



# **FORECLOSURE PREVENTION REPORT**

**FEDERAL PROPERTY MANAGER'S REPORT**

**AUGUST 2016**



## August 2016 Highlights

### The Enterprises' Foreclosure Prevention Actions:

- The Enterprises completed 16,585 foreclosure prevention actions in August 2016, bringing the total to 3,773,630 since the start of the conservatorships in September 2008. Over half of these actions have been permanent loan modifications.
- There were 11,431 permanent loan modifications in August, bringing the total to 1,984,617 since the conservatorships began in September 2008.
- The share of modifications with principal forbearance decreased to 19 percent. Modifications with extend-term only accounted for 44 percent of all permanent modifications in August due to improved house prices and a declining HAMP eligible population.
- There were 2,134 short sales and deeds-in-lieu completed in August, up slightly compared with July.

### The Enterprises' Mortgage Performance:

- The serious delinquency rate fell from 1.22 percent at the end of July to 1.16 percent at the end of August.

### The Enterprises' Foreclosures:

- Third-party and foreclosure sales increased slightly from 7,108 in July to 7,210 in August.
- Foreclosure starts decreased 2 percent from 17,517 in July to 17,115 in August.

### Foreclosure Prevention Activities

	Jul-16	Aug-16
HAMP Active Trials	2,923	2,677
HAMP Active Permanent - Cumulative	361,984	357,639
<b>Completed Foreclosure Prevention Actions</b>		
Loan Modifications *	10,587	11,431
Repayment Plans	2,429	2,354
Forbearance Plans	368	592
Charge-offs-in-lieu	58	74
<b>Home Retention Actions</b>	<b>13,442</b>	<b>14,451</b>
Short Sales	1,531	1,481
Deeds-in-lieu	574	653
<b>Home Forfeiture Actions</b>	<b>2,105</b>	<b>2,134</b>
<b>TOTAL</b>	<b>15,547</b>	<b>16,585</b>

\* Includes HAMP permanent modifications.

Source: FHFA (Fannie Mae and Freddie Mac)

### Mortgage Performance (at period end)

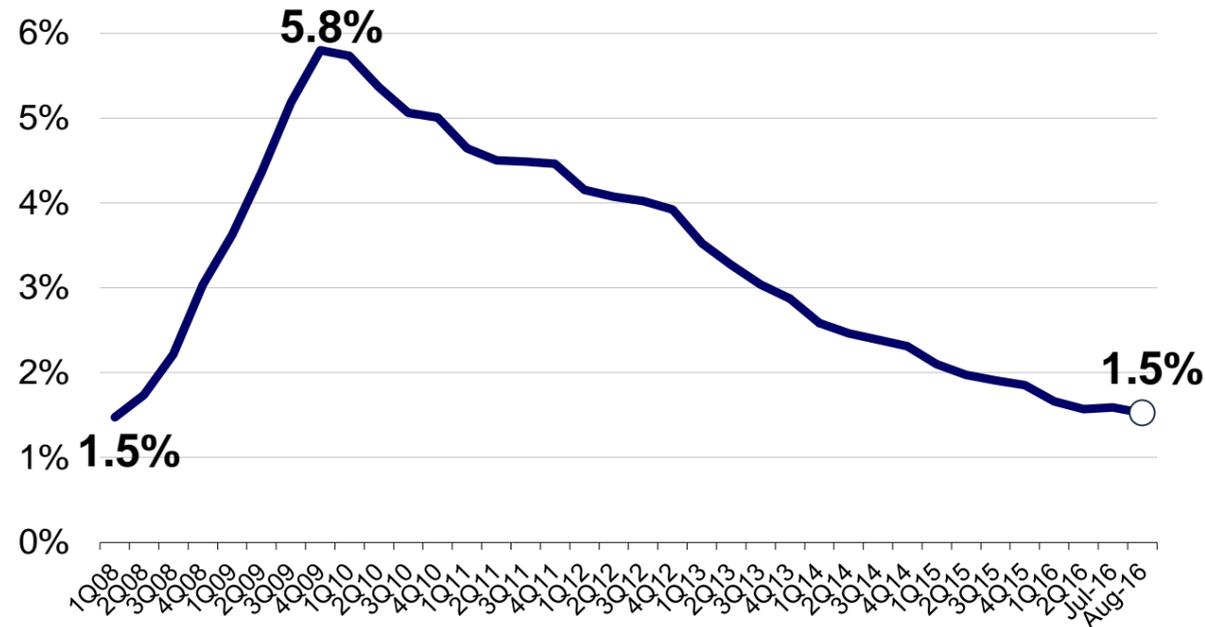
	Jul-16	Aug-16
30-59 Days Delinquent	409,583	376,008
60-plus-days Delinquent	440,508	422,383
Foreclosure Starts	17,517	17,115
Third-party & Foreclosure Sales	7,108	7,210
<b>(Percent of total loans serviced)</b>		
30-59 Days Delinquent	1.48%	1.36%
60-plus-days Delinquent	1.59%	1.53%
Seriously Delinquent*	1.22%	1.16%

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

Source: FHFA (Fannie Mae and Freddie Mac)

