



## The Homeowner's Perspective on Obtaining a Government-Sponsored Home Mortgage Modification

A research study conducted by the U.S. Department of the Treasury to better understand the experiences of homeowners in obtaining home mortgage modifications.

The percentage distribution of each question answer option and the weighted sample size of each question are presented in this document. Please note that, due to rounding, the sum of the answer options in some questions is above or below 100% by 1% - 2%.

1. During the next 12 months, do you think home prices in general will go up, go down, or stay the same as where they are now? (n=2,737)

- Prices will go up (39%)
- Prices will go down (10%)
- Prices will remain about the same (33%)
- Don't know/Not sure (18%)

### Understanding at Time of Loan Modification

This section is specifically about the mortgage loan modification you received during 2009-2013 under HAMP. Remember, if your loan was modified twice during this time period, please focus on the modification you received under HAMP in answering these questions, which was most likely your FIRST loan modification.

2a. Were you aware that the loan modification you received during 2009-2013 was part of HAMP (Home Affordable Modification Program)? (n=2,740)

- Yes (72%)  No (29%)

2b. In what year did you receive your HAMP loan modification? (n=2,565)

- 2009 (20%)
- 2010 (24%)
- 2011 (25%)
- 2012 (17%)
- 2013 (15%)

3. Thinking back on your experience, overall, how satisfied were you with the loan modification process itself? (n=2,768)

- Very dissatisfied (31%)
- Somewhat dissatisfied (16%)
- Somewhat satisfied (29%)
- Very satisfied (24%)

4. At the time your mortgage loan was modified, how satisfied were you with the new terms of the modified loan? (for example interest rate, monthly payment, length of term, etc.) (n=2,774)

- Very dissatisfied (28%)
- Somewhat dissatisfied (17%)
- Somewhat satisfied (29%)
- Very satisfied (26%)

5. Did you consider the reduction in your monthly mortgage payment to be... (n=2,730)

- Significant (23%)
- Adequate (28%)
- Minimal (44%)
- Don't recall (5%)

6. At the time, did you feel the modified loan provided you with a sufficient amount of relief? (n=2,768)

- Yes (46%)  No (44%)  Wasn't sure (10%)

7. When your loan was modified, were you aware that, if you made timely payments, you could earn up to a \$1,000 per year reduction for five years in the amount you owe on your mortgage? (n=2,720)

- Yes (38%)
- No → Skip to Q8 (62%)

7a. (If Yes to 7) Did the “up to \$1,000 per year reduction” play any role in motivating you to make timely payments? (n=925)

- Yes (62%)
- No (38%)

**Mortgage Lender’s Role at Time of Modification**

This section is about the lender that worked with you to modify your mortgage loan under HAMP. (NOTE – the lender could be a bank, a mortgage company, or another financial institution). Remember, if you have received two loan modifications since 2009, please focus on the modification you received under HAMP in answering these questions, which was most likely your FIRST loan modification.

8. Thinking back on your experience during the loan modification process, how satisfied were you with the lender that worked with you to modify your mortgage loan? (n=2,711)

- Very dissatisfied (34%)
- Somewhat dissatisfied (17%)
- Somewhat satisfied (30%)
- Very satisfied (20%)

9. Considering some different aspects of your loan modification experience, how satisfied were you with the lender on the following?

	Very Dissatisfied	Somewhat Dissatisfied	Somewhat Satisfied	Very Satisfied	Not Applicable
Providing a single point of contact for you to work with (n=2,685)	<input type="checkbox"/> (31%)	<input type="checkbox"/> (15%)	<input type="checkbox"/> (27%)	<input type="checkbox"/> (25%)	<input type="checkbox"/> (2%)
Communicating in languages other than English (n=2,642)	<input type="checkbox"/> (9%)	<input type="checkbox"/> (5%)	<input type="checkbox"/> (13%)	<input type="checkbox"/> (16%)	<input type="checkbox"/> (57%)
Explaining the terms of the modified loan clearly (n=2,703)	<input type="checkbox"/> (24%)	<input type="checkbox"/> (17%)	<input type="checkbox"/> (33%)	<input type="checkbox"/> (24%)	<input type="checkbox"/> (1%)
Working well with you on collecting documents/paperwork (n=2,704)	<input type="checkbox"/> (28%)	<input type="checkbox"/> (16%)	<input type="checkbox"/> (29%)	<input type="checkbox"/> (26%)	<input type="checkbox"/> (1%)
Consistently responding to you in a timely manner (n=2,702)	<input type="checkbox"/> (30%)	<input type="checkbox"/> (17%)	<input type="checkbox"/> (28%)	<input type="checkbox"/> (24%)	<input type="checkbox"/> (1%)
Giving you a loan modification solution that met your needs (n=2,719)	<input type="checkbox"/> (33%)	<input type="checkbox"/> (16%)	<input type="checkbox"/> (27%)	<input type="checkbox"/> (24%)	<input type="checkbox"/> (1%)
Accurately calculating the amount of the reduced monthly mortgage payment of your modified loan (n=2,717)	<input type="checkbox"/> (29%)	<input type="checkbox"/> (16%)	<input type="checkbox"/> (29%)	<input type="checkbox"/> (25%)	<input type="checkbox"/> (2%)

