



**FORECLOSURE PREVENTION REPORT**

**FEDERAL PROPERTY MANAGER'S REPORT**

**JANUARY 2017**



## January 2017 Highlights

### The Enterprises' Foreclosure Prevention Actions:

- The Enterprises completed 14,558 foreclosure prevention actions in January 2017, bringing the total to 3,847,918 since the start of the conservatorships in September 2008. Over half of these actions have been permanent loan modifications.
- There were 9,405 permanent loan modifications in January, bringing the total to 2,031,726 since the conservatorships began in September 2008.
- The share of modifications with principal forbearance decreased to 19 percent during the month. Modifications with extend-term only increased to 44 percent due to continuing improvement in house prices.
- There were 1,615 short sales and deeds-in-lieu completed in January, down 5 percent compared with December.

### The Enterprises' Mortgage Performance:

- The serious delinquency rate remained flat at 1.12 percent at the end of January.

### The Enterprises' Foreclosures:

- Third-party and foreclosure sales increased 16 percent from 5,764 in December to 6,705 in January.
- Foreclosure starts increased 10 percent from 15,133 in December to 16,604 in January.

### Foreclosure Prevention Activities

	Dec-16	Jan-17
HAMP Active Trials	2,247	2,260
HAMP Active Permanent - Cumulative	339,342	335,028
<b>Completed Foreclosure Prevention Actions</b>		
Loan Modifications *	9,579	9,405
Repayment Plans	3,260	2,771
Forbearance Plans	840	681
Charge-offs-in-lieu	144	86
<b>Home Retention Actions</b>	<b>13,823</b>	<b>12,943</b>
Short Sales	1,180	1,127
Deeds-in-lieu	523	488
<b>Home Forfeiture Actions</b>	<b>1,703</b>	<b>1,615</b>
<b>TOTAL</b>	<b>15,526</b>	<b>14,558</b>

\* Includes HAMP permanent modifications.

Source: FHFA (Fannie Mae and Freddie Mac)

### Mortgage Performance (at period end)

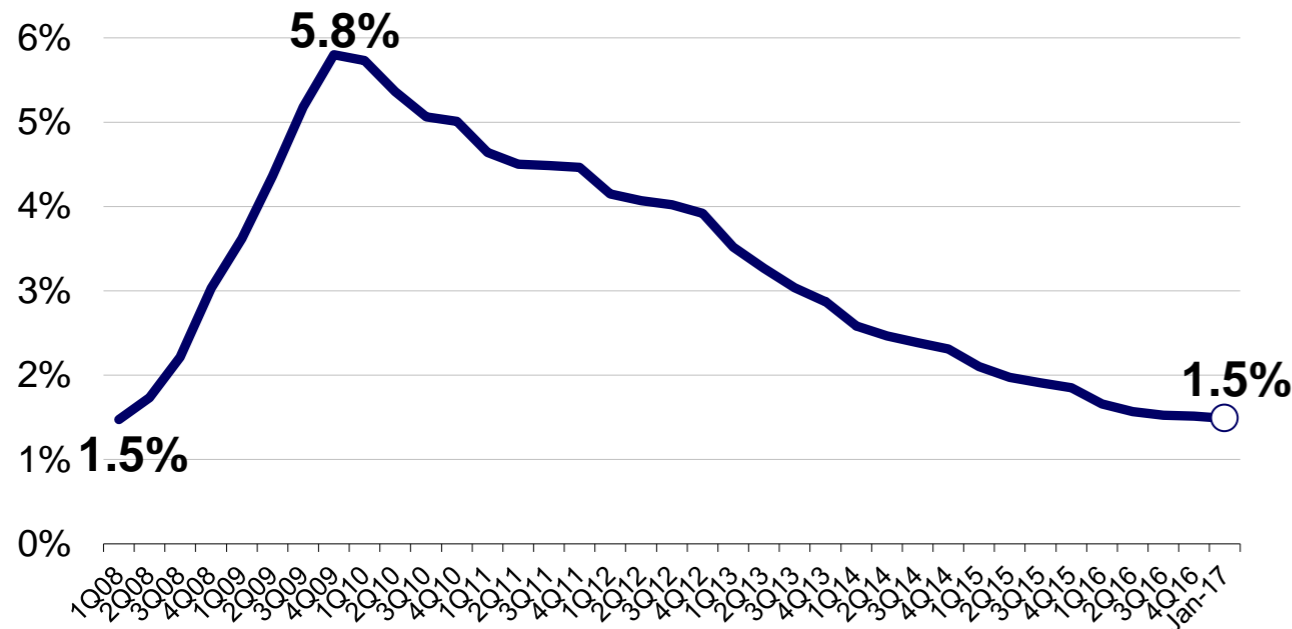
	Dec-16	Jan-17
30-59 Days Delinquent	402,231	377,808
60-plus-days Delinquent	420,709	414,612
Foreclosure Starts	15,133	16,604
Third-party & Foreclosure Sales	5,764	6,705
<b>(Percent of total loans serviced)</b>		
30-59 Days Delinquent	1.45%	1.36%
60-plus-days Delinquent	1.52%	1.49%
Seriously Delinquent*	1.12%	1.12%

