

# Making Home Affordable Program

Servicer Performance Report Through October 2010

## Report Highlights

### **Nearly 520,000 Permanent Modifications Begun**

- On average, almost 37,000 new permanent modifications have been started monthly for the past 6 months, as servicers decision aged trials, with this month close to 24,000 new permanent modifications.
- Homeowners in active permanent modifications realize a median monthly payment reduction of 36%, or more than \$500 per month.
- For homeowners in permanent modifications, their median first-lien housing expense falls from 45% of their monthly income to 31%.

### **Nearly 1.4 Million Trial Modifications Started Under HAMP**

- Since June, servicers have reported an average of 23,000 new trial starts as they implemented fully verified document collection.
- Of active trial modifications, 69,000 have lasted at least six months, down from more than 266,000 at the beginning of the 2<sup>nd</sup> quarter of 2010.
- Servicers have developed action plans to resolve the backlog of aged trial modifications.

### **Servicers Continue to Ramp Up Program Enhancements**

- Servicers have expanded their program commitment to include additional efforts for homeowners struggling to pay their mortgages related to second liens, unemployment and “underwater” mortgages.
- 18 servicers have signed up for the Second-Lien Modification Program (2MP), covering nearly two-thirds of the second-lien mortgage market.
- Unemployed homeowners may be offered a minimum of three months’ forbearance prior to being considered for a HAMP trial modification.
- Reporting on these additional programs will begin in early 2011.

## Inside:

<a href="#">HAMP Program Snapshot</a>	2
<a href="#">Characteristics of Permanent Modifications</a>	3
<a href="#">Servicer Activity</a>	4
<a href="#">Disposition Path of Homeowners Canceled From HAMP Trials</a>	5
<a href="#">Disposition Path of Homeowners Ineligible for HAMP Trials</a>	6
<a href="#">Selected Outreach Measures</a>	7
<a href="#">Homeowner Experience</a>	8
<a href="#">HAMP Activity by State</a>	9
<a href="#">HAMP Activity by Metropolitan Area</a>	10
<a href="#">Modifications by Investor Type</a>	10
<a href="#">List of Non-GSE Participants</a>	11
<a href="#">Participants in Additional MHA Programs</a>	12
<a href="#">Definitions of Compliance Activities</a>	13
<a href="#">Areas of Compliance Emphasis</a>	14

# Making Home Affordable Program

Servicer Performance Report Through October 2010

## HAMP Activity: All Servicers

		Total
<b>HAMP Eligibility</b> (As of Sept. 30, 2010)	Eligible Delinquent Loans <sup>1</sup>	2,963,384
	Eligible Delinquent Borrowers <sup>2</sup>	1,467,243
<b>Trial Modifications</b>	Trial Plan Offers Extended (Cumulative) <sup>3</sup>	1,647,474
	All Trials Started <sup>4</sup>	1,395,543
	Trials Reported Since Sept. 2010 Report <sup>5</sup>	26,129
	Trial Modifications Canceled (Cumulative)	719,487
	Active Trials	156,408
<b>Permanent Modifications</b>	All Permanent Modifications Started	519,648
	Permanent Modifications Begun Since Sept. 2010 Report	23,750
	Permanent Modifications Canceled (Cumulative) <sup>6</sup>	36,306
	Active Permanent Modifications	483,342

<sup>1</sup> Estimated eligible 60+ day delinquent loans as reported by servicers as of Sept. 30, 2010, include conventional loans:

- in foreclosure and bankruptcy.
- with a current unpaid principal balance less than \$729,750 on a one-unit property, \$934,200 on a two-unit property, \$1,129,250 on a three-unit property and \$1,403,400 on a four-unit property.
- on a property that was owner-occupied at origination.
- originated on or before January 1, 2009.

Estimated eligible 60+ day delinquent loans exclude:

- FHA and VA loans.
- loans that are current or less than 60 days delinquent, which may be eligible for HAMP if a borrower is in imminent default.

For servicers enrolling after August 1, 2010 that did not participate in the 60+ day delinquency survey, the delinquency count is from the servicer registration form.

<sup>2</sup> The estimated eligible 60+ day delinquent borrowers are those in HAMP-eligible loans, minus estimated exclusions of loans on vacant properties, loans with borrower debt-to-income ratio below 31%, loans that fail the NPV test, properties no longer owner-occupied, manufactured housing loans with title/chattel issues that exclude them from HAMP, and loans where the investor pooling and servicing agreements preclude modification. Exclusions for DTI and NPV results are estimated using market analytics.

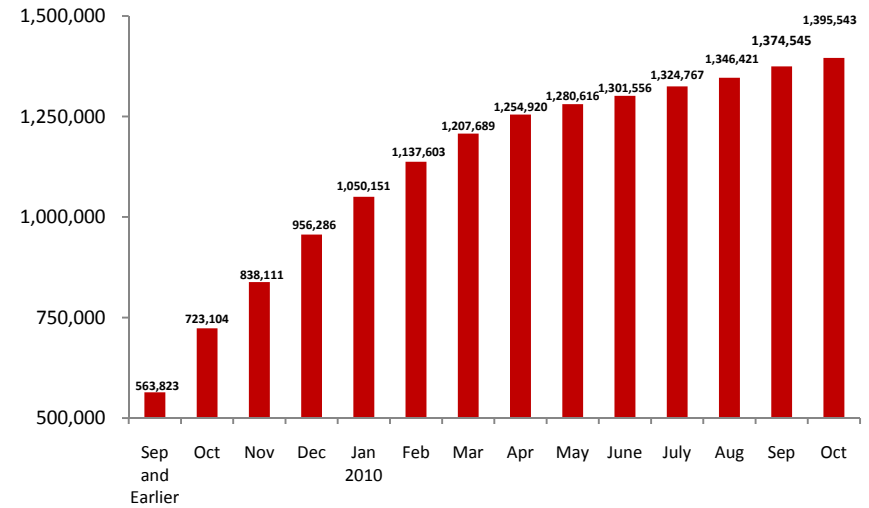
<sup>3</sup> As reported in the weekly servicer survey of large SPA servicers through October 28, 2010.

<sup>4</sup> Data includes FHA-HAMP modifications.

<sup>5</sup> Servicers may enter new trial modifications into the HAMP system of record anytime before the loan converts to a permanent modification.

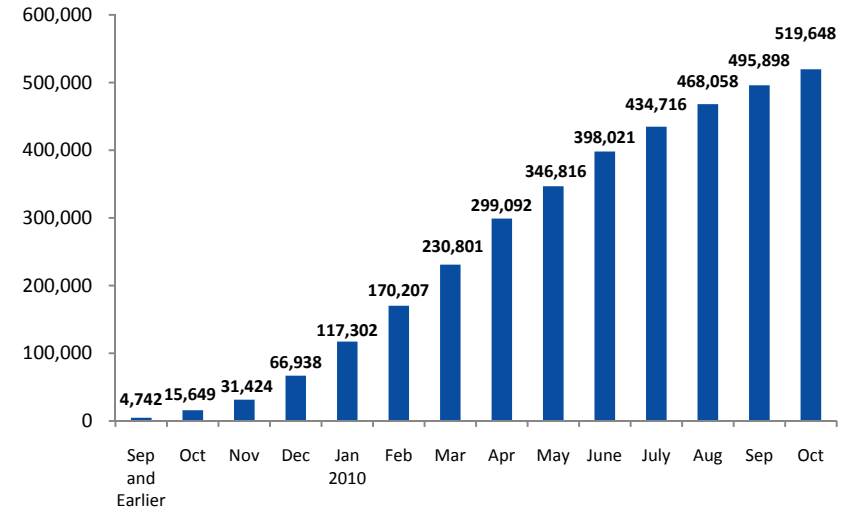
<sup>6</sup> A permanent modification is canceled when the borrower has missed three consecutive monthly payments. Includes 491 loans paid off.

