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## **Loan Mods for Homeowners Remain Steady in February as Foreclosure Starts & Sales Hit Lowest Level Since 2007**

### **HOPE NOW Reports 42K Loan Mods for the Month**

(WASHINGTON, DC) – HOPE NOW, the voluntary, private sector alliance of mortgage servicers, investors, mortgage insurers and non-profit counselors, released its February 2014 loan modification data. An estimated 42,000 homeowners received permanent, affordable loan modifications from mortgage servicers during the month. This total includes modifications completed under both proprietary programs and the government's Home Affordable Modification Program (HAMP).

HOPE NOW's data also showed steady declines in both foreclosure starts and sales, compared to the previous month. In fact, February's estimated total of 36,000 foreclosure sales and 69,000 foreclosure starts represent the lowest totals on record since the organization began reporting data in 2007.

### **Close to 7 Million Loan Mods for Families Since 2007**

The February total of approximately 42,000 loan modifications brings the total number to approximately 6.93 million since HOPE NOW began tracking the data in 2007.

Loan modifications life to date:

- Approximately 5.6 million homeowners have received proprietary loan modifications since 2007.
- 1,339,682 homeowners have received HAMP modifications (Note: HAMP reporting began in 2009).

For the month of February:

- Approximately 30,000 homeowners received proprietary loan modifications.
- An additional 12,445 received HAMP modifications.

### **Foreclosure Sales & Starts at All Time Low**

Foreclosure sales declined significantly, with approximately 36,000 sales completed in February, compared to 48,000 in January – a decrease of 24%. This is the lowest number on record in HOPE NOW's data and an indicator that the availability of a multitude of non-foreclosure options continues to have a positive impact on the housing market. Additionally, there were approximately 69,000 foreclosure starts in the month of February, compared to 75,000 in January – a decrease of 8%.

### **Serious Delinquencies Remain Below Two Million**

Delinquencies of 60 days or more were under two million for the second straight month – at approximately 1.98 million. This number is yet another indicator of the progress made in stabilizing the housing market. For comparison purposes, there were 4.13 million homeowners in 60+ day delinquency in December of 2009 – more than twice the current number. Delinquency data is extrapolated from data received by the Mortgage Bankers Association for the fourth quarter of 2013.

### **Other Key Metrics: February vs. January**

- Loan Modifications: Approximately 42,000 completed in February vs. 44,000 in January – a decrease of 5%.
- Short sales – Approximately 11,000 completed in February vs. 12,000 in January – a decrease of 8%.
- Deed in-lieu: Approximately 2,300 completed in February vs. 2,500 in January – a decrease of 8%.

The full data set for February 2014 is available at [www.hopenow.com](http://www.hopenow.com).

Eric Selk, Executive Director, issued this statement:

“Mortgage solution data collection continues to be a focus for HOPE NOW. We are pleased by the efforts of our servicer members, non-profit partners and government partners on behalf of struggling homeowners. Even with serious delinquencies in decline, the industry continues to offer homeowners a multitude of sustainable and viable solutions that are alternatives to foreclosure.

HOPE NOW is committed to connecting homeowners to the best available public and private resources through face to face outreach and enhanced borrower education. Face to face events, along with our partner Making Home Affordable, have already been held in Atlanta, Jacksonville and Orlando so far in 2014, assisting close to 1,000 families. Upcoming locations face to face events include the Detroit metro area, Cleveland and California.

A virtual, online event was held for St. Louis and Kansas City homeowners in March and one that will cover the state of Texas is scheduled for April. We are encouraged by these 'next generation' virtual outreach events that allow homeowners to connect with servicers and counselors and receive valuable

mortgage assistance from the comfort of their own homes. There is an opportunity for new tools to address market conditions and we see the virtual model as an ideal way to capture the personal interaction of our normal outreach events, with the added bonus of reaching a broader market of homeowners.

Additionally, HOPE NOW has worked with several regional Federal Reserve Banks to convene meetings with stakeholders to discuss action plans targeted to local housing issues. An event was held in San Francisco in March, with the Federal Reserve Bank of San Francisco, that saw more than 60 local stakeholders and servicers strategize on affordable housing solutions and abandon property issues in northern California. Similar meetings are scheduled for Minneapolis, Newark and Detroit.”