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

Source: FHFA (Fannie Mae and Freddie Mac)

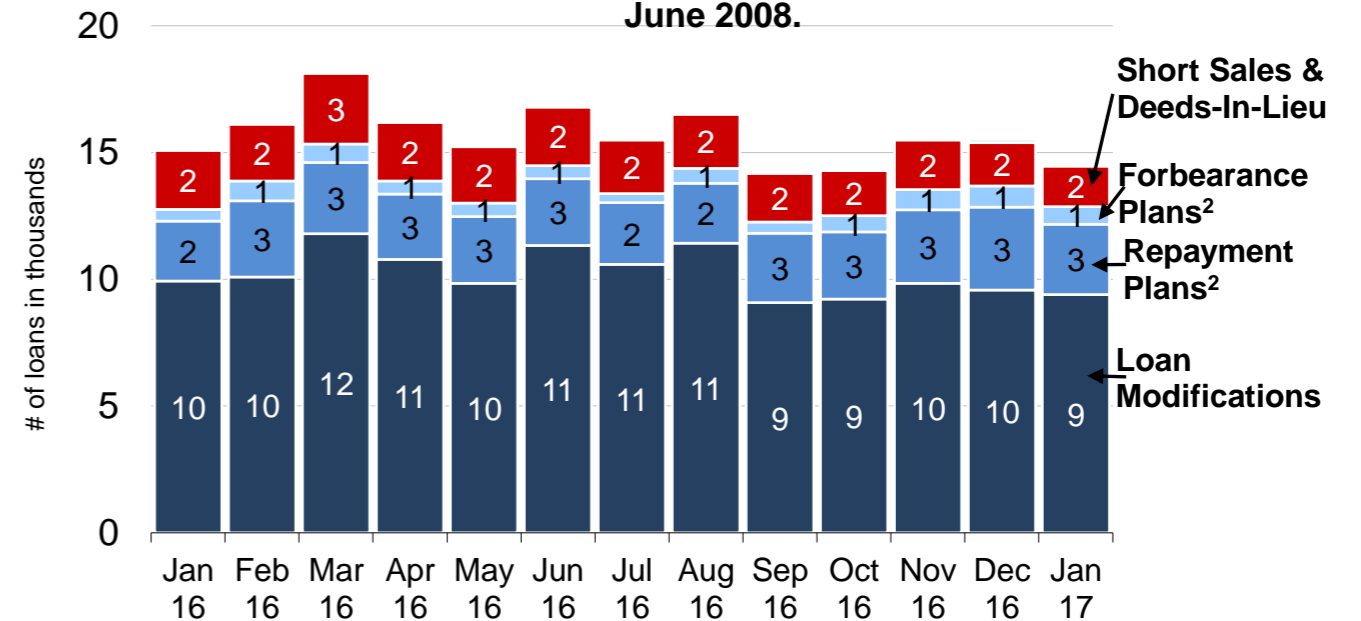


**Enterprises' 60-plus-days Delinquency Rates**  
60-plus-days delinquency rate decreased slightly in January.



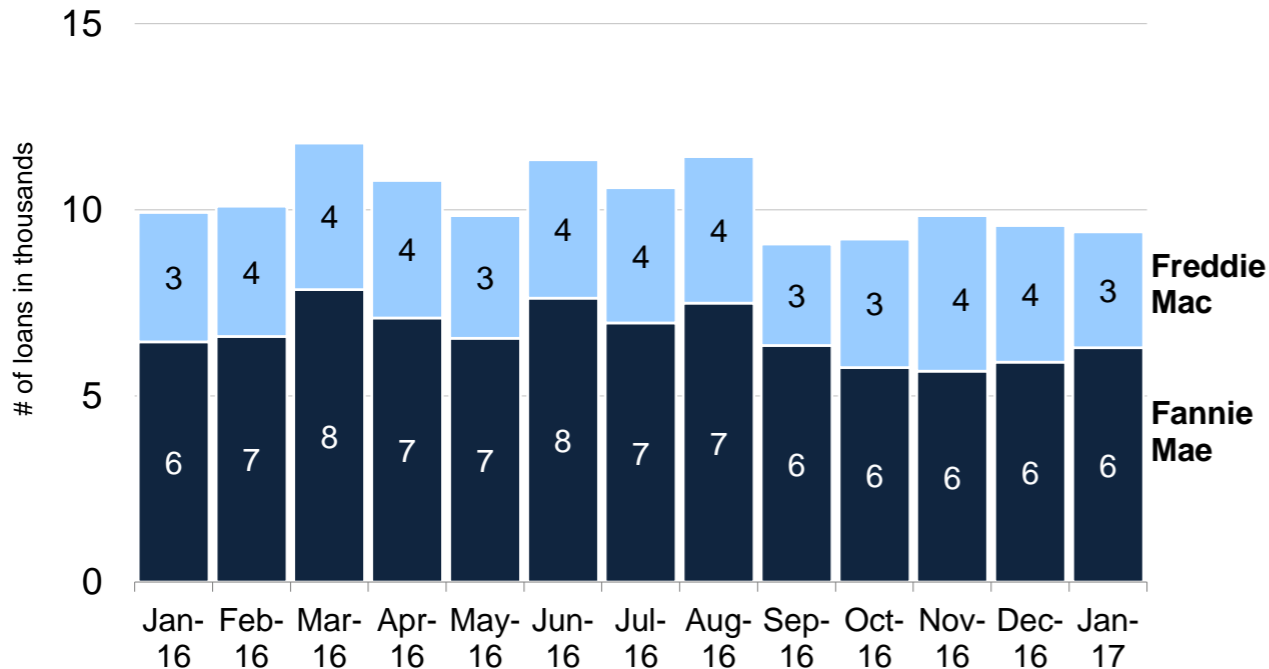
Source: FHFA (Fannie Mae and Freddie Mac)

**Foreclosure Prevention Actions Completed**  
Foreclosure prevention actions decreased 6 percent in January as serious delinquency rate remained at the lowest level since June 2008.



Source: FHFA (Fannie Mae and Freddie Mac)

**Completed loan modifications**  
Loan modifications decreased 2 percent in January.



Source: FHFA (Fannie Mae and Freddie Mac)

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

Cumulative from April 2009 through	Dec-16	Jan-17
<b>Trials Ever Started</b>	1,081,560	1,081,997
<i>Less:</i>		
Trials Disqualified	(78,753)	(78,769)
Trials Cancelled	(343,694)	(343,722)
Permanent Modifications	(656,866)	(657,246)
<b>Trials Remaining Active</b>	<b>2,247</b>	<b>2,260</b>
<b>Permanent Modifications Started</b>	<b>656,866</b>	<b>657,246</b>
<i>Less:</i>		
Modifications Defaulted	(228,328)	(229,939)
Modifications Paid off	(86,695)	(89,704)
Modifications Withdrawn	(2,501)	(2,575)
<b>Active Permanent Modifications</b>	<b>339,342</b>	<b>335,028</b>

Source: FHFA (Fannie Mae and Freddie Mac)

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