## HAMP Trials Started (Cumulative)



Source: HAMP system of record. Servicers may enter new trial modifications into the HAMP system of record anytime before the loan converts to a permanent modification. For example, 26,129 trials have entered the HAMP system of record since the prior report; of those, 20,998 were trials with a first payment recorded in October.

## Permanent Modifications Started (Cumulative)



Source: HAMP system of record.

# Making Home Affordable Program

Servicer Performance Report Through October 2010

## Modification Characteristics

- Aggregate reductions in monthly mortgage payments for borrowers who received permanent modifications total almost \$3.7 billion.
- The median savings for borrowers in active permanent modifications is \$522.28, or 36% of the median payment before modification.

## Active Permanent Modifications by Modification Step

Interest Rate Reduction	100%
Term Extension	57.5%
Principal Forbearance	29.9%

## Select Median Characteristics of Active Permanent Modifications

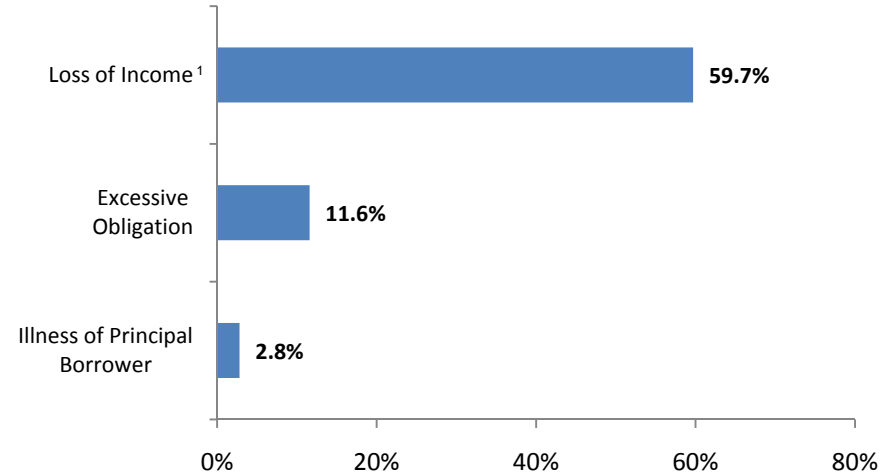
Loan Characteristic	Before Modification	After Modification	Median Decrease
Front-End Debt-to-Income Ratio <sup>1</sup>	45.1%	31.0%	-14.1 pct pts
Back-End Debt-to-Income Ratio <sup>2</sup>	79.9%	63.4%	-14.7 pct pts
Median Monthly Housing Payment <sup>3</sup>	\$1,433.74	\$838.11	-\$522.28

<sup>1</sup> Ratio of housing expenses (principal, interest, taxes, insurance and homeowners association and/or condo fees) to monthly gross income.

<sup>2</sup> Ratio of total monthly debt payments (including mortgage principal and interest, taxes, insurance, homeowners association and/or condo fees, plus payments on installment debts, junior liens, alimony, car lease payments and investment property payments) to monthly gross income. Borrowers who have a back-end debt-to-income ratio of greater than 55% are required to seek housing counseling under program guidelines.

<sup>3</sup> Principal and interest payment.

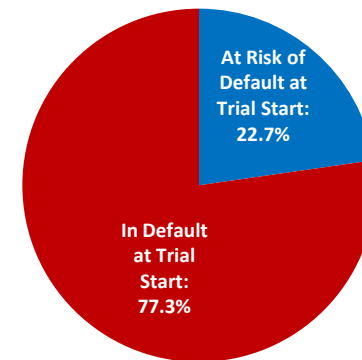
## Predominant Hardship Reasons for Active Permanent Modifications



<sup>1</sup> Includes borrowers who are employed but have faced a reduction in hours and/or wages as well as those who have lost their jobs.

Note: Does not include 17.5% of permanent modifications reported as Other.

## Loan Status Upon Entering Trial



Note: For all trial modifications started.

“At Risk of Default” includes borrowers up to 59 days delinquent at trial entry as well as those in imminent default. “In Default” refers to borrowers 60 or more days late at trial entry.

Note: Data on the performance of permanent modifications is reported quarterly.

# Making Home Affordable Program

Servicer Performance Report Through October 2010

## HAMP Modification Activity by Servicer

Servicer	As of Sept. 30, 2010	Cumulative			As of Oct. 31, 2010	
	Estimated Eligible 60+ Day Delinquent Borrowers <sup>1</sup>	Trial Plan Offers Extended <sup>2</sup>	All HAMP Trials Started <sup>3</sup>	All HAMP Permanent Modifications Started <sup>3</sup>	Active Trial Modifications <sup>3</sup>	Active Permanent Modifications <sup>3</sup>
American Home Mortgage Servicing Inc	51,417	30,830	27,527	15,770	9,983	14,949
Aurora Loan Services, LLC	28,731	52,701	38,089	13,703	1,315	12,700
Bank of America, NA <sup>4</sup>	425,093	438,596	331,366	87,650	49,470	79,339
CitiMortgage, Inc.	116,746	165,127	151,761	53,305	8,538	51,899
GMAC Mortgage, LLC	16,192	63,393	52,398	35,143	4,191	33,012
Green Tree Servicing LLC	5,283	7,852	6,881	3,649	1,287	3,428
HomEq Servicing <sup>5</sup>	15,647	1,339	801	515	107	333
J.P. Morgan Chase Bank, NA <sup>6</sup>	208,750	271,103	219,503	70,521	19,538	63,704
Litton Loan Servicing LP	46,714	38,249	35,793	9,476	1,605	8,833
Nationstar Mortgage LLC	18,294	27,975	24,854	12,336	2,090	11,477
Ocwen Financial Corp. Inc.	47,046	41,039	37,174	26,537	6,171	23,837
OneWest Bank	41,087	63,268	47,022	22,100	5,323	20,932
PNC Mortgage <sup>7</sup>	15,561	23,096	18,553	4,499	848	4,220
Saxon Mortgage Services, Inc.	24,774	41,492	36,214	12,866	2,170	12,265
Select Portfolio Servicing	16,278	64,609	39,268	17,703	2,385	16,179
US Bank NA	16,461	14,966	13,514	8,434	2,513	7,986
Wachovia Mortgage, FSB <sup>8</sup>	26,711	19,880	17,631	12,844	4,463	12,779
Wells Fargo Bank, NA <sup>9</sup>	153,642	261,648	185,187	55,186	11,297	51,783
Other SPA servicers <sup>10</sup>	20,655	20,311	21,410	12,732	4,214	11,934
Other GSE Servicers <sup>11</sup>	172,161	NA	90,597	44,679	18,900	41,753
<b>Total</b>	<b>1,467,243</b>	<b>1,647,474</b>	<b>1,395,543</b>	<b>519,648</b>	<b>156,408</b>	<b>483,342</b>

<sup>1</sup> Estimated eligible 60+ day delinquent borrowers as reported by servicers as of September 30, 2010, include those in conventional loans:

- in foreclosure and bankruptcy.
- with a current unpaid principal balance less than \$729,750 on a one-unit property, \$934,200 on a two-unit property, \$1,129,250 on a three-unit property and \$1,403,400 on a four-unit property.
- on a property that was owner-occupied at origination.
- originated prior to January 1, 2009.

