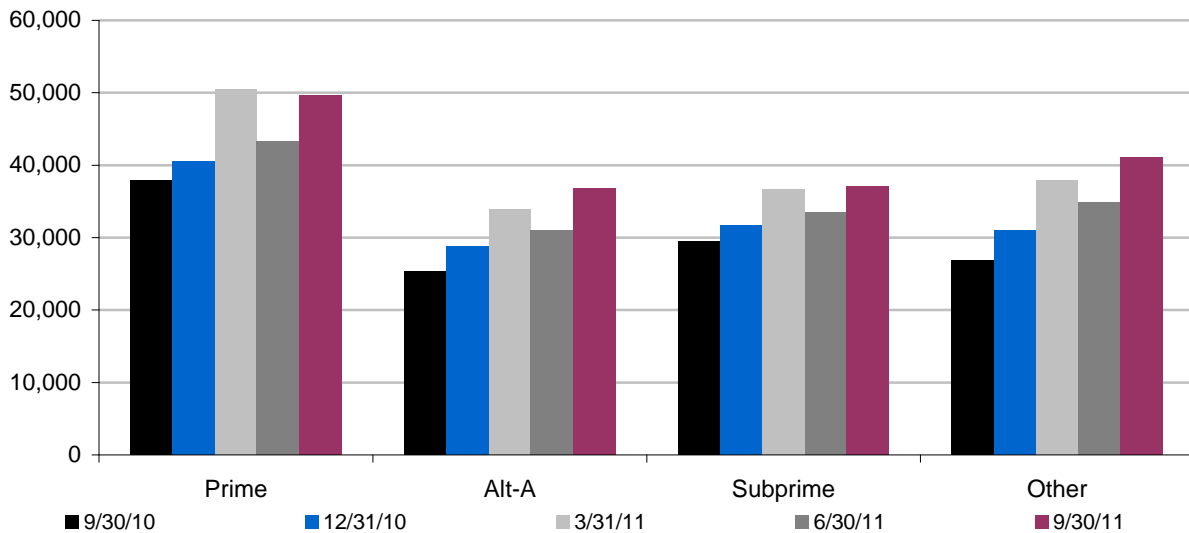


Appendix C—New Payment Plans

New payment plans increased by 15.3 percent to 164,559 during the third quarter of 2011 (see table 46). New payment plans increased across all risk categories during the quarter.

	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Prime	37,943	40,555	50,401	43,356	49,639	14.5%	30.8%
Alt-A	25,412	28,745	33,881	30,957	36,758	18.7%	44.6%
Subprime	29,430	31,682	36,632	33,544	37,058	10.5%	25.9%
Other	26,804	31,006	37,907	34,821	41,104	18.0%	53.4%
Total	119,589	131,988	158,821	142,678	164,559	15.3%	37.6%

Figure 21. Number of New Payment Plans



Appendix D—Breakdown of Individual and Combination Modification Actions

Servicers generally use a combination of actions to achieve payment sustainability when modifying a mortgage. Servicers changed more than one loan term in 94.4 percent of all modifications implemented during the third quarter of 2011 (see table 47).

Table 47. Changes in Terms for Modifications Made Through the Third Quarter of 2011							
(Percentage of Modifications in Each Category)							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Combination*	90.3%	92.1%	88.2%	94.2%	94.4%	0.2%	4.5%
Capitalization	3.4%	3.9%	3.6%	1.6%	2.5%	62.9%	-25.8%
Rate Reduction	1.2%	1.8%	1.7%	1.3%	1.2%	-6.7%	3.7%
Rate Freeze	0.2%	0.2%	0.4%	0.3%	0.4%	58.0%	162.5%
Term Extension	2.1%	0.5%	2.9%	0.9%	0.4%	-58.8%	-83.6%
Principal Reduction	1.8%	0.1%	0.0%	0.0%	0.0%	380.7%	-99.1%
Principal Deferral	0.2%	0.3%	0.2%	0.1%	0.0%	-50.2%	-81.0%
Not Reported**	0.7%	1.1%	2.9%	1.7%	1.0%	-43.0%	38.2%
(Number of Changes in Each Category)							
Combination*	211,162	192,141	140,923	141,557	129,892	-8.2%	-38.5%
Capitalization	7,987	8,210	5,716	2,339	3,487	49.1%	-56.3%
Rate Reduction	2,755	3,679	2,709	1,970	1,682	-14.6%	-38.9%
Rate Freeze	367	496	660	392	567	44.6%	54.5%
Term Extension	4,993	1,000	4,690	1,278	482	-62.3%	-90.3%
Principal Reduction	4,245	194	3	5	22	340.0%	-99.5%
Principal Deferral	555	622	363	136	62	-54.4%	-88.8%
Not Reported**	1,654	2,373	4,698	2,579	1,345	-47.8%	-18.7%
All Modifications	233,718	208,715	159,762	150,256	137,539	-8.5%	-41.2%

*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).

