



FEDERAL HOUSING FINANCE AGENCY
Office of the Director

November 6, 2014

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

Dear Chairman Johnson:

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

Several highlights of the August 2014 report include the following:

- Fannie Mae and Freddie Mac completed approximately 23,400 foreclosure prevention actions in August, bringing the total foreclosure prevention actions to more than 3.3 million since the start of conservatorship in 2008. Half of these actions have been permanent loan modifications;
- There were more than 14,700 permanent loan modifications in August, down 16 percent compared to July;
- Approximately 23 percent of all permanent loan modifications in August included principal forbearance;
- There were nearly 4,200 completed short sales and deeds-in-lieu in August, down 8 percent from July;
- The serious delinquency rate dropped to 1.99 percent at the end of August, the lowest level since December 2008;
- Third-party and foreclosure sales decreased 9 percent to approximately 12,500, while foreclosure starts decreased 18 percent to 21,500 in August.

Please contact the FHFA Congressional Affairs office at (202) 649-3802 if you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Melvin L. Watt". The signature is written in dark ink and is positioned above the printed name.

Melvin L. Watt

Attachments



FEDERAL HOUSING FINANCE AGENCY
Office of the Director

November 6, 2014

The Honorable Michael D. Crapo
Ranking Member
Committee on Banking, Housing
and Urban Affairs
United States Senate
Washington, DC 20510

Dear Ranking Member Crapo:

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

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- The serious delinquency rate dropped to 1.99 percent at the end of August, the lowest level since December 2008;
- Third-party and foreclosure sales decreased 9 percent to approximately 12,500, while foreclosure starts decreased 18 percent to 21,500 in August.

Please contact the FHFA Congressional Affairs office at (202) 649-3802 if you have any questions.

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Melvin L. Watt

Attachments



FEDERAL HOUSING FINANCE AGENCY
Office of the Director

November 6, 2014

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

Dear Chairman Hensarling:

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

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- The serious delinquency rate dropped to 1.99 percent at the end of August, the lowest level since December 2008;
- Third-party and foreclosure sales decreased 9 percent to approximately 12,500, while foreclosure starts decreased 18 percent to 21,500 in August.

Please contact the FHFA Congressional Affairs office at (202) 649-3802 if you have any questions.

Sincerely,

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Melvin L. Watt

Attachments



FEDERAL HOUSING FINANCE AGENCY
Office of the Director

November 6, 2014

The Honorable Maxine Waters
Ranking Member
Committee on Financial Services
United States House of Representatives
Washington, DC 20515

Dear Ranking Member Waters:

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

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- Third-party and foreclosure sales decreased 9 percent to approximately 12,500, while foreclosure starts decreased 18 percent to 21,500 in August.

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Melvin L. Watt

Attachments



Federal Housing Finance Agency

Foreclosure Prevention Report August 2014

FHFA Federal Property Manager's Report

This report contains data on foreclosure prevention activity of Fannie Mae and Freddie Mac (the Enterprises) through August 2014.

August 2014 Highlights

The Enterprises' Foreclosure Prevention Actions:

- Nearly 23,400 foreclosure prevention actions were completed in August, bringing the total to more than 3.3 million since the start of the conservatorships in September 2008. Half of these actions have been permanent loan modifications.
- There were more than 14,700 permanent loan modifications in August, down 16 percent compared with July.
- Approximately 23 percent of all permanent loan modifications in August included principal forbearance.
- More than 4,200 short sales and deeds-in-lieu were completed in August, down 8 percent compared with July.

The Enterprises' Mortgage Performance:

- The serious delinquency rate dropped to 1.99 percent in August, the lowest level since December 2008.

The Enterprises' Foreclosures:

- Third-party and foreclosure sales decreased 9 percent to approximately 12,500, while foreclosure starts declined 18 percent to nearly 21,500 in August.

Foreclosure Prevention Activities

| | Jul-14 | Aug-14 |
|---|---------------|---------------|
| HAMP Active Trials | 8,780 | 8,037 |
| HAMP Active Permanent - Cumulative | 427,916 | 426,655 |
| Completed Foreclosure Prevention Actions | | |
| Loan Modifications * | 17,539 | 14,739 |
| Repayment Plans | 3,849 | 3,477 |
| Forbearance Plans | 1,080 | 834 |
| Charge-offs-in-lieu | 115 | 88 |
| Home Retention Actions | 22,583 | 19,138 |
| Short Sales | 3,322 | 3,079 |
| Deeds-in-lieu | 1,311 | 1,169 |
| Home Forfeiture Actions | 4,633 | 4,248 |
| TOTAL | 27,216 | 23,386 |

* Includes HAMP permanent modifications

Source: FHFA (Fannie Mae and Freddie Mac)

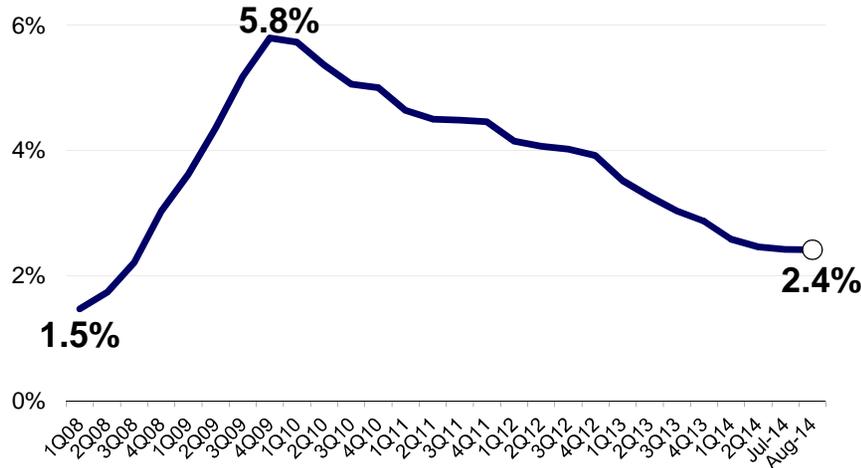
Mortgage Performance (at period end)

| | Jul-14 | Aug-14 |
|--|---------|---------|
| 30-59 Days Delinquent | 402,783 | 456,025 |
| 60-plus-days Delinquent | 675,429 | 673,462 |
| Foreclosure Starts | 26,103 | 21,467 |
| Third-party & Foreclosure Sales | 13,805 | 12,523 |
| (Percent of total loans serviced) | | |
| 30-59 Days Delinquent | 1.45% | 1.64% |
| 60-plus-days Delinquent | 2.42% | 2.42% |
| Seriously Delinquent* | 2.01% | 1.99% |

* 90 days or more delinquent, or in the process of foreclosure.