Estimated eligible 60+ day delinquent borrowers excludes:

- Those in FHA and VA loans.
  - Those in loans that are current or less than 60 days delinquent, which may be eligible for HAMP if a borrower is in imminent default.
  - Those borrowers with debt-to-income ratios less than 31% or a negative NPV test.
  - Owners of vacant properties or properties otherwise excluded.
- Exclusions for DTI and NPV are estimated using market analytics.

For servicers enrolling after August 1, 2010 that did not participate in the 60+ day delinquency survey, the delinquency count is from the servicer registration form.

<sup>2</sup> As reported in the weekly servicer survey of large SPA servicers through October 28, 2010.

<sup>3</sup> As reported into the HAMP system of record by servicers. Includes FHA-HAMP modifications. Subject to adjustment based on servicer reconciliation of historic loan files.

<sup>4</sup> Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Wilshire Credit Corporation.

<sup>5</sup> HomEq's reporting reflects the in-process transfer of loans to other servicers.

<sup>6</sup> J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

<sup>7</sup> Formerly National City Bank.

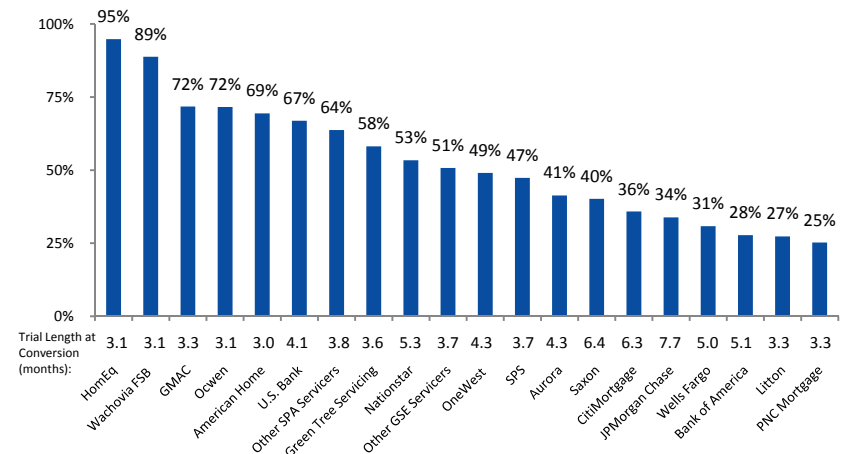
<sup>8</sup> Wachovia Mortgage, FSB consists of Pick-a-Payment loans.

<sup>9</sup> Wells Fargo Bank, NA includes a portion of the loans previously included in Wachovia Mortgage, FSB.

<sup>10</sup> Other SPA servicers are entities with less than 5,000 estimated eligible 60+ day delinquent borrowers as of September 30, 2010, that have signed participation agreements with Treasury and Fannie Mae. A full list of participating servicers is in Appendix A.

<sup>11</sup> Includes servicers of loans owned or guaranteed by Fannie Mae and Freddie Mac. Includes GSE loans transferred from SPA servicers.

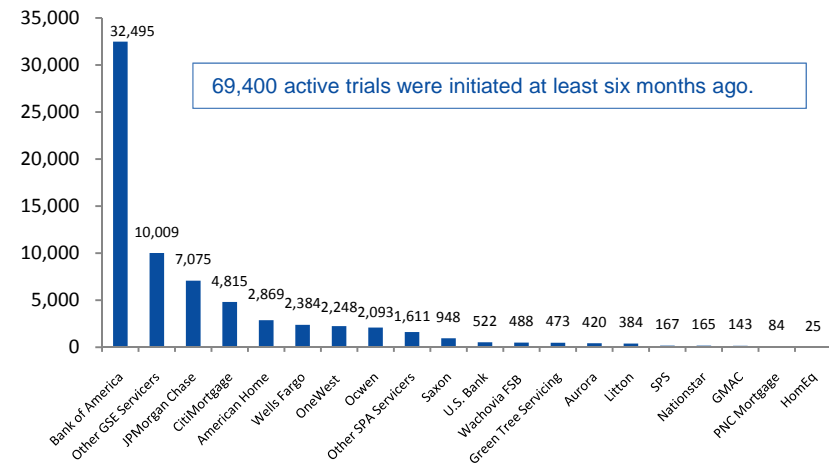
## Conversion Rate<sup>1</sup>



Note: Per program guidelines, effective June 1, 2010 all trials must be started using verified income. Prior to June 1, some servicers initiated trials using stated income information.

<sup>1</sup> As measured against trials eligible to convert – those three months in trial, or four months if the borrower was at risk of default. Permanent modifications transferred among servicers are credited to the originating servicer.

## Aged Trials<sup>1</sup>



<sup>1</sup> As of October 31, 2010. Active trials initiated at least six months ago.

# Making Home Affordable Program

Servicer Performance Report Through October 2010

## Disposition Path Homeowners in Canceled HAMP Trial Modifications Survey Data Through September 2010 (8 Largest Servicers)<sup>1</sup>

Homeowners Whose HAMP Trial Modification Was Canceled Who Are in the Process of:

Servicer	Action Pending <sup>2</sup>	Action Not Allowed – Bankruptcy in Process	Borrower Current	Alternative Modification	Payment Plan <sup>3</sup>	Loan Payoff	Short Sale/ Deed in Lieu	Foreclosure Starts	Foreclosure Completions	Total (As of September 2010)
American Home Mortgage Servicing Inc.	224	26	151	858	174	43	83	167	18	1,744
Bank of America, NA <sup>4</sup>	56,638	3,930	15,387	40,025	9,601	1,940	32,396	15,045	3,084	178,046
CitiMortgage Inc.	21,277	3,579	8,147	36,144	982	1,053	1,963	11,477	2,561	87,183
GMAC Mortgage, LLC	1,665	316	1,075	6,044	192	252	556	1,522	727	12,349
JP Morgan Chase Bank NA <sup>5</sup>	15,801	880	2,799	59,548	208	2,342	3,975	20,336	6,039	111,928
Litton Loan Servicing LP	3,350	589	1,922	13,733	358	115	1,021	2,515	630	24,233
OneWest Bank	4,768	653	391	7,476	147	14	866	2,238	1,610	18,163
Wells Fargo Bank NA <sup>6</sup>	5,151	722	12,627	63,877	1,103	3,523	6,141	18,384	6,647	118,175
<b>TOTAL (These 8 Servicers)</b>	<b>108,874 19.7%</b>	<b>10,695 1.9%</b>	<b>42,499 7.7%</b>	<b>227,705 41.3%</b>	<b>12,765 2.3%</b>	<b>9,282 1.7%</b>	<b>47,001 8.5%</b>	<b>71,684 13.0%</b>	<b>21,316 3.9%</b>	<b>551,821 100%</b>

The most common causes of trial cancellations are:

- Insufficient documentation
- Trial plan payment default
- Ineligible borrower: first-lien housing expense is already below 31% of household income

Note: Data is as reported by servicers for actions completed through September 30, 2010.