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

<sup>3</sup> HAMP trial modifications are based on the first trial payment posted date. HAMP permanent modifications are based on the effective date of modification. As of January 31, 2017, Fannie Mae had 197,424 HAMP active permanent modifications and Freddie Mac had 137,604 HAMP active permanent modifications.



## Completed Foreclosure Prevention Actions

Since the first full quarter in conservatorship (4Q08), combined completed foreclosure prevention actions total 3,847,918. More than half of these actions are permanent loan modifications.

	2014	2015	2016	YTD Jan-17	Conservatorship to Date <sup>1</sup>
<b>Home Retention Actions</b>					
Repayment Plans	51,481	39,317	32,357	2,771	877,108
Forbearance Plans	11,260	8,170	7,228	681	187,612
Charge-offs-in-lieu	1,378	1,219	1,047	86	13,613
HomeSaver Advance ( <i>Fannie</i> )	-	-	-	-	70,178
Loan Modifications	<u>189,975</u>	<u>148,109</u>	<u>123,495</u>	<u>9,405</u>	<u>2,031,726</u>
<b>Total</b>	<b>254,094</b>	<b>196,815</b>	<b>164,127</b>	<b>12,943</b>	<b>3,180,237</b>
<b>Nonforeclosure - Home Forfeiture Actions</b>					
Short Sales	38,198	25,081	17,760	1,127	579,969
Deeds-in-lieu	<u>14,926</u>	<u>10,170</u>	<u>8,024</u>	<u>488</u>	<u>87,712</u>
<b>Total</b>	<b>53,124</b>	<b>35,251</b>	<b>25,784</b>	<b>1,615</b>	<b>667,681</b>
<b>Total Foreclosure Prevention Actions</b>	<b>307,218</b>	<b>232,066</b>	<b>189,911</b>	<b>14,558</b>	<b>3,847,918</b>

