



FORECLOSURE PREVENTION & REFINANCE REPORT

FEDERAL PROPERTY MANAGER'S REPORT

JULY 2020



July 2020 Highlights - Foreclosure Prevention

The Enterprises' Foreclosure Prevention Actions:

- The Enterprises completed 230,198 foreclosure prevention actions in July, bringing the total to 4,916,088 since the start of the conservatorships in September 2008. Nearly half of these actions have been permanent loan modifications.
- There were 4,481 permanent loan modifications in July, bringing the total to 2,425,327 since the conservatorships began in September 2008.
- Eighteen percent of modifications in July were modifications with principal forbearance. Modifications with extend-term only accounted for 66 percent of all loan modifications during the month.
- Beginning in July, the Enterprises offered payment deferrals to 108,492 borrowers who have completed a COVID-19 related forbearance plan, or who have a confirmed but resolved COVID-19 financial hardship.
- Initiated forbearance plans dropped 31 percent from 129,855 in June to 88,989 in July. The total number of loans in forbearance plans decreased from 1,398,250 at the end of June to 1,263,98 at the end of July, representing approximately 4.46% of the total loans serviced, and 89 percent of the total delinquent loans.
- There were 321 short sales and deeds-in-lieu of foreclosure completed in July, up 4 percent compared with June.

The Enterprises' Mortgage Performance:

- The 30-59 days delinquency rate dropped to 1.12 percent, while the serious delinquency rate increased from 2.58 percent at the end of June to 3.19 percent at the end of July. The increase in the serious delinquency rate was as a result of the COVID-19 pandemic and the forbearance programs being offered to affected borrowers.

The Enterprises' Foreclosures:

- Third-party and foreclosure sales increased to 629 in July while foreclosure starts increased slightly to 2,017 in July.

July 2020 Highlights - Refinance Activities

- Total refinance volume increased in July 2020 to levels last observed in 2009 as mortgage rates fell in previous months. Mortgage rates decreased further in July: the average interest rate on a 30-year fixed rate mortgage fell to 3.02 percent from 3.16 percent in June.
- In July, 13 refinances were completed through the High LTV Refinance Option, bringing total refinances through the High LTV Refinance Option from the inception of the program to 83.
- The percentage of cash-out refinances decreased to 25 percent in July from 27 percent in June. Mortgage rates have continued to fall, creating more opportunities for non cash-out borrowers to refinance at lower rates and lower their monthly payments.

Foreclosure Prevention Activities

	Jun-20	Jul-20
Completed <i>(Number of loans)</i>		
Loan Modifications*	4,886	4,481
Repayment Plans	1,337	2,066
Forbearance Plans	144,882	114,764
Charge-offs-in-lieu	105	74
Payment Deferral	-	108,492
Home Retention Actions	151,210	229,877
Short Sales	235	261
Deeds-in-lieu	75	60
Home Forfeiture Actions	310	321
TOTAL	151,520	230,198
Inventory <i>(Number of loans at period end)</i>		
Repayment Plans	10,299	12,421
Forbearance Plans	1,398,250	1,263,980

* Includes HAMP permanent modifications.

Source: FHFA (Fannie Mae and Freddie Mac)

Mortgage Performance (at period end)

	Jun-20	Jul-20
<i>(Number of loans)</i>		
30-59 Days Delinquent	400,913	317,048
60-plus-days Delinquent	1,154,783	1,108,821
Foreclosure Starts	2,006	2,017
Third-party & Foreclosure Sales	424	629
<i>(Percent of total loans serviced)</i>		
30-59 Days Delinquent	1.42%	1.12%
60-plus-days Delinquent	4.08%	3.91%
Seriously Delinquent*	2.58%	3.19%

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

Source: FHFA (Fannie Mae and Freddie Mac)

Refinance Activities

	Jun-20	Jul-20
<i>(Number of loans)</i>		
Total Refinance	556,401	575,358
Total High LTV Refinance Option	24	13

Source: FHFA (Fannie Mae and Freddie Mac)



This is the monthly version of the Foreclosure Prevention and Refinance Report. FHFA produces monthly and quarterly versions of the Foreclosure Prevention and Refinance Report. In addition to the data provided in the monthly reports, the quarterly reports include the following information: benchmarking of the Enterprises' delinquency rates, types and depth of loan modifications, performance of modified loans, and state level data.

Completed Foreclosure Prevention Actions

Since the first full quarter in conservatorship (4Q08), combined completed foreclosure prevention actions total 4,916,088. Nearly half of these actions are permanent loan modifications.

	2017	2018	2019	YTD Jul-20	Conservatorship to Date ¹
Home Retention Actions					
Repayment Plans	30,506	32,016	25,106	13,741	975,706
Forbearance Plans	29,897	37,658	14,895	348,597	617,978
Charge-offs-in-lieu	1,400	1,414	1,493	656	18,490
Payment Deferral				108,492	108,492
HomeSaver Advance (<i>Fannie</i>)	-	-	-	-	70,178
Loan Modifications ²	<u>128,625</u>	<u>163,175</u>	<u>75,961</u>	<u>35,245</u>	<u>2,425,327</u>
Total	190,428	234,263	117,455	506,731	4,216,171
Nonforeclosure - Home Forfeiture Actions					
Short Sales	11,684	6,408	4,053	1,769	602,756
Deeds-in-lieu	<u>4,786</u>	<u>2,907</u>	<u>1,622</u>	<u>622</u>	<u>97,161</u>
Total	16,470	9,315	5,675	2,391	699,917
Total Foreclosure Prevention Actions	206,898	243,578	123,130	509,122	4,916,088

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

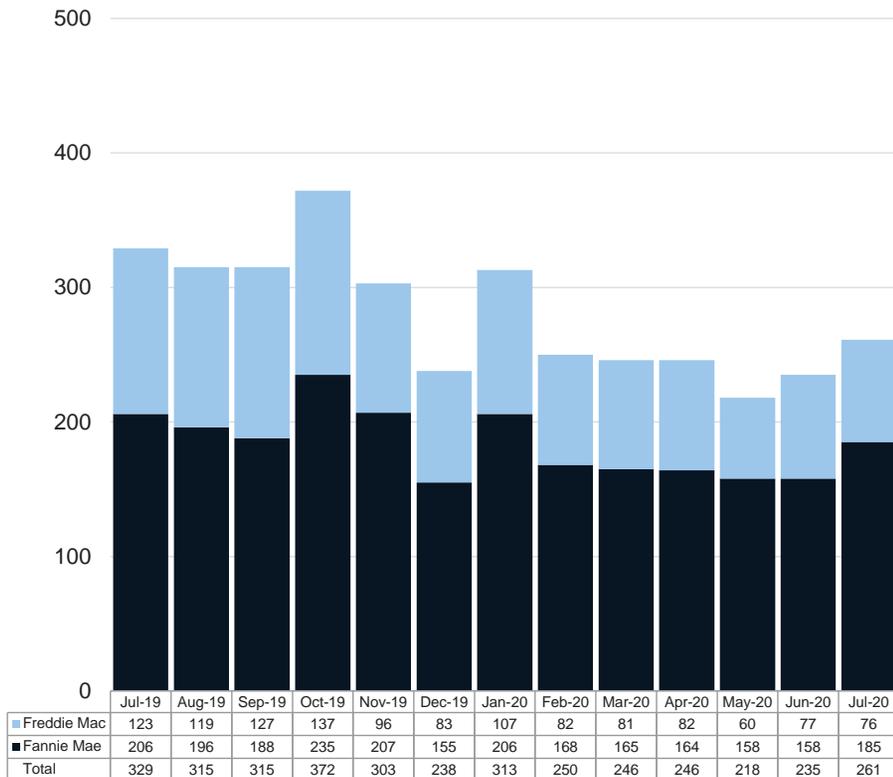
² Includes HAMP permanent modifications.