Changes in Terms for Combination Modification Actions

Of the 137,539 modifications implemented in the third quarter of 2011, 129,892 (94.4 percent) were combination modifications that changed more than one of original terms of the loan. Table 48 details the specific actions included in these modifications. Of the 129,892 combination modifications implemented during the third quarter of 2011, 91.0 percent included capitalization of missed fees and payments, 80.8 percent included interest rate reduction, and 60.9 percent included an extension of the loan maturity. Principal deferral was included in 21.6 percent of the combination modifications implemented during the quarter and principal reduction was part of 8.2 percent of third-quarter 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 Third Quarter of 2011							
(Percentage of Modifications in Each Category)							
	9/30/10	12/31/10	3/31/11	6/30/11	9/30/11	1Q %Change	1Y %Change
Capitalization	93.2%	95.2%	94.5%	94.7%	91.0%	-3.9%	-2.3%
Rate Reduction	94.4%	89.5%	91.7%	83.0%	80.8%	-2.6%	-14.4%
Rate Freeze	1.9%	2.4%	1.8%	2.0%	4.4%	122.9%	128.5%
Term Extension	61.4%	60.4%	62.5%	64.0%	60.9%	-4.9%	-0.9%
Principal Reduction	4.3%	2.9%	3.1%	6.1%	8.2%	35.0%	91.3%
Principal Deferral	10.9%	9.5%	12.5%	19.7%	21.6%	9.8%	97.4%
(Total Number of Changes in Each Category)							
Capitalization	196,737	182,922	133,134	134,059	118,175	-11.8%	-39.9%
Rate Reduction	199,302	172,000	129,254	117,452	104,969	-10.6%	-47.3%
Rate Freeze	4,098	4,530	2,482	2,817	5,761	104.5%	40.6%
Term Extension	129,652	116,058	88,086	90,602	79,054	-12.7%	-39.0%
Principal Reduction	9,095	5,502	4,423	8,640	10,700	23.8%	17.6%
Principal Deferral	23,122	18,214	17,595	27,853	28,071	0.8%	21.4%

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 (included in the category labeled “Other”). Developed over several quarters, 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 third quarter of 2011. Tables 50 and 51 present the number and percentage of each type of action included in modifications made during the quarter in each state. 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. Tables 54 and 55 present the number and percentage of modifications made during the quarter in each state 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 first quarter of 2011 that were 60 or more days delinquent or in process of foreclosure at the end of the third quarter of 2011.

Table 49. Number and Percentage of Mortgage Modifications Implemented in the Third Quarter of 2011

States	HAMP Modifications		Other Modifications		Total Modifications	
	Total	% of State Total	Total	% of State Total	Total	% of Total
Total	53,941	39.2%	83,598	60.8%	137,539	100.0%
Alabama	278	21.9%	989	78.1%	1,267	0.9%
Alaska	21	23.3%	69	76.7%	90	0.1%
Arizona	1,772	43.2%	2,334	56.8%	4,106	3.0%
Arkansas	116	24.4%	359	75.6%	475	0.3%
California	15,599	52.7%	14,006	47.3%	29,605	21.5%
Colorado	740	36.2%	1,304	63.8%	2,044	1.5%
Connecticut	703	41.2%	1,002	58.8%	1,705	1.2%
Delaware	165	31.7%	356	68.3%	521	0.4%
District of Columbia	83	35.8%	149	64.2%	232	0.2%
Florida	6,094	44.5%	7,613	55.5%	13,707	10.0%
Georgia	1,896	30.6%	4,307	69.4%	6,203	4.5%
Hawaii	168	41.8%	234	58.2%	402	0.3%
Idaho	202	36.3%	355	63.7%	557	0.4%
Illinois	2,935	41.3%	4,175	58.7%	7,110	5.2%
Indiana	428	19.6%	1,756	80.4%	2,184	1.6%
Iowa	135	22.6%	463	77.4%	598	0.4%
Kansas	136	25.5%	398	74.5%	534	0.4%
Kentucky	196	22.9%	659	77.1%	855	0.6%
Louisiana	295	24.9%	891	75.1%	1,186	0.9%
Maine	131	35.8%	235	64.2%	366	0.3%
Maryland	1,644	39.2%	2,548	60.8%	4,192	3.0%
Massachusetts	1,092	42.8%	1,458	57.2%	2,550	1.9%
Michigan	1,362	31.4%	2,973	68.6%	4,335	3.2%
Minnesota	748	36.5%	1,299	63.5%	2,047	1.5%
Mississippi	135	20.5%	522	79.5%	657	0.5%
Missouri	537	29.7%	1,273	70.3%	1,810	1.3%
Montana	61	29.2%	148	70.8%	209	0.2%
Nebraska	78	24.5%	240	75.5%	318	0.2%
Nevada	1,214	46.4%	1,402	53.6%	2,616	1.9%
New Hampshire	227	43.2%	298	56.8%	525	0.4%
New Jersey	1,971	41.7%	2,750	58.3%	4,721	3.4%
New Mexico	199	35.2%	367	64.8%	566	0.4%
New York	2,857	45.2%	3,458	54.8%	6,315	4.6%
North Carolina	977	26.4%	2,727	73.6%	3,704	2.7%
North Dakota	7	17.5%	33	82.5%	40	0.0%
Ohio	802	23.2%	2,653	76.8%	3,455	2.5%
Oklahoma	145	20.5%	563	79.5%	708	0.5%
Oregon	616	44.0%	784	56.0%	1,400	1.0%
Pennsylvania	1,071	30.3%	2,460	69.7%	3,531	2.6%
Rhode Island	249	45.6%	297	54.4%	546	0.4%
South Carolina	461	26.4%	1,285	73.6%	1,746	1.3%
South Dakota	8	10.4%	69	89.6%	77	0.1%
Tennessee	522	28.5%	1,307	71.5%	1,829	1.3%
Texas	1,494	22.3%	5,213	77.7%	6,707	4.9%
Utah	441	37.8%	725	62.2%	1,166	0.8%
Vermont	34	26.2%	96	73.8%	130	0.1%
Virginia	1,139	37.4%	1,907	62.6%	3,046	2.2%
Washington	1,196	42.0%	1,654	58.0%	2,850	2.1%
West Virginia	50	18.3%	223	81.7%	273	0.2%
Wisconsin	470	30.6%	1,064	69.4%	1,534	1.1%
Wyoming	20	22.5%	69	77.5%	89	0.1%
Other	21	21.0%	79	79.0%	100	0.1%