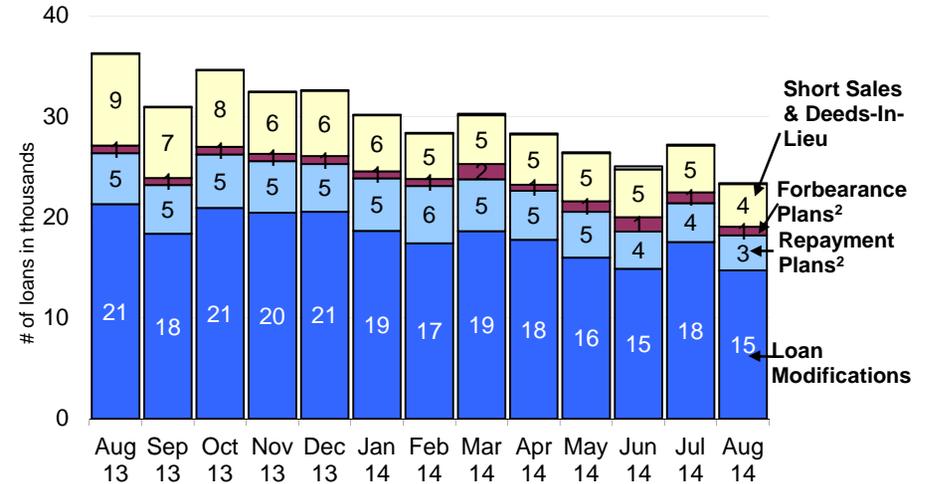
Source: FHFA (Fannie Mae and Freddie Mac)

Enterprises' 60-plus-days Delinquency Rates
60-plus-days delinquency rate remained stable in August.



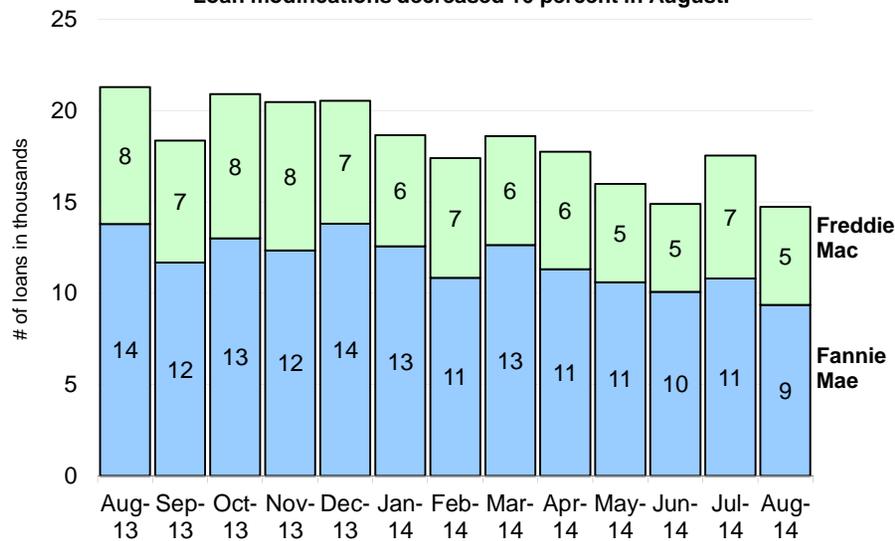
Source: FHFA (Fannie Mae and Freddie Mac)

Foreclosure Prevention Actions Completed
Foreclosure prevention actions declined 14 percent in August.



Source: FHFA (Fannie Mae and Freddie Mac)

Completed loan modifications
Loan modifications decreased 16 percent in August.



Source: FHFA (Fannie Mae and Freddie Mac)

HAMP Statistics³

| Cumulative from April 2009 through | Jul-14 | Aug-14 |
|--|----------------|----------------|
| Trials Ever Started | 1,067,702 | 1,069,270 |
| Less: | | |
| Trials Disqualified | (79,212) | (79,300) |
| Trials Cancelled | (350,152) | (350,276) |
| Permanent Modifications | (629,558) | (631,657) |
| Trials Remaining Active | 8,780 | 8,037 |
| Permanent Modifications Started | 629,558 | 631,657 |
| Less: | | |
| Modifications Defaulted | (178,147) | (180,501) |
| Modifications Paid off | (23,495) | (24,501) |
| Active Permanent Modifications | 427,916 | 426,655 |

Source: FHFA (Fannie Mae and Freddie Mac)

¹ Includes loans with missing original credit score.

² Includes loans that were 30+ days delinquent at initiation of the plan. In addition, the completed forbearance plans data have been revised to exclude HAMP.

³ HAMP trial modifications are based on the first trial payment posted date. HAMP permanent modifications are based on the effective date of modification. As of August 31, 2014, Fannie Mae had approximately 253,300 HAMP active permanent modifications and Freddie Mac had nearly 173,400 HAMP active permanent modifications.