Source: FHFA (Fannie Mae and Freddie Mac)



Short Sales

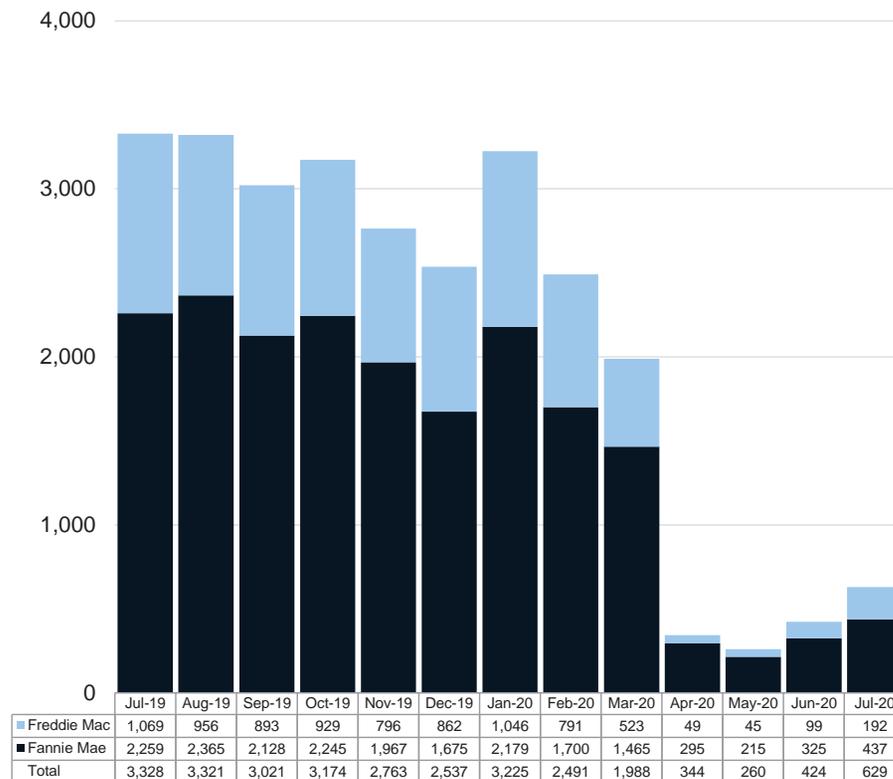
Completed short sales increased 11 percent in July.



Source: FHFA (Fannie Mae and Freddie Mac)

Foreclosure Sales and Third-party Sales

Foreclosure and third-party sales increased in July.



Source: FHFA (Fannie Mae and Freddie Mac)



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

(# of loans in thousands)	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Total Loans Serviced	27,893	27,946	27,966	27,918	27,937	27,987	28,052	28,071	28,073	28,168	28,230	28,273	28,363
Original Credit Score >= 660	25,630	25,707	25,740	25,718	25,759	25,826	25,900	25,929	25,944	26,049	26,124	26,182	26,293
Original Credit Score < 660	2,262	2,239	2,226	2,200	2,179	2,161	2,151	2,142	2,129	2,119	2,106	2,091	2,070
Total Delinquent Loans	611	593	608	582	617	607	555	580	608	1,287	1,617	1,556	1,426
Original Credit Score >= 660	383	372	385	368	393	389	353	375	397	995	1,295	1,243	1,130
Original Credit Score < 660	228	221	223	215	224	219	202	205	211	292	321	312	296
30 - 59 Days Delinquent	342	327	339	317	349	338	297	324	351	977	715	401	317
Original Credit Score >= 660	219	209	220	205	228	223	193	216	235	795	588	309	238
Original Credit Score < 660	123	118	119	113	121	116	104	109	115	182	128	92	79
60 - 89 Days Delinquent	92	89	91	89	92	91	86	84	84	125	664	440	211
Original Credit Score >= 660	55	53	55	54	56	55	52	51	52	82	554	375	169
Original Credit Score < 660	37	36	36	35	36	36	33	32	32	43	110	66	42
60-plus-days Delinquent	269	266	269	265	268	269	259	256	257	310	901	1,155	1,109
Original Credit Score >= 660		163	165	163	165	166	160	159	161	200	708	935	892
Original Credit Score < 660	104	103	104	102	103	103	98	97	96	110	194	220	217

Percent of Total Loans Serviced

Total Delinquent Loans	2.19%	2.12%	2.17%	2.08%	2.21%	2.17%	1.98%	2.07%	2.17%	4.57%	5.73%	5.50%	5.03%
Original Credit Score >= 660	1.49%	1.45%	1.50%	1.43%	1.53%	1.51%	1.36%	1.45%	1.53%	3.82%	4.96%	4.75%	4.30%
Original Credit Score < 660	10.07%	9.86%	10.02%	9.75%	10.27%	10.12%	9.41%	9.59%	9.92%	13.80%	15.26%	14.93%	14.31%
30 - 59 Days Delinquent	1.23%	1.17%	1.21%	1.14%	1.25%	1.21%	1.06%	1.16%	1.25%	3.47%	2.53%	1.42%	1.12%
Original Credit Score >= 660	0.85%	0.81%	0.85%	0.80%	0.89%	0.86%	0.74%	0.83%	0.91%	3.05%	2.25%	1.18%	0.90%
Original Credit Score < 660	5.45%	5.26%	5.35%	5.12%	5.55%	5.35%	4.84%	5.08%	5.42%	8.58%	6.06%	4.41%	3.83%
60 - 89 Days Delinquent	0.33%	0.32%	0.33%	0.32%	0.33%	0.33%	0.31%	0.30%	0.30%	0.44%	2.35%	1.56%	0.74%
Original Credit Score >= 660	0.21%	0.21%	0.21%	0.21%	0.22%	0.21%	0.20%	0.20%	0.20%	0.31%	2.12%	1.43%	0.64%
Original Credit Score < 660	1.63%	1.61%	1.63%	1.60%	1.67%	1.66%	1.56%	1.51%	1.50%	2.03%	5.24%	3.14%	2.01%
60-plus-days Delinquent	0.96%	0.95%	0.96%	0.95%	0.96%	0.96%	0.92%	0.91%	0.92%	1.10%	3.19%	4.08%	3.91%
Original Credit Score >= 660	0.00%	0.63%	0.64%	0.63%	0.64%	0.64%	0.62%	0.61%	0.62%	0.77%	2.71%	3.57%	3.39%
Original Credit Score < 660	4.62%	4.60%	4.68%	4.64%	4.72%	4.77%	4.57%	4.51%	4.50%	5.21%	9.20%	10.52%	10.48%
Serious Delinquency Rate	0.65%	0.65%	0.65%	0.65%	0.64%	0.65%	0.64%	0.63%	0.64%	0.68%	0.86%	2.58%	3.19%
In Bankruptcy	0.13%	0.13%	0.13%	0.13%	0.13%	0.12%	0.12%	0.12%	0.12%	0.12%	0.11%	0.11%	0.10%