Table 50. Number of Mortgage Modification Actions Implemented in the Third Quarter of 2011								
States	Capitalization	Rate Reduction or Freeze	Term Extension	Principal Reductions	Principal Deferral	Combination	Not Reported	Total Modifications
Total	3,487	2,249	482	22	62	129,892	1,345	137,539
Alabama	46	18	24	0	0	1,172	7	1,267
Alaska	5	2	0	0	0	83	0	90
Arizona	72	62	7	1	1	3,932	31	4,106
Arkansas	12	10	0	0	0	447	6	475
California	441	380	32	9	21	28,383	339	29,605
Colorado	47	33	5	0	3	1,948	8	2,044
Connecticut	58	24	3	0	0	1,597	23	1,705
Delaware	11	11	3	0	0	493	3	521
District of Columbia	6	3	0	1	0	219	3	232
Florida	251	256	44	4	7	12,970	175	13,707
Georgia	175	100	40	1	0	5,828	59	6,203
Hawaii	9	4	1	0	0	385	3	402
Idaho	12	7	4	0	0	529	5	557
Illinois	147	124	13	2	2	6,758	64	7,110
Indiana	72	58	11	0	0	2,021	22	2,184
Iowa	28	8	5	0	0	553	4	598
Kansas	15	8	1	0	0	505	5	534
Kentucky	30	11	6	0	1	803	4	855
Louisiana	31	18	8	0	0	1,116	13	1,186
Maine	18	5	1	0	0	338	4	366
Maryland	108	63	13	0	3	3,950	55	4,192
Massachusetts	81	31	3	0	2	2,413	20	2,550
Michigan	123	172	16	0	0	3,990	34	4,335
Minnesota	52	39	5	1	1	1,932	17	2,047
Mississippi	26	10	7	0	0	610	4	657
Missouri	60	38	15	0	0	1,686	11	1,810
Montana	1	1	1	0	0	205	1	209
Nebraska	12	7	1	0	1	295	2	318
Nevada	38	29	2	3	1	2,514	29	2,616
New Hampshire	17	11	5	0	0	489	3	525
New Jersey	120	48	8	0	4	4,492	49	4,721
New Mexico	26	13	3	0	0	524	0	566
New York	303	82	8	0	6	5,821	95	6,315
North Carolina	130	44	42	0	0	3,457	31	3,704
North Dakota	1	2	2	0	0	35	0	40
Ohio	116	87	24	0	0	3,195	33	3,455
Oklahoma	27	7	2	0	0	665	7	708
Oregon	30	27	2	0	0	1,335	6	1,400
Pennsylvania	137	77	17	0	1	3,270	29	3,531
Rhode Island	20	5	0	0	0	516	5	546
South Carolina	52	30	19	0	2	1,631	12	1,746
South Dakota	6	2	0	0	0	66	3	77
Tennessee	53	38	13	0	0	1,713	12	1,829
Texas	236	82	14	0	2	6,338	35	6,707
Utah	25	8	3	0	0	1,125	5	1,166
Vermont	4	4	8	0	0	113	1	130
Virginia	88	65	16	0	3	2,853	21	3,046
Washington	61	37	8	0	0	2,716	28	2,850
West Virginia	15	11	3	0	0	241	3	273
Wisconsin	30	35	12	0	1	1,444	12	1,534
Wyoming	3	1	2	0	0	83	0	89
Other	0	1	0	0	0	95	4	100