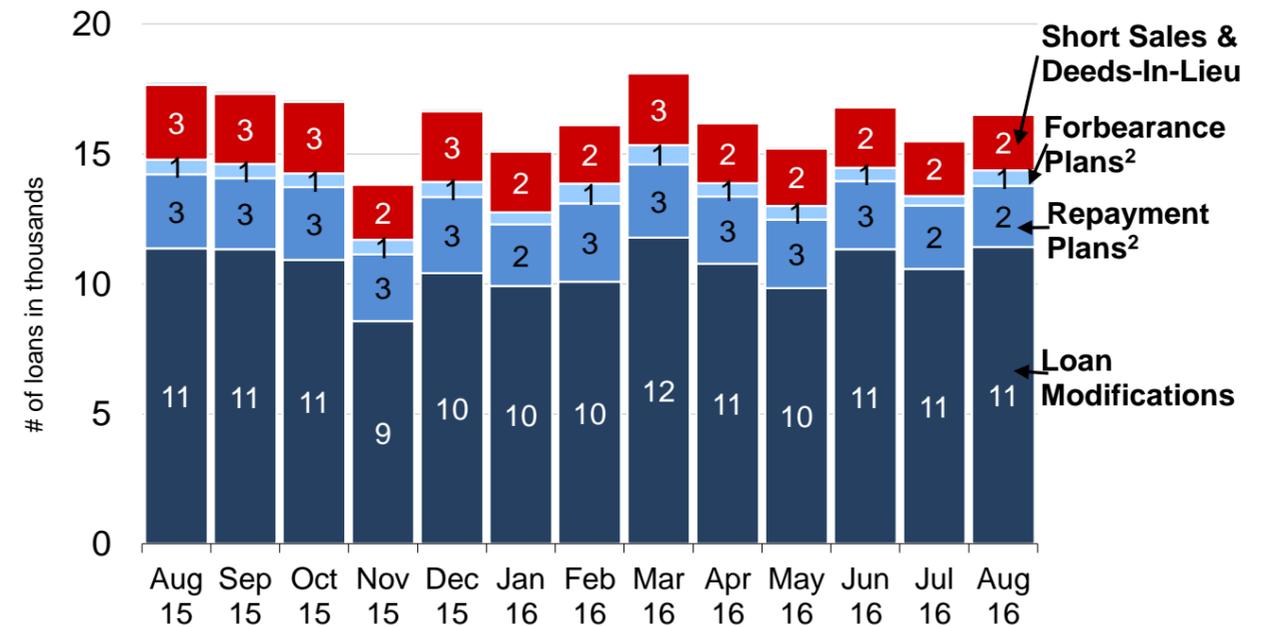


**Enterprises' 60-plus-days Delinquency Rates**  
60-plus-days delinquency rate decreased in August.



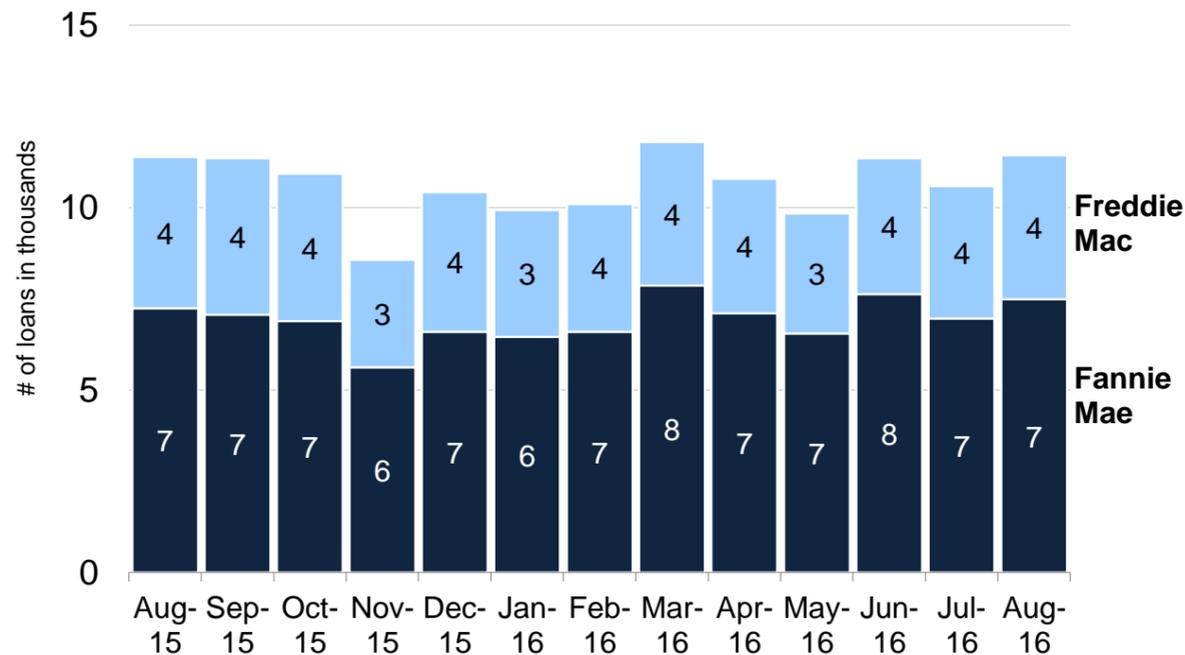
Source: FHFA (Fannie Mae and Freddie Mac)

**Foreclosure Prevention Actions Completed**  
Foreclosure prevention actions increased 7 percent in August.



Source: FHFA (Fannie Mae and Freddie Mac)

**Completed loan modifications**  
Loan modifications increased 8 percent in August.



Source: FHFA (Fannie Mae and Freddie Mac)

## HAMP Statistics<sup>3</sup>

Cumulative from April 2009 through	Jul-16	Aug-16
<b>Trials Ever Started</b>	1,079,454	1,080,000
<b>Less:</b>		
Trials Disqualified	(78,727)	(78,750)
Trials Cancelled	(343,273)	(343,859)
Permanent Modifications	(654,531)	(654,714)
<b>Trials Remaining Active</b>	<b>2,923</b>	<b>2,677</b>
<b>Permanent Modifications Started</b>	<b>654,531</b>	<b>654,714</b>
<b>Less:</b>		
Modifications Defaulted	(220,798)	(221,900)
Modifications Paid off	(69,668)	(73,008)
Modifications Withdrawn	(2,081)	(2,167)
<b>Active Permanent Modifications</b>	<b>361,984</b>	<b>357,639</b>

Source: FHFA (Fannie Mae and Freddie Mac)

<sup>1</sup> Includes loans with missing original credit score.