<sup>1</sup> As defined by cap amount.

<sup>2</sup> Trial loans that have been canceled, but no further action has yet been taken.

<sup>3</sup> An arrangement with the borrower and servicer that does not involve a formal loan modification.

<sup>4</sup> Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Wilshire Credit Corporation.

<sup>5</sup> J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

<sup>6</sup> Wells Fargo Bank, NA includes a portion of the loans previously included in Wachovia Mortgage, FSB. Excludes Wachovia Mortgage FSB Pick-a-Payment Loans.

Note: Excludes cancellations pending data corrections and loans otherwise removed from servicing portfolios.

# Making Home Affordable Program

Servicer Performance Report Through October 2010

## Disposition Path Homeowners Not Accepted for HAMP Trial Modifications Survey Data Through September 2010 (8 Largest Servicers)<sup>1</sup>

Homeowners Not Accepted for a HAMP Trial Modification Who Are in the Process of:

Servicer	Action Pending <sup>2</sup>	Action Not Allowed – Bankruptcy in Process	Borrower Current	Alternative Modification	Payment Plan <sup>3</sup>	Loan Payoff	Short Sale/ Deed in Lieu	Foreclosure Starts	Foreclosure Completions	Total (As of September 2010)
American Home Mortgage Servicing Inc.	3,160	924	8,844	28,706	720	541	2,065	6,876	669	52,505
Bank of America, NA <sup>4</sup>	15,766	3,116	4,394	12,958	2,151	1,237	18,560	28,038	9,157	95,377
CitiMortgage Inc.	26,050	6,910	28,435	32,817	6,572	7,397	2,246	7,522	3,107	121,056
GMAC Mortgage, LLC	24,453	4,512	26,160	33,686	3,089	1,324	4,210	17,181	6,643	121,258
JP Morgan Chase Bank NA <sup>5</sup>	41,061	3,093	90,287	85,354	526	19,191	6,864	22,022	6,733	275,131
Litton Loan Servicing LP	8,974	3,314	7,686	12,055	1,089	397	3,864	9,640	3,050	50,069
OneWest Bank	8,771	1,621	11,960	4,522	400	412	2,257	4,786	2,887	37,616
Wells Fargo Bank NA <sup>6</sup>	6,589	1,071	20,812	35,599	891	3,672	4,760	10,638	5,392	89,424
<b>TOTAL (These 8 Servicers)</b>	<b>134,824 16.0%</b>	<b>24,561 2.9%</b>	<b>198,578 23.6%</b>	<b>245,697 29.2%</b>	<b>15,438 1.8%</b>	<b>34,171 4.1%</b>	<b>44,826 5.3%</b>	<b>106,703 12.7%</b>	<b>37,638 4.5%</b>	<b>842,436 100%</b>

The most common causes of trials not accepted are:

- Ineligible borrower: first-lien housing expense is already below 31% of household income
- Insufficient documentation
- Imminent default not evidenced by borrower

Note: Data is as reported by servicers for actions completed through September 30, 2010.

<sup>1</sup> As defined by cap amount.

<sup>2</sup> Homeowners who were not approved for a HAMP trial modification, but no further action has yet been taken.

<sup>3</sup> An arrangement with the borrower and servicer that does not involve a formal loan modification.

<sup>4</sup> Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Wilshire Credit Corporation.

<sup>5</sup> J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

<sup>6</sup> Wells Fargo Bank, NA includes a portion of the loans previously included in Wachovia Mortgage, FSB. Excludes Wachovia Mortgage FSB Pick-a-Payment Loans.

Note: Excludes cancellations pending data corrections and loans otherwise removed from servicing portfolios.

# Making Home Affordable Program

Servicer Performance Report Through October 2010

## Selected Homeowner Outreach Measures

Homeowner Outreach Events Hosted Nationally by Treasury and Partners (cumulative)	47
Homeowners Attending Treasury-Sponsored Events (cumulative)	46,930
Servicer Solicitation of Borrowers (cumulative) <sup>1</sup>	6,424,636
Page views on <a href="http://MakingHomeAffordable.gov">MakingHomeAffordable.gov</a> (October 2010)	2,805,283
Page views on <a href="http://MakingHomeAffordable.gov">MakingHomeAffordable.gov</a> (cumulative)	101,879,584
Percentage to Goal of 3-4 Million Modification Offers by 2012 <sup>2</sup>	41-55%

<sup>1</sup> Source: survey data provided by SPA servicers. Servicers are encouraged by HAMP to solicit information from borrowers 60+ days delinquent, regardless of eligibility for a HAMP modification.

<sup>2</sup> In 2009, Treasury set a goal of offering help to 3-4 million borrowers through the end of 2012.

## Call Center Volume

	Cumulative	October
Total Number of Calls Taken at 1-888-995-HOPE (since program inception)	1,722,795	105,297
Borrowers Receiving Free Housing Counseling Through the Homeowner's HOPE™ Hotline	830,666	48,486

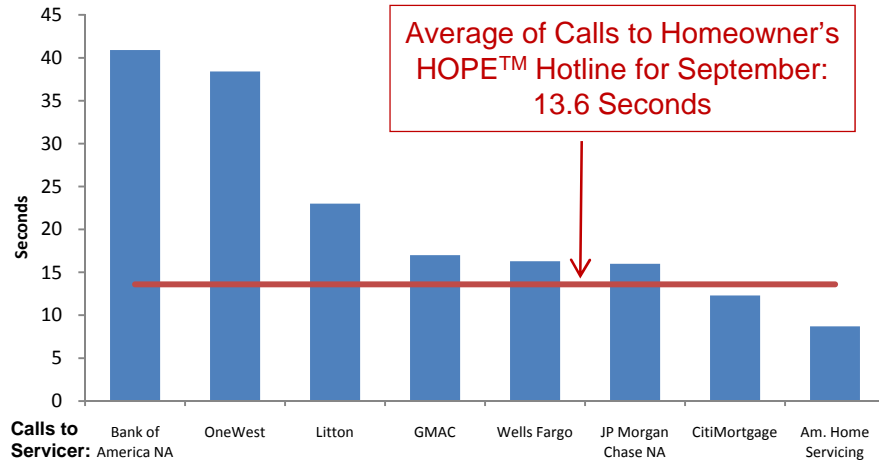
Source: Homeowner's HOPE™ Hotline.