**Changes Since Modification**

This section is about the changes and life events that may have caused you to fall behind on mortgage payments after your HAMP loan modification.

10. Since your loan was modified, have you seen your household income...? (n=2,725)  
Select one answer

- Significantly Decrease (15% or more) (38%)
- Slightly Decrease (3%-14%) (20%)
- Stay about the same → Skip to Q11 (30%)
- Slightly Increase (3%-14%) (10%)
- Significantly Increase (15% or more) (3%)

10a. Would you say the income change selected at Q10 (decrease/increase) is temporary or permanent? (n=1,863)

- Temporary (39%)
- Permanent (61%)

11. Since your loan modification, have you seen your living expenses...? (n=2,685)

Select one answer

- Significantly Decrease (15% or more) (9%)
- Slightly Decrease (3%-14%) (11%)
- Stay about the same → Skip to Q12 (26%)
- Slightly Increase (3%-14%) (33%)
- Significantly Increase (15% or more) (21%)

11a. Would you say the living expense change selected at Q11 (decrease/increase) is temporary or permanent? (n=1,920)

- Temporary (26%)
- Permanent (74%)

12. Which specific factors below (if any) have played a part in falling behind on the payments towards your modified loan?

Select all that apply (n=2,723)

General Factors...

- The reduction in my payments after loan modification was inadequate from the beginning (48%)
- Because the home value dropped so much, it did not make financial sense to keep making payments (21%)

My household INCOME has DROPPED since the loan modification due to...

- Job loss (you, spouse, another household member) (38%)
- Reduced hours at job (21%)
- Pay cut at job (15%)
- Failure of a business owned by a household member (8%)
- A disability / unable to work (20%)
- Divorce / Separation / Spouse death (11%)
- Other reason for income drop (22%)

My household EXPENSES have INCREASED since the loan modification due to...

- Just getting married (1%)
- Having a child (4%)
- Taking care of aging parent/s (9%)
- A major medical expense (24%)
- Major, unexpected car or household repairs (28%)
- Involved in a lawsuit (3%)
- Credit card debt (19%)
- Cost of homeownership (repairs, property tax, utilities, insurance, etc.) (41%)
- Other loans (auto, student, business, etc.) (19%)
- Other reason for expense increase (23%)
- None of the above factors apply to my situation (16%)

13. Overall, which option below would you say is the BIGGEST REASON you have missed mortgage payments after your loan modification? (n=2,607)

Select one answer

- Lower income than before (31%)
- Higher expenses than before (10%)
- The monthly mortgage payments after loan modification were not reduced enough in the first place (25%)
- Because the home value dropped so much, no longer made financial sense to keep making payments (4%)
- Other (30%)

## Post Modification Outcomes

This section is about the experience you had with your lender when you started missing payments on your HAMP modified loan.

14. When you first missed payments on your HAMP modified loan, did you attempt to contact the lender to discuss the payment issue? (n=2,585)

- Yes (81%)    No → Skip to Q15 (19%)

14a. (If Yes to 14) Did you feel the lender was responsive? (n=1,944)

- Yes (42%)    No (58%)

15. Did the lender contact you after you missed payments on the modified loan? *Select all that apply* (n=2,562)

- Yes, I received a letter (66%)  
 Yes, I received a phone call (50%)  
 Yes, I received an email (4%)  
 No, I did not hear from the bank / lender → Skip to Q16 (17%)

15a. (If Yes to 15) What, if any, options did the lender offer to help your situation? *Select all that apply* (n=2,069)