<sup>2</sup> 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.

<sup>3</sup> 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, 2016, Fannie Mae had 210,874 HAMP active permanent modifications and Freddie Mac had 146,765 HAMP active permanent modifications.



## Completed Foreclosure Prevention Actions

Since the first full quarter in conservatorship (4Q08), combined completed foreclosure prevention actions total 3,773,630. More than half of these actions are permanent loan modifications.

	2013	2014	2015	YTD Aug-16	Conservatorship to Date <sup>1</sup>
<b>Home Retention Actions</b>					
Repayment Plans	85,386	51,481	39,317	20,816	862,796
Forbearance Plans	12,671	11,260	8,170	4,480	184,183
Charge-offs-in-lieu	647	1,378	1,219	653	13,133
HomeSaver Advance ( <i>Fannie</i> )	-	-	-	-	70,178
Loan Modifications	<u>243,195</u>	<u>189,975</u>	<u>148,109</u>	<u>85,791</u>	<u>1,984,617</u>
<b>Total</b>	<b>341,899</b>	<b>254,094</b>	<b>196,815</b>	<b>111,740</b>	<b>3,114,907</b>
<b>Nonforeclosure - Home Forfeiture Actions</b>					
Short Sales	87,742	38,198	25,081	12,566	573,648
Deeds-in-lieu	<u>18,087</u>	<u>14,926</u>	<u>10,170</u>	<u>5,875</u>	<u>85,075</u>
<b>Total</b>	<b>105,829</b>	<b>53,124</b>	<b>35,251</b>	<b>18,441</b>	<b>658,723</b>
<b>Total Foreclosure Prevention Actions</b>	<b>447,728</b>	<b>307,218</b>	<b>232,066</b>	<b>130,181</b>	<b>3,773,630</b>

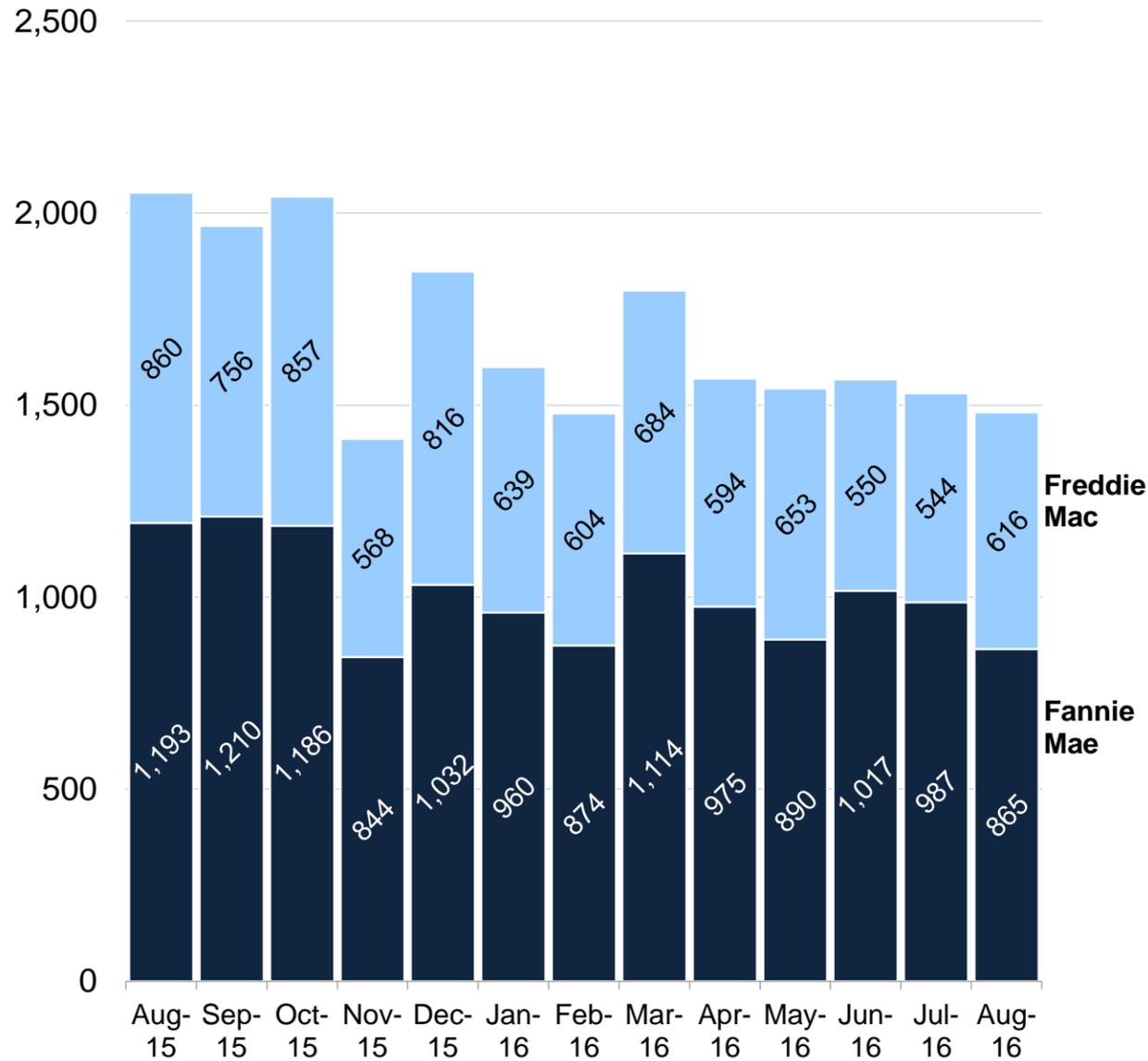
<sup>1</sup> Since the first full quarter in conservatorship (4Q08).

