



## Federal Housing Finance Agency

1700 G Street, N.W., Washington, D.C. 20552-0003

Telephone: (202) 414-3800

Facsimile: (202) 414-3823

[www.fhfa.gov](http://www.fhfa.gov)

September 1, 2011

The Honorable Tim Johnson  
Chairman  
Committee on Banking, Housing,  
and Urban Affairs  
United States Senate  
Washington, DC 20510

Dear Chairman Johnson:

I am transmitting the Federal Housing Finance Agency's (FHFA) Federal Property Manager's report in accordance with Section 110 of the Emergency Economic Stabilization Act of 2008 (EESA), titled *Assistance to Homeowners*. Section 110 of EESA directs Federal Property Managers (FPM) to develop and implement plans to maximize assistance for homeowners and encourage servicers of underlying mortgages to take advantage of programs to minimize foreclosures. FHFA is a designated FPM in its role as conservator for Fannie Mae and Freddie Mac. Each FPM is also required to report to Congress the number and types of loan modifications and the number of foreclosures during the reporting period.

Reducing Enterprise losses by preventing avoidable foreclosures through loan modification and mortgage refinances remains a top priority at FHFA. We continue to explore ways to maximize assistance for homeowners and minimize preventable foreclosures consistent with the intent of EESA.

Sincerely,

A handwritten signature in blue ink that reads "Jeanine T. Chynoweth" with "for PB" written below it.

Peter Brereton  
Associate Director for Congressional Affairs

Attachments



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September 1, 2011

The Honorable Richard C. Shelby  
Ranking Minority Member  
Committee on Banking, Housing,  
and Urban Affairs  
United States Senate  
Washington, DC 20510

Dear Senator Shelby:

I am transmitting the Federal Housing Finance Agency's (FHFA) Federal Property Manager's report in accordance with Section 110 of the Emergency Economic Stabilization Act of 2008 (EESA), titled *Assistance to Homeowners*. Section 110 of EESA directs Federal Property Managers (FPM) to develop and implement plans to maximize assistance for homeowners and encourage servicers of underlying mortgages to take advantage of programs to minimize foreclosures. FHFA is a designated FPM in its role as conservator for Fannie Mae and Freddie Mac. Each FPM is also required to report to Congress the number and types of loan modifications and the number of foreclosures during the reporting period.

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Peter Brereton  
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September 1, 2011

The Honorable Spencer Bachus  
Chairman  
Committee on Financial Services  
United States House of Representatives  
Washington, DC 20515

Dear Chairman Bachus:

I am transmitting the Federal Housing Finance Agency's (FHFA) Federal Property Manager's report in accordance with Section 110 of the Emergency Economic Stabilization Act of 2008 (EESA), titled *Assistance to Homeowners*. Section 110 of EESA directs Federal Property Managers (FPM) to develop and implement plans to maximize assistance for homeowners and encourage servicers of underlying mortgages to take advantage of programs to minimize foreclosures. FHFA is a designated FPM in its role as conservator for Fannie Mae and Freddie Mac. Each FPM is also required to report to Congress the number and types of loan modifications and the number of foreclosures during the reporting period.

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September 1, 2011

The Honorable Barney Frank  
Ranking Member  
Committee on Financial Services  
United States House of Representatives  
Washington, DC 20515

Dear Ranking Member Frank:

I am transmitting the Federal Housing Finance Agency's (FHFA) Federal Property Manager's report in accordance with Section 110 of the Emergency Economic Stabilization Act of 2008 (EESA), titled *Assistance to Homeowners*. Section 110 of EESA directs Federal Property Managers (FPM) to develop and implement plans to maximize assistance for homeowners and encourage servicers of underlying mortgages to take advantage of programs to minimize foreclosures. FHFA is a designated FPM in its role as conservator for Fannie Mae and Freddie Mac. Each FPM is also required to report to Congress the number and types of loan modifications and the number of foreclosures during the reporting period.

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Peter Brereton  
Associate Director for Congressional Affairs

Attachments



## Federal Housing Finance Agency

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### Foreclosure Prevention & Refinance Report Second Quarter 2011

#### FHFA Federal Property Manager's Report

This report contains data on foreclosure prevention activity, refinance and MHA program activity of Fannie Mae and Freddie Mac (the Enterprises) through June 2011.

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## Second Quarter 2011 Highlights

### The Enterprises' Completed Foreclosure Prevention Actions:

- The Enterprises have completed nearly 1.8 million foreclosure prevention actions since the first full quarter in conservatorship (4Q08). More than half of these actions were loan modifications.
- Completed foreclosure prevention activity declined in the second quarter, driven by decreases in completed loan modifications and forbearance plans.
- The majority of borrowers that received loan modifications in the second quarter had their monthly payments reduced substantially.
- Loans modified since the start of HAMP are performing substantially better compared to loans modified in earlier periods for two primary reasons: 1) Loan modifications during this period resulted in deeper payment reductions for a greater proportion of borrowers than in earlier periods and, 2) the majority of these borrowers were required to successfully complete a trial period prior to permanent modification.

### The Enterprises' Mortgage Performance:

- Serious delinquency rates declined for the sixth consecutive quarter. However, the percentage of loans that have missed one payment increased during the second quarter.
- The Enterprises' delinquency rates remain below industry levels.

### The Enterprises' Foreclosures:

- Foreclosure starts continued to decline while third-party and foreclosure sales increased in the second quarter.
- REO inventory declined for the third consecutive quarter as property dispositions continue to outpace acquisitions in the second quarter.

### Foreclosure Prevention & Refinance Activities

|   | 1Q11           | 2Q11           |
|---|----------------|----------------|
| HAMP Active Trials                              | 63,987         | 50,923         |
| HAMP Permanent - Cumulative                     | 320,462        | 357,710        |
| HARP - Cumulative                               | 752,035        | 838,441        |
| <b>Completed Foreclosure Prevention Actions</b> |                |                |
| Loan Modifications *                            | 86,201         | 81,214         |
| Repayment Plans                                 | 44,827         | 45,890         |
| Forbearance Plans                               | 12,601         | 7,713          |
| Charge-offs In Lieu                             | 348            | 602            |
| <b>Home Retention Actions</b>                   | <b>143,977</b> | <b>135,419</b> |
| Short Sales                                     | 25,705         | 29,483         |
| Deeds-in-lieu                                   | 1,849          | 2,727          |
| <b>Home Forfeiture Actions</b>                  | <b>27,554</b>  | <b>32,210</b>  |
| <b>TOTAL</b>                                    | <b>171,531</b> | <b>167,629</b> |

\* Includes HAMP permanent modifications

### Mortgage Performance (at period end)

| (# of loans in thousands)                | 1Q11  | 2Q11  |
|--|-------|-------|
| 30-59 Days Delinquent                    | 553   | 605   |
| 60-plus-days Delinquent                  | 1,382 | 1,333 |
| Serious Delinquent*                      | 1,197 | 1,140 |
| Foreclosure Starts                       | 260   | 251   |
| Third-party & Foreclosure Sales          | 88    | 94    |
| REO Inventory                            | 218   | 196   |
| <b>(Percent of total loans serviced)</b> |       |       |
| 30-59 Days Delinquent                    | 1.86% | 2.04% |
| 60-plus-days Delinquent                  | 4.64% | 4.50% |
| Serious Delinquent*                      | 4.02% | 3.85% |

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

# Making Home Affordable Program - Status Update

## Home Affordable Modification Program (HAMP)

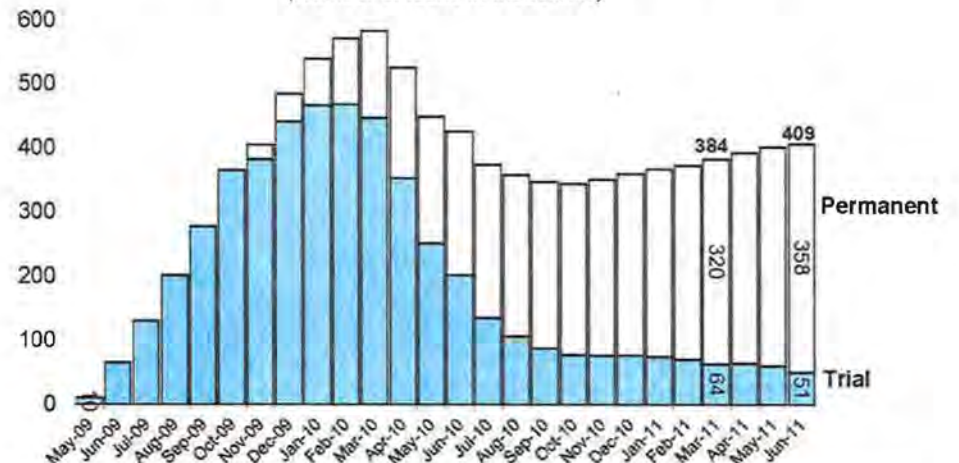
- Announced March 4, 2009.
- Allows a borrower's payment to be reduced to an affordable amount through an interest rate reduction (down to 2 percent), a term extension (up to 480 months), or principal forbearance. Incentives are being offered to borrowers, servicers, and investors for program participation and a successful payment history.
- Approximately 37,200 HAMP trials became permanent modifications in the second quarter, bringing the total number of active HAMP permanent modifications to more than 357,700.
- Nearly 51,000 borrowers were in a HAMP trial period at the end of the quarter, down from 64,000 at the end of the first quarter. The decline was due to conversions to permanent modifications.

## Home Affordable Refinance Program (HARP)

- Announced March 4, 2009.
- Allows existing Enterprise borrowers who are current on their mortgage payments to refinance and reduce their monthly mortgage payments at loan-to-value ratios up to 125 percent without new mortgage insurance.
- The Enterprises' cumulative HARP refinancings increased 11 percent during the second quarter to approximately 838,400 loans.
- Monthly HARP volume decreased in the second quarter as interest rates remained above the historic lows reached in 2010. However, the HARP percentage of total refinance volume was higher than previous quarters.

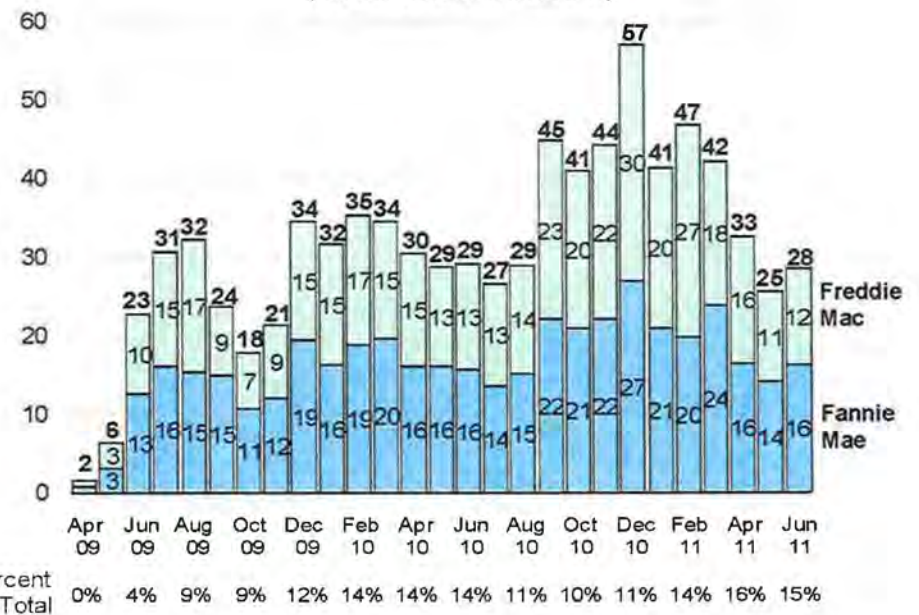
\* HAMP trial modifications are based on the first trial payment posted date. HAMP permanent modifications are based on the effective date of modification.

**HAMP Active Trial and Permanent - Cumulative\***  
(Number of loans in thousands)



Source: Agency Servicer Survey through September 2009; FHFA Housing Loan Refinance and Modification Statistics through October 2011

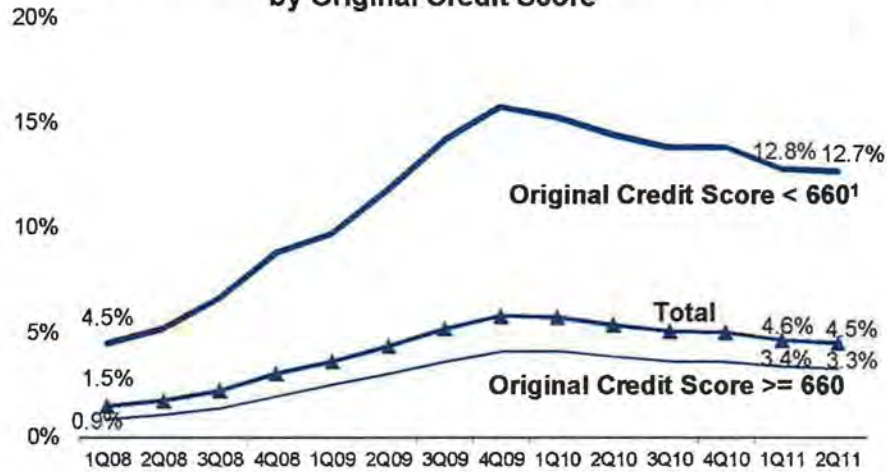
**HARP Refinance, Monthly Volume**  
(Number of loans in thousands)



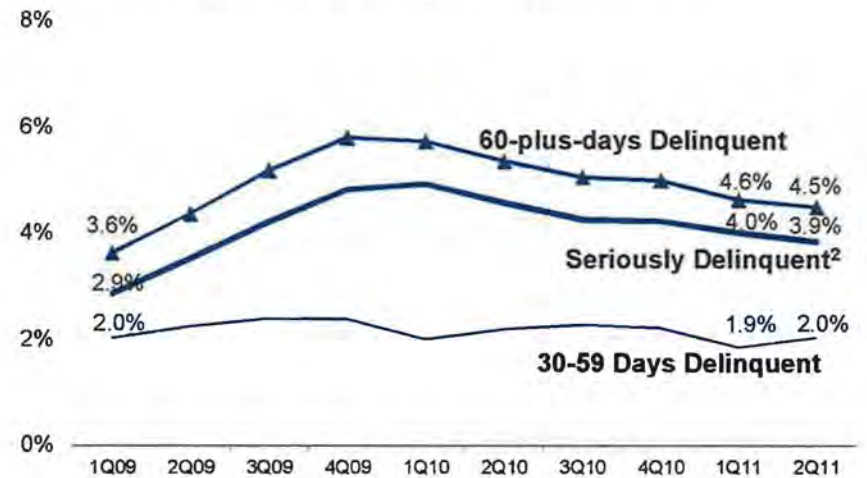


# Mortgage Performance

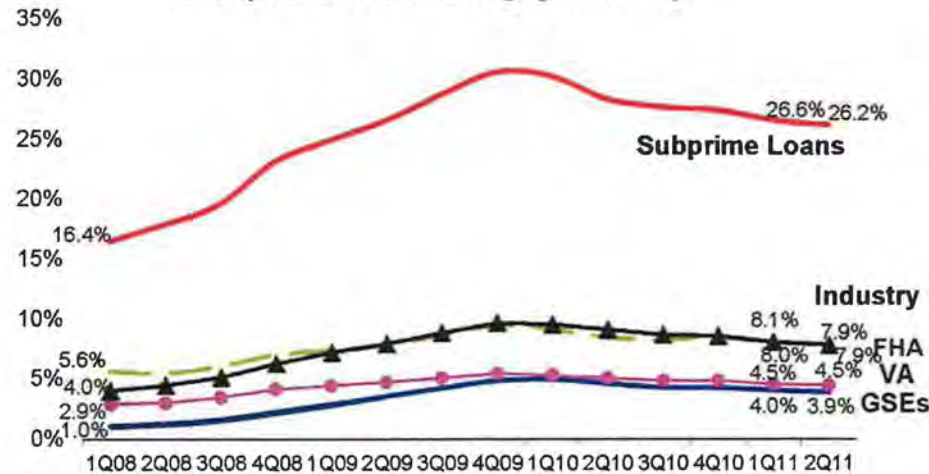
**Enterprises' 60-plus-days Delinquency Rates by Original Credit Score**



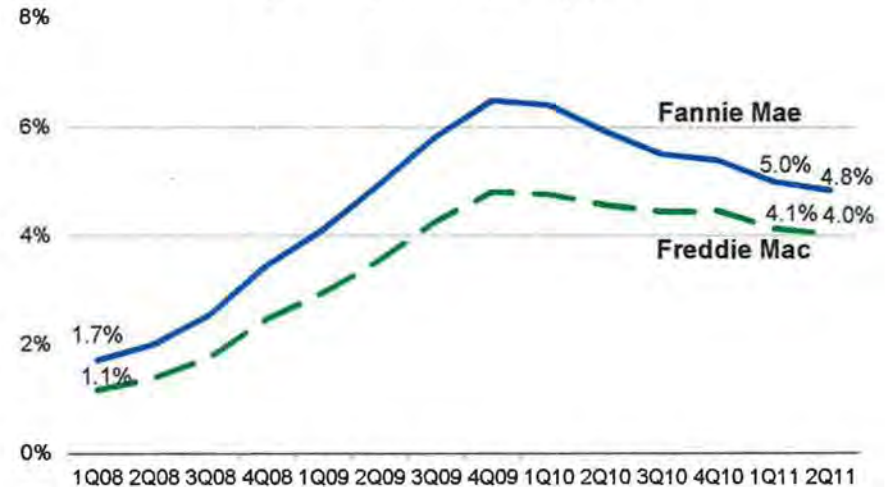
**Enterprises' Mortgage Delinquency Rates**



**Serious Delinquency Rates<sup>2</sup> Enterprises versus Mortgage Industry**



**60-plus-days Delinquency Rates**



Source: Fannie Mae and Freddie Mac National Delinquency Survey from MBA - Second Quarter 2011

<sup>1</sup> Includes loans with missing original credit score.  
<sup>2</sup> 90 days or more delinquent, or in the process of foreclosure.