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

(# of loans in thousands)	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Total Loans Serviced	17,023	17,042	17,048	16,998	17,010	16,999	17,018	17,016	17,018	17,081	17,130	17,150	17,164
Original Credit Score >= 660	15,579	15,616	15,629	15,600	15,622	15,627	15,653	15,658	15,668	15,738	15,795	15,826	15,850
Original Credit Score < 660	1,443	1,427	1,420	1,398	1,388	1,372	1,365	1,358	1,351	1,343	1,335	1,325	1,314
Total Delinquent Loans	387	380	392	374	398	388	359	371	388	804	1,002	980	888
Original Credit Score >= 660	238	234	244	233	249	243	224	235	249	615	796	777	695
Original Credit Score < 660	149	145	148	142	148	144	135	135	139	189	207	203	192
30 - 59 Days Delinquent	212	208	217	202	224	214	190	204	222	604	440	251	198
Original Credit Score >= 660	133	131	138	128	144	138	121	133	146	488	358	191	146
Original Credit Score < 660	79	77	79	74	80	76	69	71	76	116	82	60	52
60 - 89 Days Delinquent	59	57	59	58	60	60	56	54	54	80	409	275	131
Original Credit Score >= 660	35	34	35	34	36	35	33	33	33	52	340	233	104
Original Credit Score < 660	25	24	24	23	25	24	23	22	21	28	70	42	27
60-plus-days Delinquent	175	172	175	172	173	173	169	167	167	200	563	730	690
Original Credit Score >= 660	105	103	106	104	105	105	103	102	103	127	438	587	549
Original Credit Score < 660	70	68	70	68	68	68	66	64	64	73	125	143	141

Percent of Total Loans Serviced

Total Delinquent Loans	2.27%	2.23%	2.30%	2.20%	2.34%	2.28%	2.11%	2.18%	2.28%	4.71%	5.85%	5.71%	5.17%
Original Credit Score >= 660	1.53%	1.50%	1.56%	1.49%	1.60%	1.56%	1.43%	1.50%	1.59%	3.91%	5.04%	4.91%	4.39%
Original Credit Score < 660	10.31%	10.20%	10.44%	10.13%	10.68%	10.53%	9.87%	9.95%	10.29%	14.06%	15.48%	15.30%	14.63%
30 - 59 Days Delinquent	1.25%	1.22%	1.27%	1.19%	1.32%	1.26%	1.12%	1.20%	1.30%	3.54%	2.57%	1.46%	1.15%
Original Credit Score >= 660	0.85%	0.84%	0.89%	0.82%	0.92%	0.88%	0.77%	0.85%	0.93%	3.10%	2.27%	1.21%	0.92%
Original Credit Score < 660	5.48%	5.40%	5.55%	5.28%	5.77%	5.57%	5.05%	5.22%	5.59%	8.65%	6.13%	4.52%	3.92%
60 - 89 Days Delinquent	0.35%	0.34%	0.35%	0.34%	0.35%	0.35%	0.33%	0.32%	0.32%	0.47%	2.39%	1.60%	0.76%
Original Credit Score >= 660	0.22%	0.21%	0.22%	0.22%	0.23%	0.23%	0.21%	0.21%	0.21%	0.33%	2.15%	1.47%	0.65%
Original Credit Score < 660	1.71%	1.67%	1.71%	1.67%	1.77%	1.77%	1.66%	1.59%	1.57%	2.09%	5.23%	3.18%	2.06%
60-plus-days Delinquent	1.03%	1.01%	1.03%	1.01%	1.02%	1.02%	0.99%	0.98%	0.98%	1.17%	3.29%	4.25%	4.02%
Original Credit Score >= 660	0.67%	0.66%	0.68%	0.67%	0.67%	0.67%	0.66%	0.65%	0.66%	0.81%	2.77%	3.71%	3.46%
Original Credit Score < 660	4.83%	4.79%	4.90%	4.84%	4.91%	4.96%	4.82%	4.73%	4.70%	5.41%	9.35%	10.78%	10.71%
Serious Delinquency Rate	0.67%	0.67%	0.68%	0.67%	0.66%	0.66%	0.66%	0.65%	0.66%	0.70%	0.89%	2.65%	3.24%
In Bankruptcy	0.14%	0.14%	0.14%	0.13%	0.13%	0.12%	0.13%	0.13%	0.12%	0.12%	0.11%	0.10%	0.10%



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

(# of loans in thousands)	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Total Loans Serviced	10,870	10,904	10,918	10,920	10,927	10,988	11,034	11,055	11,055	11,087	11,100	11,123	11,198
Original Credit Score >= 660	10,051	10,092	10,112	10,118	10,137	10,199	10,247	10,271	10,277	10,311	10,329	10,356	10,443
Original Credit Score < 660	819	812	806	802	791	789	787	784	778	776	771	766	755
Total Delinquent Loans	224	213	216	208	219	220	197	210	220	483	614	576	538
Original Credit Score >= 660	145	138	141	135	144	146	129	140	147	379	499	466	434
Original Credit Score < 660	79	75	75	73	76	74	68	70	72	103	115	110	104
30 - 59 Days Delinquent	130	119	122	115	125	124	107	121	129	373	276	150	119
Original Credit Score >= 660	86	79	82	76	84	85	72	83	89	307	230	118	91
Original Credit Score < 660	44	41	40	39	41	39	35	38	40	66	46	32	28
60 - 89 Days Delinquent	32	32	32	31	32	32	30	29	30	45	254	165	80
Original Credit Score >= 660	20	20	20	20	20	20	19	19	19	30	214	142	66
Original Credit Score < 660	12	12	12	12	12	12	11	11	11	15	41	24	15
60-plus-days Delinquent	94	94	94	93	94	96	90	89	90	110	338	425	419
Original Credit Score >= 660	59	59	59	59	60	61	57	57	58	72	269	348	343
Original Credit Score < 660	35	35	35	34	35	35	32	32	32	38	69	77	76

Percent of Total Loans Serviced

Total Delinquent Loans	2.06%	1.95%	1.98%	1.90%	2.01%	2.00%	1.78%	1.90%	1.99%	4.35%	5.53%	5.17%	4.80%
Original Credit Score >= 660	1.44%	1.37%	1.39%	1.33%	1.42%	1.43%	1.26%	1.36%	1.43%	3.68%	4.83%	4.50%	4.16%
Original Credit Score < 660	9.63%	9.27%	9.29%	9.10%	9.56%	9.41%	8.59%	8.96%	9.28%	13.34%	14.88%	14.29%	13.74%
30 - 59 Days Delinquent	1.19%	1.10%	1.12%	1.05%	1.14%	1.13%	0.97%	1.09%	1.17%	3.36%	2.48%	1.35%	1.06%
Original Credit Score >= 660	0.85%	0.78%	0.81%	0.75%	0.83%	0.83%	0.70%	0.80%	0.87%	2.98%	2.23%	1.14%	0.87%
Original Credit Score < 660	5.38%	5.01%	5.00%	4.82%	5.17%	4.97%	4.46%	4.84%	5.13%	8.47%	5.93%	4.23%	3.66%
60 - 89 Days Delinquent	0.30%	0.29%	0.29%	0.29%	0.29%	0.29%	0.27%	0.27%	0.27%	0.41%	2.29%	1.48%	0.72%
Original Credit Score >= 660	0.20%	0.20%	0.20%	0.19%	0.20%	0.20%	0.19%	0.18%	0.19%	0.30%	2.07%	1.37%	0.63%
Original Credit Score < 660	1.48%	1.50%	1.50%	1.48%	1.50%	1.48%	1.38%	1.39%	1.38%	1.93%	5.25%	3.07%	1.93%
60-plus-days Delinquent	0.86%	0.86%	0.86%	0.85%	0.86%	0.87%	0.81%	0.81%	0.82%	0.99%	3.05%	3.82%	3.74%
Original Credit Score >= 660	0.59%	0.59%	0.59%	0.58%	0.59%	0.60%	0.56%	0.56%	0.57%	0.70%	2.61%	3.36%	3.28%
Original Credit Score < 660	4.24%	4.26%	4.29%	4.28%	4.38%	4.44%	4.13%	4.12%	4.15%	4.87%	8.95%	10.07%	10.08%
Serious Delinquency Rate	0.61%	0.61%	0.61%	0.61%	0.62%	0.63%	0.60%	0.60%	0.60%	0.64%	0.81%	2.48%	3.12%
In Bankruptcy	0.12%	0.12%	0.12%	0.12%	0.12%	0.12%	0.11%	0.11%	0.11%	0.11%	0.11%	0.11%	0.10%