Source: FHFA (Fannie Mae and Freddie Mac)



**Short Sales**

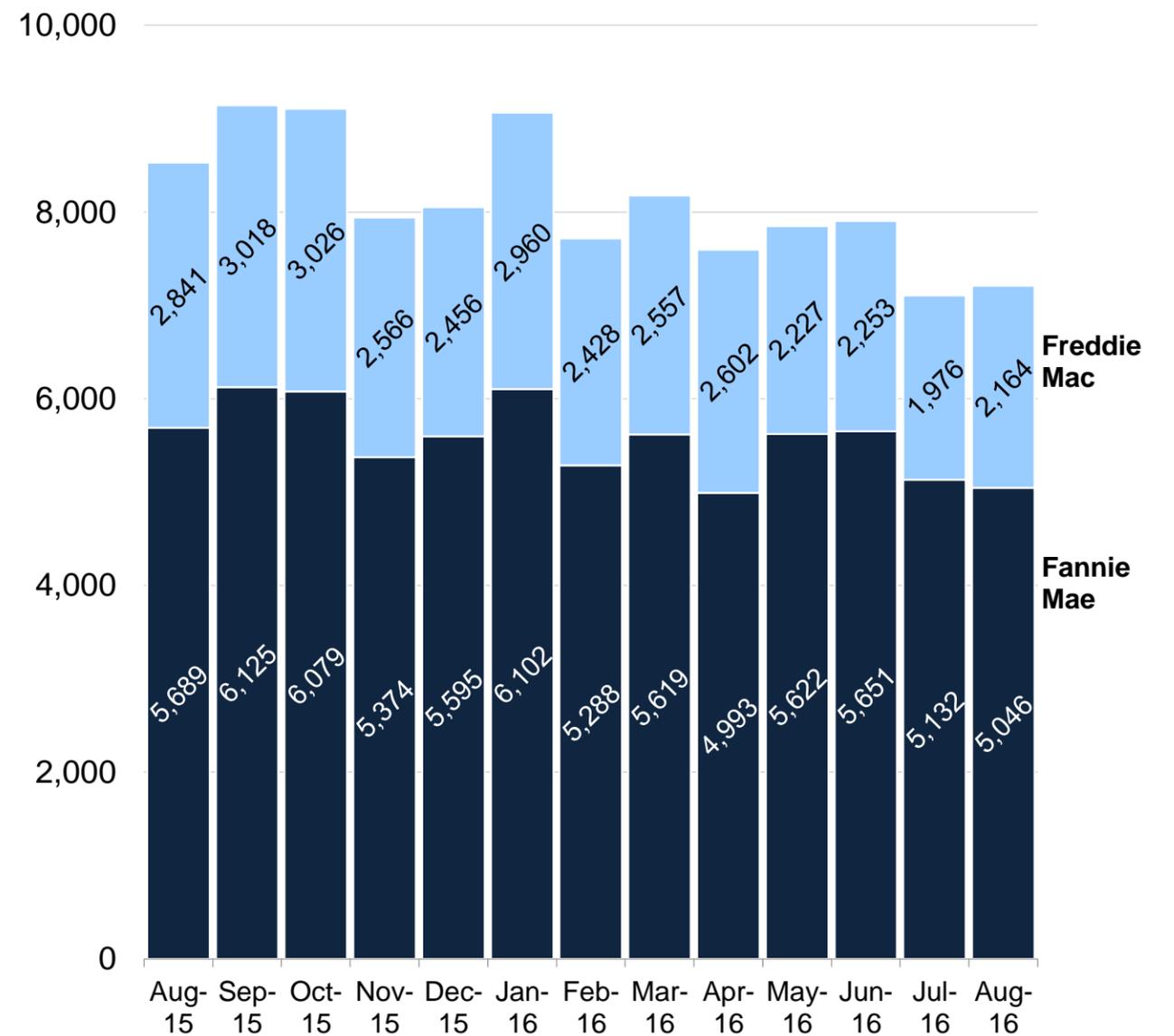
Completed short sales decreased 3 percent in August.



Source: FHFA (Fannie Mae and Freddie Mac)

**Foreclosure Sales and Third-party Sales**

Foreclosure and third-party sales increased slightly in August.