## Foreclosure Prevention Activity: All Actions Completed

Since the fourth quarter of 2008, the first full quarter in which the Enterprises were in conservatorship, completed foreclosure prevention actions total 1,788,558. The majority of the actions were loan modifications, which involved restructuring of the original terms of a loan with the aim of curing the delinquency by reducing borrowers' monthly payments.

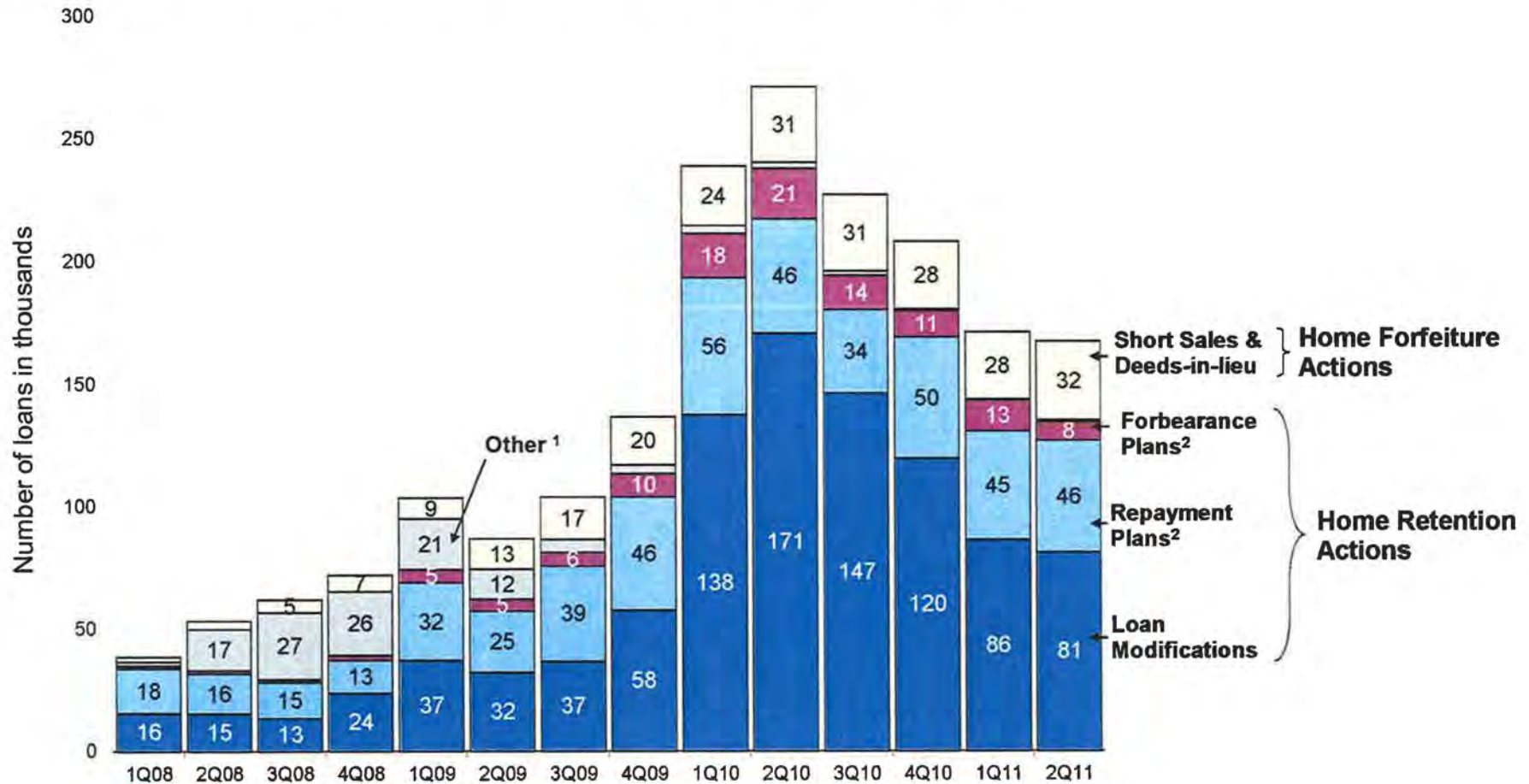
### Completed Foreclosure Prevention Actions

|   | Full Year<br>2008     | Full Year<br>2009     | Full Year<br>2010     | YTD<br>Jun-11         | Conservatorship<br>to Date <sup>1</sup> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|---|
| <b>Home Retention Actions</b>                   |                       |                       |                       |                       |   |
| Repayment Plans                                 | 62,560                | 142,360               | 185,954               | 90,717                | 432,340                                 |
| Forbearance Plans                               | 5,692                 | 25,227                | 63,024                | 20,314                | 110,681                                 |
| Charge-offs in Lieu                             | 799                   | 2,247                 | 3,118                 | 950                   | 6,588                                   |
| HomeSaver Advance ( <i>Fannie</i> )             | 70,967                | 39,199                | 5,191                 | -                     | 70,178                                  |
| Loan Modifications                              | <u>68,307</u>         | <u>163,647</u>        | <u>575,022</u>        | <u>167,415</u>        | <u>929,861</u>                          |
| <b>Total</b>                                    | <b>208,325</b>        | <b>372,680</b>        | <b>832,309</b>        | <b>279,396</b>        | <b>1,549,648</b>                        |
| <b>Nonforeclosure - Home Forfeiture Actions</b> |                       |                       |                       |                       |   |
| Short Sales                                     | 15,704                | 55,447                | 107,953               | 55,188                | 224,780                                 |
| Deeds-in-lieu                                   | <u>1,511</u>          | <u>2,971</u>          | <u>6,043</u>          | <u>4,576</u>          | <u>14,130</u>                           |
| <b>Total</b>                                    | <b><u>17,215</u></b>  | <b><u>58,418</u></b>  | <b><u>113,996</u></b> | <b><u>59,764</u></b>  | <b><u>238,910</u></b>                   |
| <b>Total Foreclosure<br/>Prevention Actions</b> | <b><u>225,540</u></b> | <b><u>431,098</u></b> | <b><u>946,305</u></b> | <b><u>339,160</u></b> | <b><u>1,788,558</u></b>                 |

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

## Foreclosure Prevention Activity: All Actions Completed

The Enterprises' completed foreclosure prevention actions declined for the fourth consecutive quarter, driven by decreases in completed loan modifications and forbearance plans. Home retention actions accounted for about 81 percent of all actions completed during the quarter. Since the start of conservatorship, Fannie Mae and Freddie Mac have completed nearly 1.8 million foreclosure prevention actions. More than 1.5 million of these actions have allowed troubled homeowners to save their homes.

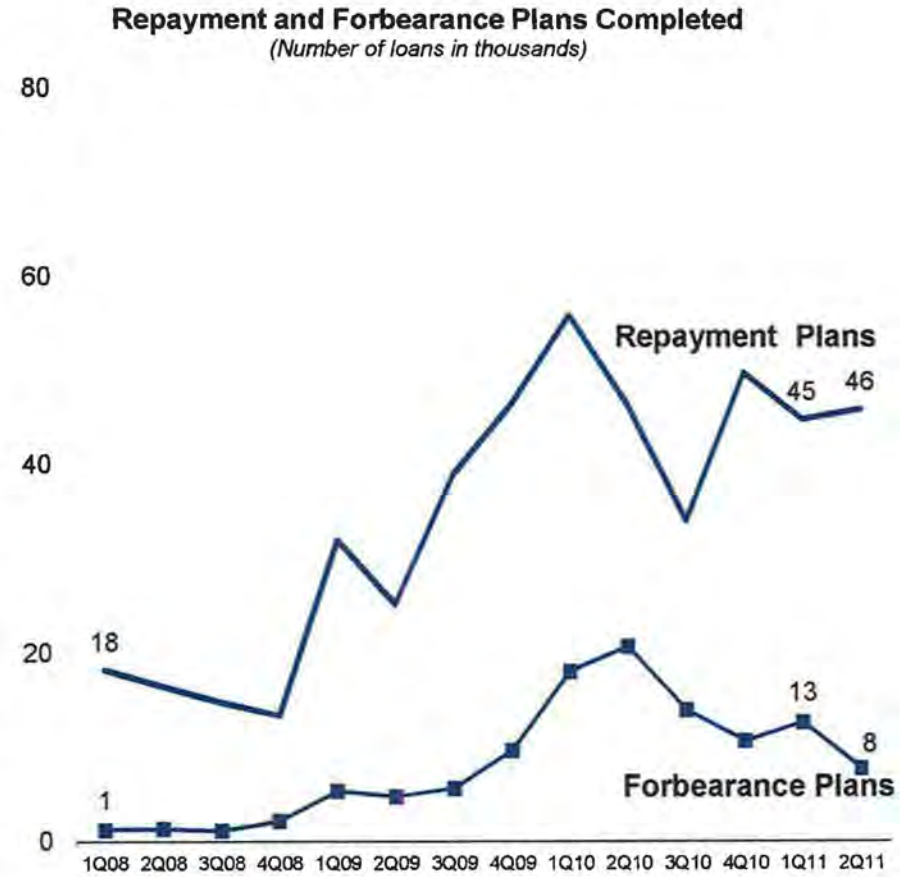
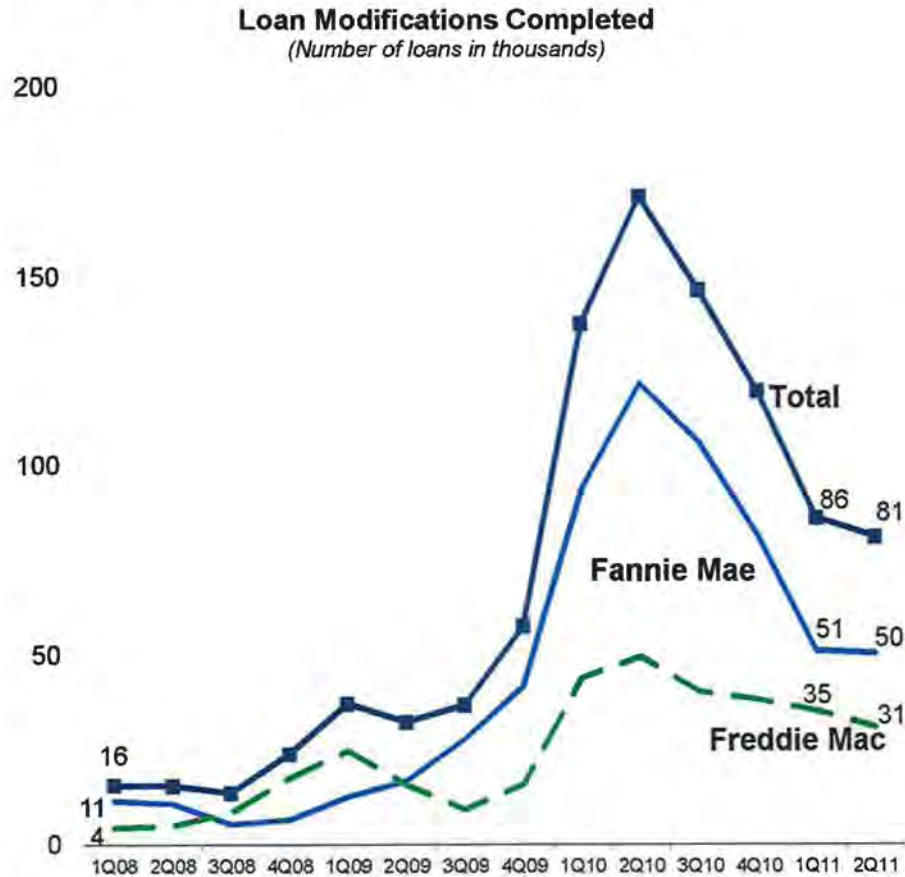


<sup>1</sup> Consists of HomeSaver Advance (Fannie Mae) and Charge-offs in lieu.

<sup>2</sup> Include loans that were 30+ days delinquent at initiation of the plan. In addition, the completed forbearance plans data has been revised to exclude HAMP.

## Foreclosure Prevention Activity: Home Retention Actions

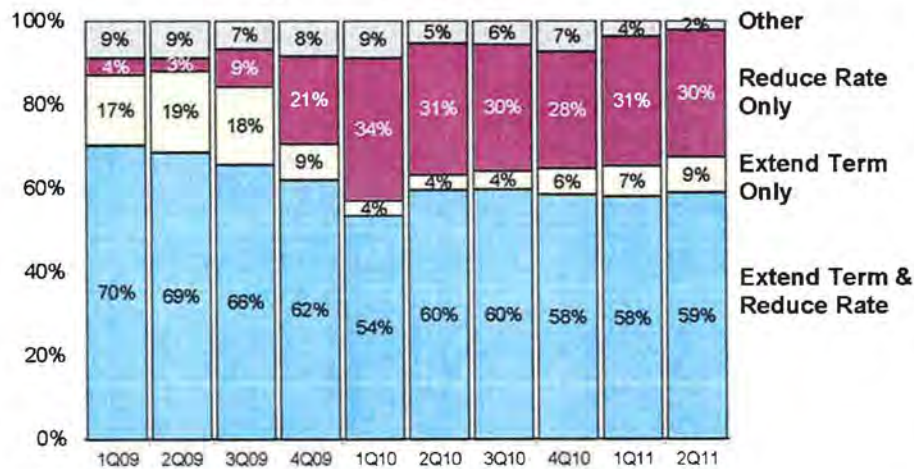
The Enterprises' completed loan modifications decreased to approximately 81,200 in the second quarter, from 86,200 in the first quarter. In the fourth quarter of 2010, Fannie Mae implemented a new process that introduced trial periods for all loan modifications. This contributed to fewer completed loan modifications in subsequent quarters. The Enterprises completed nearly 45,900 repayment plans and approximately 7,700 forbearance plans during the quarter.