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

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	YTD 2020
Inventory (at period end)														
Repayment Plans	13,545	12,917	14,035	13,747	13,885	13,990	14,911	14,846	12,534	8,545	7,002	10,299	12,421	12,421
Forbearance Plans	9,305	7,919	8,212	8,743	8,950	8,270	8,827	9,036	172,170	1,149,188	1,450,557	1,398,250	1,263,980	1,263,980
Starts														
Repayment Plans ²	4,870	4,890	4,755	4,714	4,462	5,015	5,391	4,308	3,520	1,754	1,611	5,873	6,209	28,666
Forbearance Plans ²	2,768	2,273	2,209	2,621	2,220	2,134	2,788	2,314	165,431	989,594	392,338	129,855	88,989	1,771,309
Completed														
Repayment Plans ²	1,877	1,568	1,677	2,042	2,158	2,007	2,113	2,361	2,244	2,022	1,598	1,337	2,066	13,741
Forbearance Plans ²	925	620	589	656	627	779	652	653	679	9,749	77,218	144,882	114,764	348,597
Charge-offs-in-lieu	115	123	126	75	96	93	74	82	131	113	77	105	74	656
Payment Deferral	-	-	-	-	-	-	-	-	-	-	-	-	108,492	108,492
Loan Modifications	6,553	5,721	5,266	5,801	4,851	5,473	5,827	5,376	5,570	4,528	4,577	4,886	4,481	35,245
Home Retention Actions	9,470	8,032	7,658	8,574	7,732	8,352	8,666	8,472	8,624	16,412	83,470	151,210	229,877	506,731
Short Sales	329	315	315	372	303	238	313	250	246	246	218	235	261	1,769
Deeds-in-lieu	120	117	119	136	121	102	129	114	96	80	68	75	60	622
Nonforeclosure - Home Forfeiture Actions	449	432	434	508	424	340	442	364	342	326	286	310	321	2,391
Total Foreclosure Prevention Actions	9,919	8,464	8,092	9,082	8,156	8,692	9,108	8,836	8,966	16,738	83,756	151,520	230,198	509,122

Percent of Total Foreclosure Prevention Actions

Repayment Plans	19%	19%	21%	22%	26%	23%	23%	27%	25%	12%	2%	1%	1%	3%
Forbearance Plans	9%	7%	7%	7%	8%	9%	7%	7%	8%	58%	92%	96%	50%	68%
Charge-offs-in-lieu	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%	0%	0%	0%	0%
HomeSaver Advance (Fannie)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Loan Modifications	66%	68%	65%	64%	59%	63%	64%	61%	62%	27%	5%	3%	2%	7%
Home Retention Actions	95%	95%	95%	94%	95%	96%	95%	96%	96%	98%	100%	100%	100%	100%
Short Sales	3%	4%	4%	4%	4%	3%	3%	3%	3%	1%	0%	0%	0%	0%
Deeds-in-lieu	1%	1%	1%	1%	1%	1%	1%	1%	1%	0%	0%	0%	0%	0%
Nonforeclosure - Home Forfeiture Actions	5%	5%	5%	6%	5%	4%	5%	4%	4%	2%	0%	0%	0%	0%

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 Includes loans that were 30+ days delinquent at initiation of the plan.



3(i) Enterprises Combined - Loan Modifications

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	YTD 2020
Loan Modifications (# of loans)	6,553	5,721	5,266	5,801	4,851	5,473	5,827	5,376	5,570	4,528	4,577	4,886	4,481	35,245
Delinquency Status at Modification (% of loan mods)														
Current ¹	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
30 - 59 days delinquent	4%	4%	4%	3%	6%	5%	4%	3%	5%	3%	2%	2%	5%	3%
60 - 89 days delinquent	6%	6%	6%	5%	7%	5%	6%	5%	6%	6%	5%	5%	4%	5%
90 - 179 days delinquent	52%	49%	45%	51%	48%	51%	50%	54%	52%	55%	55%	49%	48%	52%
180 - 364 days delinquent	26%	28%	30%	29%	28%	27%	28%	26%	25%	25%	27%	31%	30%	27%
365+ days delinquent	11%	12%	14%	12%	11%	11%	12%	12%	11%	10%	10%	12%	12%	11%
MTMLTV at Modification (% of loan mods)														
MTMLTV <= 80% ²	82%	80%	81%	81%	81%	81%	79%	79%	80%	82%	81%	81%	81%	80%
80% < MTMLTV <= 100%	15%	16%	16%	16%	16%	16%	17%	17%	17%	16%	16%	16%	17%	17%
MTMLTV > 100%	4%	4%	4%	3%	3%	3%	4%	4%	3%	3%	3%	3%	3%	3%
Year of Origination (% of loan mods)														
2004 & Prior	16%	15%	15%	16%	15%	13%	13%	12%	13%	13%	11%	12%	12%	12%
2005-2008	31%	30%	29%	30%	27%	26%	27%	26%	26%	23%	25%	24%	24%	25%
2009 & later	52%	56%	56%	54%	58%	60%	59%	62%	61%	63%	63%	63%	62%	62%
Modification History (% of loan mods)														
First time modification	68%	68%	69%	67%	71%	70%	69%	69%	70%	72%	78%	72%	71%	71%
Second time modification	22%	22%	21%	23%	20%	21%	21%	21%	20%	18%	15%	19%	19%	19%
Three plus time modification	11%	10%	10%	10%	10%	9%	10%	10%	10%	10%	6%	10%	9%	9%
Property type (% of loan mods)														
Primary residency	94%	94%	94%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
Second home	2%	2%	2%	2%	2%	2%	2%	2%	1%	1%	1%	2%	1%	2%
Investment	4%	4%	4%	3%	4%	4%	4%	4%	3%	3%	3%	3%	3%	3%
Types of Modification (% of loan mods)														
Extend Term Only	67%	65%	65%	67%	63%	66%	64%	65%	64%	67%	66%	66%	66%	65%
Reduce Rate Only	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Reduce Rate and Extend Term	6%	6%	7%	7%	8%	9%	12%	12%	13%	14%	14%	14%	15%	13%
Reduce Rate, Extend Term and Forbear Principal ³	26%	29%	29%	26%	28%	25%	25%	22%	22%	19%	19%	20%	18%	21%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

¹ Includes loans with missing delinquency status.