Source: FHFA (Fannie Mae and Freddie Mac)



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

(# of loans in thousands)	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16
<b>Total Loans Serviced</b>	27,830	27,853	27,857	27,881	27,842	27,861	27,844	27,803	27,775	27,744	27,708	27,713	27,664
Original Credit Score >= 660	24,959	24,993	25,008	25,040	25,016	25,043	25,039	25,012	24,997	24,981	24,962	24,978	24,947
Original Credit Score < 660	2,871	2,860	2,849	2,841	2,826	2,818	2,805	2,791	2,778	2,763	2,746	2,735	2,717
<b>Total Delinquent Loans</b>	928	937	924	950	912	961	878	799	822	814	813	850	798
Original Credit Score >= 660	549	555	547	567	539	569	528	475	489	483	479	502	469
Original Credit Score < 660	379	382	378	383	372	391	350	324	333	331	333	348	330
<b>30 - 59 Days Delinquent</b>	389	405	400	424	396	440	385	337	368	368	378	410	376
Original Credit Score >= 660	223	234	231	250	230	258	230	196	215	215	219	240	219
Original Credit Score < 660	166	171	169	174	167	182	155	141	153	153	159	170	157
<b>60 - 89 Days Delinquent</b>	112	114	113	116	115	119	106	94	97	99	101	110	106
Original Credit Score >= 660	62	63	62	65	64	65	60	53	54	55	56	61	59
Original Credit Score < 660	50	51	51	52	51	54	46	41	43	44	45	49	48
<b>60-plus-days Delinquent</b>	539	532	525	526	515	521	493	462	454	446	435	441	422
Original Credit Score >= 660		321	316	317	310	312	298	279	273	268	260	262	250
Original Credit Score < 660	213	211	208	209	206	209	196	183	180	178	175	178	172

Percent of Total Loans Serviced

<b>Total Delinquent Loans</b>	3.33%	3.36%	3.32%	3.41%	3.27%	3.45%	3.15%	2.87%	2.96%	2.93%	2.93%	3.07%	2.89%
Original Credit Score >= 660	2.20%	2.22%	2.19%	2.26%	2.16%	2.27%	2.11%	1.90%	1.96%	1.93%	1.92%	2.01%	1.88%
Original Credit Score < 660	13.18%	13.36%	13.25%	13.48%	13.18%	13.88%	12.49%	11.61%	11.99%	11.97%	12.14%	12.73%	12.13%
<b>30 - 59 Days Delinquent</b>	1.40%	1.46%	1.44%	1.52%	1.42%	1.58%	1.38%	1.21%	1.33%	1.32%	1.36%	1.48%	1.36%
Original Credit Score >= 660	0.89%	0.94%	0.92%	1.00%	0.92%	1.03%	0.92%	0.78%	0.86%	0.86%	0.88%	0.96%	0.88%
Original Credit Score < 660	5.78%	5.98%	5.94%	6.11%	5.90%	6.45%	5.52%	5.06%	5.51%	5.54%	5.78%	6.22%	5.80%
<b>60 - 89 Days Delinquent</b>	0.40%	0.41%	0.41%	0.42%	0.41%	0.43%	0.38%	0.34%	0.35%	0.36%	0.36%	0.40%	0.38%
Original Credit Score >= 660	0.25%	0.25%	0.25%	0.26%	0.25%	0.26%	0.24%	0.21%	0.22%	0.22%	0.22%	0.24%	0.24%
Original Credit Score < 660	1.76%	1.80%	1.77%	1.81%	1.82%	1.90%	1.64%	1.47%	1.54%	1.59%	1.64%	1.80%	1.76%
<b>60-plus-days Delinquent</b>	1.94%	1.91%	1.88%	1.89%	1.85%	1.87%	1.77%	1.66%	1.63%	1.61%	1.57%	1.59%	1.53%
Original Credit Score >= 660	0.00%	1.28%	1.26%	1.27%	1.24%	1.24%	1.19%	1.12%	1.09%	1.07%	1.04%	1.05%	1.00%
Original Credit Score < 660	7.40%	7.38%	7.32%	7.36%	7.29%	7.43%	6.97%	6.55%	6.49%	6.43%	6.36%	6.51%	6.33%
<b>Serious Delinquency Rate</b>	1.56%	1.52%	1.50%	1.50%	1.46%	1.47%	1.42%	1.35%	1.31%	1.28%	1.23%	1.22%	1.16%
<b>In Bankruptcy</b>	0.31%	0.30%	0.29%	0.29%	0.27%	0.27%	0.26%	0.25%	0.25%	0.25%	0.24%	0.24%	0.23%



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

(# of loans in thousands)	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16
<b>Total Loans Serviced</b>	17,317	17,325	17,323	17,329	17,291	17,296	17,286	17,254	17,237	17,209	17,179	17,173	17,126
Original Credit Score >= 660	15,500	15,514	15,518	15,529	15,500	15,510	15,507	15,484	15,475	15,455	15,437	15,438	15,403
Original Credit Score < 660	1,817	1,811	1,805	1,801	1,791	1,786	1,779	1,770	1,763	1,754	1,742	1,735	1,723
<b>Total Delinquent Loans</b>	600	607	603	623	596	625	577	524	540	539	536	558	525
Original Credit Score >= 660	354	359	356	372	352	370	347	311	320	319	315	328	306
Original Credit Score < 660	245	249	247	252	244	255	230	213	220	220	221	230	218
<b>30 - 59 Days Delinquent</b>	248	259	259	275	255	281	248	216	237	239	245	264	243
Original Credit Score >= 660	141	149	148	162	147	164	148	125	138	139	141	154	140
Original Credit Score < 660	107	110	110	113	108	117	100	91	99	100	104	110	103
<b>60 - 89 Days Delinquent</b>	69	70	70	72	72	73	65	58	60	61	63	69	67
Original Credit Score >= 660	38	39	39	40	39	40	37	33	33	34	35	38	37
Original Credit Score < 660	31	32	31	32	32	33	28	25	27	27	28	31	30
<b>60-plus-days Delinquent</b>	352	348	345	348	341	344	329	307	303	300	290	294	281
Original Credit Score >= 660	213	210	208	210	205	205	199	186	182	180	173	175	166
Original Credit Score < 660	139	138	137	139	136	138	130	122	121	120	117	119	115