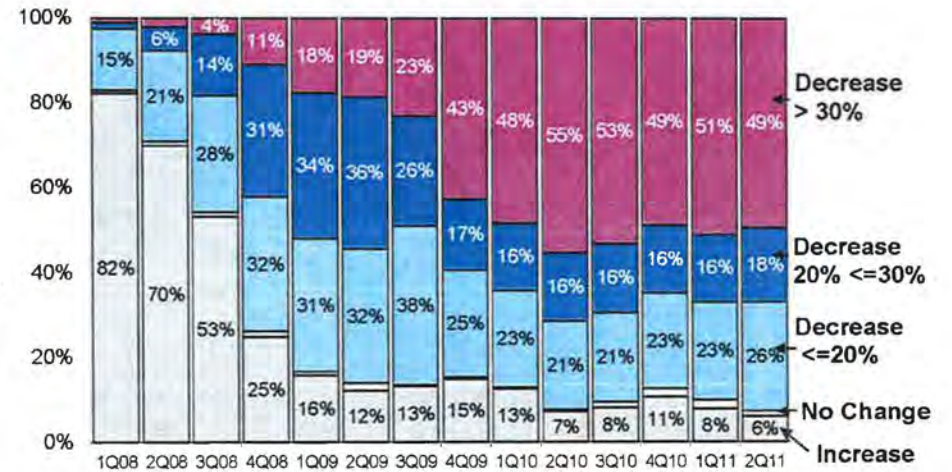
# Enterprises' Loan Modifications

Loans modified since the start of HAMP continued to perform substantially better than loans modified in earlier periods. Compared to loans modified prior to HAMP implementation, more of these borrowers successfully completed trial periods before permanent modifications, and a majority of these borrowers received substantially reduced mortgage payments.

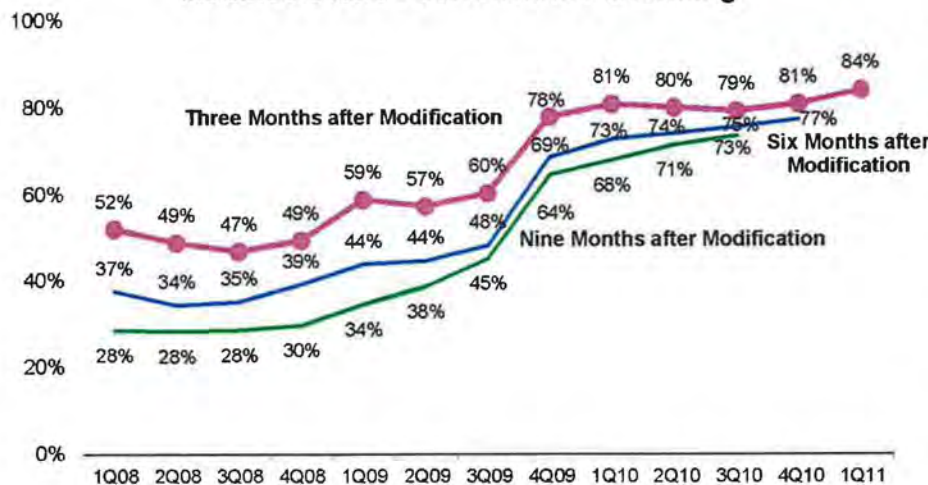
Type of Modification



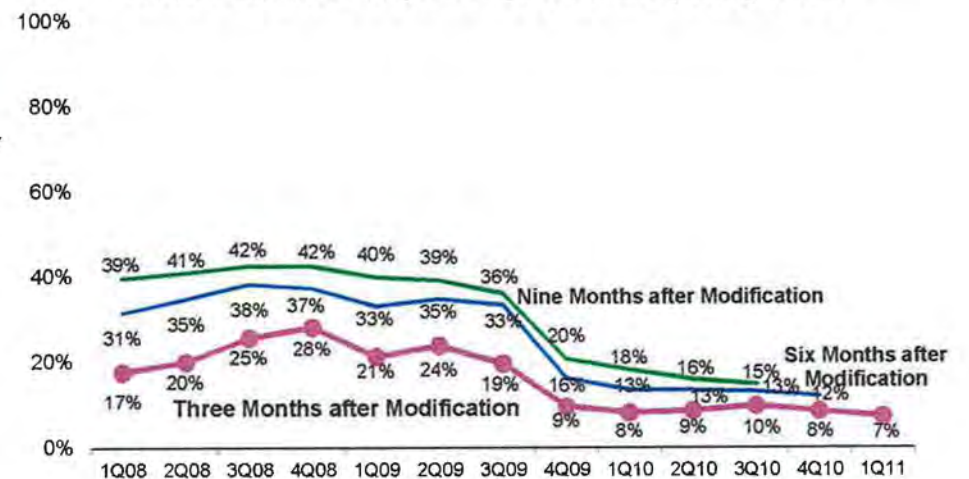
Size of Payment Change



Modified Loans - Current and Performing

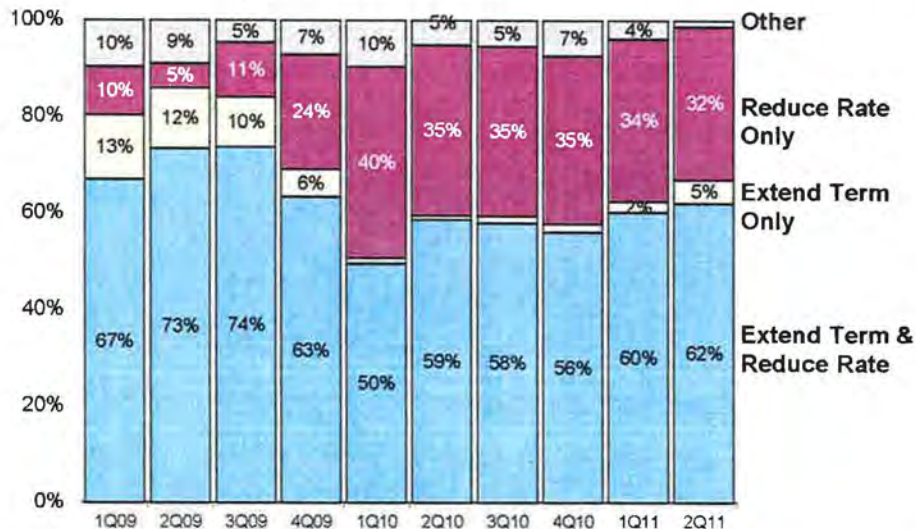


Modified Loans - 60-plus-days Re-Delinquency Rates

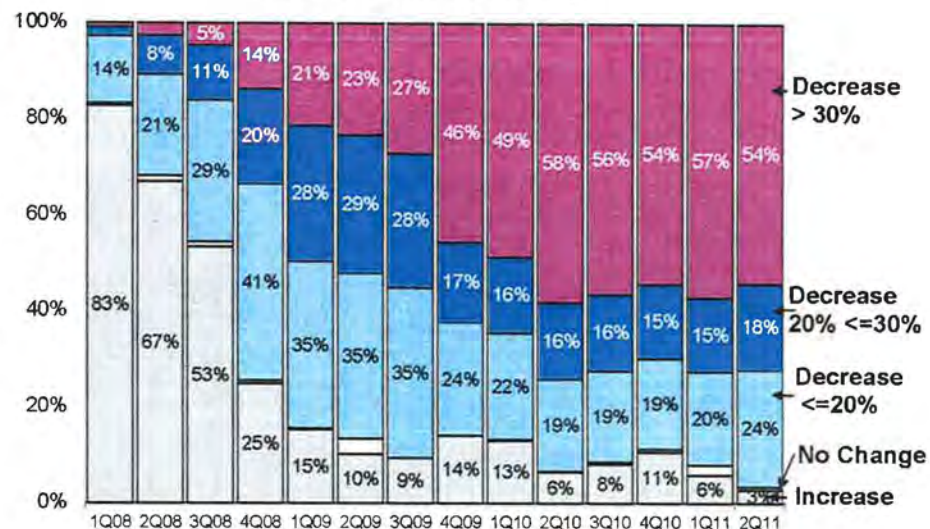


# Fannie Mae's Loan Modifications\*

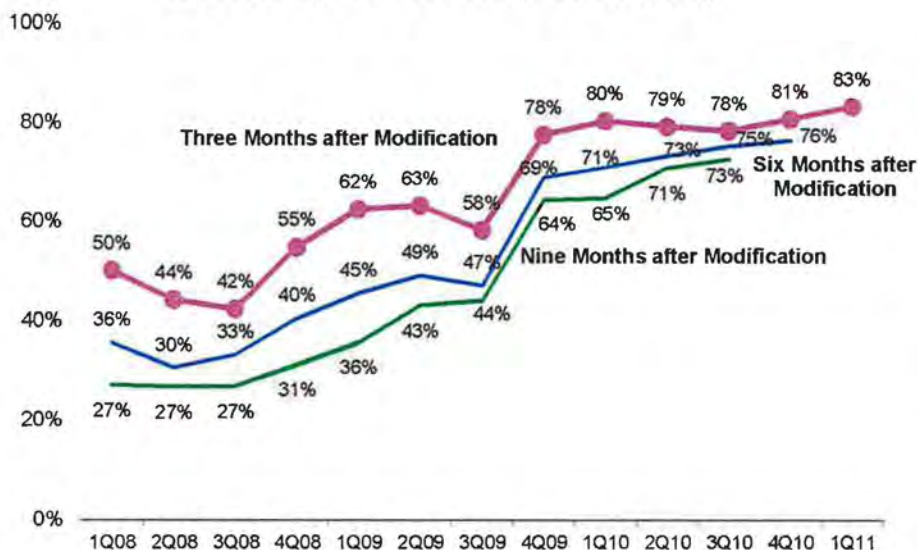
Type of Modification



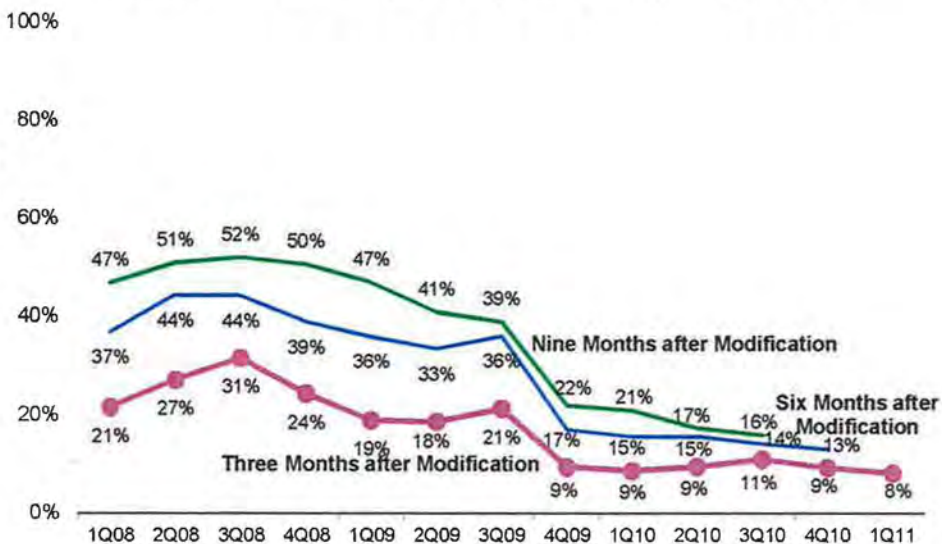
Size of Payment Change



Modified Loans - Current and Performing



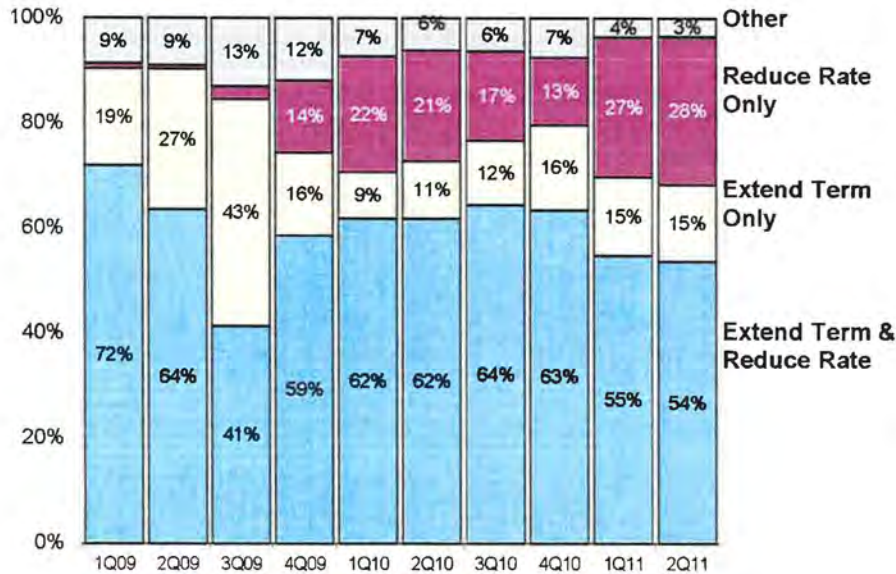
Modified Loans - 60-plus-days Re-Delinquency Rates



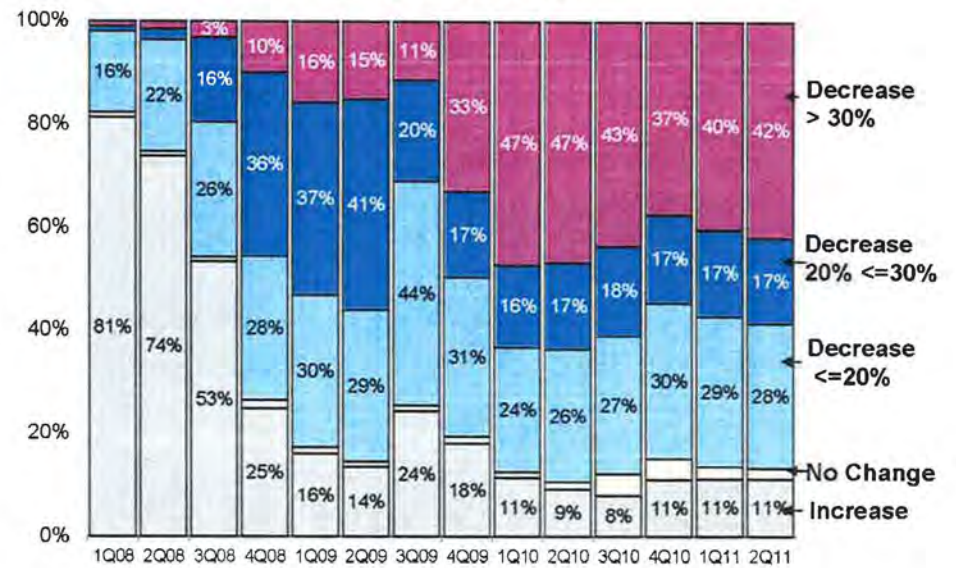
\* Modified loans data may not tie to Fannie Mae's financial statements due to timing differences in reporting systems.