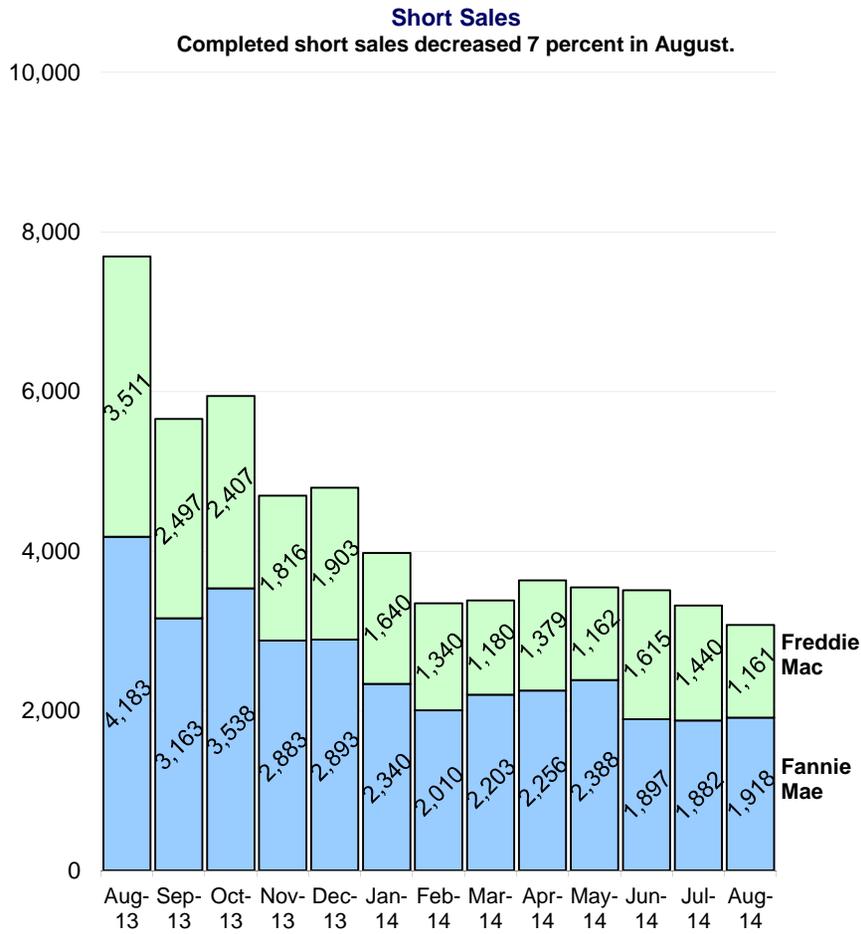
Completed Foreclosure Prevention Actions

Since the first full quarter in conservatorship (4Q08), combined completed foreclosure prevention actions total more than 3.3 million. Half of these actions are permanent loan modifications.

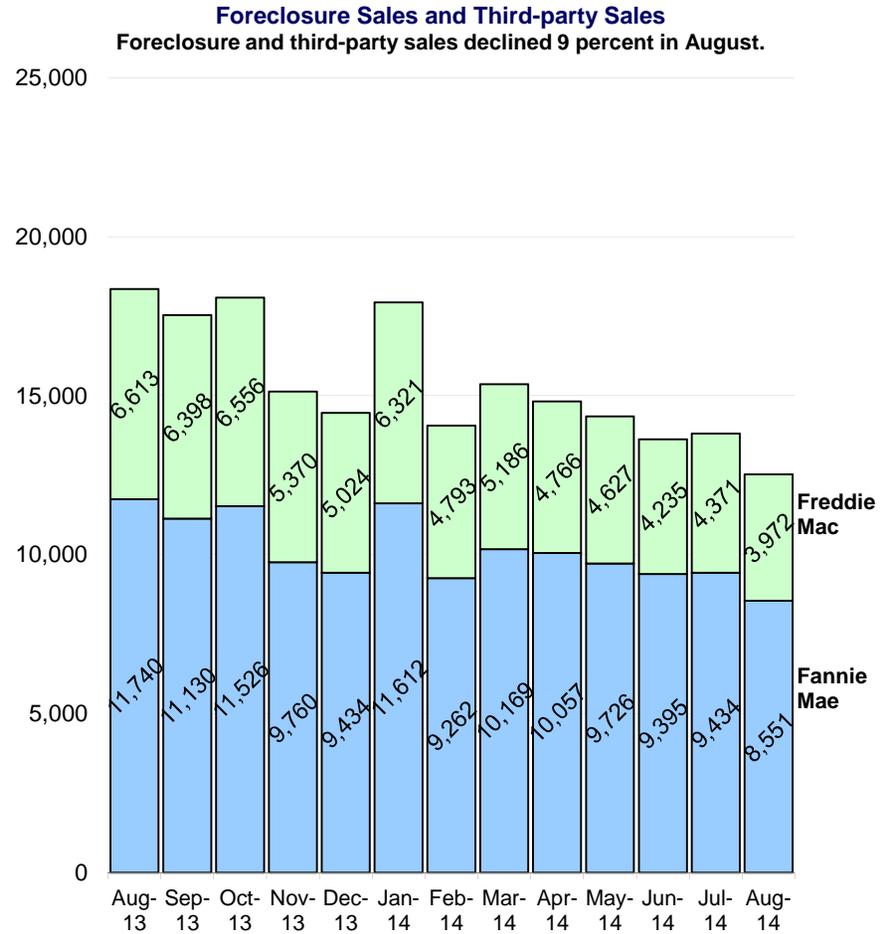
| | Full Year 2012 | Full Year 2013 | YTD Aug-14 | Conservatorship to Date ¹ |
|---|-------------------|-------------------|----------------|---|
| Home Retention Actions | | | | |
| Repayment Plans | 142,615 | 85,386 | 36,508 | 787,690 |
| Forbearance Plans | 22,812 | 12,671 | 7,867 | 168,140 |
| Charge-offs-in-lieu | 1,335 | 647 | 955 | 10,838 |
| HomeSaver Advance (<i>Fannie</i>) | - | - | - | 70,178 |
| Loan Modifications | <u>232,993</u> | <u>243,195</u> | <u>135,587</u> | <u>1,696,329</u> |
| Total | 399,755 | 341,899 | 180,917 | 2,733,175 |
| Nonforeclosure - Home Forfeiture Actions | | | | |
| Short Sales | 125,232 | 87,742 | 27,811 | 525,614 |
| Deeds-in-lieu | <u>16,232</u> | <u>18,087</u> | <u>10,514</u> | <u>64,618</u> |
| Total | 141,464 | 105,829 | 38,325 | 590,232 |
| Total Foreclosure Prevention Actions | 541,219 | 447,728 | 219,242 | 3,323,407 |

¹ Since the first full quarter in conservatorship (4Q08).