Percent of Total Loans Serviced

<b>Total Delinquent Loans</b>	3.46%	3.51%	3.48%	3.60%	3.45%	3.61%	3.34%	3.04%	3.13%	3.13%	3.12%	3.25%	3.06%
Original Credit Score >= 660	2.28%	2.31%	2.29%	2.39%	2.27%	2.38%	2.23%	2.01%	2.07%	2.06%	2.04%	2.13%	1.99%
Original Credit Score < 660	13.51%	13.73%	13.71%	13.97%	13.64%	14.30%	12.94%	12.04%	12.46%	12.54%	12.69%	13.24%	12.66%
<b>30 - 59 Days Delinquent</b>	1.43%	1.50%	1.49%	1.59%	1.47%	1.62%	1.43%	1.25%	1.37%	1.39%	1.43%	1.54%	1.42%
Original Credit Score >= 660	0.91%	0.96%	0.95%	1.04%	0.95%	1.06%	0.95%	0.81%	0.89%	0.90%	0.92%	1.00%	0.91%
Original Credit Score < 660	5.88%	6.09%	6.12%	6.27%	6.02%	6.54%	5.61%	5.17%	5.62%	5.73%	5.97%	6.36%	5.98%
<b>60 - 89 Days Delinquent</b>	0.40%	0.41%	0.40%	0.42%	0.41%	0.42%	0.38%	0.34%	0.35%	0.36%	0.37%	0.40%	0.39%
Original Credit Score >= 660	0.24%	0.25%	0.25%	0.26%	0.25%	0.26%	0.24%	0.21%	0.22%	0.22%	0.23%	0.25%	0.24%
Original Credit Score < 660	1.72%	1.76%	1.74%	1.79%	1.80%	1.87%	1.60%	1.43%	1.52%	1.55%	1.61%	1.79%	1.76%
<b>60-plus-days Delinquent</b>	2.03%	2.01%	1.99%	2.01%	1.97%	1.99%	1.90%	1.78%	1.76%	1.74%	1.69%	1.71%	1.64%
Original Credit Score >= 660	1.37%	1.35%	1.34%	1.35%	1.32%	1.32%	1.28%	1.20%	1.18%	1.17%	1.12%	1.13%	1.08%
Original Credit Score < 660	7.63%	7.64%	7.59%	7.70%	7.62%	7.75%	7.33%	6.87%	6.84%	6.82%	6.72%	6.87%	6.68%
<b>Serious Delinquency Rate</b>	1.62%	1.59%	1.58%	1.58%	1.55%	1.55%	1.52%	1.44%	1.40%	1.38%	1.32%	1.30%	1.24%
<b>In Bankruptcy</b>	0.30%	0.31%	0.29%	0.29%	0.28%	0.27%	0.27%	0.26%	0.26%	0.26%	0.25%	0.25%	0.24%



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

(# of loans in thousands)	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16
<b>Total Loans Serviced</b>	10,513	10,528	10,534	10,552	10,551	10,565	10,558	10,549	10,538	10,535	10,529	10,540	10,538
Original Credit Score >= 660	9,459	9,479	9,490	9,511	9,516	9,533	9,531	9,528	9,522	9,526	9,525	9,541	9,545
Original Credit Score < 660	1,055	1,049	1,044	1,040	1,035	1,032	1,027	1,021	1,016	1,009	1,004	1,000	993
<b>Total Delinquent Loans</b>	328	330	321	327	316	336	301	275	282	275	277	292	274
Original Credit Score >= 660	195	196	191	195	187	200	181	164	169	164	164	174	163
Original Credit Score < 660	133	133	130	131	128	136	120	111	114	111	112	118	111
<b>30 - 59 Days Delinquent</b>	141	146	141	149	141	159	137	121	132	128	132	146	133
Original Credit Score >= 660	82	86	82	88	83	94	82	71	78	76	78	86	78
Original Credit Score < 660	59	61	59	61	59	65	55	50	54	53	55	60	54
<b>60 - 89 Days Delinquent</b>	43	44	43	44	43	45	40	36	37	38	38	41	40
Original Credit Score >= 660	24	24	24	25	24	25	23	21	21	21	21	23	22
Original Credit Score < 660	19	20	19	19	19	20	17	16	16	17	17	18	18
<b>60-plus-days Delinquent</b>	187	183	180	178	174	177	164	154	151	146	144	147	141
Original Credit Score >= 660	113	111	108	107	105	106	99	93	91	88	87	88	84
Original Credit Score < 660	74	73	71	71	69	71	65	61	60	58	58	59	57