# Freddie Mac's Loan Modifications\*

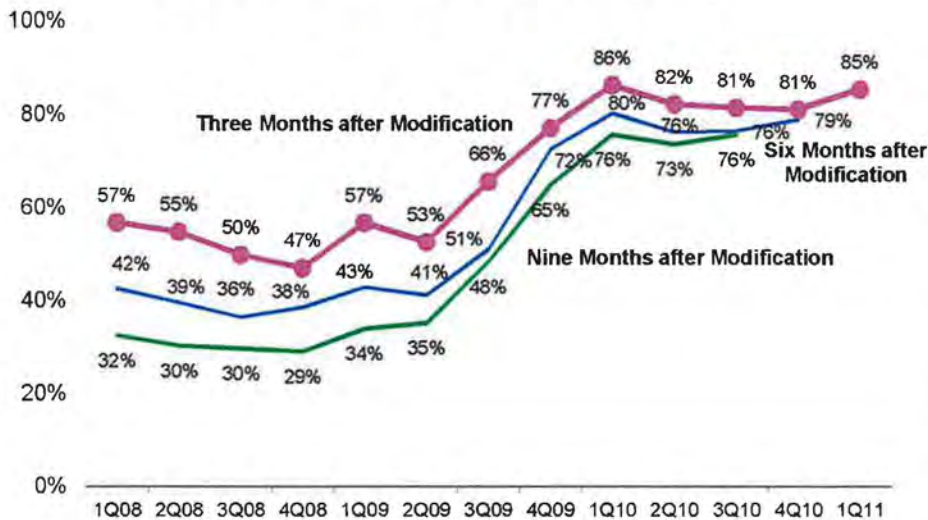
Type of Modification



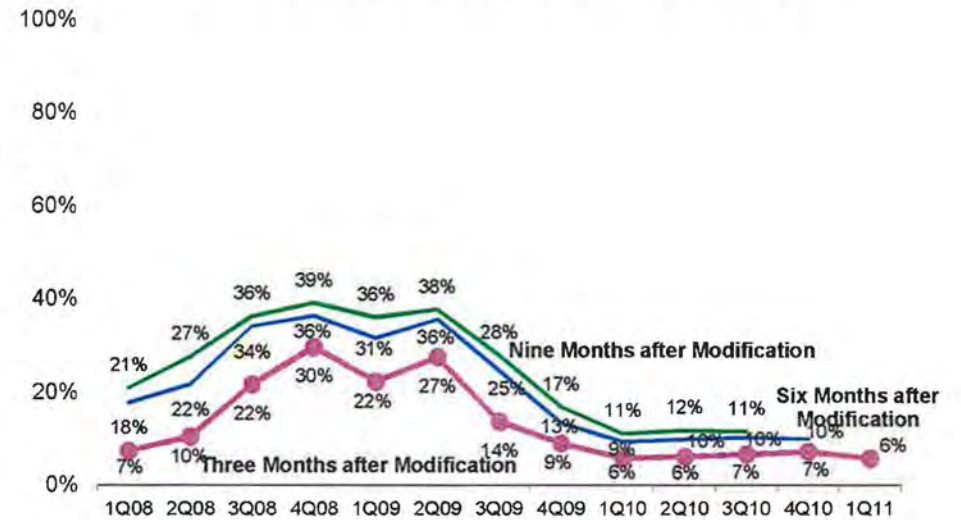
Size of Payment Change



Modified Loans - Current and Performing



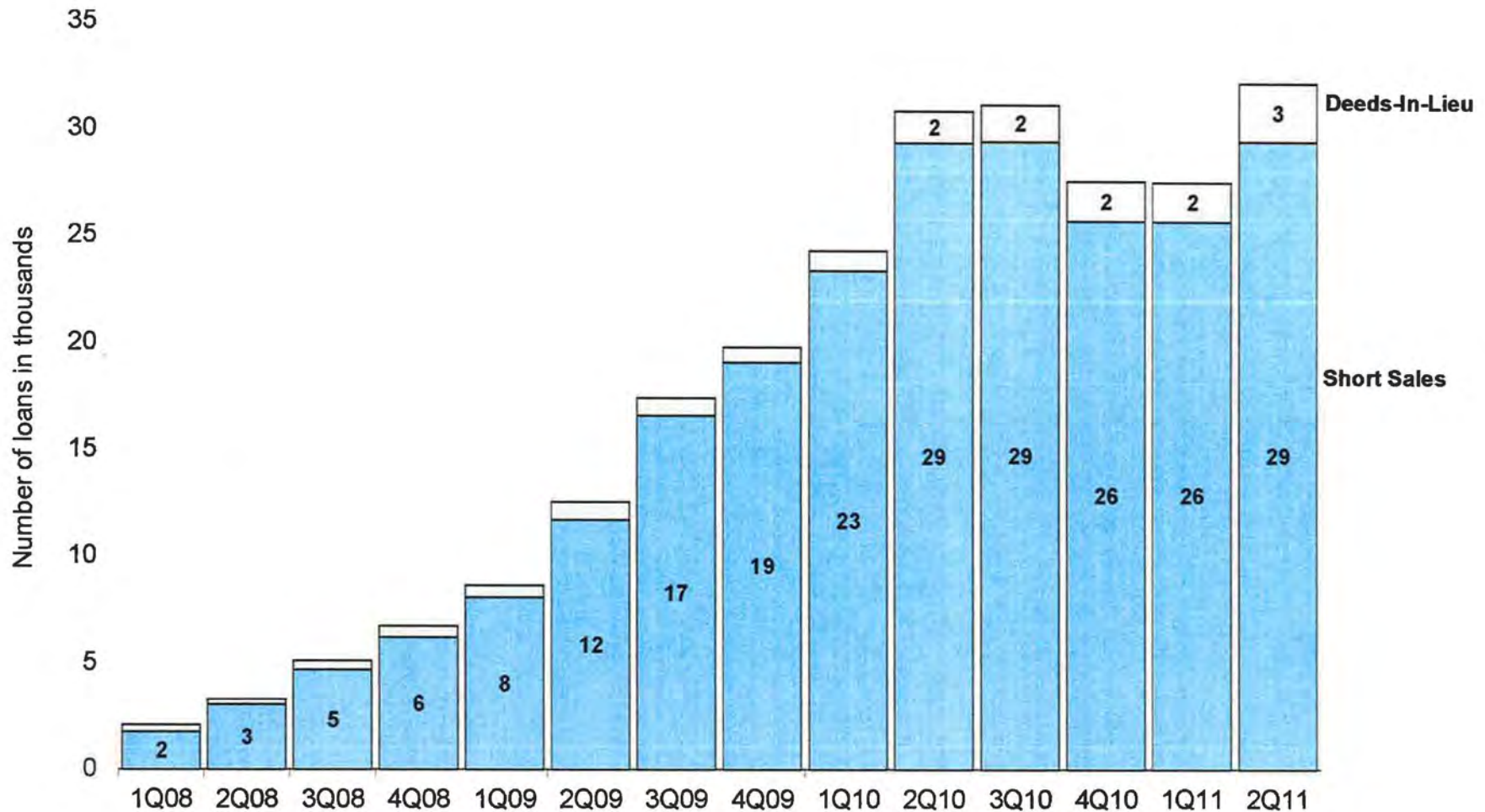
Modified Loans - 60-plus-days Re-Delinquency Rates



\* Modified loans data may not tie to Freddie Mac's financial statements due to timing differences in reporting systems.

## Foreclosure Prevention Activity: Home Forfeiture Actions

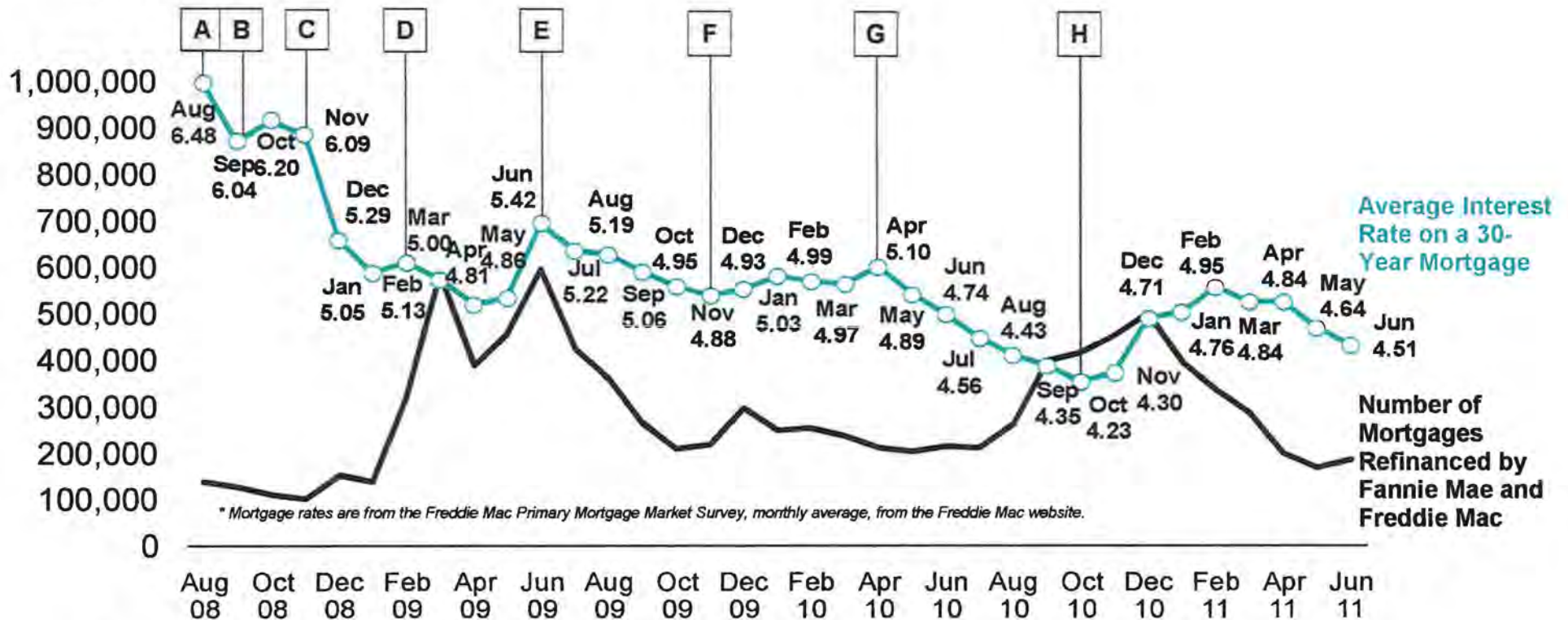
Short sales and deeds-in-lieu rose in the second quarter. Fannie Mae and Freddie Mac continue to use short sales and deeds-in-lieu of foreclosure to reduce the severity of losses resulting from a borrower's default while minimizing the impact of foreclosures on borrowers, communities, and neighborhoods.





## Refinance Activity

Refinance volume continued to fall in the second quarter as mortgage rates remained above the historic low levels observed in late 2010, with a small rise in June driven by a sustained decrease in rates from February to May.



- 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 - Obama Administration's Making Home Affordable announcement 02/20/09.
- E - Treasury rates sharply rose and reached a 2009 high on a better than expected unemployment report in June.

- F - Treasury rates fell sharply after Dubai sought to delay sovereign debt payments.
- G - Treasury rates rose on optimism of a recovering U.S. economy and a temporary lull in news of a developing debt crisis in Europe.
- H - 30-year mortgage rates reached 4.17% in early November, marking the lowest level observed since Freddie Mac began tracking rates in 1971.

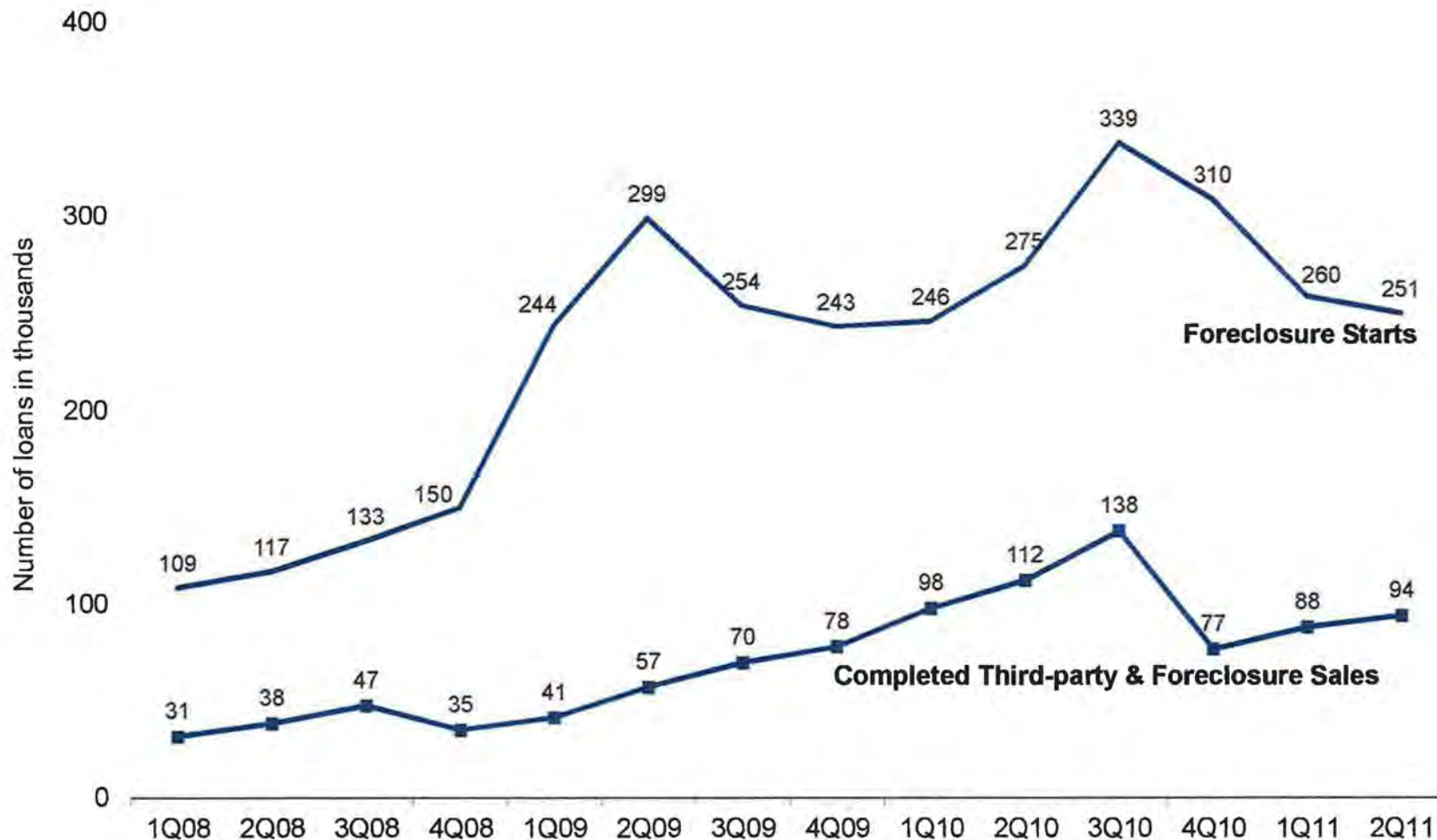
## Refinance Activity

Fannie Mae and Freddie Mac refinanced over 838,400 loans through the HARP program through June 2011.

|                                    | Jun<br>2011   | Year to<br>Date | Inception<br>to Date <sup>1</sup> |  |
|------------------------------------|---------------|-----------------|-----------------------------------|--|
| <b>Total Refinances</b>            |               |                 |                                   | <p><b>HARP Refinance Loans</b> are defined as Fannie Mae to Fannie Mae and Freddie Mac to Freddie Mac first lien refinance loans with limited and no cash out that are owner occupied with LTV's over 80 to 125.</p> <p><b>All Other Streamlined Refis</b> are streamlined refinances that do not qualify as HARP refinances. Fannie Mae implements streamlined refinances through the Refi Plus product for manual underwriting and DU Refi Plus product for loans underwritten through Desktop Underwriter. The product is available for refinances of existing Fannie Mae loans only. Freddie Mac implements streamlined refinances through the Relief Refinance Mortgage product. Loans may be originated by any Freddie Mac approved servicer.</p> <p><sup>1</sup>Inception to Date - Since April 1, 2009</p> |
| Fannie Mae                         | 118,099       | 965,943         | 4,982,141                         |  |
| Freddie Mac                        | <u>67,525</u> | <u>604,493</u>  | <u>3,399,042</u>                  |  |
| Total                              | 185,624       | 1,570,436       | 8,381,183                         |  |
| <b>HARP LTV &gt;80% - 105%</b>     |               |                 |                                   |  |
| Fannie Mae                         | 14,266        | 99,477          | 412,920                           |  |
| Freddie Mac                        | <u>8,830</u>  | <u>85,329</u>   | <u>363,089</u>                    |  |
| Total                              | 23,096        | 184,806         | 776,009                           |  |
| <b>HARP LTV &gt;105% - 125%</b>    |               |                 |                                   |  |
| Fannie Mae                         | 1,956         | 11,735          | 24,740                            |  |
| Freddie Mac                        | <u>3,305</u>  | <u>20,072</u>   | <u>37,692</u>                     |  |
| Total                              | 5,261         | 31,807          | 62,432                            |  |
| <b>All Other Streamlined Refis</b> |               |                 |                                   |  |
| Fannie Mae                         | 40,706        | 252,891         | 917,367                           |  |
| Freddie Mac                        | <u>14,549</u> | <u>137,053</u>  | <u>544,059</u>                    |  |
| Total                              | 55,255        | 389,944         | 1,461,426                         |  |

## Foreclosures

The Enterprises' foreclosure starts declined for the third consecutive quarter, while third-party and foreclosure sales increased during the second quarter.