# Making Home Affordable Program

Servicer Performance Report Through October 2010

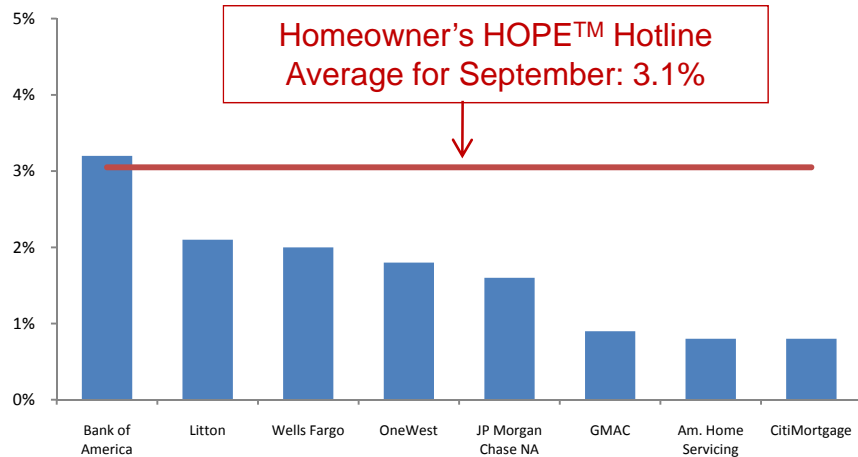
## Homeowner Experience (8 Largest Servicers)\*

### Average Speed to Answer Homeowner Calls (September)



Source: Survey data through September 30, 2010, from servicers on call volume to loss mitigation lines.

### Call Abandon Rate (September)

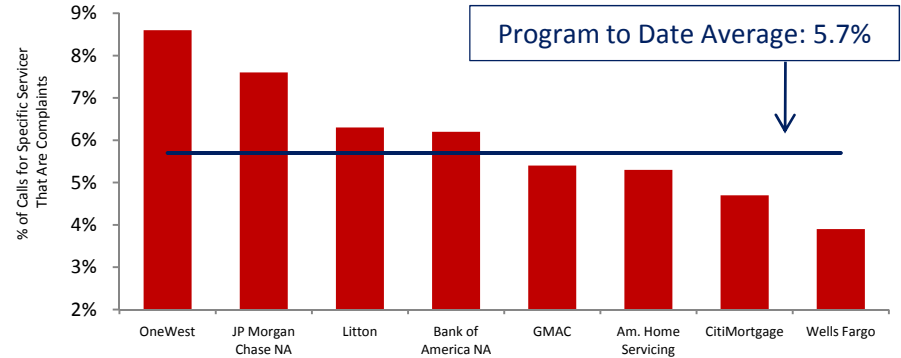


Source: Survey data through September 30, 2010, from servicers on call volume to loss mitigation lines.

\*As defined by cap amount.

### Servicer Complaint Rate to Homeowner's HOPE™ Hotline (Program to Date, Through October)

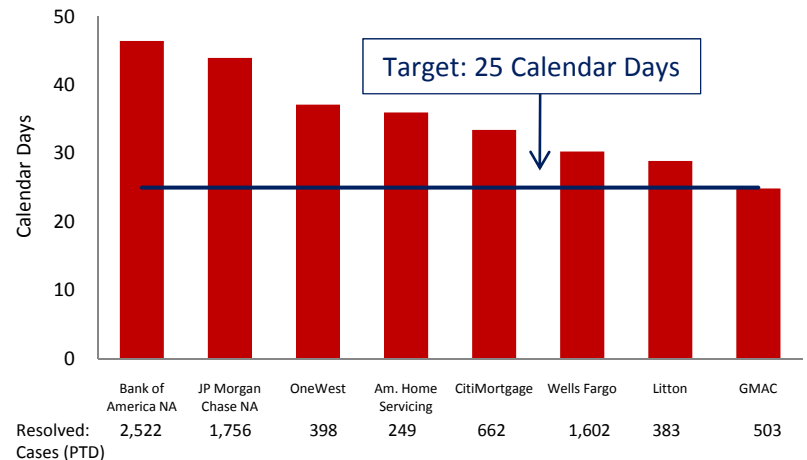
Program to date, there have been 837,255 calls to the Homeowner's HOPE™ Hotline regarding a specific SPA servicer, of which 5.7% included complaints. Below shows specific complaint rates.



Source: Homeowner's HOPE™ Hotline.

Note: Complaint rate is the share of a specific servicer's call volume that are complaints (i.e., for all calls about OneWest, 8.6% included complaints.)

### Servicer Time to Resolve Third-Party Escalations (Program to Date, Through October)



Source: HAMP Solutions Center. Target of 25 calendar days includes an estimated 5 days processing by HAMP Solutions Center.



# Making Home Affordable Program

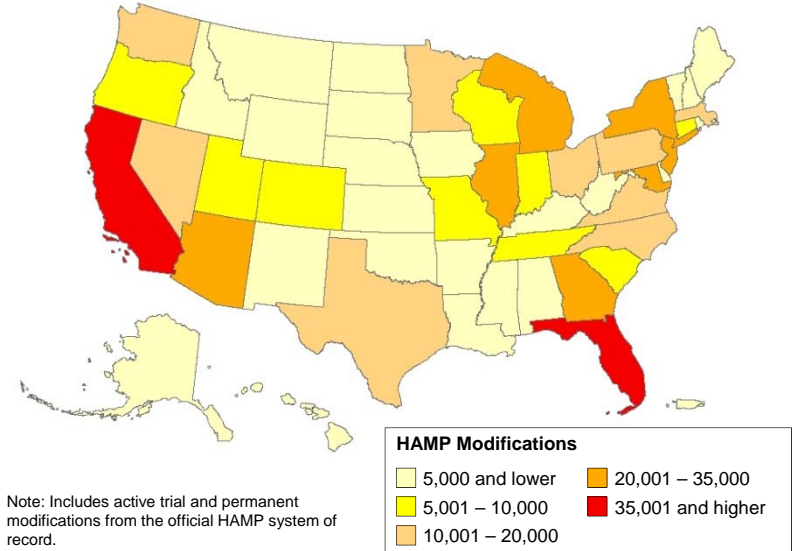
Servicer Performance Report Through October 2010