**Table 51. Percentage of Mortgage Modification Actions
Implemented in the Third Quarter of 2011**

States	Capitalization	Rate Reduction or Freeze	Term Extension	Principal Reduction	Principal Deferral	Combination	Not Reported	Total Modifications
Total	2.5%	1.6%	0.4%	0.0%	0.0%	94.4%	1.0%	137,539
Alabama	3.6%	1.4%	1.9%	0.0%	0.0%	92.5%	0.6%	1,267
Alaska	5.6%	2.2%	0.0%	0.0%	0.0%	92.2%	0.0%	90
Arizona	1.8%	1.5%	0.2%	0.0%	0.0%	95.8%	0.8%	4,106
Arkansas	2.5%	2.1%	0.0%	0.0%	0.0%	94.1%	1.3%	475
California	1.5%	1.3%	0.1%	0.0%	0.1%	95.9%	1.1%	29,605
Colorado	2.3%	1.6%	0.2%	0.0%	0.1%	95.3%	0.4%	2,044
Connecticut	3.4%	1.4%	0.2%	0.0%	0.0%	93.7%	1.3%	1,705
Delaware	2.1%	2.1%	0.6%	0.0%	0.0%	94.6%	0.6%	521
District of Columbia	2.6%	1.3%	0.0%	0.4%	0.0%	94.4%	1.3%	232
Florida	1.8%	1.9%	0.3%	0.0%	0.1%	94.6%	1.3%	13,707
Georgia	2.8%	1.6%	0.6%	0.0%	0.0%	94.0%	1.0%	6,203
Hawaii	2.2%	1.0%	0.2%	0.0%	0.0%	95.8%	0.7%	402
Idaho	2.2%	1.3%	0.7%	0.0%	0.0%	95.0%	0.9%	557
Illinois	2.1%	1.7%	0.2%	0.0%	0.0%	95.0%	0.9%	7,110
Indiana	3.3%	2.7%	0.5%	0.0%	0.0%	92.5%	1.0%	2,184
Iowa	4.7%	1.3%	0.8%	0.0%	0.0%	92.5%	0.7%	598
Kansas	2.8%	1.5%	0.2%	0.0%	0.0%	94.6%	0.9%	534
Kentucky	3.5%	1.3%	0.7%	0.0%	0.1%	93.9%	0.5%	855
Louisiana	2.6%	1.5%	0.7%	0.0%	0.0%	94.1%	1.1%	1,186
Maine	4.9%	1.4%	0.3%	0.0%	0.0%	92.3%	1.1%	366
Maryland	2.6%	1.5%	0.3%	0.0%	0.1%	94.2%	1.3%	4,192
Massachusetts	3.2%	1.2%	0.1%	0.0%	0.1%	94.6%	0.8%	2,550
Michigan	2.8%	4.0%	0.4%	0.0%	0.0%	92.0%	0.8%	4,335
Minnesota	2.5%	1.9%	0.2%	0.0%	0.0%	94.4%	0.8%	2,047
Mississippi	4.0%	1.5%	1.1%	0.0%	0.0%	92.8%	0.6%	657
Missouri	3.3%	2.1%	0.8%	0.0%	0.0%	93.1%	0.6%	1,810
Montana	0.5%	0.5%	0.5%	0.0%	0.0%	98.1%	0.5%	209
Nebraska	3.8%	2.2%	0.3%	0.0%	0.3%	92.8%	0.6%	318
Nevada	1.5%	1.1%	0.1%	0.1%	0.0%	96.1%	1.1%	2,616
New Hampshire	3.2%	2.1%	1.0%	0.0%	0.0%	93.1%	0.6%	525
New Jersey	2.5%	1.0%	0.2%	0.0%	0.1%	95.1%	1.0%	4,721
New Mexico	4.6%	2.3%	0.5%	0.0%	0.0%	92.6%	0.0%	566
New York	4.8%	1.3%	0.1%	0.0%	0.1%	92.2%	1.5%	6,315
North Carolina	3.5%	1.2%	1.1%	0.0%	0.0%	93.3%	0.8%	3,704
North Dakota	2.5%	5.0%	5.0%	0.0%	0.0%	87.5%	0.0%	40
Ohio	3.4%	2.5%	0.7%	0.0%	0.0%	92.5%	1.0%	3,455
Oklahoma	3.8%	1.0%	0.3%	0.0%	0.0%	93.9%	1.0%	708
Oregon	2.1%	1.9%	0.1%	0.0%	0.0%	95.4%	0.4%	1,400
Pennsylvania	3.9%	2.2%	0.5%	0.0%	0.0%	92.6%	0.8%	3,531
Rhode Island	3.7%	0.9%	0.0%	0.0%	0.0%	94.5%	0.9%	546
South Carolina	3.0%	1.7%	1.1%	0.0%	0.1%	93.4%	0.7%	1,746
South Dakota	7.8%	2.6%	0.0%	0.0%	0.0%	85.7%	3.9%	77
Tennessee	2.9%	2.1%	0.7%	0.0%	0.0%	93.7%	0.7%	1,829
Texas	3.5%	1.2%	0.2%	0.0%	0.0%	94.5%	0.5%	6,707
Utah	2.1%	0.7%	0.3%	0.0%	0.0%	96.5%	0.4%	1,166
Vermont	3.1%	3.1%	6.2%	0.0%	0.0%	86.9%	0.8%	130
Virginia	2.9%	2.1%	0.5%	0.0%	0.1%	93.7%	0.7%	3,046
Washington	2.1%	1.3%	0.3%	0.0%	0.0%	95.3%	1.0%	2,850
West Virginia	5.5%	4.0%	1.1%	0.0%	0.0%	88.3%	1.1%	273
Wisconsin	2.0%	2.3%	0.8%	0.0%	0.1%	94.1%	0.8%	1,534
Wyoming	3.4%	1.1%	2.2%	0.0%	0.0%	93.3%	0.0%	89
Other	0.0%	1.0%	0.0%	0.0%	0.0%	95.0%	4.0%	100

Table 52. Number of Modification Actions in Combination Actions						
Implemented in the Third Quarter of 2011						
States	Capitalization	Rate Reduction or Freeze	Term Extension	Principal Reduction	Principal Deferral	Total Combination Modifications
Total	118,175	110,570	79,054	10,700	28,071	129,892
Alabama	1,043	1,022	748	43	91	1,172
Alaska	83	73	57	0	5	83
Arizona	3,635	3,182	2,268	397	1,084	3,932
Arkansas	439	383	284	12	38	447
California	24,664	23,876	15,951	4,035	9,743	28,383
Colorado	1,783	1,736	1,221	94	244	1,948
Connecticut	1,483	1,380	943	98	304	1,597
Delaware	453	436	320	15	60	493
District of Columbia	204	183	133	12	40	219
Florida	11,458	10,451	7,649	1,671	4,020	12,970
Georgia	5,494	5,132	3,650	286	905	5,828
Hawaii	364	315	222	16	67	385
Idaho	487	446	338	27	97	529
Illinois	6,127	5,687	4,355	591	1,670	6,758
Indiana	1,903	1,786	1,323	73	150	2,021
Iowa	523	488	371	12	23	553
Kansas	476	451	322	11	34	505
Kentucky	739	706	544	25	52	803
Louisiana	1,075	1,003	702	31	80	1,116
Maine	320	302	196	11	38	338
Maryland	3,687	3,351	2,311	228	758	3,950
Massachusetts	2,255	1,995	1,432	158	447	2,413
Michigan	3,546	3,350	2,324	338	731	3,990
Minnesota	1,784	1,613	1,224	103	349	1,932
Mississippi	556	539	368	26	47	610
Missouri	1,566	1,465	1,034	89	197	1,686
Montana	189	164	132	14	27	205
Nebraska	270	269	213	4	29	295
Nevada	2,333	1,982	1,431	274	771	2,514
New Hampshire	447	429	305	21	69	489
New Jersey	4,206	3,820	2,922	300	1,006	4,492
New Mexico	489	471	327	19	53	524
New York	5,417	4,995	3,513	347	1,233	5,821
North Carolina	3,119	3,100	2,369	83	294	3,457
North Dakota	29	33	27	0	3	35
Ohio	2,929	2,736	1,998	193	350	3,195
Oklahoma	647	600	450	8	40	665
Oregon	1,244	1,146	803	85	254	1,335
Pennsylvania	3,047	2,823	2,110	117	376	3,270
Rhode Island	472	420	316	39	152	516
South Carolina	1,475	1,445	1,119	45	177	1,631
South Dakota	66	58	49	0	2	66
Tennessee	1,606	1,496	1,026	77	153	1,713
Texas	6,107	5,807	4,260	212	360	6,338
Utah	1,072	975	670	48	145	1,125
Vermont	90	97	78	2	7	113
Virginia	2,571	2,473	1,725	146	473	2,853
Washington	2,492	2,289	1,718	193	560	2,716
West Virginia	208	205	154	12	23	241
Wisconsin	1,332	1,227	956	59	220	1,444
Wyoming	77	74	60	0	7	83
Other	94	85	33	0	13	95