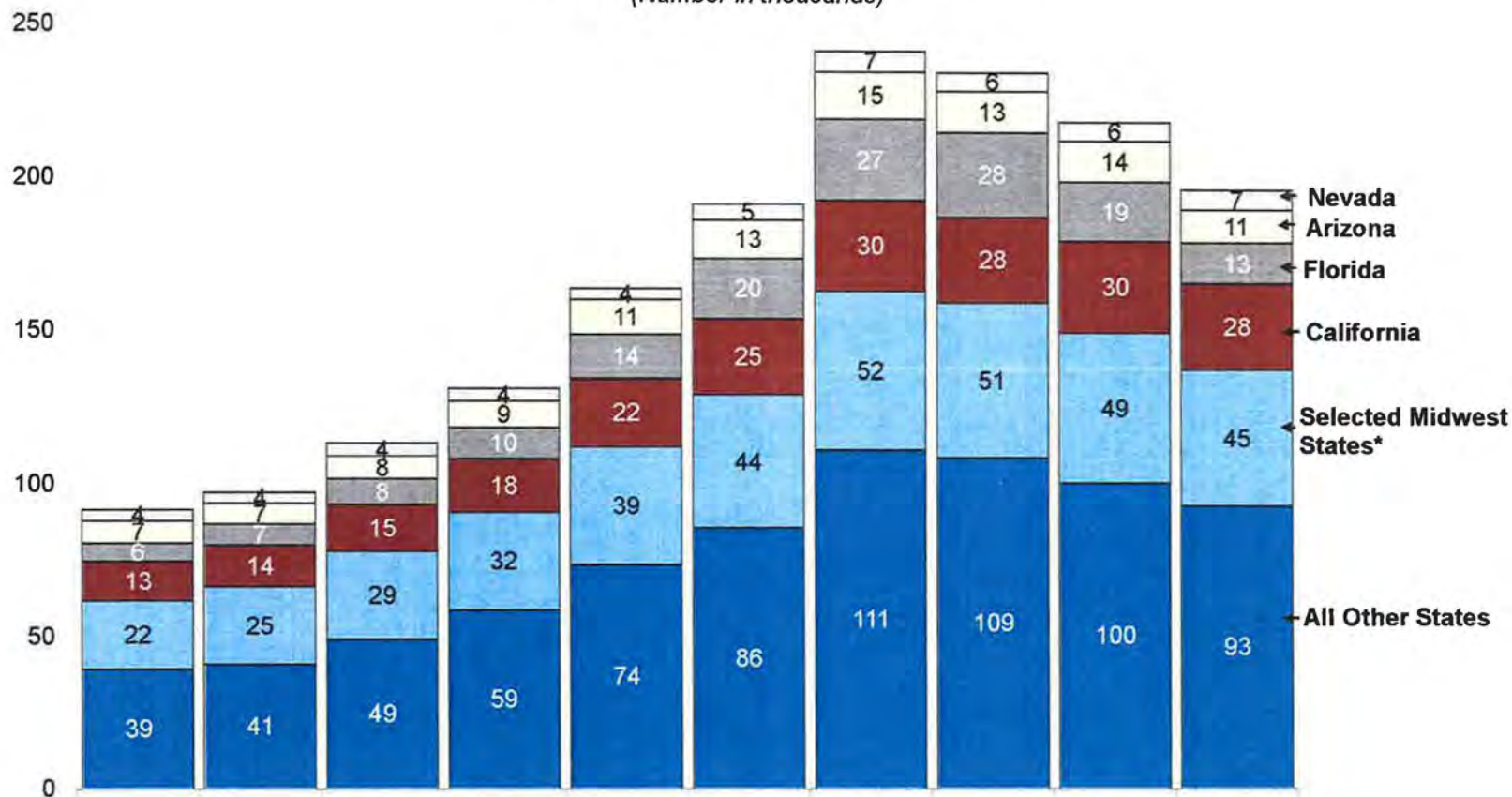


## Real Estate Owned (REO) Activity & Inventory

The Enterprises' REO properties declined for the third consecutive quarter as property dispositions continue to outpace acquisitions in the second quarter.

### REO Inventory by State

(Number in thousands)



| REO Activity              | 1Q09     | 2Q09     | 3Q09     | 4Q09     | 1Q10     | 2Q10     | 3Q10     | 4Q10     | 1Q11     | 2Q11      |
|---------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| Acquisitions              | 39,362   | 54,092   | 65,332   | 71,938   | 91,341   | 103,500  | 124,402  | 69,733   | 78,256   | 78,485    |
| Dispositions              | (40,724) | (48,294) | (49,238) | (54,144) | (58,723) | (75,832) | (74,206) | (76,849) | (94,441) | (100,550) |
| Inventory (at period end) | 91,516   | 97,314   | 113,408  | 131,202  | 163,820  | 191,488  | 241,684  | 234,568  | 218,383  | 196,318   |

\* Select Midwest states are Illinois, Indiana, Michigan and Ohio

## Appendix: Data Tables

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

| (# of loans in thousands)      | 1Q08   | 2Q08   | 3Q08   | 4Q08   | 1Q09   | 2Q09   | 3Q09   | 4Q09   | 1Q10   | 2Q10   | 3Q10   | 4Q10   | 1Q11   | 2Q11   |
|--------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Total Loans Serviced</b>    | 30,190 | 30,459 | 30,626 | 30,536 | 30,353 | 30,411 | 30,629 | 30,509 | 30,454 | 30,265 | 29,896 | 29,717 | 29,787 | 29,606 |
| Original Credit Score >= 660   | 25,036 | 25,369 | 25,609 | 25,687 | 25,579 | 25,731 | 26,041 | 26,017 | 26,652 | 25,963 | 25,711 | 25,641 | 25,602 | 25,707 |
| Original Credit Score < 660    | 5,153  | 5,090  | 5,017  | 4,849  | 4,774  | 4,680  | 4,588  | 4,492  | 4,401  | 4,302  | 4,185  | 4,076  | 3,985  | 3,899  |
| <b>Total Delinquent Loans</b>  |        |        |        |        | 1,715  | 2,009  | 2,321  | 2,494  | 2,355  | 2,288  | 2,196  | 2,148  | 1,936  | 1,938  |
| Original Credit Score >= 660   |        |        |        |        | 752    | 1,126  | 1,341  | 1,468  | 1,419  | 1,173  | 1,313  | 1,284  | 1,178  | 1,189  |
| Original Credit Score < 660    |        |        |        |        | 963    | 882    | 980    | 1,026  | 936    | 916    | 882    | 863    | 758    | 749    |
| <b>30 - 59 Days Delinquent</b> |        |        |        |        | 615    | 682    | 734    | 725    | 609    | 664    | 682    | 659    | 553    | 605    |
| Original Credit Score >= 660   |        |        |        |        | 316    | 353    | 408    | 406    | 348    | 370    | 378    | 362    | 307    | 331    |
| Original Credit Score < 660    |        |        |        |        | 299    | 329    | 330    | 318    | 264    | 294    | 303    | 298    | 246    | 274    |
| <b>60 - 89 Days Delinquent</b> |        |        |        |        | 254    | 269    | 310    | 310    | 259    | 255    | 258    | 247    | 201    | 206    |
| Original Credit Score >= 660   |        |        |        |        | 127    | 140    | 171    | 176    | 154    | 145    | 144    | 135    | 116    | 115    |
| Original Credit Score < 660    |        |        |        |        | 127    | 129    | 139    | 135    | 105    | 110    | 114    | 112    | 85     | 91     |
| <b>60-plus-days Delinquent</b> | 445    | 529    | 678    | 926    | 1,100  | 1,327  | 1,587  | 1,769  | 1,746  | 1,624  | 1,514  | 1,488  | 1,382  | 1,333  |
| Original Credit Score >= 660   | 214    | 264    | 349    | 497    | 636    | 774    | 937    | 1,061  | 1,074  | 1,001  | 935    | 923    | 871    | 838    |
| Original Credit Score < 660    | 231    | 265    | 329    | 429    | 464    | 553    | 650    | 708    | 672    | 623    | 579    | 565    | 511    | 495    |

## Percent of Total Loans Serviced

|                                 |       |       |       |       |        |        |        |        |        |        |        |        |        |        |
|---------------------------------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Total Delinquent Loans</b>   |       |       |       |       | 5.65%  | 6.61%  | 7.58%  | 8.17%  | 7.73%  | 7.56%  | 7.34%  | 7.23%  | 6.50%  | 6.54%  |
| Original Credit Score >= 660    |       |       |       |       | 3.72%  | 4.38%  | 5.15%  | 5.64%  | 5.45%  | 5.28%  | 5.11%  | 5.01%  | 4.57%  | 4.55%  |
| Original Credit Score < 660     |       |       |       |       | 15.98% | 18.82% | 21.37% | 22.87% | 21.26% | 21.30% | 21.09% | 21.18% | 19.01% | 19.72% |
| <b>30 - 59 Days Delinquent</b>  |       |       |       |       | 2.03%  | 2.24%  | 2.40%  | 2.38%  | 2.00%  | 2.19%  | 2.28%  | 2.22%  | 1.86%  | 2.04%  |
| Original Credit Score >= 660    |       |       |       |       | 1.24%  | 1.37%  | 1.55%  | 1.56%  | 1.32%  | 1.43%  | 1.47%  | 1.41%  | 1.19%  | 1.29%  |
| Original Credit Score < 660     |       |       |       |       | 6.27%  | 7.02%  | 7.20%  | 7.09%  | 6.00%  | 6.84%  | 7.25%  | 7.31%  | 6.18%  | 7.02%  |
| <b>60 - 89 Days Delinquent</b>  |       |       |       |       | 0.84%  | 0.88%  | 1.01%  | 1.02%  | 0.85%  | 0.84%  | 0.86%  | 0.83%  | 0.67%  | 0.70%  |
| Original Credit Score >= 660    |       |       |       |       | 0.54%  | 0.55%  | 0.66%  | 0.68%  | 0.59%  | 0.56%  | 0.56%  | 0.53%  | 0.45%  | 0.45%  |
| Original Credit Score < 660     |       |       |       |       | 2.46%  | 2.75%  | 3.04%  | 3.00%  | 2.39%  | 2.55%  | 2.73%  | 2.72%  | 2.13%  | 2.35%  |
| <b>60-plus-days Delinquent</b>  | 1.47% | 1.74% | 2.22% | 3.03% | 3.62%  | 4.36%  | 5.18%  | 5.80%  | 5.73%  | 5.36%  | 5.06%  | 5.01%  | 4.64%  | 4.50%  |
| Original Credit Score >= 660    | 0.86% | 1.04% | 1.35% | 1.94% | 2.48%  | 3.01%  | 3.60%  | 4.08%  | 4.12%  | 3.86%  | 3.64%  | 3.60%  | 3.38%  | 3.26%  |
| Original Credit Score < 660     | 4.48% | 5.21% | 6.64% | 8.79% | 9.71%  | 11.80% | 14.17% | 15.78% | 15.26% | 14.46% | 13.83% | 13.87% | 12.82% | 12.70% |
| <b>Serious Delinquency Rate</b> | 0.99% | 1.18% | 1.52% | 2.14% | 2.85%  | 3.52%  | 4.20%  | 4.82%  | 4.93%  | 4.58%  | 4.26%  | 4.23%  | 4.02%  | 3.85%  |
| <b>In Bankruptcy</b>            |       |       |       |       | 0.29%  | 0.33%  | 0.36%  | 0.37%  | 0.39%  | 0.42%  | 0.47%  | 0.50%  | 0.51%  | 0.54%  |