## HAMP Activity by State

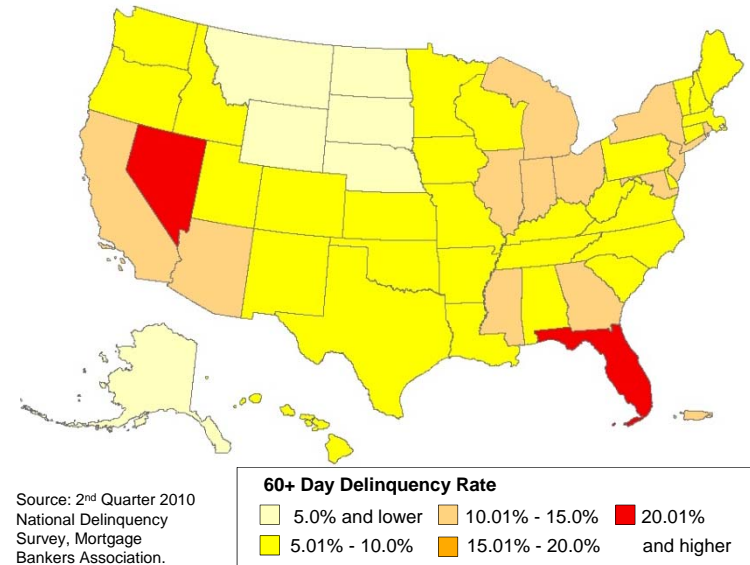
State	Active Trials	Permanent Modifications	Total	% of Total	State	Active Trials	Permanent Modifications	Total	% of Total
AK	77	193	270	0.0%	MT	207	510	717	0.1%
AL	1,007	2,810	3,817	0.6%	NC	2,813	9,137	11,950	1.9%
AR	320	1,147	1,467	0.2%	ND	26	86	112	0.0%
AZ	6,738	24,546	31,284	4.9%	NE	204	656	860	0.1%
CA	35,661	112,409	148,070	23.1%	NH	721	2,274	2,995	0.5%
CO	2,002	6,885	8,887	1.4%	NJ	5,212	15,609	20,821	3.3%
CT	1,964	6,205	8,169	1.3%	NM	575	1,510	2,085	0.3%
DC	252	812	1,064	0.2%	NV	4,188	12,735	16,923	2.6%
DE	522	1,506	2,028	0.3%	NY	7,571	20,906	28,477	4.5%
FL	18,626	57,722	76,348	11.9%	OH	3,686	10,903	14,589	2.3%
GA	5,802	17,558	23,360	3.7%	OK	436	1,110	1,546	0.2%
HI	653	1,804	2,457	0.4%	OR	1,669	5,273	6,942	1.1%
IA	358	1,237	1,595	0.2%	PA	3,377	10,119	13,496	2.1%
ID	676	1,799	2,475	0.4%	RI	780	2,478	3,258	0.5%
IL	8,297	25,892	34,189	5.3%	SC	1,417	4,721	6,138	1.0%
IN	1,571	4,825	6,396	1.0%	SD	53	185	238	0.0%
KS	403	1,138	1,541	0.2%	TN	1,702	5,012	6,714	1.0%
KY	582	1,881	2,463	0.4%	TX	4,829	12,077	16,906	2.6%
LA	1,010	2,437	3,447	0.5%	UT	1,506	4,509	6,015	0.9%
MA	3,897	12,154	16,051	2.5%	VA	3,809	12,016	15,825	2.5%
MD	4,936	15,992	20,928	3.3%	VT	111	403	514	0.1%
ME	484	1,317	1,801	0.3%	WA	3,095	9,319	12,414	1.9%
MI	5,104	16,387	21,491	3.4%	WI	1,597	4,807	6,404	1.0%
MN	2,436	9,167	11,603	1.8%	WV	225	746	971	0.2%
MO	1,667	5,304	6,971	1.1%	WY	81	244	325	0.1%
MS	593	1,853	2,446	0.4%	Other*	880	1,017	1,897	0.3%

\* Includes Guam, Puerto Rico and the U.S. Virgin Islands.

## Modification Activity by State



## Mortgage Delinquency Rates by State



# Making Home Affordable Program

Servicer Performance Report Through October 2010

## 15 Metropolitan Areas With Highest HAMP Activity

Metropolitan Statistical Area	Active Trials	Permanent Modifications	Total HAMP Activity	% of All HAMP Activity
Los Angeles-Long Beach-Santa Ana, CA	10,398	32,116	42,514	6.6%
New York-Northern New Jersey-Long Island, NY-NJ-PA	10,012	28,760	38,772	6.1%
Riverside-San Bernardino-Ontario, CA	7,517	25,886	33,403	5.2%
Chicago-Joliet-Naperville, IL-IN-WI	7,996	25,001	32,997	5.2%
Miami-Fort Lauderdale-Pompano Beach, FL	7,545	22,176	29,721	4.6%
Phoenix-Mesa-Glendale, AZ	5,489	20,335	25,824	4.0%
Washington-Arlington-Alexandria, DC-VA-MD-WV	5,197	17,054	22,251	3.5%
Atlanta-Sandy Springs-Marietta, GA	4,645	14,240	18,885	3.0%
Las Vegas-Paradise, NV	3,475	10,433	13,908	2.2%
Detroit-Warren-Livonia, MI	3,102	9,930	13,032	2.0%
Orlando-Kissimmee-Sanford, FL	2,947	9,474	12,421	1.9%
Boston-Cambridge-Quincy, MA-NH	2,737	8,678	11,415	1.8%
San Francisco-Oakland-Fremont, CA	2,955	8,238	11,193	1.7%
Sacramento-Arden-Arcade-Roseville, CA	2,437	8,265	10,702	1.7%
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	2,638	7,869	10,507	1.6%

A complete list of HAMP activity for all MSAs is available at <http://www.makinghomeaffordable.gov/docs/MSA%20Data%20Oct%202010.pdf>

## Modifications by Investor Type (Large Servicers)

Servicer	GSE	Private	Portfolio	Total
Bank of America, NA <sup>1</sup>	81,227	41,353	6,229	128,809
JP Morgan Chase NA <sup>2</sup>	38,328	31,403	13,511	83,242
Wells Fargo Bank, NA <sup>3</sup>	43,789	11,865	7,426	63,080
CitiMortgage, Inc.	40,449	4,154	15,834	60,437
GMAC Mortgage, LLC	21,792	5,559	9,852	37,203
Ocwen Financial Corporation, Inc.	6,694	23,026	288	30,008
OneWest Bank	12,905	11,419	1,931	26,255
American Home Mortgage Servicing Inc	1,256	23,676	0	24,932
Select Portfolio Servicing	477	16,213	1,874	18,564
Wachovia Mortgage, FSB <sup>4</sup>	162	39	17,041	17,242
Saxon Mortgage Services Inc.	1,463	11,946	1,026	14,435
Aurora Loan Services, LLC	7,177	6,631	207	14,015
Nationstar Mortgage LLC	8,953	4,609	5	13,567
US Bank NA	7,151	18	3,330	10,499
Litton Loan Servicing LP	1,076	9,362	0	10,438
PNC Mortgage <sup>5</sup>	4,426	218	424	5,068
Green Tree Servicing LLC	4,338	371	6	4,715
HomeEq Servicing	0	152	288	440
Remainder of HAMP Servicers	63,752	5,918	7,131	76,801
<b>Total</b>	<b>345,415</b>	<b>207,932</b>	<b>86,403</b>	<b>639,750</b>

<sup>1</sup> Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loans Services and Wilshire Credit Corporation.

<sup>2</sup> J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

<sup>3</sup> Wells Fargo Bank, NA includes a portion of the loans previously included in Wachovia Mortgage, FSB.

<sup>4</sup> Wachovia Mortgage, FSB consists of Wachovia Mortgage FSB Pick-a-Payment loans.

<sup>5</sup> Formerly National City Bank.

Note: Figures reflect active trials and permanent modifications.