## HOPE NOW

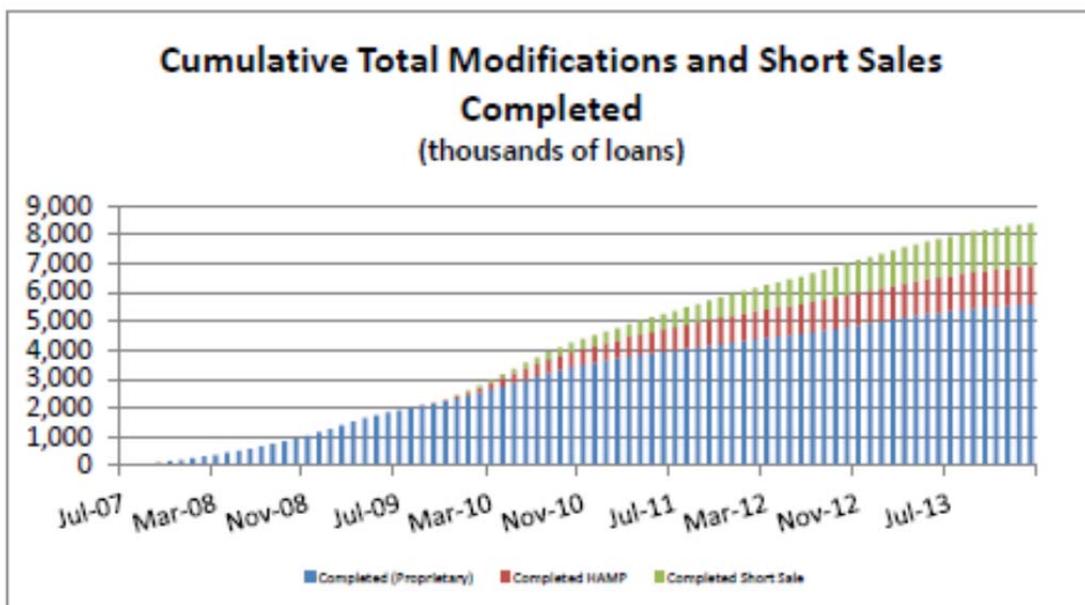
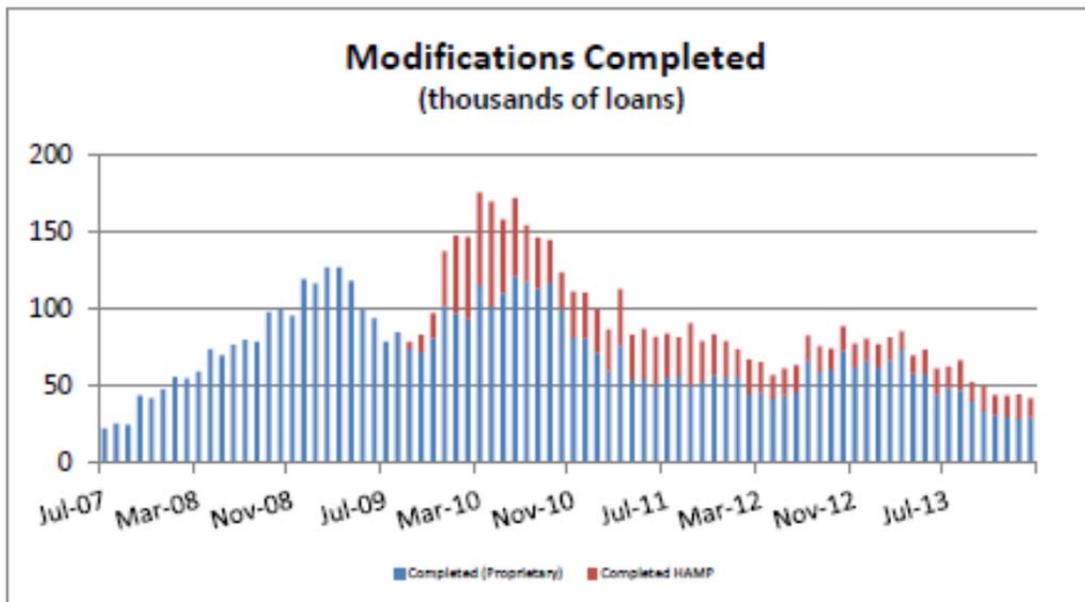
### Snapshot Industry Extrapolations and HAMP Metrics

	Q1-2013	Q2-2013	Q3-2013	Q4-2013	Three Month		
					Dec-13	Jan-14	Feb-14
<b>Total Completed Modifications</b>	244,313	204,485	181,242	137,417	43,426	44,237	42,145
HAMP Permanent Modifications <sup>1</sup>	42,157	44,860	45,136	42,923	13,544	15,729	12,455
Proprietary Modifications Completed <sup>2</sup>	202,156	159,625	136,106	94,494	29,882	28,508	29,690
Reduced P&I Modifications (10% or greater)	156,454	124,729	105,161	62,564	19,836	18,001	16,608
% of Proprietary Modifications	77%	78%	77%	66%	66%	63%	56%
Completed Short Sale	84,857	81,388	67,589	48,507	14,778	11,742	10,884
Deed-In-Lieu	9,052	7,847	7,259	8,092	2,539	2,482	2,327
Foreclosure Starts	399,595	323,476	290,099	264,152	79,107	74,762	68,977
Foreclosure Sales	169,281	157,633	166,809	130,721	38,504	48,029	36,396
60+ Days Delinquency	2,418,552	2,210,410	2,106,089	2,024,359	2,025,175	1,997,853	1,981,311

<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.



Source: Making Home Affordable and HOPE NOW

HOPE NOW has collected data on Completed (Proprietary) Modifications since 2007. Data for Completed HAMP loans began in September 2009.

HOPE NOW began collecting short sale data in December of 2009.

**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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