² Includes loans with missing MTMLTV data.

³ May include principal forgiveness and deferred payment modifications.



3(ii) Fannie Mae - Loan Modifications

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	YTD 2020
Loan Modifications (# of loans)	4,051	3,724	3,179	3,767	3,066	3,305	3,519	3,166	3,445	2,848	2,825	3,064	2,763	21,630
Delinquency Status at Modification (% of loan mods)														
Current ¹	1%	1%	1%	1%	1%	1%	1%	1%	0%	1%	0%	0%	1%	1%
30 - 59 days delinquent	2%	2%	2%	2%	2%	2%	2%	2%	2%	1%	2%	2%	2%	2%
60 - 89 days delinquent	6%	6%	5%	5%	5%	5%	5%	5%	6%	6%	4%	5%	5%	5%
90 - 179 days delinquent	55%	51%	51%	56%	54%	56%	55%	58%	57%	60%	59%	52%	52%	56%
180 - 364 days delinquent	26%	28%	28%	26%	29%	27%	27%	25%	25%	24%	27%	30%	29%	27%
365+ days delinquent	10%	12%	13%	10%	10%	10%	11%	11%	10%	9%	8%	11%	12%	10%
MTMLTV at Modification (% of loan mods)														
MTMLTV <= 80% ²	82%	80%	81%	81%	81%	81%	79%	79%	79%	82%	82%	82%	82%	81%
80% < MTMLTV <= 100%	15%	16%	15%	16%	16%	16%	18%	17%	18%	15%	16%	16%	16%	16%
MTMLTV > 100%	4%	4%	3%	3%	3%	3%	4%	4%	3%	3%	2%	3%	2%	3%
Year of Origination (% of loan mods)														
2004 & Prior	16%	15%	14%	16%	15%	14%	13%	12%	13%	13%	12%	12%	13%	13%
2005-2008	32%	31%	29%	30%	28%	27%	27%	24%	26%	23%	24%	23%	24%	24%
2009 & later	52%	54%	57%	53%	57%	59%	60%	64%	61%	64%	64%	64%	63%	63%
Modification History (% of loan mods)														
First time modification	66%	67%	69%	65%	69%	69%	69%	72%	71%	72%	72%	73%	70%	71%
Second time modification	22%	23%	21%	24%	21%	21%	20%	19%	21%	18%	19%	18%	21%	20%
Three plus time modification	11%	10%	10%	10%	10%	10%	10%	9%	9%	9%	9%	9%	10%	9%
Property type (% of loan mods)														
Primary residency	94%	94%	94%	95%	94%	94%	95%	94%	95%	95%	95%	95%	96%	95%
Second home	2%	2%	2%	1%	2%	1%	2%	2%	2%	1%	1%	2%	1%	2%
Investment	4%	5%	4%	4%	4%	4%	4%	4%	3%	4%	3%	3%	3%	4%
Types of Modification (% of loan mods)														
Extend Term Only	71%	69%	68%	69%	69%	70%	67%	69%	68%	70%	68%	67%	65%	68%
Reduce Rate Only	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Reduce Rate and Extend Term	5%	6%	6%	7%	8%	10%	12%	12%	14%	14%	14%	13%	16%	13%
Reduce Rate, Extend Term and Forbear Principal ³	24%	26%	25%	24%	22%	20%	21%	19%	18%	17%	17%	20%	20%	19%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

¹ Includes loans with missing delinquency status.

² Includes loans with missing MTMLTV data.

³ May include principal forgiveness.



3(iii) Freddie Mac - Loan Modifications

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	YTD 2020
Loan Modifications (# of loans)	2,502	1,997	2,087	2,034	1,785	2,168	2,308	2,210	2,125	1,680	1,752	1,822	1,718	13,615
Delinquency Status at Modification (% of loan mods)														
Current	2%	1%	1%	1%	1%	1%	1%	1%	1%	2%	2%	1%	1%	1%
30 - 59 days delinquent	7%	8%	8%	6%	14%	9%	7%	4%	10%	5%	4%	2%	11%	6%
60 - 89 days delinquent	6%	6%	7%	5%	9%	7%	6%	5%	6%	6%	5%	4%	4%	5%
90 - 179 days delinquent	46%	44%	36%	41%	38%	43%	43%	49%	45%	46%	50%	46%	41%	46%
180 - 364 days delinquent	27%	27%	31%	33%	26%	28%	29%	29%	25%	27%	27%	33%	30%	28%
365+ days delinquent	12%	13%	17%	14%	12%	12%	13%	12%	13%	14%	12%	14%	13%	13%
MTMLTV at Modification (% of loan mods)														
MTMLTV <= 80%	81%	80%	80%	81%	81%	81%	80%	78%	80%	80%	80%	79%	78%	79%
80% < MTMLTV <= 100%	15%	16%	16%	15%	16%	15%	15%	17%	16%	16%	16%	18%	18%	17%
MTMLTV > 100%	4%	4%	5%	4%	4%	4%	4%	4%	4%	3%	4%	4%	4%	4%
Year of Origination (% of loan mods)														
2004 & Prior	17%	16%	15%	15%	15%	13%	14%	13%	12%	13%	11%	12%	11%	12%
2005-2008	31%	27%	30%	29%	25%	25%	28%	29%	28%	25%	28%	26%	25%	27%
2009 & later	53%	58%	55%	56%	60%	62%	58%	58%	60%	62%	61%	61%	61%	61%
Modification History (% of loan mods)														
First time modification	70%	70%	68%	70%	73%	71%	68%	65%	69%	70%	89%	70%	74%	72%
Second time modification	20%	21%	21%	21%	18%	20%	21%	23%	19%	19%	9%	19%	17%	18%
Three plus time modification	10%	10%	10%	9%	9%	8%	10%	12%	11%	11%	2%	11%	9%	10%
Property type (% of loan mods)														
Primary residency	93%	95%	94%	95%	95%	95%	95%	95%	96%	96%	95%	95%	95%	95%
Second home	2%	2%	2%	2%	1%	2%	2%	2%	1%	2%	2%	2%	2%	2%
Investment	5%	3%	4%	3%	4%	3%	4%	3%	3%	3%	3%	3%	4%	3%
Types of Modification (% of loan mods)														
Extend Term Only	59%	59%	59%	63%	53%	60%	59%	61%	58%	62%	63%	65%	69%	62%
Reduce Rate Only	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Reduce Rate and Extend Term	9%	7%	7%	8%	7%	9%	11%	13%	12%	15%	15%	15%	15%	13%
Reduce Rate, Extend Term and Forbear Principal ¹	31%	34%	34%	29%	39%	32%	29%	26%	30%	23%	22%	20%	16%	24%

¹ May include principal forgiveness and deferred payment modifications.