**Table 53. Percentage of Modification Actions in Combination Actions
Implemented in the Third Quarter of 2011**

States	Capitalization	Rate Reduction or Freeze	Term Extension	Principal Reduction	Principal Deferral	Total Combination Modifications
Total	91.0%	85.1%	60.9%	8.2%	21.6%	129,892
Alabama	89.0%	87.2%	63.8%	3.7%	7.8%	1,172
Alaska	100.0%	88.0%	68.7%	0.0%	6.0%	83
Arizona	92.4%	80.9%	57.7%	10.1%	27.6%	3,932
Arkansas	98.2%	85.7%	63.5%	2.7%	8.5%	447
California	86.9%	84.1%	56.2%	14.2%	34.3%	28,383
Colorado	91.5%	89.1%	62.7%	4.8%	12.5%	1,948
Connecticut	92.9%	86.4%	59.0%	6.1%	19.0%	1,597
Delaware	91.9%	88.4%	64.9%	3.0%	12.2%	493
District of Columbia	93.2%	83.6%	60.7%	5.5%	18.3%	219
Florida	88.3%	80.6%	59.0%	12.9%	31.0%	12,970
Georgia	94.3%	88.1%	62.6%	4.9%	15.5%	5,828
Hawaii	94.5%	81.8%	57.7%	4.2%	17.4%	385
Idaho	92.1%	84.3%	63.9%	5.1%	18.3%	529
Illinois	90.7%	84.2%	64.4%	8.7%	24.7%	6,758
Indiana	94.2%	88.4%	65.5%	3.6%	7.4%	2,021
Iowa	94.6%	88.2%	67.1%	2.2%	4.2%	553
Kansas	94.3%	89.3%	63.8%	2.2%	6.7%	505
Kentucky	92.0%	87.9%	67.7%	3.1%	6.5%	803
Louisiana	96.3%	89.9%	62.9%	2.8%	7.2%	1,116
Maine	94.7%	89.3%	58.0%	3.3%	11.2%	338
Maryland	93.3%	84.8%	58.5%	5.8%	19.2%	3,950
Massachusetts	93.5%	82.7%	59.3%	6.5%	18.5%	2,413
Michigan	88.9%	84.0%	58.2%	8.5%	18.3%	3,990
Minnesota	92.3%	83.5%	63.4%	5.3%	18.1%	1,932
Mississippi	91.1%	88.4%	60.3%	4.3%	7.7%	610
Missouri	92.9%	86.9%	61.3%	5.3%	11.7%	1,686
Montana	92.2%	80.0%	64.4%	6.8%	13.2%	205
Nebraska	91.5%	91.2%	72.2%	1.4%	9.8%	295
Nevada	92.8%	78.8%	56.9%	10.9%	30.7%	2,514
New Hampshire	91.4%	87.7%	62.4%	4.3%	14.1%	489
New Jersey	93.6%	85.0%	65.0%	6.7%	22.4%	4,492
New Mexico	93.3%	89.9%	62.4%	3.6%	10.1%	524
New York	93.1%	85.8%	60.4%	6.0%	21.2%	5,821
North Carolina	90.2%	89.7%	68.5%	2.4%	8.5%	3,457
North Dakota	82.9%	94.3%	77.1%	0.0%	8.6%	35
Ohio	91.7%	85.6%	62.5%	6.0%	11.0%	3,195
Oklahoma	97.3%	90.2%	67.7%	1.2%	6.0%	665
Oregon	93.2%	85.8%	60.1%	6.4%	19.0%	1,335
Pennsylvania	93.2%	86.3%	64.5%	3.6%	11.5%	3,270
Rhode Island	91.5%	81.4%	61.2%	7.6%	29.5%	516
South Carolina	90.4%	88.6%	68.6%	2.8%	10.9%	1,631
South Dakota	100.0%	87.9%	74.2%	0.0%	3.0%	66
Tennessee	93.8%	87.3%	59.9%	4.5%	8.9%	1,713
Texas	96.4%	91.6%	67.2%	3.3%	5.7%	6,338
Utah	95.3%	86.7%	59.6%	4.3%	12.9%	1,125
Vermont	79.6%	85.8%	69.0%	1.8%	6.2%	113
Virginia	90.1%	86.7%	60.5%	5.1%	16.6%	2,853
Washington	91.8%	84.3%	63.3%	7.1%	20.6%	2,716
West Virginia	86.3%	85.1%	63.9%	5.0%	9.5%	241
Wisconsin	92.2%	85.0%	66.2%	4.1%	15.2%	1,444
Wyoming	92.8%	89.2%	72.3%	0.0%	8.4%	83
Other	98.9%	89.5%	34.7%	0.0%	13.7%	95

