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**HOPE NOW: Mortgage Industry Completed 207K Loan Mods  
for Homeowners in 1Q 2012**

***Serious Delinquencies Down 7% from a Year Ago***

(WASHINGTON, DC) – HOPE NOW, the voluntary, private sector alliance of mortgage servicers, investors, mortgage insurers and non-profit counselors, released its March 2012 loan modification data, which shows that an estimated 207,000 homeowners received permanent loan modifications from mortgage servicers for the first quarter of 2012.

The March 2012 data shows that approximately 147,000 homeowners received proprietary loan modifications and another 60,225 homeowners had loan modifications completed under the Home Affordable Modification Program (HAMP), during the first quarter of the year.

Since 2007, the mortgage industry has completed 5.42 million total permanent loan modifications for homeowners.

The HOPE NOW data also shows that modifications are lowering monthly payments for homeowners and lowering their interest rates. Of the proprietary modifications completed in the first quarter of 2012, approximately 77% (113,000) included reduced monthly principal and interest payments and 90% (132,000) had fixed interest rates of 5 or more years. Additionally, proprietary loan modifications that reduced principal and interest payments by more than 10% represented 72% (105,000) of the quarterly total.

The data showed a 7% drop in serious delinquencies (60+ days or more past due) from the same period in 2011.

Foreclosure starts and sales were also down from the same period in 2011. For the first quarter of 2012, there were approximately 545,000 foreclosure starts, a decline of 8% compared to first quarter 2011. Foreclosure sales for the first quarter of 2012 were 214,000, representing a decline of 4% compared to the same period in 2011.

Here are some of the highlights of the 1Q 2012 data:

- Total loan modifications were approximately 207,000. This represented a decline of 31% compared to the same time period in 2011. For loan modifications completed in 1Q 2012:
  - Approximately 147,000 were proprietary
  - 60,225 were completed under HAMP
- Loan modifications with reduced principal and interest payments accounted for approximately 77% (113,000) of all proprietary modifications.
- Loan modifications with reduced principal and interest payments by 10% or greater accounted for approximately 72% (105,000) of all proprietary modifications.
- Fixed-rate modifications (initial fixed period of 5 years or more) accounted for 90% (132,000) of all proprietary modifications.
- Foreclosure starts were 545,000, compared to 591,000 reported for the same time period in 2011 – a decrease of 8%.
- Completed foreclosure sales were approximately 214,000, compared to 223,000 reported for the same time period in 2011 – a decrease of 4%.
- 60+ days delinquencies for the month were 2.65 million, down from the 2.86 million reported in the first quarter of 2011 – a decrease of 7%.

Faith Schwartz, Executive Director, issued this statement:

“We continue to be encouraged by the efforts of mortgage servicers, non-profit counselors and others to educate homeowners on their options and find viable solutions for home retention, or graceful exit in some cases.

In cases where home retention is not an alternative, the focus shifts to community stabilization through improving the short sale process and deed in lieu process, focusing on issues associated with vacant homes and enhancing public/private partnerships to support the housing market.

HOPE NOW continues to work with all stakeholders to find creative ways to assist at-risk homeowners. For 2012, we will continue our commitment to homeowners via enhanced regional outreach activities, streamlined processes and effective use of technology.”



HOPE NOW

Snapshot  
Industry Extrapolations and HAMP Metrics

						Rolling Three Month		
	Q1-2011	Q2-2011	Q3-2011	Q4-2011	Q1-2012	Jan-2012	Feb-2012	Mar-2012
<b>Total Completed Modifications</b>	298,449	251,424	255,667	242,382	207,013	73,767	66,812	66,434
HAMP Permanent Modifications <sup>1</sup>	90,536	92,885	93,903	76,353	60,195	17,992	22,263	19,940
Proprietary Modifications Completed <sup>2</sup>	207,913	158,539	161,764	166,029	146,818	55,775	44,549	46,494
<b>Proprietary Modifications Completed</b>								
Reduced P&I Modifications	167,786	127,585	133,164	126,785	113,106	37,547	36,495	39,063
<i>% of Proprietary Modifications</i>	81%	80%	82%	76%	77%	67%	82%	84%
Fixed Rate Modifications (initial fixed period of 5 years or more)	168,343	134,887	130,310	138,583	131,588	49,845	40,103	41,639
<i>% of Proprietary Modifications</i>	81%	85%	81%	83%	90%	89%	90%	90%
Reduced P&I Modifications (10% or greater)	119,422	92,126	106,088	120,213	105,183	35,106	33,551	36,527
<i>% of Proprietary Modifications</i>	57%	58%	66%	72%	72%	63%	75%	79%
Foreclosure Starts	591,159	534,207	597,447	543,176	544,955	200,447	167,114	177,395
Foreclosure Sales	222,691	216,073	199,383	204,631	213,827	78,734	69,268	65,824
60+ Days Delinquency	2,858,461	2,785,156	2,799,997	2,734,833	2,653,822	2,768,377	2,657,355	2,535,733

<sup>1</sup>Source - Making Home Affordable. Estimated.

<sup>2</sup>Extrapolated. Modifications Completed was revised in December 2009 to include Current Modifications and specifically exclude HAMP.

\*Survey data may be restated from time to time based on servicers' collection and reporting. HOPE NOW reports and extrapolates data as provided by servicers to a third-party data aggregation vendor. Any data changes will be reflected in monthly reporting.

**HOPE NOW** is the industry-created alliance of mortgage servicers, investors, counselors, and other mortgage market participants, brought together by the Financial Services Roundtable, Housing Policy Council and Mortgage Bankers Association, that has developed and is implementing a coordinated plan to help as many homeowners as possible prevent foreclosure and stay in their homes. For more information go to [www.HopeNow.com](http://www.HopeNow.com) or call the free Homeowner's HOPE™ Hotline at (888) 995-HOPE™.

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