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

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	YTD 2020
Short Sales	329	315	315	372	303	238	313	250	246	246	218	235	261	1,769
Deeds-in-lieu	120	117	119	136	121	102	129	114	96	80	68	75	60	622
Nonforeclosure - Home Forfeiture Actions ¹	449	432	434	508	424	340	442	364	342	326	286	310	321	2,391
Third-party Sales	1,111	1,157	952	948	998	828	1,128	965	879	253	163	231	305	3,924
Foreclosure Sales	2,217	2,164	2,069	2,226	1,765	1,709	2,097	1,526	1,109	91	97	193	324	5,437
Third-party & Foreclosure Sales	3,328	3,321	3,021	3,174	2,763	2,537	3,225	2,491	1,988	344	260	424	629	9,361
Foreclosure Starts	10,054	8,941	10,975	9,678	9,662	10,670	11,624	9,061	8,293	3,229	2,316	2,006	2,017	38,546

Top Five Reasons for Delinquency

National emergency declaration	-	-	-	-	-	-	-	-	-	-	45%	84%	89%
Curtailment of Income	27%	26%	26%	26%	24%	22%	22%	22%	20%	16%	11%	4%	3%
Excessive obligations	21%	22%	23%	22%	23%	22%	21%	21%	20%	16%	10%	4%	3%
Illness of principal mortgagor or family member	8%	8%	8%	8%	8%	8%	8%	8%	8%	6%	4%	1%	1%
Unemployment	6%	6%	7%	6%	7%	7%	7%	7%	6%	5%	3%	1%	1%

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



Overview of the Enterprises' High LTV Refinance Options to Replace HARP

As a replacement for HARP, Fannie Mae and Freddie Mac have created options for refinancing mortgages with a high loan-to-value (LTV) ratio:

- The Fannie Mae option is called the high loan-to-value refinance option.
- The Freddie Mac option is called the Enhanced Relief Refinance Mortgage Program.

Deliveries were eligible beginning January 1, 2019.

FHFA will report on the Enterprises' high LTV refinance volumes under these options as they develop. Currently 83 loans have been transacted under these options, per the table below.

Total Loan Volume, High LTV Refinance Option

	Jul-20	2Q20	1Q20	Inception 2019 To Date	
Fannie Mae	9	41	6	9	65
Freddie Mac	4	10	2	2	18
Total	13	51	8	11	83
LTV >75% -105%					
Fannie Mae	9	38	5	8	60
Freddie Mac	4	7	1	1	13
Total	13	45	6	9	73
LTV >105% -125%					
Fannie Mae	0	3	1	1	5
Freddie Mac	0	3	0	1	4
Total	0	6	1	2	9
LTV >125%					
Fannie Mae	0	0	0	0	0
Freddie Mac	0	0	1	0	1
Total	0	0	1	0	1

Eligibility Criteria for the Enterprises' High LTV Refinance Options

Below are the basic eligibility criteria:

- Loans must be owned or guaranteed by Fannie Mae or Freddie Mac.
- Loans must have been originated on or after October 1, 2017 and paid for at least 15 months.
- LTV ratios must be greater than the following percentages:

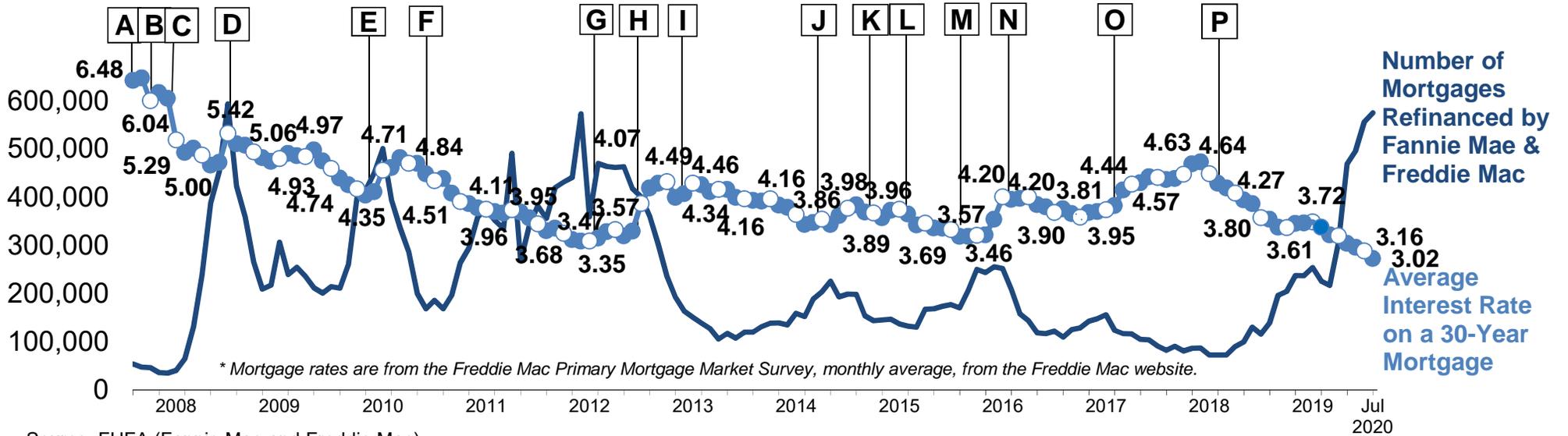
Occupancy	Number of Units	Fannie Mae	Freddie Mac
Principal Residence	1	97	97
	2	85	85
	3-4	75	80
Second Home	1	90	90
Investment Property	1	75	85
	2-4	75	75

- Borrowers must benefit in at least one of the following ways:
 - Reduced monthly principal and interest payment
 - Lower interest rate
 - Shorter amortization term
 - Moving from an adjustable-rate mortgage to a fixed-rate mortgage
- Borrowers must be current on their mortgage payments at the time of the refinance.
- Payment history - borrower is allowed one late payment in the past 12 months, as long as it did not occur in the 6 months prior to the refinance.



Total refinance volume increased in July 2020 to levels last observed in 2009 as mortgage rates fell in previous months. Mortgage rates decreased further in July: the average interest rate on a 30-year fixed rate mortgage fell to 3.02 percent from 3.16 percent in June.

Mortgage Rates vs Refinance Volume



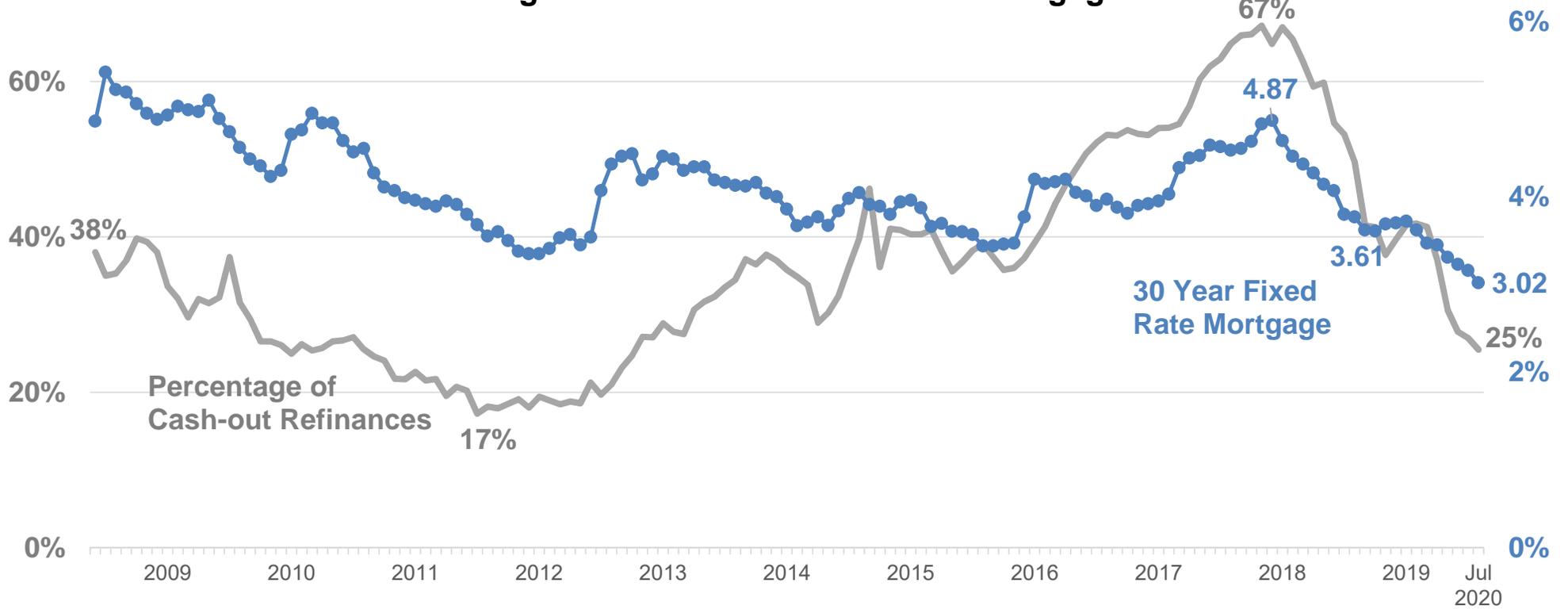
Source: FHFA (Fannie Mae and Freddie Mac)