Table 54. Changes in Monthly Principal and Interest Payments by State (Number)
 Modifications Implemented in the Third Quarter of 2011

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	73,353	25,055	23,971	3,335	11,202	623	137,539
Alabama	485	312	295	32	135	8	1,267
Alaska	30	17	25	1	16	1	90
Arizona	2,370	729	646	89	256	16	4,106
Arkansas	184	111	117	9	53	1	475
California	18,595	4,212	3,973	901	1,826	98	29,605
Colorado	895	470	453	55	167	4	2,044
Connecticut	928	311	276	34	148	8	1,705
Delaware	222	104	131	10	53	1	521
District of Columbia	99	40	58	4	29	2	232
Florida	8,609	2,046	1,774	427	786	65	13,707
Georgia	2,979	1,237	1,280	118	536	53	6,203
Hawaii	238	61	75	5	21	2	402
Idaho	292	101	120	5	38	1	557
Illinois	4,112	1,150	1,100	139	583	26	7,110
Indiana	844	569	481	43	235	12	2,184
Iowa	247	143	124	9	71	4	598
Kansas	227	121	119	7	56	4	534
Kentucky	338	214	183	17	98	5	855
Louisiana	474	248	279	19	162	4	1,186
Maine	164	91	62	5	42	2	366
Maryland	2,060	801	846	81	376	28	4,192
Massachusetts	1,388	482	425	63	188	4	2,550
Michigan	2,166	837	739	210	352	31	4,335
Minnesota	1,040	407	366	63	159	12	2,047
Mississippi	285	122	143	22	84	1	657
Missouri	824	397	383	38	161	7	1,810
Montana	101	32	52	3	20	1	209
Nebraska	129	75	66	5	43	0	318
Nevada	1,632	406	368	57	144	9	2,616
New Hampshire	273	94	106	12	38	2	525
New Jersey	2,597	827	789	79	414	15	4,721
New Mexico	248	140	120	5	51	2	566
New York	3,703	1,076	956	116	434	30	6,315
North Carolina	1,594	811	822	72	381	24	3,704
North Dakota	13	7	10	2	8	0	40
Ohio	1,476	732	739	94	393	21	3,455
Oklahoma	249	173	170	14	98	4	708
Oregon	776	286	205	18	110	5	1,400
Pennsylvania	1,580	741	742	74	380	14	3,531
Rhode Island	327	84	81	11	42	1	546
South Carolina	721	397	402	37	177	12	1,746
South Dakota	21	16	26	0	11	3	77
Tennessee	765	407	417	40	189	11	1,829
Texas	2,672	1,511	1,584	67	849	24	6,707
Utah	542	254	247	12	107	4	1,166
Vermont	57	20	35	7	11	0	130
Virginia	1,452	640	608	87	247	12	3,046
Washington	1,435	591	517	70	224	13	2,850
West Virginia	100	55	70	12	33	3	273
Wisconsin	724	297	318	31	154	10	1,534
Wyoming	27	22	29	3	8	0	89
Other	44	28	19	1	5	3	100

