



November 15, 2011

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Five Million Loan Mods Since 2007

HOPE NOW Releases Latest Data, Says Collaboration, Innovation and Bold Action are Keys to Housing Recovery

(WASHINGTON, DC) – HOPE NOW, the voluntary, private sector alliance of mortgage servicers, investors, mortgage insurers and non-profit counselors, released its 3rd Quarter 2011 data showing that the industry is at five million loan modifications completed for homeowners since 2007.

Faith Schwartz, Executive Director, reports, “When HOPE NOW started reporting data at the end of 2007, loan modifications were barely measurable. Homeowners either paid their mortgages or forfeited their homes. However, over the past four years the housing crisis has taught us to re-think helping distressed homeowners through an unprecedented level of collaboration, funding, manpower and expanded resources. Five million hard working American families have been able to prevent foreclosures through permanent loan modifications.

And while this is quite an accomplishment, the housing crisis is far from over. The industry, and its partners in the non-profit counseling community and the government, remains committed to reaching out to struggling homeowners, improving the customer experience and embracing new technology.

It is important for all stakeholders to continue to build on the hard work that has been done for homeowners during the past four year. Success is achieved through outreach to non-contact borrowers, support and funding for the non-profit counseling community and reasonable, effective government policy.”

Five Million Permanent Loan Mods Since 2007

Since HOPE NOW began reporting data in 2007, it is estimated that the mortgage industry has completed 4.97 million loan modifications for homeowners (through September 2011). This includes more than 4.11 million proprietary modifications and 856,974 completed under the Home Affordable Modification Program (HAMP) through September 2011. Based on current trends, the industry has surpassed the five million loan modification milestone to date.

Proprietary Loan Mods Performing at 80%

The latest data shows that after six months of seasoning, over 80 percent of the proprietary loan modifications completed are performing (less than 90 days past due).

60+ Days Delinquencies Significantly Lower Than at Same Point in 2010

According to the latest survey data, the inventory of 60 day plus delinquencies in the third quarter of 2011 was 2.81 million. This compares to 3.17 million at the same point in 2010. This represents an 11% decline.

Fewer Foreclosure Starts and Sales 3Q 2011 vs. 3Q 2010

Foreclosure starts were approximately 600,000. This compares with 709,000 during the third quarter of 2010, a decrease of 15%. Foreclosure sales were approximately 200,000. This compares to 314,000 during the same period last year, a decrease of 36%.

Key data points for 3Q 2011:

- Loan modifications:
 - Total permanent loan modifications for homeowners 3Q 2011 are approximately 256,000:
 - An estimated 162,000 are proprietary.
 - 93,903 have been completed under HAMP.
- Foreclosures:
 - Completed 3Q foreclosure sales were approximately 200,000, compared to 314,000 during the same period of 2010
 - Foreclosure starts for 3Q were 600,000, down from the 709,000 reported for the same period of 2010
- Delinquencies for 3Q:
 - 60+ days delinquencies were 2.81 million, down from the 3.17 million reported at the same point in 2010.

Data on proprietary loan modification characteristics 3Q 2011:

- Loan modifications with reduced principal and interest payments accounted for approximately 82% (133,000) of all proprietary

modifications.

- Loan modifications with reduced principal and interest payments by 10% or greater accounted for approximately 66% (106,000) of all proprietary modifications.
- Fixed-rate modifications (initial fixed period of 5 years or more) accounted for approximately 81% (130,000) of all proprietary modifications.



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Snapshot Industry Extrapolations and HAMP Metrics

	Q1-2011	Q2-2011	Q3-2011	Jul-2011	Aug-2011	Sep-2011
Total Completed Modifications	298,449	251,424	255,808	84,015	81,262	90,532
HAMP Permanent Modifications ¹	90,536	92,885	93,903	28,328	25,434	40,141
Proprietary Modifications Completed ²	207,913	158,539	161,905	55,687	55,828	50,391

Proprietary Modifications Completed

Reduced P&I Modifications	167,786	127,585	133,246	44,413	46,314	42,519
<i>% of Proprietary Modifications</i>	81%	80%	82%	80%	83%	84%
Fixed Rate Modifications (initial fixed period of 5 years or more)	168,343	134,887	130,494	42,402	46,608	41,484
<i>% of Proprietary Modifications</i>	81%	85%	81%	76%	83%	82%
Reduced P&I Modifications (10% or greater)	119,422	92,126	106,101	33,302	37,730	35,069
<i>% of Proprietary Modifications</i>	57%	58%	66%	60%	68%	70%

Foreclosure Starts	591,159	534,207	599,724	185,076	217,955	196,694
Foreclosure Sales	222,691	216,073	200,211	64,578	67,663	67,970
60+ Days Delinquency	2,858,461	2,785,156	2,807,014	2,810,511	2,797,573	2,812,958

¹Source - Making Home Affordable. Estimated.

²Extrapolated. 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.



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Q3 2010 to Q3 2011 Comparison & First Nine Months Comparison (January to September) Industry Extrapolations and HAMP Metrics

	Q3-2010	Q3-2011	Q1-Q3 2010	Q1-Q3 2011
Total Completed Modifications	444,787	255,808	1,413,272	805,681
HAMP Permanent Modifications ¹	97,877	93,903	428,960	277,324
Proprietary Modifications Completed ²	346,910	161,905	984,312	528,357

Proprietary Modifications Completed

Reduced P&I Modifications	294,190	133,246	791,944	428,617
<i>% of Proprietary Modifications</i>	85%	82%	80%	81%
Fixed Rate Modifications (initial fixed period of 5 years or more)	284,815	130,494	N/A	433,725
<i>% of Proprietary Modifications</i>	82%	81%	N/A	82%
Reduced P&I Modifications (10% or greater)	185,015	106,101	N/A	317,650
<i>% of Proprietary Modifications</i>	53%	66%	N/A	60%

Foreclosure Starts	709,119	599,724	1,960,006	1,725,091
Foreclosure Sales	313,949	200,211	889,187	638,975
60+ Days Delinquency	3,172,424	2,807,014	3,574,093	2,816,877

¹Source - Making Home Affordable. Estimated.

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

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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 or call the free Homeowner's HOPE™ Hotline at (888) 995-HOPE™.

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