## Appendix: Data Tables

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

| (# of loans in thousands)              | 1Q08   | 2Q08   | 3Q08   | 4Q08   | 1Q09   | 2Q09   | 3Q09   | 4Q09   | 1Q10   | 2Q10   | 3Q10   | 4Q10   | 1Q11   | 2Q11   |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Total Loans Serviced</b>            | 17,793 | 18,041 | 18,167 | 18,220 | 18,131 | 18,221 | 18,360 | 18,284 | 18,234 | 18,109 | 17,946 | 17,933 | 18,022 | 17,917 |
| Original Credit Score >= 660           | 14,601 | 14,834 | 15,053 | 15,164 | 15,144 | 15,274 | 15,480 | 15,469 | 15,475 | 15,419 | 15,231 | 15,383 | 15,529 | 15,480 |
| Original Credit Score < 660            | 3,192  | 3,207  | 3,114  | 3,056  | 2,987  | 2,947  | 2,879  | 2,815  | 2,759  | 2,690  | 2,715  | 2,550  | 2,493  | 2,437  |
| <b>Total Delinquent Loans</b>          |        |        |        |        | 1,139  | 1,335  | 1,518  | 1,636  | 1,549  | 1,493  | 1,419  | 1,382  | 1,249  | 1,248  |
| Original Credit Score >= 660           |        |        |        |        | 632    | 747    | 870    | 957    | 930    | 892    | 844    | 822    | 756    | 748    |
| Original Credit Score < 660            |        |        |        |        | 507    | 588    | 648    | 679    | 620    | 602    | 575    | 560    | 492    | 500    |
| <b>30 - 59 Days Delinquent</b>         |        |        |        |        | 397    | 438    | 452    | 453    | 384    | 424    | 434    | 419    | 351    | 384    |
| Original Credit Score >= 660           |        |        |        |        | 203    | 225    | 242    | 250    | 214    | 233    | 237    | 225    | 191    | 207    |
| Original Credit Score < 660            |        |        |        |        | 195    | 213    | 210    | 203    | 170    | 191    | 197    | 194    | 160    | 177    |
| <b>60 - 89 Days Delinquent</b>         |        |        |        |        | 170    | 177    | 197    | 196    | 166    | 164    | 165    | 158    | 127    | 130    |
| Original Credit Score >= 660           |        |        |        |        | 91     | 92     | 107    | 110    | 98     | 93     | 91     | 86     | 72     | 71     |
| Original Credit Score < 660            |        |        |        |        | 79     | 85     | 90     | 86     | 68     | 71     | 74     | 72     | 54     | 59     |
| <b>60-plus-days Delinquent</b>         | 303    | 359    | 460    | 625    | 742    | 897    | 1,066  | 1,183  | 1,166  | 1,070  | 985    | 964    | 898    | 864    |
| Original Credit Score >= 660           | 146    | 180    | 236    | 336    | 429    | 522    | 628    | 707    | 715    | 659    | 607    | 597    | 565    | 541    |
| Original Credit Score < 660            | 156    | 179    | 224    | 289    | 313    | 375    | 438    | 476    | 450    | 411    | 377    | 367    | 333    | 323    |
| <b>Percent of Total Loans Serviced</b> |        |        |        |        |        |        |        |        |        |        |        |        |        |        |
| <b>Total Delinquent Loans</b>          |        |        |        |        | 6.28%  | 7.33%  | 8.27%  | 8.95%  | 8.50%  | 8.25%  | 7.91%  | 7.71%  | 6.93%  | 6.96%  |
| Original Credit Score >= 660           |        |        |        |        | 4.17%  | 4.89%  | 5.62%  | 6.19%  | 6.01%  | 5.78%  | 5.51%  | 5.34%  | 4.87%  | 4.83%  |
| Original Credit Score < 660            |        |        |        |        | 16.98% | 19.96% | 22.51% | 24.12% | 22.47% | 22.36% | 21.97% | 21.97% | 19.76% | 20.51% |
| <b>30 - 59 Days Delinquent</b>         |        |        |        |        | 2.19%  | 2.40%  | 2.46%  | 2.48%  | 2.10%  | 2.34%  | 2.42%  | 2.34%  | 1.95%  | 2.14%  |
| Original Credit Score >= 660           |        |        |        |        | 1.34%  | 1.47%  | 1.57%  | 1.61%  | 1.38%  | 1.51%  | 1.54%  | 1.46%  | 1.23%  | 1.34%  |
| Original Credit Score < 660            |        |        |        |        | 6.51%  | 7.24%  | 7.28%  | 7.22%  | 6.15%  | 7.09%  | 7.54%  | 7.59%  | 6.41%  | 7.27%  |
| <b>60 - 89 Days Delinquent</b>         |        |        |        |        | 0.94%  | 0.97%  | 1.07%  | 1.07%  | 0.91%  | 0.91%  | 0.92%  | 0.88%  | 0.70%  | 0.73%  |
| Original Credit Score >= 660           |        |        |        |        | 0.60%  | 0.60%  | 0.69%  | 0.71%  | 0.63%  | 0.60%  | 0.60%  | 0.56%  | 0.47%  | 0.46%  |
| Original Credit Score < 660            |        |        |        |        | 2.66%  | 2.90%  | 3.11%  | 3.06%  | 2.47%  | 2.66%  | 2.82%  | 2.82%  | 2.18%  | 2.41%  |
| <b>60-plus-days Delinquent</b>         | 1.70%  | 1.99%  | 2.53%  | 3.43%  | 4.09%  | 4.92%  | 5.81%  | 6.47%  | 6.39%  | 5.91%  | 5.49%  | 5.37%  | 4.98%  | 4.82%  |
| Original Credit Score >= 660           | 1.00%  | 1.21%  | 1.57%  | 2.22%  | 2.83%  | 3.42%  | 4.05%  | 4.57%  | 4.62%  | 4.27%  | 3.96%  | 3.88%  | 3.64%  | 3.50%  |
| Original Credit Score < 660            | 4.90%  | 5.66%  | 7.20%  | 9.44%  | 10.47% | 12.72% | 15.23% | 16.90% | 16.32% | 15.27% | 14.43% | 14.38% | 13.35% | 13.24% |
| <b>Serious Delinquency Rate</b>        | 1.15%  | 1.36%  | 1.72%  | 2.42%  | 3.15%  | 3.94%  | 4.72%  | 5.38%  | 5.47%  | 4.99%  | 4.56%  | 4.48%  | 4.27%  | 4.08%  |
| <b>In Bankruptcy</b>                   |        |        |        |        | 0.33%  | 0.38%  | 0.40%  | 0.41%  | 0.42%  | 0.46%  | 0.51%  | 0.54%  | 0.54%  | 0.57%  |

## Appendix: Data Tables

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

| (# of loans in thousands)      | 1Q08   | 2Q08   | 3Q08   | 4Q08   | 1Q09   | 2Q09   | 3Q09   | 4Q09   | 1Q10   | 2Q10   | 3Q10   | 4Q10   | 1Q11   | 2Q11   |
|--------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Total Loans Serviced</b>    | 12,397 | 12,418 | 12,458 | 12,316 | 12,222 | 12,191 | 12,269 | 12,225 | 12,220 | 12,156 | 11,950 | 11,784 | 11,765 | 11,689 |
| Original Credit Score >= 660   | 10,436 | 10,366 | 10,551 | 10,494 | 10,434 | 10,448 | 10,561 | 10,553 | 10,577 | 10,544 | 10,384 | 10,358 | 10,273 | 10,227 |
| Original Credit Score < 660    | 1,961  | 1,943  | 1,906  | 1,822  | 1,788  | 1,742  | 1,703  | 1,672  | 1,643  | 1,612  | 1,566  | 1,426  | 1,493  | 1,462  |
| <b>Total Delinquent Loans</b>  |        |        |        |        | 576    | 674    | 803    | 858    | 805    | 795    | 777    | 765    | 687    | 690    |
| Original Credit Score >= 660   |        |        |        |        | 320    | 279    | 471    | 511    | 489    | 450    | 469    | 462    | 423    | 421    |
| Original Credit Score < 660    |        |        |        |        | 256    | 394    | 332    | 347    | 316    | 345    | 308    | 303    | 265    | 269    |
| <b>30 - 59 Days Delinquent</b> |        |        |        |        | 218    | 244    | 282    | 272    | 225    | 241    | 248    | 240    | 202    | 221    |
| Original Credit Score >= 660   |        |        |        |        | 113    | 128    | 167    | 157    | 131    | 138    | 142    | 136    | 115    | 124    |
| Original Credit Score < 660    |        |        |        |        | 105    | 116    | 120    | 115    | 94     | 103    | 106    | 104    | 87     | 98     |
| <b>60 - 89 Days Delinquent</b> |        |        |        |        | 84     | 92     | 114    | 114    | 93     | 90     | 93     | 90     | 74     | 76     |
| Original Credit Score >= 660   |        |        |        |        | 46     | 48     | 64     | 68     | 56     | 52     | 53     | 51     | 43     | 43     |
| Original Credit Score < 660    |        |        |        |        | 38     | 44     | 50     | 46     | 37     | 38     | 40     | 39     | 31     | 33     |
| <b>60-plus-days Delinquent</b> | 142    | 170    | 219    | 301    | 358    | 430    | 521    | 586    | 580    | 554    | 529    | 525    | 485    | 469    |
| Original Credit Score >= 660   | 68     | 84     | 110    | 151    | 207    | 251    | 310    | 354    | 358    | 343    | 327    | 326    | 306    | 296    |
| Original Credit Score < 660    | 74     | 87     | 109    | 140    | 151    | 179    | 211    | 232    | 222    | 211    | 201    | 199    | 178    | 173    |

## Percent of Total Loans Serviced

|                                 |       |       |       |       |        |        |        |        |        |        |        |        |        |        |
|---------------------------------|-------|-------|-------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Total Delinquent Loans</b>   |       |       |       |       | 4.71%  | 5.53%  | 6.54%  | 7.02%  | 6.59%  | 6.54%  | 6.50%  | 6.49%  | 5.84%  | 5.90%  |
| Original Credit Score >= 660    |       |       |       |       | 3.07%  | 3.63%  | 4.46%  | 4.84%  | 4.63%  | 4.55%  | 4.52%  | 4.51%  | 4.11%  | 4.11%  |
| Original Credit Score < 660     |       |       |       |       | 14.31% | 16.90% | 19.44% | 20.77% | 19.24% | 19.52% | 19.61% | 19.85% | 17.75% | 18.40% |
| <b>30 - 59 Days Delinquent</b>  |       |       |       |       | 1.78%  | 2.00%  | 2.30%  | 2.22%  | 1.84%  | 1.98%  | 2.08%  | 2.04%  | 1.72%  | 1.89%  |
| Original Credit Score >= 660    |       |       |       |       | 1.09%  | 1.23%  | 1.53%  | 1.46%  | 1.24%  | 1.30%  | 1.37%  | 1.33%  | 1.12%  | 1.22%  |
| Original Credit Score < 660     |       |       |       |       | 5.86%  | 6.65%  | 7.06%  | 6.87%  | 5.75%  | 6.40%  | 6.78%  | 6.83%  | 5.80%  | 6.59%  |
| <b>60 - 89 Days Delinquent</b>  |       |       |       |       | 0.69%  | 0.76%  | 0.93%  | 0.93%  | 0.76%  | 0.74%  | 0.78%  | 0.76%  | 0.63%  | 0.65%  |
| Original Credit Score >= 660    |       |       |       |       | 0.44%  | 0.47%  | 0.61%  | 0.62%  | 0.53%  | 0.49%  | 0.51%  | 0.49%  | 0.42%  | 0.42%  |
| Original Credit Score < 660     |       |       |       |       | 2.14%  | 2.48%  | 2.91%  | 2.89%  | 2.27%  | 2.38%  | 2.58%  | 2.56%  | 2.05%  | 2.25%  |
| <b>60-plus-days Delinquent</b>  | 1.15% | 1.37% | 1.75% | 2.44% | 2.93%  | 3.52%  | 4.24%  | 4.80%  | 4.75%  | 4.56%  | 4.43%  | 4.45%  | 4.12%  | 4.01%  |
| Original Credit Score >= 660    | 0.65% | 0.80% | 1.04% | 1.53% | 1.98%  | 2.40%  | 2.93%  | 3.35%  | 3.39%  | 3.25%  | 3.15%  | 3.18%  | 2.98%  | 2.90%  |
| Original Credit Score < 660     | 3.79% | 4.46% | 5.71% | 7.69% | 8.46%  | 10.24% | 12.38% | 13.90% | 13.49% | 13.12% | 12.83% | 13.02% | 11.95% | 11.81% |
| <b>Serious Delinquency Rate</b> | 0.77% | 0.93% | 1.22% | 1.72% | 2.41%  | 2.89%  | 3.43%  | 3.98%  | 4.13%  | 3.96%  | 3.80%  | 3.84%  | 3.63%  | 3.50%  |
| <b>In Bankruptcy</b>            |       |       |       |       | 0.22%  | 0.26%  | 0.30%  | 0.33%  | 0.33%  | 0.36%  | 0.41%  | 0.44%  | 0.45%  | 0.48%  |

## Appendix: Data Tables

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

|   | 1Q08          | 2Q08          | 3Q08          | 4Q08          | 1Q09           | 2Q09          | 3Q09           | 4Q09           | 1Q10           | 2Q10           | 3Q10           | 4Q10           | 1Q11           | 2Q11           | YTD<br>Jun-11  |
|---|---------------|---------------|---------------|---------------|----------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Starts<sup>2</sup></b>                           |               |               |               |               |                |               |                |                |                |                |                |                |                |                |                |
| HAMP Active Trial & Perm. - Cum.                    |               |               |               |               |                | 66,200        | 120,139        | 488,415        | 854,388        | 856,978        | 348,171        | 281,310        | 861,849        | 600,842        | 442,911        |
| Repayment Plans                                     | 24,166        | 28,441        | 35,774        | 41,878        | 103,917        | 142,841       | 152,720        | 170,119        | 159,202        | 121,253        | 159,736        | 163,371        | 129,151        | 112,106        | 116,500        |
| Forbearance Plans                                   |               |               |               |               | 49,339         | 72,496        | 89,125         | 138,090        | 221,592        | 140,721        | 117,441        | 92,347         | 127,962        | 89,151         | 113,885        |
| <b>Completed</b>                                    |               |               |               |               |                |               |                |                |                |                |                |                |                |                |                |
| Repayment Plans <sup>3</sup>                        | 18,142        | 16,393        | 14,710        | 11,309        | 21,901         | 15,114        | 38,919         | 46,406         | 55,884         | 46,383         | 11,964         | 46,753         | 44,227         | 45,090         | 90,717         |
| Forbearance Plans <sup>3</sup>                      | 1,194         | 1,279         | 1,099         | 2,116         | 5,844          | 4,717         | 5,607          | 9,589          | 17,991         | 20,588         | 13,861         | 16,585         | 12,301         | 7,711          | 20,314         |
| Charge-offs in Lieu                                 | 169           | 156           | 202           | 271           | 246            | 456           | 810            | 653            | 705            | 156            | 492            | 600            | 446            | 602            | 890            |
| HomeSaver Advance (Fannie)                          | 1,244         | 16,653        | 27,277        | 25,788        | 30,421         | 11,662        | 4,347          | 2,759          | 2,568          | 1,783          | 794            | 78             |                |                |                |
| Loan Modifications                                  | 15,655        | 15,307        | 13,488        | 23,777        | 37,009         | 31,267        | 36,722         | 57,569         | 137,561        | 171,174        | 146,807        | 119,778        | 86,201         | 81,234         | 167,416        |
| <b>Home Retention Actions</b>                       | <b>36,413</b> | <b>49,873</b> | <b>56,776</b> | <b>65,263</b> | <b>94,993</b>  | <b>74,286</b> | <b>86,425</b>  | <b>116,976</b> | <b>214,729</b> | <b>240,653</b> | <b>196,120</b> | <b>180,807</b> | <b>143,977</b> | <b>135,419</b> | <b>279,396</b> |
| Short Sales   | 1,776         | 3,062         | 4,674         | 3,197         | 3,054          | 11,705        | 16,586         | 19,100         | 13,373         | 10,310         | 15,461         | 11,734         | 16,706         | 23,481         | 55,088         |
| Deeds-in-lieu                                       | 308           | 238           | 427           | 540           | 578            | 835           | 843            | 715            | 934            | 1,508          | 1,728          | 1,475          | 1,469          | 2,727          | 6,205          |
| <b>Nonforeclosure -<br/>Home Forfeiture Actions</b> | <b>2,084</b>  | <b>3,298</b>  | <b>5,101</b>  | <b>6,732</b>  | <b>8,632</b>   | <b>12,540</b> | <b>17,429</b>  | <b>19,817</b>  | <b>24,313</b>  | <b>30,881</b>  | <b>31,193</b>  | <b>27,609</b>  | <b>27,554</b>  | <b>32,210</b>  | <b>59,764</b>  |
| <b>Total Foreclosure<br/>Prevention Actions</b>     | <b>38,497</b> | <b>53,171</b> | <b>61,877</b> | <b>71,995</b> | <b>103,625</b> | <b>86,826</b> | <b>103,854</b> | <b>136,793</b> | <b>239,042</b> | <b>271,534</b> | <b>227,313</b> | <b>208,416</b> | <b>171,531</b> | <b>167,629</b> | <b>339,160</b> |

## Percent of Total Foreclosure Prevention Actions

|   |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Repayment Plans                                     | 47%        | 31%        | 24%        | 19%        | 31%        | 29%        | 37%        | 44%        | 23%        | 17%        | 23%        | 34%        | 28%        | 27%        | 27%        |
| Forbearance Plans                                   | 4%         | 2%         | 2%         | 3%         | 5%         | 5%         | 5%         | 7%         | 8%         | 8%         | 8%         | 5%         | 1%         | 5%         | 6%         |
| Charge-offs in Lieu                                 | 0%         | 0%         | 0%         | 0%         | 0%         | 0%         | 1%         | 1%         | 0%         | 0%         | 0%         | 0%         | 0%         | 0%         | 0%         |
| HomeSaver Advance (Fannie)                          | 3%         | 31%        | 44%        | 36%        | 20%        | 13%        | 4%         | 2%         | 1%         | 1%         | 6%         | 0%         | 0%         | 0%         | 0%         |
| Loan Modifications                                  | 41%        | 29%        | 22%        | 33%        | 35%        | 17%        | 35%        | 42%        | 58%        | 63%        | 64%        | 57%        | 50%        | 48%        | 49%        |
| <b>Home Retention Actions</b>                       | <b>95%</b> | <b>94%</b> | <b>92%</b> | <b>91%</b> | <b>92%</b> | <b>86%</b> | <b>83%</b> | <b>86%</b> | <b>90%</b> | <b>89%</b> | <b>86%</b> | <b>87%</b> | <b>84%</b> | <b>81%</b> | <b>82%</b> |
| Short Sales   | 5%         | 6%         | 8%         | 9%         | 8%         | 13%        | 16%        | 14%        | 10%        | 11%        | 12%        | 12%        | 15%        | 18%        | 16%        |
| Deeds-in-lieu                                       | 1%         | 0%         | 1%         | 1%         | 1%         | 1%         | 1%         | 1%         | 0%         | 1%         | 1%         | 1%         | 1%         | 2%         | 1%         |
| <b>Nonforeclosure -<br/>Home Forfeiture Actions</b> | <b>5%</b>  | <b>6%</b>  | <b>8%</b>  | <b>9%</b>  | <b>8%</b>  | <b>14%</b> | <b>17%</b> | <b>14%</b> | <b>10%</b> | <b>11%</b> | <b>14%</b> | <b>13%</b> | <b>16%</b> | <b>19%</b> | <b>18%</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. In addition, starting in August, forbearance plans initiated include Fannie Mae's HomeSaver forbearance plans. 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 June 30, 2011, Fannie Mae had completed nearly 220,300 HAMP permanent modifications and Freddie Mac had completed more than 137,400 HAMP 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.