Source: FHFA (Fannie Mae and Freddie Mac)



Source: FHFA (Fannie Mae and Freddie Mac)



Source: FHFA (Fannie Mae and Freddie Mac)

Appendix: Data Tables

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

| (# of loans in thousands) | Aug-13 | Sep-13 | Oct-13 | Nov-13 | Dec-13 | Jan-14 | Feb-14 | Mar-14 | Apr-14 | May-14 | Jun-14 | Jul-14 | Aug-14 |
|--------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Total Loans Serviced | 27,993 | 28,047 | 28,061 | 28,079 | 28,071 | 28,066 | 28,071 | 28,009 | 27,970 | 27,919 | 27,892 | 27,867 | 27,842 |
| Original Credit Score >= 660 | 24,814 | 24,884 | 24,916 | 24,947 | 24,953 | 24,959 | 24,973 | 24,926 | 24,903 | 24,867 | 24,852 | 24,840 | 24,827 |
| Original Credit Score < 660 | 3,179 | 3,163 | 3,145 | 3,132 | 3,118 | 3,107 | 3,098 | 3,082 | 3,068 | 3,052 | 3,040 | 3,027 | 3,015 |
| Total Delinquent Loans | 1,319 | 1,312 | 1,268 | 1,298 | 1,276 | 1,221 | 1,199 | 1,115 | 1,099 | 1,099 | 1,101 | 1,078 | 1,129 |
| Original Credit Score >= 660 | 790 | 785 | 756 | 774 | 756 | 724 | 722 | 669 | 658 | 657 | 656 | 641 | 668 |
| Original Credit Score < 660 | 529 | 528 | 511 | 524 | 521 | 497 | 477 | 446 | 441 | 443 | 445 | 437 | 462 |
| 30 - 59 Days Delinquent | 455 | 460 | 441 | 480 | 469 | 435 | 437 | 391 | 395 | 406 | 414 | 403 | 456 |
| Original Credit Score >= 660 | 252 | 256 | 244 | 269 | 260 | 241 | 251 | 219 | 221 | 228 | 233 | 226 | 256 |
| Original Credit Score < 660 | 203 | 204 | 197 | 211 | 210 | 194 | 186 | 172 | 174 | 177 | 181 | 177 | 200 |
| 60 - 89 Days Delinquent | 140 | 144 | 139 | 144 | 146 | 140 | 131 | 119 | 116 | 120 | 123 | 123 | 130 |
| Original Credit Score >= 660 | 76 | 78 | 76 | 78 | 79 | 75 | 73 | 67 | 64 | 65 | 67 | 67 | 70 |
| Original Credit Score < 660 | 64 | 66 | 63 | 66 | 67 | 64 | 59 | 52 | 52 | 54 | 56 | 56 | 59 |
| 60-plus-days Delinquent | 864 | 852 | 826 | 818 | 807 | 785 | 762 | 724 | 704 | 694 | 688 | 675 | 673 |
| Original Credit Score >= 660 | | 529 | 512 | 505 | 496 | 482 | 471 | 450 | 436 | 428 | 423 | 415 | 411 |
| Original Credit Score < 660 | 326 | 323 | 314 | 313 | 311 | 303 | 291 | 274 | 268 | 266 | 264 | 261 | 262 |

Percent of Total Loans Serviced

| | | | | | | | | | | | | | |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Total Delinquent Loans | 4.71% | 4.68% | 4.52% | 4.62% | 4.55% | 4.35% | 4.27% | 3.98% | 3.93% | 3.94% | 3.95% | 3.87% | 4.06% |
| Original Credit Score >= 660 | 3.18% | 3.15% | 3.03% | 3.10% | 3.03% | 2.90% | 2.89% | 2.68% | 2.64% | 2.64% | 2.64% | 2.58% | 2.69% |
| Original Credit Score < 660 | 16.64% | 16.68% | 16.26% | 16.73% | 16.69% | 16.00% | 15.39% | 14.48% | 14.39% | 14.51% | 14.65% | 14.45% | 15.32% |
| 30 - 59 Days Delinquent | 1.63% | 1.64% | 1.57% | 1.71% | 1.67% | 1.55% | 1.56% | 1.40% | 1.41% | 1.45% | 1.48% | 1.45% | 1.64% |
| Original Credit Score >= 660 | 1.02% | 1.03% | 0.98% | 1.08% | 1.04% | 0.97% | 1.01% | 0.88% | 0.89% | 0.92% | 0.94% | 0.91% | 1.03% |
| Original Credit Score < 660 | 6.39% | 6.46% | 6.27% | 6.72% | 6.72% | 6.24% | 6.00% | 5.58% | 5.67% | 5.80% | 5.95% | 5.84% | 6.63% |
| 60 - 89 Days Delinquent | 0.50% | 0.51% | 0.50% | 0.51% | 0.52% | 0.50% | 0.47% | 0.42% | 0.42% | 0.43% | 0.44% | 0.44% | 0.47% |
| Original Credit Score >= 660 | 0.31% | 0.31% | 0.31% | 0.31% | 0.32% | 0.30% | 0.29% | 0.27% | 0.26% | 0.26% | 0.27% | 0.27% | 0.28% |
| Original Credit Score < 660 | 2.01% | 2.07% | 2.01% | 2.10% | 2.15% | 2.06% | 1.89% | 1.69% | 1.69% | 1.78% | 1.84% | 1.85% | 1.97% |
| 60-plus-days Delinquent | 3.09% | 3.04% | 2.94% | 2.91% | 2.87% | 2.80% | 2.71% | 2.59% | 2.52% | 2.49% | 2.47% | 2.42% | 2.42% |
| Original Credit Score >= 660 | 0.00% | 2.12% | 2.05% | 2.02% | 1.99% | 1.93% | 1.88% | 1.80% | 1.75% | 1.72% | 1.70% | 1.67% | 1.66% |
| Original Credit Score < 660 | 10.25% | 10.22% | 10.00% | 10.01% | 9.97% | 9.76% | 9.39% | 8.90% | 8.72% | 8.70% | 8.69% | 8.61% | 8.69% |
| Serious Delinquency Rate | 2.62% | 2.56% | 2.48% | 2.44% | 2.38% | 2.33% | 2.28% | 2.19% | 2.14% | 2.09% | 2.06% | 2.01% | 1.99% |
| In Bankruptcy | 0.46% | 0.44% | 0.43% | 0.43% | 0.41% | 0.41% | 0.40% | 0.39% | 0.38% | 0.38% | 0.38% | 0.37% | 0.37% |