## Percent of Total Loans Serviced

<b>Total Delinquent Loans</b>	3.12%	3.13%	3.05%	3.09%	2.99%	3.18%	2.85%	2.61%	2.68%	2.61%	2.63%	2.77%	2.60%
Original Credit Score >= 660	2.06%	2.07%	2.01%	2.05%	1.97%	2.10%	1.90%	1.72%	1.77%	1.72%	1.73%	1.82%	1.70%
Original Credit Score < 660	12.62%	12.71%	12.46%	12.62%	12.39%	13.16%	11.71%	10.86%	11.19%	10.96%	11.19%	11.85%	11.20%
<b>30 - 59 Days Delinquent</b>	1.34%	1.39%	1.34%	1.41%	1.34%	1.50%	1.30%	1.15%	1.25%	1.22%	1.26%	1.38%	1.26%
Original Credit Score >= 660	0.87%	0.90%	0.87%	0.93%	0.87%	0.98%	0.86%	0.75%	0.81%	0.79%	0.81%	0.90%	0.82%
Original Credit Score < 660	5.61%	5.79%	5.62%	5.84%	5.68%	6.29%	5.36%	4.88%	5.32%	5.21%	5.45%	5.96%	5.47%
<b>60 - 89 Days Delinquent</b>	0.41%	0.42%	0.41%	0.42%	0.41%	0.43%	0.38%	0.34%	0.35%	0.36%	0.36%	0.39%	0.38%
Original Credit Score >= 660	0.25%	0.26%	0.25%	0.26%	0.25%	0.26%	0.24%	0.22%	0.22%	0.22%	0.22%	0.24%	0.23%
Original Credit Score < 660	1.83%	1.87%	1.84%	1.85%	1.86%	1.96%	1.70%	1.55%	1.59%	1.65%	1.68%	1.81%	1.77%
<b>60-plus-days Delinquent</b>	1.78%	1.74%	1.71%	1.68%	1.65%	1.68%	1.56%	1.46%	1.43%	1.39%	1.37%	1.39%	1.34%
Original Credit Score >= 660	1.19%	1.17%	1.14%	1.13%	1.10%	1.11%	1.04%	0.98%	0.96%	0.93%	0.91%	0.92%	0.88%
Original Credit Score < 660	7.01%	6.93%	6.84%	6.78%	6.71%	6.86%	6.35%	5.98%	5.87%	5.76%	5.74%	5.89%	5.73%
<b>Serious Delinquency Rate</b>	1.45%	1.41%	1.38%	1.36%	1.32%	1.33%	1.26%	1.20%	1.15%	1.11%	1.08%	1.08%	1.03%
<b>In Bankruptcy</b>	0.31%	0.30%	0.29%	0.28%	0.27%	0.27%	0.25%	0.25%	0.25%	0.24%	0.23%	0.23%	0.22%



## 2 Enterprises Combined - Foreclosure Prevention Actions (# of loans) <sup>1</sup>

	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	YTD 2016
<b>Starts<sup>2</sup></b>														
HAMP Active Trial & Perm. - Cum.	405,495	401,740	399,471	396,675	392,398	389,299	385,189	381,938	377,751	373,703	369,266	364,907	360,316	360,316
Repayment Plans	6,665	6,733	6,151	6,206	5,903	6,181	5,322	5,587	6,069	6,167	6,263	5,609	7,995	49,193
Forbearance Plans	2,028	1,913	2,010	1,902	2,029	2,149	1,888	1,867	2,069	1,820	2,345	1,850	2,338	16,326
<b>Completed</b>														
Repayment Plans <sup>3</sup>	2,849	2,731	2,807	2,574	2,929	2,370	3,006	2,818	2,578	2,637	2,624	2,429	2,354	20,816
Forbearance Plans <sup>3</sup>	553	535	525	553	576	457	769	732	521	529	512	368	592	4,480
Charge-offs-in-lieu	130	133	119	57	114	111	103	71	77	85	74	58	74	653
HomeSaver Advance (Fannie)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Modifications	11,382	11,347	10,926	8,569	10,422	9,925	10,095	11,789	10,784	9,838	11,342	10,587	11,431	85,791
<b>Home Retention Actions</b>	<b>14,914</b>	<b>14,746</b>	<b>14,377</b>	<b>11,753</b>	<b>14,041</b>	<b>12,863</b>	<b>13,973</b>	<b>15,410</b>	<b>13,960</b>	<b>13,089</b>	<b>14,552</b>	<b>13,442</b>	<b>14,451</b>	<b>111,740</b>
Short Sales	2,053	1,966	2,043	1,412	1,848	1,599	1,478	1,798	1,569	1,543	1,567	1,531	1,481	12,566
Deeds-in-lieu	839	741	701	726	868	739	768	983	728	674	756	574	653	5,875
<b>Nonforeclosure - Home Forfeiture Actions</b>	<b>2,892</b>	<b>2,707</b>	<b>2,744</b>	<b>2,138</b>	<b>2,716</b>	<b>2,338</b>	<b>2,246</b>	<b>2,781</b>	<b>2,297</b>	<b>2,217</b>	<b>2,323</b>	<b>2,105</b>	<b>2,134</b>	<b>18,441</b>
<b>Total Foreclosure Prevention Actions</b>	<b>17,806</b>	<b>17,453</b>	<b>17,121</b>	<b>13,891</b>	<b>16,757</b>	<b>15,201</b>	<b>16,219</b>	<b>18,191</b>	<b>16,257</b>	<b>15,306</b>	<b>16,875</b>	<b>15,547</b>	<b>16,585</b>	<b>130,181</b>