## Appendix: Data Tables

## 3(i) Enterprises Combined - Loan Modifications

|  | 1Q08   | 2Q08   | 3Q08   | 4Q08   | 1Q09   | 2Q09   | 3Q09   | 4Q09   | 1Q10    | 2Q10    | 3Q10    | 4Q10    | 1Q11   | 2Q11   | YTD<br>Jun-11 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|---------|--------|--------|---------------|
| <b>Loan Modifications (# of loans)</b>   | 15,655 | 15,387 | 13,488 | 23,777 | 37,069 | 32,287 | 36,722 | 57,569 | 137,561 | 171,176 | 146,507 | 119,778 | 86,201 | 81,214 | 167,415       |
| <b>Principal and Interest Change (%)</b> |        |        |        |        |        |        |        |        |         |         |         |         |        |        |               |
| Increase                                 | 82%    | 70%    | 53%    | 25%    | 16%    | 12%    | 13%    | 15%    | 13%     | 7%      | 8%      | 11%     | 8%     | 6%     | 7%            |
| No Change                                | 1%     | 1%     | 1%     | 1%     | 1%     | 2%     | 0%     | 0%     | 0%      | 1%      | 1%      | 2%      | 2%     | 1%     | 2%            |
| Decrease <=20%                           | 15%    | 21%    | 28%    | 32%    | 31%    | 32%    | 38%    | 25%    | 23%     | 21%     | 21%     | 23%     | 23%    | 26%    | 25%           |
| Decrease 20% <=30%                       | 2%     | 6%     | 14%    | 31%    | 34%    | 36%    | 26%    | 17%    | 16%     | 16%     | 16%     | 16%     | 16%    | 18%    | 17%           |
| Decrease > 30%                           | 1%     | 2%     | 4%     | 11%    | 18%    | 19%    | 23%    | 43%    | 48%     | 55%     | 53%     | 49%     | 51%    | 49%    | 50%           |
| <b>Type of Modifications (%)</b>         |        |        |        |        |        |        |        |        |         |         |         |         |        |        |               |
| Extend Term Only                         |        |        |        |        | 17%    | 19%    | 18%    | 9%     | 4%      | 4%      | 4%      | 6%      | 7%     | 9%     | 8%            |
| Reduce Rate Only                         |        |        |        |        | 4%     | 3%     | 9%     | 21%    | 34%     | 31%     | 30%     | 28%     | 31%    | 30%    | 31%           |
| Extend Term and Reduce Rate*             |        |        |        |        | 70%    | 69%    | 66%    | 62%    | 54%     | 60%     | 60%     | 58%     | 58%    | 59%    | 58%           |
| Other                                    |        |        |        |        | 9%     | 9%     | 7%     | 8%     | 9%      | 5%      | 6%      | 7%      | 4%     | 2%     | 3%            |
| <b>60+ Days Re-Delinquency (%)</b>       |        |        |        |        |        |        |        |        |         |         |         |         |        |        |               |
| 3 Months after Modification              | 17%    | 20%    | 25%    | 28%    | 21%    | 24%    | 19%    | 9%     | 8%      | 9%      | 10%     | 8%      | 7%     |        |               |
| 6 Months after Modification              | 31%    | 35%    | 38%    | 37%    | 33%    | 35%    | 33%    | 16%    | 13%     | 13%     | 13%     | 12%     |        |        |               |
| 9 Months after Modification              | 39%    | 41%    | 42%    | 42%    | 40%    | 39%    | 36%    | 20%    | 18%     | 16%     | 15%     |         |        |        |               |

\* Includes extend term, reduce rate and forbear principal

## Appendix: Data Tables

## 3(ii) Fannie Mae - Loan Modifications

|  | 1Q08   | 2Q08   | 3Q08  | 4Q08  | 1Q09   | 2Q09   | 3Q09   | 4Q09   | 1Q10   | 2Q10    | 3Q10    | 4Q10   | 1Q11   | 2Q11   | YTD<br>Jun-11 |
|--|--------|--------|-------|-------|--------|--------|--------|--------|--------|---------|---------|--------|--------|--------|---------------|
| <b>Loan Modifications (# of loans)</b>   | 11,409 | 10,560 | 5,173 | 6,314 | 12,446 | 16,684 | 27,686 | 41,753 | 93,756 | 121,693 | 106,365 | 81,692 | 51,043 | 50,336 | 101,379       |
| <b>Principal and Interest Change (%)</b> |        |        |       |       |        |        |        |        |        |         |         |        |        |        |               |
| Increase                                 | 83%    | 67%    | 53%   | 25%   | 15%    | 10%    | 9%     | 14%    | 13%    | 6%      | 8%      | 11%    | 6%     | 3%     | 4%            |
| No Change                                | 1%     | 1%     | 1%    | 1%    | 0%     | 3%     | 0%     | 0%     | 0%     | 0%      | 1%      | 1%     | 2%     | 1%     | 1%            |
| Decrease <=20%                           | 14%    | 21%    | 29%   | 41%   | 35%    | 35%    | 35%    | 24%    | 22%    | 19%     | 19%     | 19%    | 20%    | 24%    | 22%           |
| Decrease 20% <=30%                       | 2%     | 8%     | 11%   | 20%   | 28%    | 29%    | 28%    | 17%    | 16%    | 16%     | 16%     | 15%    | 15%    | 18%    | 17%           |
| Decrease > 30%                           | 1%     | 3%     | 5%    | 14%   | 21%    | 23%    | 27%    | 46%    | 49%    | 58%     | 56%     | 54%    | 57%    | 54%    | 56%           |
| <b>Type of Modifications (%)</b>         |        |        |       |       |        |        |        |        |        |         |         |        |        |        |               |
| Extend Term Only                         |        |        |       |       | 13%    | 12%    | 10%    | 6%     | 1%     | 1%      | 1%      | 2%     | 2%     | 5%     | 4%            |
| Reduce Rate Only                         |        |        |       |       | 10%    | 5%     | 11%    | 24%    | 40%    | 35%     | 35%     | 35%    | 34%    | 32%    | 33%           |
| Extend Term and Reduce Rate*             |        |        |       |       | 67%    | 73%    | 74%    | 63%    | 50%    | 59%     | 58%     | 56%    | 60%    | 62%    | 61%           |
| Other                                    |        |        |       |       | 10%    | 9%     | 5%     | 7%     | 10%    | 5%      | 5%      | 7%     | 4%     | 1%     | 3%            |
| <b>60+ Days Re-Delinquency (%)</b>       |        |        |       |       |        |        |        |        |        |         |         |        |        |        |               |
| 3 Months after Modification              | 21%    | 27%    | 31%   | 24%   | 19%    | 18%    | 21%    | 9%     | 9%     | 9%      | 11%     | 9%     | 8%     |        |               |
| 6 Months after Modification              | 37%    | 44%    | 44%   | 39%   | 36%    | 33%    | 36%    | 17%    | 15%    | 15%     | 14%     | 13%    |        |        |               |
| 9 Months after Modification              | 47%    | 51%    | 52%   | 50%   | 47%    | 41%    | 39%    | 22%    | 21%    | 17%     | 16%     |        |        |        |               |

\* Includes extend term, reduce rate and forbear principal

## Appendix: Data Tables

## 3(iii) Freddie Mac - Loan Modifications

|  | 1Q08  | 2Q08  | 3Q08  | 4Q08   | 1Q09   | 2Q09   | 3Q09  | 4Q09   | 1Q10   | 2Q10   | 3Q10   | 4Q10   | 1Q11   | 2Q11   | YTD<br>Jun-11 |
|--|-------|-------|-------|--------|--------|--------|-------|--------|--------|--------|--------|--------|--------|--------|---------------|
| <b>Loan Modifications (# of loans)</b>   | 4,246 | 4,827 | 8,315 | 17,463 | 24,623 | 15,603 | 9,036 | 15,816 | 43,805 | 49,483 | 40,142 | 38,086 | 35,158 | 30,878 | 66,036        |
| <b>Principal and Interest Change (%)</b> |       |       |       |        |        |        |       |        |        |        |        |        |        |        |               |
| Increase                                 | 81%   | 74%   | 53%   | 25%    | 16%    | 14%    | 24%   | 18%    | 11%    | 9%     | 8%     | 11%    | 11%    | 11%    | 11%           |
| No Change                                | 1%    | 1%    | 1%    | 2%     | 1%     | 1%     | 1%    | 1%     | 1%     | 1%     | 4%     | 4%     | 2%     | 2%     | 2%            |
| Decrease <=20%                           | 16%   | 22%   | 26%   | 28%    | 30%    | 29%    | 44%   | 31%    | 24%    | 26%    | 27%    | 30%    | 29%    | 28%    | 29%           |
| Decrease 20% <=30%                       | 1%    | 2%    | 16%   | 36%    | 37%    | 41%    | 20%   | 17%    | 16%    | 17%    | 18%    | 17%    | 17%    | 17%    | 17%           |
| Decrease > 30%                           | 1%    | 1%    | 3%    | 10%    | 16%    | 15%    | 11%   | 33%    | 47%    | 47%    | 43%    | 37%    | 40%    | 42%    | 41%           |
| <b>Type of Modifications (%)</b>         |       |       |       |        |        |        |       |        |        |        |        |        |        |        |               |
| Extend Term Only                         |       |       |       |        | 19%    | 27%    | 43%   | 16%    | 9%     | 11%    | 12%    | 16%    | 15%    | 15%    | 15%           |
| Reduce Rate Only                         |       |       |       |        | 1%     | 1%     | 2%    | 14%    | 22%    | 21%    | 17%    | 13%    | 27%    | 28%    | 27%           |
| Extend Term and Reduce Rate*             |       |       |       |        | 72%    | 64%    | 41%   | 59%    | 62%    | 62%    | 64%    | 63%    | 55%    | 54%    | 54%           |
| Other                                    |       |       |       |        | 9%     | 9%     | 13%   | 12%    | 7%     | 6%     | 6%     | 7%     | 4%     | 3%     | 4%            |
| <b>60+ Days Re-Delinquency (%)</b>       |       |       |       |        |        |        |       |        |        |        |        |        |        |        |               |
| 3 Months after Modification              | 7%    | 10%   | 22%   | 30%    | 22%    | 27%    | 14%   | 9%     | 6%     | 6%     | 7%     | 7%     | 6%     |        |               |
| 6 Months after Modification              | 18%   | 22%   | 34%   | 36%    | 31%    | 36%    | 25%   | 13%    | 9%     | 10%    | 10%    | 10%    |        |        |               |
| 9 Months after Modification              | 21%   | 27%   | 36%   | 39%    | 36%    | 38%    | 28%   | 17%    | 11%    | 12%    | 11%    |        |        |        |               |

\* Includes extend term, reduce rate and forbear principal

## Appendix: Data Tables

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

|  | 1Q08    | 2Q08    | 3Q08    | 4Q08    | 1Q09    | 2Q09    | 3Q09    | 4Q09    | 1Q10    | 2Q10    | 3Q10    | 4Q10    | 1Q11    | 2Q11    | YTD<br>Jun-11 |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------------|
| <b>Short Sales</b>                                   | 1,776   | 3,062   | 4,674   | 6,192   | 8,054   | 11,705  | 16,586  | 19,102  | 23,379  | 29,375  | 29,465  | 25,734  | 25,705  | 29,483  | 55,188        |
| <b>Deeds-in-lieu</b>                                 | 308     | 236     | 427     | 540     | 578     | 835     | 843     | 715     | 934     | 1,506   | 1,728   | 1,875   | 1,849   | 2,727   | 4,576         |
| <b>Nonforeclosure -<br/>Home Forfeiture Actions*</b> | 2,084   | 3,298   | 5,101   | 6,732   | 8,632   | 12,540  | 17,429  | 19,817  | 24,313  | 30,881  | 31,193  | 27,609  | 27,554  | 32,210  | 59,764        |
| <b>Third-party Sales</b>                             | 1,939   | 2,052   | 2,170   | 1,571   | 1,467   | 2,789   | 4,263   | 4,908   | 5,171   | 7,856   | 11,999  | 7,886   | 8,982   | 14,968  | 23,950        |
| <b>Foreclosure Sales</b>                             | 29,548  | 36,093  | 45,277  | 33,233  | 39,733  | 54,236  | 65,375  | 72,989  | 92,760  | 104,497 | 126,058 | 68,759  | 79,123  | 79,250  | 158,373       |
| <b>Third-party &amp;<br/>Foreclosure Sales</b>       | 31,487  | 38,145  | 47,447  | 34,804  | 41,200  | 57,025  | 69,638  | 77,897  | 97,931  | 112,353 | 138,057 | 76,645  | 88,105  | 94,218  | 182,323       |
| <b>Foreclosure Starts</b>                            | 108,520 | 116,843 | 132,909 | 149,981 | 243,824 | 299,208 | 254,168 | 243,485 | 246,273 | 275,095 | 338,957 | 309,976 | 259,643 | 250,858 | 510,501       |
| <b>Top Five Reasons for Delinquency</b>              |         |         |         |         |         |         |         |         |         |         |         |         |         |         |               |
| Curtailment of Income                                |         |         |         |         | 35%     | 40%     | 40%     | 41%     | 47%     | 48%     | 48%     | 46%     | 44%     | 43%     |               |
| Excessive obligations                                |         |         |         |         | 19%     | 18%     | 16%     | 13%     | 13%     | 14%     | 14%     | 14%     | 14%     | 14%     |               |
| Unemployment   |         |         |         |         | 8%      | 9%      | 8%      | 8%      | 8%      | 8%      | 8%      | 8%      | 8%      | 8%      |               |
| Illness of principal mortgagor or<br>family member   |         |         |         |         | 6%      | 6%      | 5%      | 5%      | 5%      | 5%      | 5%      | 5%      | 5%      | 5%      |               |
| Marital Difficulties                                 |         |         |         |         | 3%      | 3%      | 3%      | 3%      | 3%      | 3%      | 3%      | 3%      | 3%      | 3%      |               |

\* Short sales and deeds in lieu of foreclosure completed.