Table 55. Changes in Monthly Principal and Interest Payments (Percentage)							
Modifications Implemented During the Third Quarter of 2011							
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	53.3%	18.2%	17.4%	2.4%	8.1%	0.5%	137,539
Alabama	38.3%	24.6%	23.3%	2.5%	10.7%	0.6%	1,267
Alaska	33.3%	18.9%	27.8%	1.1%	17.8%	1.1%	90
Arizona	57.7%	17.8%	15.7%	2.2%	6.2%	0.4%	4,106
Arkansas	38.7%	23.4%	24.6%	1.9%	11.2%	0.2%	475
California	62.8%	14.2%	13.4%	3.0%	6.2%	0.3%	29,605
Colorado	43.8%	23.0%	22.2%	2.7%	8.2%	0.2%	2,044
Connecticut	54.4%	18.2%	16.2%	2.0%	8.7%	0.5%	1,705
Delaware	42.6%	20.0%	25.1%	1.9%	10.2%	0.2%	521
District of Columbia	42.7%	17.2%	25.0%	1.7%	12.5%	0.9%	232
Florida	62.8%	14.9%	12.9%	3.1%	5.7%	0.5%	13,707
Georgia	48.0%	19.9%	20.6%	1.9%	8.6%	0.9%	6,203
Hawaii	59.2%	15.2%	18.7%	1.2%	5.2%	0.5%	402
Idaho	52.4%	18.1%	21.5%	0.9%	6.8%	0.2%	557
Illinois	57.8%	16.2%	15.5%	2.0%	8.2%	0.4%	7,110
Indiana	38.6%	26.1%	22.0%	2.0%	10.8%	0.5%	2,184
Iowa	41.3%	23.9%	20.7%	1.5%	11.9%	0.7%	598
Kansas	42.5%	22.7%	22.3%	1.3%	10.5%	0.7%	534
Kentucky	39.5%	25.0%	21.4%	2.0%	11.5%	0.6%	855
Louisiana	40.0%	20.9%	23.5%	1.6%	13.7%	0.3%	1,186
Maine	44.8%	24.9%	16.9%	1.4%	11.5%	0.5%	366
Maryland	49.1%	19.1%	20.2%	1.9%	9.0%	0.7%	4,192
Massachusetts	54.4%	18.9%	16.7%	2.5%	7.4%	0.2%	2,550
Michigan	50.0%	19.3%	17.0%	4.8%	8.1%	0.7%	4,335
Minnesota	50.8%	19.9%	17.9%	3.1%	7.8%	0.6%	2,047
Mississippi	43.4%	18.6%	21.8%	3.3%	12.8%	0.2%	657
Missouri	45.5%	21.9%	21.2%	2.1%	8.9%	0.4%	1,810
Montana	48.3%	15.3%	24.9%	1.4%	9.6%	0.5%	209
Nebraska	40.6%	23.6%	20.8%	1.6%	13.5%	0.0%	318
Nevada	62.4%	15.5%	14.1%	2.2%	5.5%	0.3%	2,616
New Hampshire	52.0%	17.9%	20.2%	2.3%	7.2%	0.4%	525
New Jersey	55.0%	17.5%	16.7%	1.7%	8.8%	0.3%	4,721
New Mexico	43.8%	24.7%	21.2%	0.9%	9.0%	0.4%	566
New York	58.6%	17.0%	15.1%	1.8%	6.9%	0.5%	6,315
North Carolina	43.0%	21.9%	22.2%	1.9%	10.3%	0.6%	3,704
North Dakota	32.5%	17.5%	25.0%	5.0%	20.0%	0.0%	40
Ohio	42.7%	21.2%	21.4%	2.7%	11.4%	0.6%	3,455
Oklahoma	35.2%	24.4%	24.0%	2.0%	13.8%	0.6%	708
Oregon	55.4%	20.4%	14.6%	1.3%	7.9%	0.4%	1,400
Pennsylvania	44.7%	21.0%	21.0%	2.1%	10.8%	0.4%	3,531
Rhode Island	59.9%	15.4%	14.8%	2.0%	7.7%	0.2%	546
South Carolina	41.3%	22.7%	23.0%	2.1%	10.1%	0.7%	1,746
South Dakota	27.3%	20.8%	33.8%	0.0%	14.3%	3.9%	77
Tennessee	41.8%	22.3%	22.8%	2.2%	10.3%	0.6%	1,829
Texas	39.8%	22.5%	23.6%	1.0%	12.7%	0.4%	6,707
Utah	46.5%	21.8%	21.2%	1.0%	9.2%	0.3%	1,166
Vermont	43.8%	15.4%	26.9%	5.4%	8.5%	0.0%	130
Virginia	47.7%	21.0%	20.0%	2.9%	8.1%	0.4%	3,046
Washington	50.4%	20.7%	18.1%	2.5%	7.9%	0.5%	2,850
West Virginia	36.6%	20.1%	25.6%	4.4%	12.1%	1.1%	273
Wisconsin	47.2%	19.4%	20.7%	2.0%	10.0%	0.7%	1,534
Wyoming	30.3%	24.7%	32.6%	3.4%	9.0%	0.0%	89
Other	44.0%	28.0%	19.0%	1.0%	5.0%	3.0%	100

Table 56. Number of Re-Defaults for Loans Modified in the First 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	8,260	5,339	7,015	661	5,278	160	26,713
Alabama	61	85	113	15	74	5	353
Alaska	8	5	5	0	3	0	21
Arizona	254	173	193	23	131	3	777
Arkansas	19	26	44	2	23	0	114
California	1,598	612	721	131	793	35	3,890
Colorado	101	85	117	11	64	3	381
Connecticut	100	60	78	10	62	2	312
Delaware	20	27	32	5	23	0	107
District of Columbia	15	6	10	4	10	1	46
Florida	1,106	416	473	54	420	21	2,490
Georgia	419	411	559	32	362	7	1,790
Hawaii	25	17	11	2	9	0	64
Idaho	39	18	30	5	24	2	118
Illinois	413	241	367	37	262	8	1,328
Indiana	125	147	162	13	113	1	561
Iowa	27	30	47	5	25	0	134
Kansas	37	38	37	6	22	0	140
Kentucky	40	44	67	7	40	1	199
Louisiana	66	82	99	5	72	3	327
Maine	22	15	17	2	13	0	69
Maryland	240	145	233	10	170	4	802
Massachusetts	135	58	94	14	78	3	382
Michigan	223	166	223	15	153	4	784
Minnesota	126	81	116	6	73	3	405
Mississippi	41	42	77	11	44	1	216
Missouri	123	109	114	9	74	0	429
Montana	14	4	11	2	4	0	35
Nebraska	17	15	21	0	9	0	62
Nevada	177	89	118	11	76	5	476
New Hampshire	29	10	27	1	12	3	82
New Jersey	290	174	224	16	207	8	919
New Mexico	26	26	22	1	26	0	101
New York	337	144	196	23	156	11	867
North Carolina	226	203	286	23	213	2	953
North Dakota	3	3	1	0	3	1	11
Ohio	172	188	284	16	194	2	856
Oklahoma	48	59	62	5	40	3	217
Oregon	71	45	57	11	43	2	229
Pennsylvania	235	168	231	16	139	5	794
Rhode Island	40	12	15	1	17	1	86
South Carolina	88	88	113	10	110	1	410
South Dakota	3	5	2	1	4	0	15
Tennessee	111	114	149	12	70	0	456
Texas	450	481	651	29	430	3	2,044
Utah	52	43	77	6	64	0	242
Vermont	3	5	3	0	5	1	17
Virginia	180	126	173	19	123	2	623
Washington	169	103	137	12	104	1	526
West Virginia	11	18	21	1	10	1	62
Wisconsin	116	67	85	11	78	1	358
Wyoming	5	5	5	0	4	0	19
Other	4	5	5	0	0	0	14