- Offered a plan to enable me to catch up on my payments (a repayment plan) (28%)  
 Offered another modification to my loan (31%)  
 Suggested a short sale (selling your home for less than the balance remaining on your mortgage) (40%)  
 Suggested a deed-in-lieu of foreclosure or mortgage release (you, the homeowner, voluntarily transfer the ownership of your property to your lender in exchange for a release from your mortgage loan and payments) (24%)  
 Other offer/suggestion (9%)  
 Did NOT offer or suggest any options (21%)

16. Did you ever call the Homeowner's HOPE™ Hotline (1-888-995-HOPE) to seek assistance after you had difficulties making your payments on your modified loan? (n=2,615)

- Yes (41%)    No (59%)

17. What has ended up happening with your home and the modified loan? *Select one answer* (n=2,583)

- In the midst of a plan to catch up on my payments (a repayment plan) (21%)  
 Received another loan modification (27%)  
 Trying to sell or sold the home (traditional or short sale) (10%)  
 In the process of a deed-in-lieu of foreclosure or mortgage release (you, the homeowner, voluntarily transfer the ownership of your property to your lender in exchange for a release from your mortgage loan and payments) (2%)  
 In or completed foreclosure (6%)  
 Other (34%)

18. What is your level of satisfaction with this outcome? (n=2,622)

- Very dissatisfied (37%)  
 Somewhat dissatisfied (17%)  
 Somewhat satisfied (29%)  
 Very satisfied (18%)

19. How satisfied were you with the overall efforts made by your lender to help you find a solution after you missed payments on your modification loan? (n=2,602)

- Very dissatisfied (43%)  
 Somewhat dissatisfied (17%)  
 Somewhat satisfied (24%)  
 Very satisfied (16%)

## Getting Expert Advice

20. After you received your HAMP loan modification, did the lender recommend talking with any housing experts or financial advisors to get advice? (n=2,703)
- Yes (31%)    No (69%)
21. Did you at any time ever use a housing expert or financial advisor to get advice in making your mortgage payments on your HAMP modified loan? (n=2,663)
- Yes → Skip to Q22 (30%)    No (70%)
- 21a. (If No to 21) Why did you choose NOT to use expert advice on your situation? (n=1,675)  
*Select all that apply*
- Too busy / Just didn't get around it (6%)  
 Didn't think it would help (35%)  
 Felt it was a private matter (7%)  
 Just didn't want to talk or think about it (5%)  
 Did not have access to a housing expert or financial advisor to help me (43%)  
 Other (24%)
- 21b. (If No to 21) If you had been offered the opportunity to get free advice from a housing expert or financial advisor, would you have taken it? (n=1,637)
- Yes (82%)    No (18%)  
Skip to 26 in Next Section
22. (If Yes to 21) Which type(s) of expert or advisor did you use? *Select all that apply* (n=781)
- A professional from the lender (23%)  
 A professional from a 3rd party organization not associated with the lender (76%)  
 A friend or colleague I trust (not a professional expert) (10%)
23. (If Yes to 21) How did you communicate with the person(s) who provided advice? (n=788)  
*Select all that apply*
- In person (49%)  
 Over the phone (70%)  
 By e-mail (21%)  
 Web chat (2%)
24. (If Yes to 21) As best as you can recall, what topics were discussed? *Select all that apply* (n=737)
- Ways to reduce debt (58%)  
 Tips to manage household finances (44%)  
 Using a budget (41%)  
 Developing a personalized action plan (42%)  
 Other (32%)
25. (If Yes to 21) Overall, how helpful did you find the advice you were given? (n=780)
- Very helpful (42%)  
 Somewhat helpful (34%)  
 Not very helpful (14%)  
 Not at all helpful (11%)

## Demographics

This last section is just to help us understand more about homeowners who have modified loans.