- A - Highest rate in 2008 for a 30-year mortgage.
- B - GSEs placed into conservatorship on 09/06/08.
- C - Fed announces MBS purchase program on 11/25/08.
- D - Treasury rates sharply rose and reached a 2009 high on a better than expected June unemployment report.
- E - 30-year mortgage rates reached 4.17 percent in early November, marking the lowest level observed since Freddie Mac began tracking rates in 1971.
- F - Treasury rates fell amid ongoing concerns of a growing debt crisis in Europe.
- G - 30-year mortgage rates reached new historic lows in November 2012.
- H - Mortgage rates rose after Federal Reserve Chairman Bernanke stated in late May that the central bank was considering slowing its \$85 billion per month bond buying program known as quantitative easing.
- I - Highest rate for a 30-year mortgage since July 2011.
- J - 30-year mortgage rates reached a monthly average of 3.67 percent in January, the lowest level seen since mid 2013.
- K - 30-year mortgage rates reached a monthly average of 4.05 percent in 6/2015, the highest level observed since 9/2014, amid expectations of a rate hike by the Federal Reserve.
- L - The Federal Reserve raised the target federal funds rate from 0.25% to 0.5% on 12/16/15 in response to a strengthening economy.
- M- Treasury rates fell, amid a global flight to the safety of government debt, in response to the U.K. Brexit vote to leave the European Union.
- N - Mortgage rates rose in November and December 2016 amid expectations of a rate hike by the Federal Reserve. The Federal Reserve raised the target federal funds rate to 0.75% on 12/14/16 in response to a strengthening economy.
- O - Mortgage rates fell from the beginning to the end of 2017 as the target Federal Funds rate was raised to 1% on March 16th, 1.25% on June 15, and 1.5% on December 14, with the Federal Reserve following a steady path to normalize its benchmark rate.
- P - Mortgage rates rose from the beginning to the end of 2018, as the target Federal Funds rate was incrementally raised quarterly to 1.75%, 2%, 2.25% and 2.5%, with the Federal Reserve projecting a continued steady growth of the US economy in 2018.



The percentage of cash-out refinances decreased to 25 percent in July from 27 percent in June. Mortgage rates have continued to fall, creating more opportunities for non cash-out borrowers to refinance at lower rates and lower their monthly payments.

Percentage of Cash-out Refinances vs Mortgage Rates

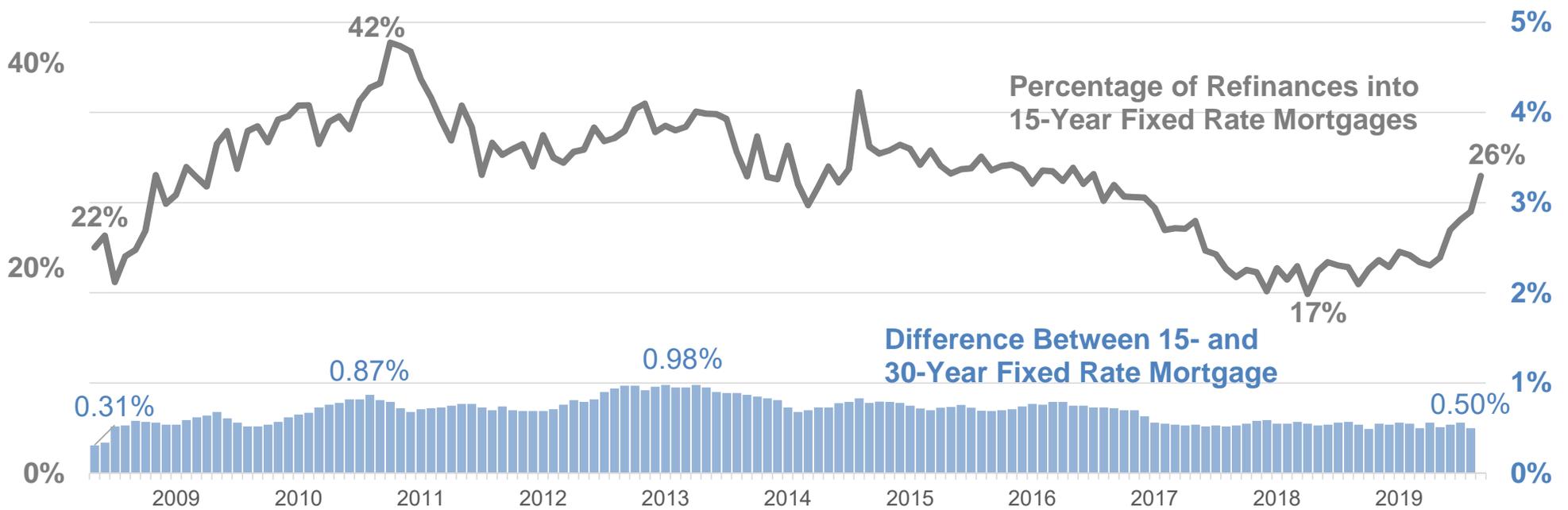


Source: FHFA (Fannie Mae and Freddie Mac). Mortgage rates are from the Freddie Mac Primary Mortgage Market Survey, monthly average, from the Freddie Mac website.



The percentage of borrowers refinancing into shorter term 15-year fixed rate mortgages increased to 26 percent in July, from 25 percent in June, increasing from previous months.

**Percentage of Refinances into 15-Year Mortgages vs
The Difference Between 15- and 30-Year Fixed Rate Mortgages**



Source: FHFA (Fannie Mae and Freddie Mac). Mortgage rates are from the Freddie Mac Primary Mortgage Market Survey, monthly average, from the Freddie Mac website.