Appendix: Data Tables

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

| (# of loans in thousands) | Aug-13 | Sep-13 | Oct-13 | Nov-13 | Dec-13 | Jan-14 | Feb-14 | Mar-14 | Apr-14 | May-14 | Jun-14 | Jul-14 | Aug-14 |
|--------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Total Loans Serviced | 17,518 | 17,573 | 17,608 | 17,628 | 17,625 | 17,618 | 17,622 | 17,588 | 17,560 | 17,528 | 17,503 | 17,487 | 17,444 |
| Original Credit Score >= 660 | 15,521 | 15,586 | 15,630 | 15,659 | 15,663 | 15,663 | 15,673 | 15,648 | 15,629 | 15,606 | 15,589 | 15,580 | 15,544 |
| Original Credit Score < 660 | 1,997 | 1,987 | 1,977 | 1,970 | 1,962 | 1,954 | 1,949 | 1,940 | 1,931 | 1,922 | 1,914 | 1,907 | 1,900 |
| Total Delinquent Loans | 829 | 826 | 798 | 816 | 801 | 767 | 755 | 706 | 691 | 691 | 692 | 676 | 713 |
| Original Credit Score >= 660 | 496 | 493 | 476 | 486 | 474 | 454 | 455 | 424 | 414 | 413 | 412 | 402 | 421 |
| Original Credit Score < 660 | 333 | 333 | 322 | 330 | 327 | 313 | 300 | 283 | 277 | 278 | 280 | 275 | 292 |
| 30 - 59 Days Delinquent | 284 | 288 | 275 | 298 | 291 | 270 | 273 | 248 | 246 | 253 | 258 | 250 | 286 |
| Original Credit Score >= 660 | 156 | 159 | 151 | 166 | 160 | 148 | 156 | 138 | 137 | 142 | 144 | 139 | 160 |
| Original Credit Score < 660 | 128 | 129 | 124 | 132 | 132 | 122 | 117 | 110 | 109 | 111 | 113 | 111 | 127 |
| 60 - 89 Days Delinquent | 85 | 87 | 84 | 87 | 88 | 84 | 79 | 71 | 69 | 72 | 74 | 74 | 78 |
| Original Credit Score >= 660 | 46 | 47 | 46 | 47 | 47 | 45 | 44 | 40 | 38 | 39 | 40 | 40 | 42 |
| Original Credit Score < 660 | 39 | 40 | 38 | 40 | 41 | 39 | 35 | 31 | 31 | 33 | 34 | 34 | 36 |
| 60-plus-days Delinquent | 545 | 538 | 523 | 519 | 510 | 497 | 482 | 458 | 445 | 439 | 435 | 427 | 427 |
| Original Credit Score >= 660 | 340 | 335 | 325 | 321 | 314 | 306 | 299 | 285 | 277 | 271 | 268 | 263 | 261 |
| Original Credit Score < 660 | 205 | 204 | 198 | 198 | 196 | 191 | 183 | 173 | 168 | 167 | 166 | 164 | 165 |

Percent of Total Loans Serviced

| | | | | | | | | | | | | | |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Total Delinquent Loans | 4.73% | 4.70% | 4.53% | 4.63% | 4.55% | 4.35% | 4.28% | 4.02% | 3.94% | 3.94% | 3.95% | 3.87% | 4.09% |
| Original Credit Score >= 660 | 3.20% | 3.17% | 3.04% | 3.11% | 3.03% | 2.90% | 2.90% | 2.71% | 2.65% | 2.65% | 2.65% | 2.58% | 2.71% |
| Original Credit Score < 660 | 16.67% | 16.74% | 16.30% | 16.75% | 16.68% | 16.01% | 15.38% | 14.57% | 14.36% | 14.47% | 14.61% | 14.40% | 15.37% |
| 30 - 59 Days Delinquent | 1.62% | 1.64% | 1.56% | 1.69% | 1.65% | 1.53% | 1.55% | 1.41% | 1.40% | 1.44% | 1.47% | 1.43% | 1.64% |
| Original Credit Score >= 660 | 1.01% | 1.02% | 0.96% | 1.06% | 1.02% | 0.95% | 1.00% | 0.88% | 0.88% | 0.91% | 0.93% | 0.89% | 1.03% |
| Original Credit Score < 660 | 6.42% | 6.50% | 6.27% | 6.70% | 6.71% | 6.24% | 5.98% | 5.67% | 5.66% | 5.77% | 5.92% | 5.80% | 6.68% |
| 60 - 89 Days Delinquent | 0.48% | 0.50% | 0.48% | 0.49% | 0.50% | 0.48% | 0.45% | 0.41% | 0.39% | 0.41% | 0.42% | 0.42% | 0.45% |
| Original Credit Score >= 660 | 0.30% | 0.30% | 0.29% | 0.30% | 0.30% | 0.29% | 0.28% | 0.26% | 0.25% | 0.25% | 0.26% | 0.26% | 0.27% |
| Original Credit Score < 660 | 1.95% | 2.02% | 1.94% | 2.04% | 2.08% | 1.99% | 1.81% | 1.61% | 1.60% | 1.72% | 1.77% | 1.77% | 1.88% |
| 60-plus-days Delinquent | 3.11% | 3.06% | 2.97% | 2.94% | 2.89% | 2.82% | 2.73% | 2.61% | 2.53% | 2.50% | 2.48% | 2.44% | 2.45% |
| Original Credit Score >= 660 | 2.19% | 2.15% | 2.08% | 2.05% | 2.01% | 1.95% | 1.91% | 1.82% | 1.77% | 1.74% | 1.72% | 1.69% | 1.68% |
| Original Credit Score < 660 | 10.25% | 10.24% | 10.02% | 10.06% | 9.97% | 9.77% | 9.40% | 8.90% | 8.70% | 8.70% | 8.70% | 8.59% | 8.70% |
| Serious Delinquency Rate | 2.61% | 2.55% | 2.48% | 2.44% | 2.38% | 2.33% | 2.27% | 2.19% | 2.13% | 2.08% | 2.05% | 2.00% | 1.99% |
| In Bankruptcy | 0.43% | 0.41% | 0.40% | 0.39% | 0.38% | 0.38% | 0.37% | 0.36% | 0.35% | 0.35% | 0.35% | 0.35% | 0.35% |