# Making Home Affordable Program

Servicer Performance Report Through October 2010

## Appendix A1: Non-GSE Participants in HAMP

Servicers participating in the HAMP First-Lien Modification Program may also offer additional homeowner incentives, including Home Affordable Foreclosure Alternatives (HAFA), at least three months' forbearance for unemployed borrowers, and Principal Reduction Alternative (PRA).

AgFirst Farm Credit Bank	First Bank	Lake National Bank	Roebling Bank
Allstate Mortgage Loans & Investments, Inc.	First Financial Bank, N.A.	Liberty Bank and Trust Co.	RoundPoint Mortgage Servicing Corporation
American Eagle Federal Credit Union	First Keystone Bank	Litton Loan Servicing	Saxon Mortgage Services, Inc.
American Finance House LARIBA	First National Bank of Grant Park	Los Alamos National Bank	Schools Financial Credit Union
American Home Mortgage Servicing, Inc	First Safety Bank	Magna Bank	SEFCU
AMS Servicing, LLC	Franklin Credit Management Corporation	Mainstreet Credit Union	Select Portfolio Servicing
Aurora Loan Services, LLC	Franklin Savings	Marix Servicing, LLC	Servis One Inc., dba BSI Financial Services, Inc.
Bank of America, N.A. <sup>1</sup>	Fresno County Federal Credit Union	Metropolitan National Bank	ShoreBank
Bank United	GFA Federal Credit Union	Midland Mortgage Company	Silver State Schools Credit Union
Bay Federal Credit Union	Glass City Federal Credit Union	Midwest Bank & Trust Co.	Specialized Loan Servicing, LLC
Bayview Loan Servicing, LLC	GMAC Mortgage, LLC	Midwest Community Bank	Spirit of Alaska Federal Credit Union
Bramble Savings Bank	Golden Plains Credit Union	Mission Federal Credit Union	Stanford Federal Credit Union
Carrington Mortgage Services, LLC	Grafton Suburban Credit Union	MorEquity, Inc.	Sterling Savings Bank
CCO Mortgage	Great Lakes Credit Union	Mortgage Center, LLC	Suburban Mortgage Company of New Mexico
Central Florida Educators Federal Credit Union	Greater Nevada Mortgage Services	Mortgage Clearing Corporation	Technology Credit Union
Centrue Bank	Green Tree Servicing LLC	Nationstar Mortgage LLC	Tempe Schools Credit Union
CitiMortgage, Inc.	Hartford Savings Bank	Navy Federal Credit Union	The Golden 1 Credit Union
Citizens 1st National Bank	Hillsdale County National Bank	Oakland Municipal Credit Union	U.S. Bank National Association
Citizens Community Bank	HomEq Servicing	Ocwen Financial Corporation, Inc.	United Bank
Citizens First Wholesale Mortgage Company	HomeStar Bank & Financial Services	OneWest Bank	United Bank Mortgage Corporation
Community Bank & Trust Company	Horicon Bank	ORNL Federal Credit Union	University First Federal Credit Union
Community Credit Union of Florida	Horizon Bank, NA	Park View Federal Savings Bank	Vantium Capital, Inc.
CUC Mortgage Corporation	Iberiabank	Pathfinder Bank	Verity Credit Union
DuPage Credit Union	IBM Southeast Employees' Federal Credit Union	PennyMac Loan Services, LLC	Vist Financial Corp.
Eaton National Bank & Trust Co	IC Federal Credit Union	PNC Bank, National Association	Wealthbridge Mortgage Corp.
Farmers State Bank	Idaho Housing and Finance Association	PNC Mortgage <sup>3</sup>	Wells Fargo Bank, NA <sup>4</sup>
Fay Servicing, LLC	Idaho Housing and Finance Association	Purdue Employees Federal Credit Union	Wescom Central Credit Union
Fidelity Homestead Savings Bank	iServe Residential Lending LLC	QLending, Inc.	Yadkin Valley Bank
	iServe Servicing Inc.	Quantum Servicing Corporation	
	J.P.Morgan Chase Bank, NA <sup>2</sup>	Residential Credit Solutions	
	Lake City Bank	RG Mortgage Corporation	

<sup>1</sup> Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Wilshire Credit Corporation.

<sup>2</sup> J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

<sup>3</sup> Formerly National City Bank

<sup>4</sup> Wells Fargo Bank, NA includes Wachovia Mortgage FSB and Wachovia Bank NA.

# Making Home Affordable Program

Servicer Performance Report Through October 2010

## Appendix A2: Participants in Additional Making Home Affordable Programs

### Second-Lien Modification Program (2MP)

Bank of America, NA<sup>1</sup>  
Bayview Loan Servicing, LLC  
CitiMortgage, Inc.  
Community Credit Union of Florida  
GMAC Mortgage, LLC  
Green Tree Servicing LLC  
iServe Residential Lending, LLC  
iServe Servicing, Inc.  
J.P.Morgan Chase Bank, NA<sup>2</sup>  
Nationstar Mortgage LLC  
OneWest Bank  
PennyMac Loan Services, LLC  
PNC Bank, National Association  
PNC Mortgage<sup>3</sup>  
Residential Credit Solutions  
Servis One Inc., dba BSI Financial Services, Inc.  
Wells Fargo Bank, NA<sup>4</sup>

### FHA First-Lien Program (FHA-HAMP)

Amarillo National Bank  
American Financial Resources Inc.  
Aurora Financial Group, Inc.  
Aurora Loan Services, LLC  
Banco Popular de Puerto Rico  
Bank of America, NA<sup>1</sup>  
Capital International Financial, Inc.  
CitiMortgage, Inc.  
CU Mortgage Services, Inc.  
First Federal Bank of Florida  
First Mortgage Corporation

Franklin Savings  
Gateway Mortgage Group, LLC  
GMAC Mortgage, LLC.  
Green Tree Servicing LLC  
Guaranty Bank  
iServe Residential Lending, LLC  
iServe Servicing, Inc.  
James B. Nutter & Company  
J.P.Morgan Chase Bank,NA<sup>2</sup>  
M&T Bank  
Marix Servicing, LLC  
Marsh Associates, Inc.  
Midland Mortgage Company  
Nationstar Mortgage LLC  
Ocwen Financial Corporation, Inc.  
PennyMac Loan Services, LLC  
PNC Mortgage<sup>3</sup>  
RBC Bank (USA)  
Residential Credit Solutions  
Saxon Mortgage Services, Inc.  
Schmidt Mortgage Company  
Select Portfolio Servicing  
Servis One Inc., dba BSI Financial Services, Inc.  
Spirit of Alaska Federal Credit Union  
Stockman Bank of Montana  
Wells Fargo Bank, NA<sup>4</sup>  
Weststar Mortgage, Inc.