Appendix: Data Tables

Fannie Mae and Freddie Mac - Monthly Refinance Volume (# of loans)

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Total Refinances													
Fannie Mae	84,789	118,482	122,170	140,307	139,954	138,925	128,138	127,257	183,282	286,755	304,148	322,693	303,459
Freddie Mac	54,317	78,225	82,595	97,436	97,451	114,769	97,401	89,636	121,746	183,021	192,147	233,708	271,899
Total	139,106	196,707	204,765	237,743	237,405	253,694	225,539	216,894	305,030	469,776	496,295	556,401	575,358
Total High LTV Refinance Option													
Fannie Mae	1	1	-	2	2	3	3	1	2	9	13	19	9
Freddie Mac	-	-	-	-	1	1	1	1	-	4	1	5	4
Total	1	1	-	2	3	4	4	2	2	13	14	24	13
High LTV Refinance Option, LTV >75% -105%													
Fannie Mae	1	1	-	2	2	2	3	1	1	8	12	18	9
Freddie Mac	-	-	-	-	1	-	-	1	-	4	1	2	4
Total	1	1	-	2	3	2	3	2	1	12	13	20	13
High LTV Refinance Option, LTV >105% -125%													
Fannie Mae	-	-	-	-	-	1	-	-	1	1	1	1	-
Freddie Mac	-	-	-	-	-	1	-	-	-	-	-	3	-
Total	-	-	-	-	-	2	-	-	1	1	1	4	-
High LTV Refinance Option, LTV >125%													
Fannie Mae	-	-	-	-	-	-	-	-	-	-	-	-	-
Freddie Mac	-	-	-	-	-	-	1	-	-	-	-	-	-
Total	-	-	-	-	-	-	1	-	-	-	-	-	-
High LTV (>80 to 97% LTV, Non New Program)													
Fannie Mae	9,543	13,460	15,062	19,303	18,670	17,307	15,759	16,171	25,004	41,128	41,156	37,714	31,536
Freddie Mac	6,596	9,686	11,776	13,825	12,857	14,131	11,332	10,009	12,805	21,041	23,755	29,626	32,556
Total	16,139	23,147	26,838	33,128	31,527	31,438	27,092	26,180	37,809	62,169	64,911	67,340	64,092

Notes:

Total Refinances

- Freddie Mac Total Refinances include Long Term Standby (LTSB).

High LTV Refinance Option: As a replacement for HARP, Fannie Mae and Freddie Mac have created options for refinancing mortgages with a high loan-to-value (LTV) ratio:

- The Fannie Mae option is called the high loan-to-value refinance option.
- The Freddie Mac option is called the Enhanced Relief Refinance Mortgage Program.

Deliveries were eligible beginning January 1, 2019.

FHFA will report on the Enterprises' high LTV refinance volumes under these options as they develop.



Appendix: Data Tables

Fannie Mae - Loan Count by LTV and Product (Mortgage Term)

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Total Refinances													
FRM 30 (incl FRM 25 & 40)	62,349	87,108	87,782	101,567	101,064	98,346	90,271	90,091	127,849	197,807	202,741	215,862	198,810
FRM 20	4,699	7,147	8,239	8,764	9,610	9,145	9,890	10,179	17,901	27,796	27,426	26,737	24,069
FRM 15	17,210	23,759	25,737	29,468	28,581	30,448	27,109	26,038	36,773	59,994	72,240	79,078	79,902
All Other	531	468	412	508	699	986	868	949	759	1,158	1,741	1,016	678
High LTV Refinance Option, LTV >75% -105%													
FRM 30 (incl FRM 25 & 40)	1	-	-	2	1	2	3	-	1	7	9	14	8
FRM 20	-	-	-	-	-	-	-	-	-	-	-	1	-
FRM 15	-	-	-	-	1	-	-	1	-	1	3	3	1
All Other	-	1	-	-	-	-	-	-	-	-	-	-	-
High LTV Refinance Option, LTV >105% -125%													
FRM 30 (incl FRM 25 & 40)	-	-	-	-	-	1	-	-	1	1	1	1	-
FRM 20	-	-	-	-	-	1	-	-	1	1	1	1	-
FRM 15	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other	-	-	-	-	-	-	-	-	-	-	-	-	-
High LTV Refinance Option, LTV >125%													
FRM 30 (incl FRM 25 & 40)	-	-	-	-	-	-	-	-	-	-	-	-	-
FRM 20	-	-	-	-	-	-	-	-	-	-	-	-	-
FRM 15	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other	-	-	-	-	-	-	-	-	-	-	-	-	-
High LTV (>80 to 97% LTV, Non New Program)													
FRM 30 (incl FRM 25 & 40)	8,422	11,858	13,149	16,862	16,243	15,023	13,536	13,730	21,195	34,368	33,926	31,103	26,182
FRM 20	363	527	721	930	946	849	945	1,108	1,953	3,538	3,347	2,919	2,256
FRM 15	728	1,045	1,169	1,472	1,418	1,338	1,214	1,264	1,800	3,125	3,755	3,620	3,045
All Other	30	30	23	39	63	97	64	69	56	97	128	72	53



Appendix: Data Tables

Freddie Mac - Loan Count by LTV and Product (Mortgage Term)

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Total Refinances													
FRM 30 (incl FRM 25 & 40)	38,981	59,719	59,513	67,665	69,724	80,623	67,730	64,004	86,453	130,018	130,337	153,872	181,426
FRM 20	3,449	4,897	6,929	8,446	7,207	8,517	7,417	6,050	9,127	12,030	13,014	18,184	20,498
FRM 15	10,820	12,632	15,082	20,077	19,363	24,368	20,870	18,635	25,090	38,795	45,497	58,592	66,885
All Other	1,067	977	1,071	1,248	1,157	1,261	1,384	947	1,076	2,178	3,299	3,060	3,090
High LTV Refinance Option, LTV >75% -105%													
FRM 30 (incl FRM 25 & 40)	-	-	-	-	1	-	-	1	-	4	1	2	3
FRM 20	-	-	-	-	-	-	-	-	-	-	-	-	1
FRM 15	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other	-	-	-	-	-	-	-	-	-	-	-	-	-
High LTV Refinance Option, LTV >105% -125%													
FRM 30 (incl FRM 25 & 40)	-	-	-	-	-	1	-	-	-	-	-	2	-
FRM 20	-	-	-	-	-	-	-	-	-	-	-	1	-
FRM 15	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other	-	-	-	-	-	-	-	-	-	-	-	-	-
High LTV Refinance Option, LTV >125%													
FRM 30 (incl FRM 25 & 40)	-	-	-	-	-	-	1	-	-	-	-	-	-
FRM 20	-	-	-	-	-	-	-	-	-	-	-	-	-
FRM 15	-	-	-	-	-	-	-	-	-	-	-	-	-
All Other	-	-	-	-	-	-	-	-	-	-	-	-	-
High LTV (>80 to 97% LTV, Non New Program)													
FRM 30 (incl FRM 25 & 40)	5,722	8,523	10,296	11,862	11,099	12,195	9,766	8,792	11,144	18,489	20,525	24,799	27,211
FRM 20	305	488	694	883	812	813	732	497	679	953	1,182	1,970	2,106
FRM 15	527	637	739	1,042	901	1,080	784	686	959	1,518	1,860	2,764	3,190
All Other	42	38	47	38	45	43	50	34	23	81	188	93	49



Glossary

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).

Payment Deferral - A home retention workout option that defers past-due principal and interest payments (and amounts advanced if applicable) as a non-interest bearing balance, due and payable at maturity of the mortgage loan, or earlier upon the sale or transfer of the property, refinance of the mortgage loan, or payoff of the interest-bearing UPB.

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.