## Appendix: Data Tables

## 5(i) Enterprises Combined - Real Estate Owned (# of loans)

|                                      | 1Q09     | 2Q09     | 3Q09     | 4Q09     | 1Q10     | 2Q10     | 3Q10     | 4Q10     | 1Q11     | 2Q11      | YTD<br>Jun-11 |
|--------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|---------------|
| Acquisitions                         | 39,362   | 54,092   | 65,332   | 71,938   | 91,341   | 103,500  | 124,402  | 69,733   | 78,256   | 78,485    | 156,741       |
| Dispositions                         | (40,724) | (48,294) | (49,238) | (54,144) | (58,723) | (75,832) | (74,206) | (76,849) | (94,441) | (100,550) | (194,991)     |
| Inventory (at period end)            | 91,516   | 97,314   | 113,408  | 131,202  | 163,820  | 191,488  | 241,684  | 234,568  | 218,383  | 196,318   |               |
| <b>Acquisitions by State</b>         |          |          |          |          |          |          |          |          |          |           |               |
| Arizona                              | 4,212    | 4,807    | 5,296    | 6,136    | 7,795    | 8,212    | 9,012    | 5,936    | 8,484    | 6,621     | 15,105        |
| California                           | 5,561    | 8,253    | 9,465    | 10,434   | 12,767   | 12,455   | 14,920   | 9,459    | 13,380   | 11,527    | 24,907        |
| Florida                              | 3,117    | 4,891    | 6,219    | 7,226    | 10,309   | 13,517   | 15,710   | 7,244    | 4,136    | 4,875     | 9,011         |
| Nevada                               | 1,939    | 2,248    | 3,086    | 2,462    | 2,071    | 3,897    | 4,177    | 2,587    | 3,286    | 4,032     | 7,318         |
| Subtotal                             | 14,829   | 20,199   | 24,066   | 26,258   | 32,942   | 38,081   | 43,819   | 25,226   | 29,286   | 27,055    | 56,341        |
| Selected Midwest States <sup>*</sup> | 6,642    | 12,032   | 12,251   | 13,062   | 17,645   | 18,555   | 20,912   | 10,534   | 13,642   | 11,854    | 25,496        |
| All other States                     | 17,891   | 21,861   | 29,015   | 32,618   | 40,754   | 46,864   | 59,671   | 33,973   | 35,328   | 39,576    | 74,904        |
| Total Acquisitions                   | 39,362   | 54,092   | 65,332   | 71,938   | 91,341   | 103,500  | 124,402  | 69,733   | 78,256   | 78,485    | 156,741       |
| <b>Inventory by State</b>            |          |          |          |          |          |          |          |          |          |           |               |
| Arizona                              | 7,344    | 6,992    | 7,504    | 8,675    | 11,305   | 12,596   | 15,384   | 13,332   | 13,595   | 10,847    |               |
| California                           | 12,839   | 13,568   | 15,325   | 17,585   | 22,302   | 24,546   | 29,722   | 28,049   | 29,939   | 28,116    |               |
| Florida                              | 5,891    | 6,796    | 8,445    | 10,203   | 14,305   | 19,788   | 26,679   | 27,746   | 19,380   | 13,452    |               |
| Nevada                               | 3,603    | 3,540    | 4,230    | 4,004    | 3,631    | 5,218    | 6,937    | 6,164    | 6,064    | 6,536     |               |
| Subtotal                             | 29,677   | 30,896   | 35,504   | 40,467   | 51,543   | 62,148   | 78,722   | 75,291   | 68,978   | 58,951    |               |
| Selected Midwest States <sup>*</sup> | 22,434   | 25,454   | 28,694   | 31,875   | 38,596   | 43,727   | 51,829   | 50,677   | 48,918   | 44,506    |               |
| All other States                     | 39,405   | 40,964   | 49,210   | 58,860   | 73,681   | 85,613   | 111,133  | 108,600  | 100,487  | 92,861    |               |
| Total Inventory                      | 91,516   | 97,314   | 113,408  | 131,202  | 163,820  | 191,488  | 241,684  | 234,568  | 218,383  | 196,318   |               |

<sup>\*</sup> Select Midwest states are Illinois, Indiana, Michigan and Ohio

## Appendix: Data Tables

## 5(ii) Fannie Mae - Real Estate Owned (# of loans)

|                                      | 1Q09     | 2Q09     | 3Q09     | 4Q09     | 1Q10     | 2Q10     | 3Q10     | 4Q10     | 1Q11     | 2Q11     | YTD<br>Jun-11 |
|--------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|---------------|
| Acquisitions                         | 25,374   | 32,095   | 40,959   | 47,189   | 61,929   | 68,838   | 85,349   | 45,962   | 53,549   | 53,697   | 107,246       |
| Dispositions                         | (26,541) | (31,851) | (31,299) | (33,309) | (38,095) | (49,517) | (47,872) | (50,260) | (62,814) | (71,202) | (134,016)     |
| Inventory (at period end)            | 62,371   | 62,615   | 72,275   | 86,155   | 109,989  | 129,310  | 166,787  | 162,489  | 153,224  | 135,719  |               |
| <b>Acquisitions by State</b>         |          |          |          |          |          |          |          |          |          |          |               |
| Arizona                              | 2,526    | 2,879    | 3,172    | 4,277    | 5,374    | 5,256    | 6,023    | 4,038    | 5,971    | 4,858    | 10,829        |
| California                           | 3,719    | 4,444    | 5,304    | 6,098    | 8,700    | 8,256    | 10,434   | 6,661    | 9,571    | 8,179    | 17,750        |
| Florida                              | 1,680    | 2,876    | 4,053    | 4,673    | 6,556    | 8,712    | 10,048   | 4,312    | 2,919    | 3,154    | 6,073         |
| Nevada                               | 1,210    | 1,337    | 1,885    | 1,643    | 1,451    | 2,686    | 3,278    | 2,003    | 2,678    | 3,099    | 5,777         |
| Subtotal                             | 9,135    | 11,536   | 14,414   | 16,691   | 22,081   | 24,910   | 29,783   | 17,014   | 21,139   | 19,290   | 40,429        |
| Selected Midwest States <sup>*</sup> | 4,643    | 6,930    | 7,834    | 9,057    | 12,058   | 12,356   | 14,314   | 6,683    | 8,962    | 7,316    | 16,278        |
| All other States                     | 11,596   | 13,629   | 18,711   | 21,441   | 27,790   | 31,572   | 41,252   | 22,265   | 23,448   | 27,091   | 50,539        |
| Total Acquisitions                   | 25,374   | 32,095   | 40,959   | 47,189   | 61,929   | 68,838   | 85,349   | 45,962   | 53,549   | 53,697   | 107,246       |
| <b>Inventory by State</b>            |          |          |          |          |          |          |          |          |          |          |               |
| Arizona                              | 4,826    | 4,354    | 4,586    | 5,857    | 7,779    | 8,427    | 10,550   | 9,400    | 9,703    | 7,738    |               |
| California                           | 8,207    | 8,078    | 8,954    | 10,472   | 14,476   | 16,630   | 20,992   | 20,164   | 21,800   | 20,224   |               |
| Florida                              | 3,840    | 4,251    | 5,537    | 6,812    | 9,304    | 13,179   | 18,051   | 18,621   | 13,871   | 9,510    |               |
| Nevada                               | 2,405    | 2,254    | 2,659    | 2,685    | 2,550    | 3,668    | 5,368    | 4,895    | 4,858    | 5,035    |               |
| Subtotal                             | 19,278   | 18,937   | 21,736   | 25,826   | 34,109   | 41,904   | 54,961   | 53,080   | 50,232   | 42,507   |               |
| Selected Midwest States <sup>*</sup> | 16,127   | 16,915   | 18,680   | 21,512   | 26,389   | 29,945   | 36,060   | 35,354   | 34,311   | 30,266   |               |
| All other States                     | 26,966   | 26,763   | 31,859   | 38,817   | 49,491   | 57,461   | 75,766   | 74,055   | 68,681   | 62,946   |               |
| Total Inventory                      | 62,371   | 62,615   | 72,275   | 86,155   | 109,989  | 129,310  | 166,787  | 162,489  | 153,224  | 135,719  |               |

<sup>\*</sup> Select Midwest states are Illinois, Indiana, Michigan and Ohio

## Appendix: Data Tables

## 5(iii) Freddie Mac - Real Estate Owned (# of loans)

|                                      | 1Q09          | 2Q09          | 3Q09          | 4Q09          | 1Q10          | 2Q10          | 3Q10          | 4Q10          | 1Q11          | 2Q11          | YTD<br>Jun-11 |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Acquisitions                         | 13,988        | 21,997        | 24,373        | 24,749        | 29,412        | 34,662        | 39,053        | 23,771        | 24,707        | 24,788        | 49,495        |
| Dispositions                         | (14,183)      | (16,443)      | (17,939)      | (20,835)      | (20,628)      | (26,315)      | (26,334)      | (26,589)      | (31,627)      | (29,348)      | (60,975)      |
| Inventory (at period end)            | 29,145        | 34,699        | 41,133        | 45,047        | 53,831        | 62,178        | 74,897        | 72,079        | 65,159        | 60,599        |               |
| <b>Acquisitions by State</b>         |               |               |               |               |               |               |               |               |               |               |               |
| Arizona                              | 1,686         | 1,928         | 2,124         | 1,859         | 2,421         | 2,956         | 2,989         | 1,898         | 2,513         | 1,763         | 4,276         |
| California                           | 1,842         | 3,809         | 4,161         | 4,336         | 4,067         | 4,199         | 4,486         | 2,798         | 3,809         | 3,348         | 7,157         |
| Florida                              | 1,437         | 2,015         | 2,166         | 2,553         | 3,753         | 4,805         | 5,662         | 2,932         | 1,217         | 1,721         | 2,938         |
| Nevada                               | 729           | 911           | 1,201         | 819           | 620           | 1,211         | 899           | 584           | 608           | 933           | 1,541         |
| Subtotal                             | 5,694         | 8,663         | 9,652         | 9,567         | 10,861        | 13,171        | 14,036        | 8,212         | 8,147         | 7,765         | 15,912        |
| Selected Midwest States <sup>*</sup> | 1,999         | 5,102         | 4,417         | 4,005         | 5,587         | 6,199         | 6,598         | 3,851         | 4,680         | 4,538         | 9,218         |
| All other States                     | 6,295         | 8,232         | 10,304        | 11,177        | 12,964        | 15,292        | 18,419        | 11,708        | 11,880        | 12,485        | 24,365        |
| <b>Total Acquisitions</b>            | <b>13,988</b> | <b>21,997</b> | <b>24,373</b> | <b>24,749</b> | <b>29,412</b> | <b>34,662</b> | <b>39,053</b> | <b>23,771</b> | <b>24,707</b> | <b>24,788</b> | <b>49,495</b> |
| <b>Inventory by State</b>            |               |               |               |               |               |               |               |               |               |               |               |
| Arizona                              | 2,518         | 2,638         | 2,918         | 2,818         | 3,526         | 4,169         | 4,834         | 3,932         | 3,892         | 3,109         |               |
| California                           | 4,632         | 5,490         | 6,371         | 7,113         | 7,826         | 7,916         | 8,730         | 7,885         | 8,139         | 7,892         |               |
| Florida                              | 2,051         | 2,545         | 2,908         | 3,391         | 5,001         | 6,609         | 8,628         | 9,125         | 5,509         | 3,942         |               |
| Nevada                               | 1,198         | 1,286         | 1,571         | 1,319         | 1,081         | 1,550         | 1,569         | 1,269         | 1,206         | 1,501         |               |
| Subtotal                             | 10,399        | 11,959        | 13,768        | 14,641        | 17,434        | 20,244        | 23,761        | 22,211        | 18,746        | 16,444        |               |
| Selected Midwest States <sup>*</sup> | 6,307         | 8,539         | 10,014        | 10,363        | 12,207        | 13,782        | 15,769        | 15,323        | 14,607        | 14,240        |               |
| All other States                     | 12,439        | 14,201        | 17,351        | 20,043        | 24,190        | 28,152        | 35,367        | 34,545        | 31,806        | 29,915        |               |
| <b>Total Inventory</b>               | <b>29,145</b> | <b>34,699</b> | <b>41,133</b> | <b>45,047</b> | <b>53,831</b> | <b>62,178</b> | <b>74,897</b> | <b>72,079</b> | <b>65,159</b> | <b>60,599</b> |               |

<sup>\*</sup> Select Midwest states are Illinois, Indiana, Michigan and Ohio

## Appendix: Data Tables

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

|                                    | Apr-10  | May-10  | Jun-10  | Jul-10  | Aug-10  | Sep-10  | Oct-10  | Nov-10  | Dec-10  | Jan-11  | Feb-11  | Mar-11  | Apr-11  | May-11  | Jun-11  |
|------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Total Refinances</b>            |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Fannie Mae                         | 121,994 | 118,631 | 115,955 | 123,949 | 156,735 | 248,579 | 255,024 | 268,991 | 306,965 | 247,540 | 188,305 | 190,576 | 118,277 | 103,146 | 118,099 |
| Freddie Mac                        | 89,651  | 82,228  | 98,167  | 86,925  | 105,079 | 150,536 | 159,872 | 182,190 | 194,252 | 146,602 | 147,719 | 95,687  | 81,663  | 65,297  | 67,525  |
| Total                              | 211,645 | 200,859 | 214,122 | 210,874 | 261,814 | 399,115 | 414,896 | 451,181 | 501,217 | 394,142 | 336,024 | 286,263 | 199,940 | 168,443 | 185,624 |
| <b>HARP LTV &gt;80% -105%</b>      |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Fannie Mae                         | 15,136  | 15,060  | 14,787  | 12,772  | 14,147  | 20,674  | 19,639  | 20,555  | 25,180  | 19,071  | 17,827  | 21,441  | 14,509  | 12,363  | 14,266  |
| Freddie Mac                        | 13,396  | 11,721  | 12,336  | 11,859  | 12,670  | 20,447  | 18,552  | 20,801  | 26,421  | 18,019  | 22,896  | 14,059  | 12,581  | 8,944   | 8,830   |
| Total                              | 28,532  | 26,781  | 27,123  | 24,631  | 26,817  | 41,121  | 38,191  | 41,356  | 51,601  | 37,090  | 40,723  | 35,500  | 27,090  | 21,307  | 23,096  |
| <b>HARP LTV &gt;105% -125%</b>     |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Fannie Mae                         | 809     | 892     | 780     | 800     | 891     | 1,326   | 1,266   | 1,404   | 1,762   | 1,816   | 1,932   | 2,399   | 1,976   | 1,656   | 1,956   |
| Freddie Mac                        | 1,117   | 989     | 1,122   | 1,143   | 1,222   | 2,232   | 1,388   | 1,335   | 3,611   | 2,431   | 4,104   | 4,212   | 3,508   | 2,512   | 3,305   |
| Total                              | 1,926   | 1,881   | 1,902   | 1,943   | 2,113   | 3,558   | 2,654   | 2,739   | 5,373   | 4,247   | 6,036   | 6,611   | 5,484   | 4,168   | 5,261   |
| <b>All Other Streamlined Refis</b> |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Fannie Mae                         | 26,165  | 27,010  | 24,932  | 25,464  | 31,369  | 51,691  | 49,233  | 53,338  | 62,506  | 45,069  | 40,912  | 54,411  | 36,431  | 35,362  | 40,706  |
| Freddie Mac                        | 18,989  | 16,280  | 14,716  | 19,713  | 22,805  | 38,139  | 38,214  | 43,773  | 50,576  | 29,757  | 35,215  | 22,054  | 19,304  | 16,174  | 14,549  |
| Total                              | 45,154  | 43,290  | 39,648  | 45,177  | 54,174  | 89,830  | 87,447  | 97,111  | 113,082 | 74,826  | 76,127  | 76,465  | 55,735  | 51,536  | 55,255  |

## Notes:

**HARP Refinance Loans** are defined as Fannie Mae to Fannie Mae and Freddie Mac to Freddie Mac first lien refinance loans with limited and no cash out that are owner-occupied with LTVs between 80% and 125%.

**All Other Streamlined Refis** are streamlined refinances that do not qualify as HARP (LTVs between 80% and 125%) refinances. Fannie Mae implements streamlined refinances through the Refi Plus product for manual underwriting and DU Refi Plus product for loans underwritten through Desktop Underwriter. The product is available for refinances of existing Fannie Mae loans only. Freddie Mac implements streamlined refinances through the Relief Refinance Mortgage product. Loans may be originated by any Freddie Mac approved servicer.



FHFA produces monthly and quarterly versions of the Foreclosure Prevention & Refinance 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.

**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.

**Extend Term and Reduce Rate** - Loan's rate reduced and term extended.

**Extend Term, Rate Reduction, 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.