### FHA Second-Lien Program (FHA 2LP)

Bank of America, NA<sup>1</sup>  
Bayview Loan Servicing, LLC  
CitiMortgage, Inc.  
Flagstar Capital Markets Corporation  
GMAC Mortgage, LLC.  
Green Tree Servicing LLC  
J.P.Morgan Chase Bank, NA<sup>2</sup>  
Nationstar Mortgage LLC  
PNC Bank, National Association  
PNC Mortgage<sup>3</sup>  
Residential Credit Solutions  
Saxon Mortgage Services, Inc.  
Select Portfolio Servicing  
Wells Fargo Bank, NA<sup>4</sup>

### Rural Housing Service Modification Program (RD-HAMP)

Banco Popular de Puerto Rico  
Bank of America, N.A.<sup>1</sup>  
Horicon Bank  
J.P.Morgan Chase Bank, NA<sup>2</sup>  
Magna Bank  
Marix Servicing, LLC  
Midland Mortgage Company  
Nationstar Mortgage LLC  
Wells Fargo Bank, NA<sup>4</sup>

<sup>1</sup> Bank of America, NA includes Bank of America, NA, BAC Home Loans Servicing LP, Home Loan Services and Wilshire Credit Corporation.

<sup>2</sup> J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

<sup>3</sup> Formerly National City Bank.

<sup>4</sup> Wells Fargo Bank, NA includes Wachovia Mortgage FSB and Wachovia Bank NA.

# Making Home Affordable Program

Servicer Performance Report Through October 2010

## Appendix B1: Description of Compliance Activities

*Note: Areas of compliance emphasis and servicer-specific compliance data will be updated quarterly.*

### **Description of Compliance Activities**

Freddie Mac, serving as Compliance Agent for Treasury's Home Affordable Modification Program (HAMP), has created a separate division known as Making Home Affordable - Compliance (MHA-C). Using a risk-based approach, MHA-C conducts a number of different types of compliance activities to assess servicer compliance with HAMP guidelines for those servicers that have signed a servicer participation agreement with Treasury and for those loans for which Treasury pays incentives (non-GSE loans), as described below.

### **On Site Reviews: Readiness & Governance** –

Reviews performed by MHA-C to assess the servicer's preparedness for complying with new/future HAMP requirements, or to research a trend or potential implementation risk. Reviews are performed as needed, determined by frequency of new program additions.

**NPV Reviews** – Reviews conducted by MHA-C to determine the servicer's adherence to the HAMP NPV guidelines. For those servicers that have elected to recode the NPV model into their own systems (recoders), the testing process is designed

to ensure the servicer's NPV model is accurately calculating NPV and that the model usage is consistent with directives. At a minimum, recoders are subject to quarterly off-site testing and semi-annual for on-site reviews. For servicers using the Treasury NPV Web Portal, reviews of data submissions are performed on a monthly basis.

**On Site Reviews: Implementation** – Review conducted by MHA-C covering the servicer's overall execution of the HAMP program. Areas covered include, among other things, solicitation, eligibility, underwriting, document management, payment processing, reporting, and governance. Reviews are performed at a minimum for larger servicers on a semi-annual schedule and for smaller servicers on an annual schedule.

**Loan File Review** – A review performed by MHA-C of a servicer's non-performing loan portfolio primarily to assess completeness of relevant documentation and appropriate loan modification decisioning. This includes reviews of loans which have successfully converted to a permanent modification to ensure they meet the HAMP guidelines, as well as loans that have not been offered HAMP modifications to ensure that the exclusion was appropriate ("Second Look"). Larger servicers are on an alternating permanent

modifications and Second Look monthly loan file review cycle. These Loan File reviews consist of a statistical sample (typically 100- 150 loan files per larger servicer). Smaller servicers are also statistically sampled on a quarterly or semi-annual cycle.

**Incentive Payment Reviews** – Reviews performed by MHA-C to determine the accuracy and validity of borrower and investor incentive payments, and to assess whether borrower payments are appropriately allocated to borrowers' loan principal in accordance with HAMP guidelines. They are performed at a minimum annually on the top 21 servicers.

*(See next page for Areas of Compliance Emphasis)*

# Making Home Affordable Program

Servicer Performance Report Through October 2010

## Appendix B2: Areas of Compliance Emphasis

In the coming months, following will be areas of emphasis for MHA-C, to ensure ongoing compliance.

### **Program Changes: HAFA, 2MP, Unemployment and Principal Reduction**

Servicers are required to be prepared prior to the implementation of new programs. At the outset of new programs, servicers should focus on making necessary changes to processes, policies, procedures, and controls in order to implement the new requirements effectively. To the extent that systematic controls are not fully implemented, it is important that servicers design and fully communicate to staff any alternative processes (manual or otherwise) that will help ensure eligible borrowers are considered and provided the opportunity to participate in the programs, where appropriate.

With several recently implemented or new programs including HAFA, 2MP, Unemployment, and Principal Reduction, MHA-C will emphasize in the coming quarter both policy design and overall program execution. Specific attention will be given to transitional alternative processes required in advance of full systems integrations of new programs.

### **NPV Model Management and 4.0 Model Preparation**

Proper and consistent use of the Net Present Value model is essential in assuring that potentially eligible borrowers are appropriately evaluated for the HAMP program. Servicers who do not utilize the Treasury NPV Portal model (Recoders) are required to have their recorded model tested and certified by MHA-C before use, establish and maintain documentation of their internal controls and governance processes and periodically test their model and controls to help

ensure that the recoded model produces results consistent with the Portal model.

As of October 1, Servicers will be required to begin using a new version (4.0) through the Portal or in their recoded model. Conversion to 4.0 is expected to add additional control challenges and servicers are expected to review and appropriately enhance their current NPV procedures and controls. As with any NPV model change, Recoders are required to obtain certification from MHA-C prior to utilizing a recoded 4.0 model.

In the coming quarter, MHA-C will remain focused on servicers' NPV Model management practices. Additionally, and in consideration of the conversion to NPV version 4.0, MHA-C will evaluate conversion preparation and contingency planning. Recoding servicers with complex systems may face unusual challenges in returning to Portal use in the event that their recoded version 4.0 NPV model cannot be certified by the required timeframe. Accordingly, MHA-C will expect servicers to prepare to implement contingency plans, including; detailed contingency plans for return to Portal use and revalidation through the Treasury Portal, where necessary.

### **IR2 Data Integrity**

Servicers are required to timely report accurate information to the Program Administrator's IR2 database. The information reported is used for both public reporting and in deriving the incentive payments. Because of the importance of this data, Servicers must maintain controls which assure that information in the database is accurate and consistent with source documentation utilized to process the modification.

In the recent quarter, MHA-C has continued to focus on Servicer governance processes and associated controls over the accuracy and integrity of IR2 data. This focus will continue. Specifically, MHA-C will evaluate controls over data mapping and governance processes designed to assure consistency of data between loan files, servicer systems of record, and the IR2 database.

### **Governance**

Strong governance practices (policies, procedures, training, and internal assessments) are essential to maintaining the integrity of the HAMP program. Such governance helps assure eligible borrowers are considered for the program, ineligible borrowers are excluded, and that accurate information is reported to the Program Administrator.

In coming quarters, MHA-C will focus on governance policies, procedures, and practices, and in particular quality assurance activities. The objective of these assessments will be to ensure that the governance processes include an evaluation of potential areas of HAMP risk (e.g. appropriate exclusion as well as appropriate inclusion of borrowers), adequate testing programs, sufficient documentation of testing results, and appropriate action plans to address identified areas for remediation.