## Percent of Total Foreclosure Prevention Actions

Repayment Plans	16%	16%	16%	19%	17%	16%	19%	15%	16%	17%	16%	16%	14%	16%
Forbearance Plans	3%	3%	3%	4%	3%	3%	5%	4%	3%	3%	3%	2%	4%	3%
Charge-offs-in-lieu	1%	1%	1%	0%	1%	1%	1%	0%	0%	1%	0%	0%	0%	1%
HomeSaver Advance (Fannie)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Loan Modifications	64%	65%	64%	62%	62%	65%	62%	65%	66%	64%	67%	68%	69%	66%
<b>Home Retention Actions</b>	<b>84%</b>	<b>84%</b>	<b>84%</b>	<b>85%</b>	<b>84%</b>	<b>85%</b>	<b>86%</b>	<b>85%</b>	<b>86%</b>	<b>86%</b>	<b>86%</b>	<b>86%</b>	<b>87%</b>	<b>86%</b>
Short Sales	12%	11%	12%	10%	11%	11%	9%	10%	10%	10%	9%	10%	9%	10%
Deeds-in-lieu	5%	4%	4%	5%	5%	5%	5%	5%	4%	4%	4%	4%	4%	5%
<b>Nonforeclosure - Home Forfeiture Actions</b>	<b>16%</b>	<b>16%</b>	<b>16%</b>	<b>15%</b>	<b>16%</b>	<b>15%</b>	<b>14%</b>	<b>15%</b>	<b>14%</b>	<b>14%</b>	<b>14%</b>	<b>14%</b>	<b>13%</b>	<b>14%</b>

<sup>1</sup> 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.

<sup>2</sup> 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, 2016, Fannie Mae had 210,874 HAMP active permanent modifications and Freddie Mac had 146,765 HAMP active permanent modifications.

<sup>3</sup> 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(i) Enterprises Combined - Loan Modifications

	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	YTD 2016
<b>Loan Modifications (# of loans)</b>	11,382	11,347	10,926	8,569	10,422	9,925	10,095	11,789	10,784	9,838	11,342	10,587	11,431	85,791
<b>Types of Modification (%)</b>														
Extend Term Only	47%	47%	48%	48%	50%	48%	48%	49%	48%	47%	46%	45%	44%	47%
Reduce Rate Only	3%	2%	2%	2%	2%	2%	2%	3%	2%	2%	2%	2%	2%	2%
Reduce Rate and Extend Term	31%	31%	30%	29%	29%	30%	30%	31%	32%	32%	33%	33%	35%	32%
Reduce Rate, Extend Term and Forbear Principal	19%	19%	20%	19%	19%	19%	18%	19%	18%	19%	20%	20%	19%	19%
Other	0%	0%	0%	1%	0%	0%	2%	-1%	1%	0%	0%	0%	0%	0%



3(ii) Fannie Mae - Loan Modifications

	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	YTD 2016
<b>Loan Modifications (# of loans)</b>	7,245	7,064	6,882	5,618	6,599	6,451	6,592	7,856	7,097	6,552	7,629	6,958	7,489	56,624
<b>Types of Modification (%)</b>														
Extend Term Only	51%	51%	51%	51%	53%	51%	51%	52%	51%	50%	48%	46%	46%	49%
Reduce Rate Only	3%	2%	3%	2%	2%	2%	1%	3%	2%	2%	2%	2%	2%	2%
Reduce Rate and Extend Term	26%	25%	25%	25%	24%	26%	25%	28%	28%	28%	29%	30%	32%	28%
Reduce Rate, Extend Term and Forbear Principal	20%	22%	21%	21%	20%	20%	20%	20%	18%	20%	21%	22%	21%	20%
Other	0%	0%	0%	2%	0%	0%	3%	-2%	0%	0%	0%	0%	0%	0%



3(iii) Freddie Mac - Loan Modifications

	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	YTD 2016
<b>Loan Modifications (# of loans)</b>	4,137	4,283	4,044	2,951	3,823	3,474	3,503	3,933	3,687	3,286	3,713	3,629	3,942	29,167
<b>Types of Modification (%)</b>														
Extend Term Only	41%	41%	41%	43%	43%	43%	42%	42%	41%	43%	42%	43%	41%	42%
Reduce Rate Only	2%	2%	2%	2%	2%	2%	2%	2%	3%	2%	1%	2%	2%	2%
Reduce Rate and Extend Term	39%	41%	39%	38%	38%	39%	40%	39%	38%	39%	41%	40%	41%	40%
Reduce Rate, Extend Term and Forbear Principal	17%	16%	18%	16%	16%	16%	15%	16%	16%	16%	16%	15%	16%	16%
Other	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%



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

	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	YTD 2016
Short Sales	2,053	1,966	2,043	1,412	1,848	1,599	1,478	1,798	1,569	1,543	1,567	1,531	1,481	12,566
Deeds-in-lieu	839	741	701	726	868	739	768	983	728	674	756	574	653	5,875
Nonforeclosure - Home Forfeiture Actions <sup>1</sup>	2,892	2,707	2,744	2,138	2,716	2,338	2,246	2,781	2,297	2,217	2,323	2,105	2,134	18,441
Third-party Sales	2,179	2,311	2,210	2,029	2,152	2,305	2,072	2,245	2,186	2,680	2,692	2,338	2,380	18,898
Foreclosure Sales	6,351	6,832	6,895	5,911	5,899	6,757	5,644	5,931	5,409	5,169	5,212	4,770	4,830	43,722
Third-party & Foreclosure Sales	8,530	9,143	9,105	7,940	8,051	9,062	7,716	8,176	7,595	7,849	7,904	7,108	7,210	62,620
Foreclosure Starts	25,121	21,590	18,946	22,313	23,593	17,831	21,369	21,506	17,665	18,726	18,709	17,517	17,115	150,438

## Top Five Reasons for Delinquency

Curtailment of Income	23%	23%	23%	22%	22%	22%	22%	22%	21%	21%	21%	22%	22%
Excessive obligations	16%	16%	16%	14%	14%	14%	14%	14%	15%	22%	17%	17%	17%
Unemployment	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
Illness of principal mortgagor or family member	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	7%	7%	7%
Marital Difficulties	4%	4%	4%	4%	4%	4%	4%	4%	4%	3%	4%	4%	4%

<sup>1</sup> 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.