26. **What other outstanding debt do you currently have?** *Select all that apply* (n=2,608)

- Credit card(s) (54%)
- Auto loan(s) (49%)
- Home equity loan(s)/line of credit (13%)
- Personal loan(s) (23%)
- Student loan(s) (28%)
- Other (29%)

27. **Do you personally know any people who have defaulted on a mortgage?** (n=2,734)

- Yes (60%)
- No (40%)

28. **How would you describe the homeownership experience overall for you and your family?** (n=2,719)

- Very positive (37%)
- Somewhat positive (36%)
- Somewhat negative (16%)
- Very negative (11%)

29. **Please indicate how much you agree or disagree with each statement below.**

	Disagree Strongly	Disagree Somewhat	Neither	Agree Somewhat	Agree Strongly
I am a spender rather than a saver (n=2,674)	<input type="checkbox"/> (31%)	<input type="checkbox"/> (22%)	<input type="checkbox"/> (23%)	<input type="checkbox"/> (20%)	<input type="checkbox"/> (4%)
I carefully plan my household's budget (n=2,668)	<input type="checkbox"/> (3%)	<input type="checkbox"/> (8%)	<input type="checkbox"/> (6%)	<input type="checkbox"/> (42%)	<input type="checkbox"/> (41%)
I often feel like I am living paycheck to paycheck (n=2,712)	<input type="checkbox"/> (4%)	<input type="checkbox"/> (4%)	<input type="checkbox"/> (4%)	<input type="checkbox"/> (24%)	<input type="checkbox"/> (64%)
I know how to manage my money (n=2,680)	<input type="checkbox"/> (2%)	<input type="checkbox"/> (6%)	<input type="checkbox"/> (6%)	<input type="checkbox"/> (47%)	<input type="checkbox"/> (38%)
Being late on my payments makes me feel uneasy (n=2,694)	<input type="checkbox"/> (4%)	<input type="checkbox"/> (1%)	<input type="checkbox"/> (2%)	<input type="checkbox"/> (11%)	<input type="checkbox"/> (83%)

30. **Do you still live in the home on which you got the modified loan?** (n=2,684)

- Yes (89%)
- No → Skip to Q31 (11%)

30a. (If Yes to 30) **Thinking about the value of your home today, compared to what you paid for the home when you bought it, would you say your home is now worth...?** *Select one answer* (n=2,207)

- At least 20% more than what you paid for it (19%)
- About 5-20% more than what you paid for it (13%)
- About the same you paid for it (9%)
- About 5-20% less than what you paid for it (15%)
- At least 20% less than what you paid for it (43%)

30b. (If Yes to 30) **Thinking about the total amount you owe on your home (including first mortgage, second mortgage, and home equity line of credit, if any) compared to the value of your home today, would you say the total amount you owe on your home is...?** *Select one answer* (n=2,193)

- At least 20% more than the value of your home (42%)
- About 5-20% more than the value of your home (16%)
- About the same as the value of your home (13%)
- About 5-20% less than the value of your home (10%)
- At least 20% less than the value of your home (19%)

31. Please indicate your gender: (n=2,667)

- Male (42%)  Female (55%)  Prefer not to answer (3%)

32. What is your age? (n=2,692)

- 18-24 (0.2%)  25-34 (3%)  35-44 (16%)  
 45-54 (32%)  55-64 (31%)  65 and over (16%)  
 Prefer not to answer (3%)

33. Are you ... ? Select one. (n=2,697)

- Single, Never Been Married (9%)  
 Married/Domestic Partnership (56%)  
 Divorced/Separated/Widowed (30%)  
 Prefer not to answer (5%)

34. Do you have any children under the age of 18 living with you? (n=2,743)

- Yes (39%)  No (58%)  Prefer not to answer (2%)

35. What is the highest level of education you have completed? (n=2,672)

- High School or less (25%)  
 Some college (24%)  
 Two-year college or trade school (17%)  
 College graduate (21%)  
 Post-graduate degree (11%)  
 Prefer not to answer (3%)

36. (OPTIONAL) Are you of Hispanic or Latino origin or descent? (n=2,703)

- Yes (17%)  No (73%)  Prefer not to answer (10%)

37. (OPTIONAL) Which of the following best describes your race / ethnic background? (n=2,625)

- African-American/Black (32%)  
 American Indian (1%)  
 Asian (4%)  
 Caucasian/White (45%)  
 Native Hawaiian or other Pacific Islander (1%)  
 Some other race (7%)  
 Prefer not to answer (11%)

38. Which of the following categories includes your total household income from 2012 before taxes? . (n=2,740)

- Under \$25,000 (21%)  
 \$25,000 but less than \$35,000 (18%)  
 \$35,000 but less than \$50,000 (21%)  
 \$50,000 but less than \$75,000 (18%)  
 \$75,000 but less than \$100,000 (10%)  
 \$100,000 but less than \$150,000 (5%)  
 \$150,000 or higher (1%)  
 Prefer not to answer (6%)