Appendix: Data Tables

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

| (# of loans in thousands) | Aug-13 | Sep-13 | Oct-13 | Nov-13 | Dec-13 | Jan-14 | Feb-14 | Mar-14 | Apr-14 | May-14 | Jun-14 | Jul-14 | Aug-14 |
|--------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Total Loans Serviced | 10,476 | 10,473 | 10,454 | 10,451 | 10,446 | 10,448 | 10,449 | 10,421 | 10,410 | 10,391 | 10,388 | 10,381 | 10,398 |
| Original Credit Score >= 660 | 9,293 | 9,298 | 9,286 | 9,288 | 9,290 | 9,296 | 9,300 | 9,278 | 9,273 | 9,261 | 9,263 | 9,261 | 9,283 |
| Original Credit Score < 660 | 1,182 | 1,175 | 1,168 | 1,163 | 1,156 | 1,153 | 1,149 | 1,142 | 1,137 | 1,130 | 1,126 | 1,120 | 1,115 |
| Total Delinquent Loans | 490 | 486 | 470 | 482 | 475 | 454 | 444 | 409 | 408 | 408 | 409 | 402 | 417 |
| Original Credit Score >= 660 | 294 | 292 | 281 | 288 | 282 | 269 | 267 | 245 | 244 | 244 | 244 | 239 | 247 |
| Original Credit Score < 660 | 196 | 195 | 189 | 194 | 193 | 184 | 177 | 164 | 164 | 165 | 166 | 163 | 170 |
| 30 - 59 Days Delinquent | 171 | 173 | 166 | 182 | 178 | 165 | 165 | 143 | 149 | 153 | 156 | 153 | 170 |
| Original Credit Score >= 660 | 96 | 98 | 93 | 104 | 100 | 93 | 95 | 81 | 85 | 87 | 89 | 87 | 97 |
| Original Credit Score < 660 | 75 | 75 | 73 | 79 | 78 | 72 | 69 | 62 | 64 | 66 | 68 | 66 | 73 |
| 60 - 89 Days Delinquent | 55 | 56 | 55 | 57 | 58 | 55 | 52 | 47 | 47 | 47 | 49 | 49 | 52 |
| Original Credit Score >= 660 | 30 | 31 | 30 | 31 | 32 | 30 | 29 | 27 | 26 | 26 | 27 | 27 | 28 |
| Original Credit Score < 660 | 25 | 25 | 25 | 26 | 26 | 25 | 23 | 21 | 21 | 21 | 22 | 22 | 23 |
| 60-plus-days Delinquent | 319 | 314 | 303 | 299 | 297 | 289 | 280 | 266 | 259 | 255 | 253 | 249 | 247 |
| Original Credit Score >= 660 | 198 | 194 | 187 | 184 | 182 | 176 | 172 | 164 | 160 | 157 | 155 | 152 | 150 |
| Original Credit Score < 660 | 121 | 120 | 116 | 115 | 115 | 112 | 108 | 102 | 100 | 98 | 98 | 97 | 97 |

Percent of Total Loans Serviced

| | | | | | | | | | | | | | |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Total Delinquent Loans | 4.68% | 4.64% | 4.49% | 4.61% | 4.55% | 4.34% | 4.25% | 3.93% | 3.92% | 3.93% | 3.94% | 3.87% | 4.01% |
| Original Credit Score >= 660 | 3.16% | 3.14% | 3.02% | 3.10% | 3.03% | 2.90% | 2.87% | 2.65% | 2.63% | 2.63% | 2.63% | 2.58% | 2.66% |
| Original Credit Score < 660 | 16.58% | 16.58% | 16.21% | 16.70% | 16.72% | 15.98% | 15.40% | 14.33% | 14.44% | 14.57% | 14.70% | 14.54% | 15.23% |
| 30 - 59 Days Delinquent | 1.63% | 1.65% | 1.59% | 1.74% | 1.71% | 1.58% | 1.57% | 1.38% | 1.43% | 1.47% | 1.50% | 1.47% | 1.63% |
| Original Credit Score >= 660 | 1.03% | 1.05% | 1.01% | 1.11% | 1.08% | 1.00% | 1.03% | 0.88% | 0.91% | 0.94% | 0.96% | 0.94% | 1.04% |
| Original Credit Score < 660 | 6.34% | 6.39% | 6.25% | 6.77% | 6.75% | 6.24% | 6.02% | 5.42% | 5.67% | 5.87% | 6.01% | 5.91% | 6.54% |
| 60 - 89 Days Delinquent | 0.53% | 0.54% | 0.53% | 0.54% | 0.56% | 0.53% | 0.50% | 0.46% | 0.45% | 0.46% | 0.47% | 0.48% | 0.50% |
| Original Credit Score >= 660 | 0.33% | 0.33% | 0.33% | 0.34% | 0.34% | 0.32% | 0.31% | 0.29% | 0.28% | 0.28% | 0.29% | 0.29% | 0.30% |
| Original Credit Score < 660 | 2.10% | 2.17% | 2.13% | 2.22% | 2.29% | 2.18% | 2.02% | 1.82% | 1.84% | 1.88% | 1.95% | 1.99% | 2.10% |
| 60-plus-days Delinquent | 3.05% | 2.99% | 2.90% | 2.86% | 2.84% | 2.76% | 2.68% | 2.55% | 2.49% | 2.46% | 2.44% | 2.40% | 2.37% |
| Original Credit Score >= 660 | 2.13% | 2.08% | 2.01% | 1.98% | 1.95% | 1.90% | 1.85% | 1.77% | 1.72% | 1.69% | 1.68% | 1.64% | 1.62% |
| Original Credit Score < 660 | 10.24% | 10.19% | 9.95% | 9.93% | 9.96% | 9.74% | 9.39% | 8.91% | 8.77% | 8.70% | 8.69% | 8.63% | 8.68% |
| Serious Delinquency Rate | 2.64% | 2.58% | 2.48% | 2.43% | 2.39% | 2.34% | 2.29% | 2.20% | 2.15% | 2.10% | 2.07% | 2.02% | 1.98% |
| In Bankruptcy | 0.50% | 0.49% | 0.48% | 0.48% | 0.47% | 0.46% | 0.45% | 0.43% | 0.43% | 0.43% | 0.42% | 0.41% | 0.40% |