Table 57. Re-Default Rates for Loans Modified in the First 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	11.1%	18.3%	21.6%	13.6%	35.4%	22.8%	17.0%
Alabama	12.3%	22.1%	29.8%	30.0%	42.8%	62.5%	23.7%
Alaska	17.4%	20.8%	22.7%	0.0%	33.3%	0.0%	20.4%
Arizona	9.9%	19.0%	20.9%	14.6%	33.9%	18.8%	15.7%
Arkansas	9.7%	18.4%	26.8%	22.2%	36.5%	0.0%	19.9%
California	8.7%	14.1%	12.9%	12.1%	32.3%	17.3%	12.1%
Colorado	11.5%	16.5%	16.3%	7.6%	25.2%	30.0%	15.1%
Connecticut	11.8%	21.0%	19.3%	19.2%	31.3%	22.2%	17.4%
Delaware	9.5%	20.9%	19.3%	20.8%	34.8%	0.0%	17.9%
District of Columbia	12.1%	13.6%	11.9%	33.3%	31.3%	50.0%	15.4%
Florida	12.4%	18.8%	18.5%	10.8%	35.0%	28.8%	16.1%
Georgia	13.0%	21.3%	32.5%	20.1%	42.0%	22.6%	22.6%
Hawaii	9.5%	18.1%	15.1%	50.0%	25.0%	0.0%	13.5%
Idaho	13.5%	14.8%	21.1%	22.7%	39.3%	66.7%	18.5%
Illinois	11.2%	19.3%	22.9%	13.4%	34.9%	28.6%	17.5%
Indiana	15.9%	22.1%	27.6%	19.4%	34.6%	14.3%	23.0%
Iowa	12.3%	20.8%	30.3%	16.7%	27.8%	0.0%	20.9%
Kansas	16.2%	22.5%	24.0%	33.3%	35.5%	0.0%	22.0%
Kentucky	12.1%	19.4%	27.5%	14.9%	31.3%	20.0%	20.3%
Louisiana	14.0%	23.1%	30.2%	25.0%	40.2%	42.9%	24.0%
Maine	12.3%	18.8%	24.6%	50.0%	35.1%	0.0%	18.6%
Maryland	11.3%	17.1%	22.8%	8.1%	34.6%	18.2%	17.3%
Massachusetts	9.2%	12.9%	15.6%	12.8%	32.2%	18.8%	13.3%
Michigan	10.8%	16.2%	24.8%	10.6%	34.5%	22.2%	17.1%
Minnesota	10.4%	17.3%	23.7%	11.3%	34.6%	42.9%	16.6%
Mississippi	16.7%	20.9%	35.6%	35.5%	42.7%	100.0%	27.1%
Missouri	14.9%	20.8%	25.2%	21.4%	35.4%	0.0%	20.9%
Montana	16.9%	9.3%	21.6%	50.0%	16.0%	0.0%	17.0%
Nebraska	13.2%	15.3%	24.7%	0.0%	32.1%	0.0%	17.5%
Nevada	10.5%	18.5%	20.8%	12.8%	35.8%	35.7%	15.6%
New Hampshire	10.0%	10.2%	20.9%	6.3%	25.5%	60.0%	14.0%
New Jersey	11.3%	20.6%	20.9%	13.1%	39.0%	22.2%	17.8%
New Mexico	11.3%	17.3%	18.5%	12.5%	36.6%	0.0%	17.4%
New York	9.5%	14.7%	15.5%	10.8%	34.1%	23.9%	13.3%
North Carolina	13.3%	20.8%	26.9%	18.5%	41.8%	12.5%	21.7%
North Dakota	12.5%	20.0%	12.5%	0.0%	42.9%	100.0%	19.3%
Ohio	11.0%	17.9%	26.8%	10.7%	34.6%	28.6%	19.5%
Oklahoma	17.8%	24.4%	30.5%	23.8%	38.1%	60.0%	25.7%
Oregon	8.6%	15.6%	15.1%	13.8%	31.2%	16.7%	13.3%
Pennsylvania	14.7%	21.8%	26.8%	11.4%	32.0%	33.3%	20.8%
Rhode Island	11.9%	14.3%	18.3%	14.3%	33.3%	33.3%	15.3%
South Carolina	12.0%	21.5%	27.2%	22.2%	40.4%	12.5%	21.8%
South Dakota	8.8%	19.2%	8.0%	20.0%	30.8%	0.0%	14.6%
Tennessee	13.1%	21.1%	28.7%	27.3%	32.1%	0.0%	21.0%
Texas	14.5%	20.1%	29.2%	15.8%	40.6%	25.0%	22.8%
Utah	7.9%	13.6%	19.7%	11.8%	38.6%	0.0%	15.3%
Vermont	4.9%	23.8%	11.1%	0.0%	38.5%	100.0%	13.6%
Virginia	10.9%	16.7%	20.2%	16.2%	33.6%	16.7%	16.6%
Washington	11.7%	19.5%	16.3%	8.1%	35.4%	7.7%	16.1%
West Virginia	8.9%	29.5%	32.8%	10.0%	28.6%	33.3%	20.9%
Wisconsin	16.0%	19.6%	21.0%	16.2%	37.9%	14.3%	20.5%
Wyoming	11.9%	27.8%	17.9%	0.0%	20.0%	0.0%	16.7%
Other	10.8%	20.8%	31.3%	0.0%	0.0%	0.0%	18.2%

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