Appendix: Data Tables

2 Enterprises Combined - Foreclosure Prevention Actions (# of loans)¹

| | Aug-13 | Sep-13 | Oct-13 | Nov-13 | Dec-13 | Jan-14 | Feb-14 | Mar-14 | Apr-14 | May-14 | Jun-14 | Jul-14 | Aug-14 | YTD 2014 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| Starts² | | | | | | | | | | | | | | |
| HAMP Active Trial & Perm. - Cum. | 451,691 | 447,840 | 446,510 | 445,875 | 445,054 | 444,087 | 442,765 | 442,441 | 441,080 | 439,368 | 438,681 | 436,696 | 434,692 | 434,692 |
| Repayment Plans | 15,071 | 14,592 | 14,665 | 11,003 | 13,390 | 13,521 | 10,807 | 10,615 | 9,650 | 9,136 | 11,098 | 10,146 | 10,348 | 85,321 |
| Forbearance Plans | 5,879 | 6,382 | 6,596 | 5,695 | 5,161 | 4,807 | 4,030 | 3,816 | 4,346 | 6,860 | 4,944 | 4,791 | 4,821 | 38,415 |
| Completed | | | | | | | | | | | | | | |
| Repayment Plans ³ | 5,068 | 4,839 | 5,316 | 5,092 | 4,741 | 5,200 | 5,687 | 5,169 | 4,863 | 4,563 | 3,700 | 3,849 | 3,477 | 36,508 |
| Forbearance Plans ³ | 744 | 690 | 772 | 748 | 792 | 687 | 696 | 1,511 | 605 | 1,038 | 1,416 | 1,080 | 834 | 7,867 |
| Charge-offs-in-lieu | 59 | 54 | 59 | 52 | 55 | 49 | 76 | 141 | 107 | 72 | 307 | 115 | 88 | 955 |
| HomeSaver Advance (Fannie) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Loan Modifications | 21,293 | 18,361 | 20,908 | 20,462 | 20,546 | 18,659 | 17,407 | 18,606 | 17,756 | 15,984 | 14,897 | 17,539 | 14,739 | 135,587 |
| Home Retention Actions | 27,164 | 23,944 | 27,055 | 26,354 | 26,134 | 24,595 | 23,866 | 25,427 | 23,331 | 21,657 | 20,320 | 22,583 | 19,138 | 180,917 |
| Short Sales | 7,694 | 5,660 | 5,945 | 4,699 | 4,796 | 3,980 | 3,350 | 3,383 | 3,635 | 3,550 | 3,512 | 3,322 | 3,079 | 27,811 |
| Deeds-in-lieu | 1,420 | 1,359 | 1,635 | 1,415 | 1,671 | 1,594 | 1,170 | 1,455 | 1,353 | 1,232 | 1,230 | 1,311 | 1,169 | 10,514 |
| Nonforeclosure - Home Forfeiture Actions | 9,114 | 7,019 | 7,580 | 6,114 | 6,467 | 5,574 | 4,520 | 4,838 | 4,988 | 4,782 | 4,742 | 4,633 | 4,248 | 38,325 |
| Total Foreclosure Prevention Actions | 36,278 | 30,963 | 34,635 | 32,468 | 32,601 | 30,169 | 28,386 | 30,265 | 28,319 | 26,439 | 25,062 | 27,216 | 23,386 | 219,242 |

Percent of Total Foreclosure Prevention Actions

| | | | | | | | | | | | | | | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Repayment Plans | 14% | 16% | 15% | 16% | 15% | 17% | 20% | 17% | 17% | 17% | 15% | 14% | 15% | 17% |
| Forbearance Plans | 2% | 2% | 2% | 2% | 2% | 2% | 2% | 5% | 2% | 4% | 6% | 4% | 4% | 4% |
| Charge-offs-in-lieu | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 1% | 0% | 0% | 0% |
| HomeSaver Advance (Fannie) | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Loan Modifications | 59% | 59% | 60% | 63% | 63% | 62% | 61% | 61% | 63% | 60% | 59% | 64% | 63% | 62% |
| Home Retention Actions | 75% | 77% | 78% | 81% | 80% | 82% | 84% | 84% | 82% | 82% | 81% | 83% | 82% | 83% |
| Short Sales | 21% | 18% | 17% | 14% | 15% | 13% | 12% | 11% | 13% | 13% | 14% | 12% | 13% | 13% |
| Deeds-in-lieu | 4% | 4% | 5% | 4% | 5% | 5% | 4% | 5% | 5% | 5% | 5% | 5% | 5% | 5% |
| Nonforeclosure - Home Forfeiture Actions | 25% | 23% | 22% | 19% | 20% | 18% | 16% | 16% | 18% | 18% | 19% | 17% | 18% | 17% |

¹ The number of foreclosure prevention actions reported in this table may not tie to the Enterprises' financial statements due to timing differences in reporting systems.² Forbearance plans initiated include HAMP trials initiated by servicers under the MHA program. HAMP trial modifications are based on the first trial payment posted date. HAMP permanent modifications are based on the effective date of modification. As of August 31, 2014, Fannie Mae had approximately 253,300 HAMP active permanent modifications and Freddie Mac had nearly 173,400 HAMP active permanent modifications.³ Includes loans that were 30+ days delinquent at initiation of the plan. In addition, the completed forbearance plans data have been revised to exclude HAMP.

Appendix: Data Tables

3(i) Enterprises Combined - Loan Modifications

| | Aug-13 | Sep-13 | Oct-13 | Nov-13 | Dec-13 | Jan-14 | Feb-14 | Mar-14 | Apr-14 | May-14 | Jun-14 | Jul-14 | Aug-14 | YTD 2014 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------------|
| Loan Modifications (# of loans) | 21,293 | 18,361 | 20,908 | 20,462 | 20,546 | 18,659 | 17,407 | 18,606 | 17,756 | 15,984 | 14,897 | 17,539 | 14,739 | 135,587 |
| Types of Modification (%) | | | | | | | | | | | | | | |
| Extend Term Only | 21% | 22% | 20% | 18% | 23% | 26% | 29% | 32% | 30% | 33% | 37% | 39% | 40% | 33% |
| Reduce Rate Only | 9% | 7% | 7% | 5% | 5% | 6% | 5% | 6% | 5% | 5% | 4% | 4% | 4% | 5% |
| Reduce Rate and Extend Term | 40% | 41% | 42% | 45% | 41% | 38% | 39% | 36% | 38% | 37% | 35% | 33% | 33% | 36% |
| Reduce Rate, Extend Term and Forbear Principal | 30% | 30% | 31% | 31% | 31% | 29% | 28% | 25% | 26% | 25% | 23% | 22% | 23% | 25% |
| Other | 0% | 0% | 0% | 0% | 0% | 1% | 0% | 0% | 0% | 0% | 1% | 1% | 0% | 0% |

Appendix: Data Tables

3(ii) Fannie Mae - Loan Modifications

| | Aug-13 | Sep-13 | Oct-13 | Nov-13 | Dec-13 | Jan-14 | Feb-14 | Mar-14 | Apr-14 | May-14 | Jun-14 | Jul-14 | Aug-14 | YTD 2014 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------------|
| Loan Modifications (# of loans) | 13,791 | 11,676 | 13,006 | 12,338 | 13,815 | 12,565 | 10,837 | 12,642 | 11,321 | 10,606 | 10,083 | 10,812 | 9,365 | 88,231 |
| Types of Modification (%) | | | | | | | | | | | | | | |
| Extend Term Only | 26% | 27% | 25% | 24% | 29% | 31% | 35% | 37% | 40% | 42% | 44% | 46% | 45% | 40% |
| Reduce Rate Only | 8% | 7% | 7% | 6% | 5% | 6% | 5% | 6% | 5% | 5% | 4% | 5% | 4% | 5% |
| Reduce Rate and Extend Term | 37% | 38% | 39% | 40% | 36% | 34% | 34% | 32% | 30% | 30% | 29% | 27% | 27% | 31% |
| Reduce Rate, Extend Term and Forbear Principal | 29% | 28% | 29% | 30% | 30% | 28% | 26% | 25% | 24% | 23% | 23% | 22% | 23% | 24% |
| Other | 0% | 0% | 0% | 0% | 0% | 1% | -1% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |

Appendix: Data Tables

3(iii) Freddie Mac - Loan Modifications

| | Aug-13 | Sep-13 | Oct-13 | Nov-13 | Dec-13 | Jan-14 | Feb-14 | Mar-14 | Apr-14 | May-14 | Jun-14 | Jul-14 | Aug-14 | YTD 2014 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------------|
| Loan Modifications (# of loans) | 7,502 | 6,685 | 7,902 | 8,124 | 6,731 | 6,094 | 6,570 | 5,964 | 6,435 | 5,378 | 4,814 | 6,727 | 5,374 | 47,356 |
| Types of Modification (%) | | | | | | | | | | | | | | |
| Extend Term Only | 10% | 15% | 12% | 9% | 9% | 17% | 18% | 23% | 14% | 16% | 21% | 29% | 32% | 21% |
| Reduce Rate Only | 11% | 6% | 6% | 5% | 5% | 6% | 6% | 4% | 6% | 5% | 5% | 4% | 4% | 5% |
| Reduce Rate and Extend Term | 47% | 44% | 47% | 53% | 52% | 47% | 46% | 46% | 52% | 51% | 49% | 44% | 43% | 47% |
| Reduce Rate, Extend Term and Forbear Principal | 32% | 34% | 35% | 33% | 33% | 30% | 30% | 26% | 29% | 28% | 24% | 23% | 21% | 26% |
| Other | 0% | 0% | 0% | 0% | 1% | 0% | 0% | 1% | 1% | 1% | 1% | 1% | 0% | 1% |

Appendix: Data Tables

4 Enterprises Combined - Home Forfeiture Actions (# of loans)

| | Aug-13 | Sep-13 | Oct-13 | Nov-13 | Dec-13 | Jan-14 | Feb-14 | Mar-14 | Apr-14 | May-14 | Jun-14 | Jul-14 | Aug-14 | YTD 2014 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------------|
| Short Sales | 7,694 | 5,660 | 5,945 | 4,699 | 4,796 | 3,980 | 3,350 | 3,383 | 3,635 | 3,550 | 3,512 | 3,322 | 3,079 | 27,811 |
| Deeds-in-lieu | 1,420 | 1,359 | 1,635 | 1,415 | 1,671 | 1,594 | 1,170 | 1,455 | 1,353 | 1,232 | 1,230 | 1,311 | 1,169 | 10,514 |
| Nonforeclosure - Home Forfeiture Actions ¹ | 9,114 | 7,019 | 7,580 | 6,114 | 6,467 | 5,574 | 4,520 | 4,838 | 4,988 | 4,782 | 4,742 | 4,633 | 4,248 | 38,325 |
| Third-party Sales | 1,380 | 1,334 | 1,354 | 1,126 | 1,165 | 1,749 | 1,558 | 1,736 | 1,858 | 1,986 | 2,358 | 2,519 | 2,215 | 15,979 |
| Foreclosure Sales | 16,973 | 16,194 | 16,728 | 14,004 | 13,293 | 16,184 | 12,497 | 13,619 | 12,965 | 12,367 | 11,272 | 11,286 | 10,308 | 100,498 |
| Third-party & Foreclosure Sales | 18,353 | 17,528 | 18,082 | 15,130 | 14,458 | 17,933 | 14,055 | 15,355 | 14,823 | 14,353 | 13,630 | 13,805 | 12,523 | 116,477 |
| Foreclosure Starts | 37,218 | 38,616 | 40,822 | 37,390 | 34,953 | 32,871 | 21,901 | 29,907 | 26,044 | 30,792 | 28,713 | 26,103 | 21,467 | 217,798 |

Top Five Reasons for Delinquency

| | | | | | | | | | | | | | |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Curtailment of Income | 33% | 32% | 33% | 32% | 32% | 32% | 31% | 30% | 30% | 30% | 29% | 29% | 29% |
| Excessive obligations | 17% | 17% | 17% | 17% | 17% | 17% | 17% | 19% | 19% | 20% | 20% | 20% | 20% |
| Unemployment | 7% | 7% | 7% | 7% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% | 8% |
| Illness of principal mortgagor or family member | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% |
| Marital Difficulties | 4% | 3% | 4% | 4% | 4% | 4% | 4% | 4% | 4% | 4% | 4% | 4% | 4% |

¹ Short sales and deeds-in-lieu of foreclosure completed.

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

Glossary

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

Section 1: Mortgage Performance

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

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

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

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

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

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

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

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

Section 2: Completed Foreclosure Prevention Actions

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

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

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

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

HomeSaver Advance (Fannie Mae) - An unsecured personal loan to a qualified borrower to cure his or her payment defaults under a mortgage loan the Enterprises own or guarantee. The borrower must be able to resume regular monthly payments on his or her mortgage. The program ended in 2010.

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

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

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

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

Section 3: Loan Modifications

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

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

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

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

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

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

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

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

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

Section 4: Third-party Sales and Foreclosures

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

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

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