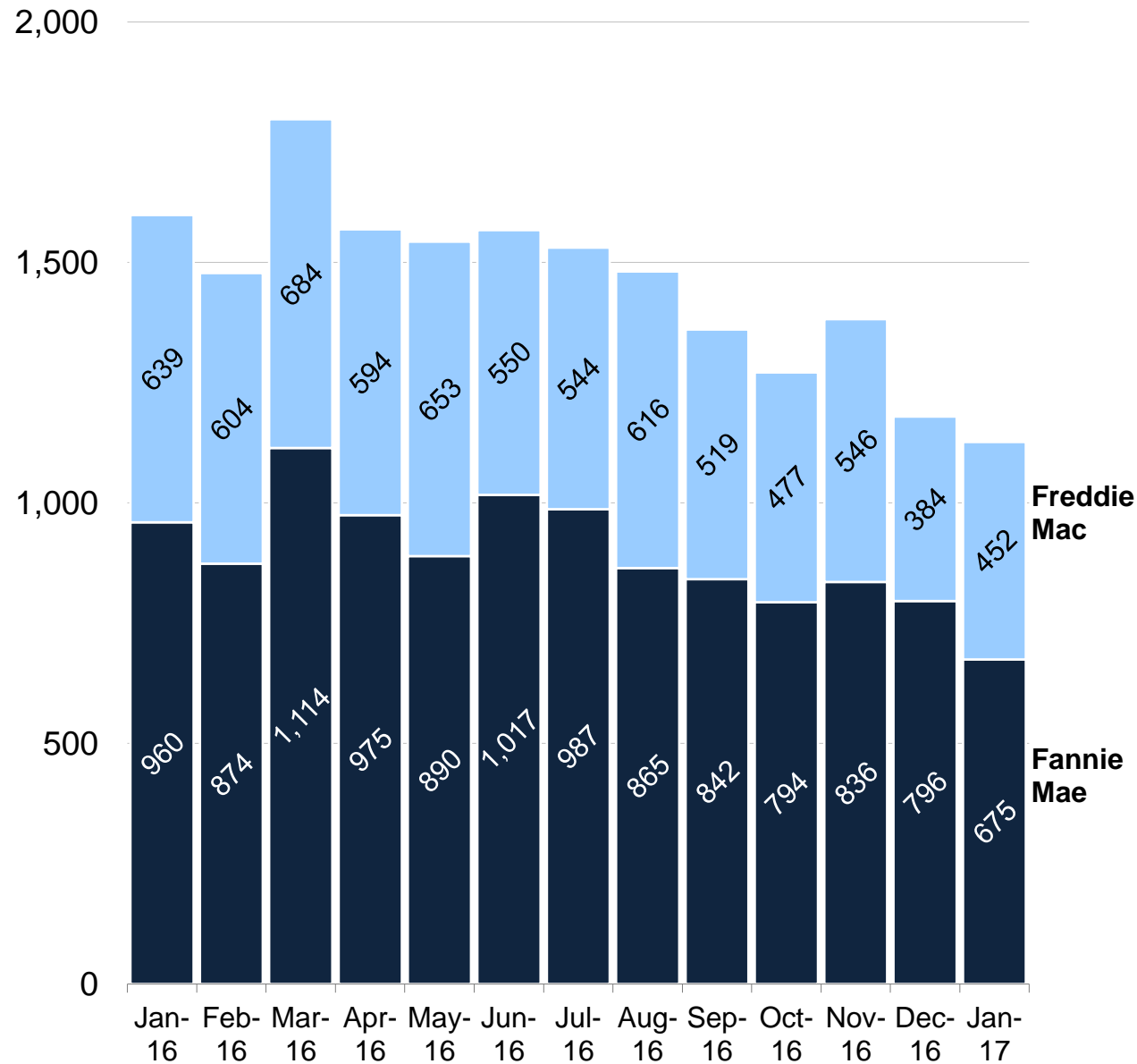
<sup>1</sup> Since the first full quarter in conservatorship (4Q08).

Source: FHFA (Fannie Mae and Freddie Mac)



## Short Sales

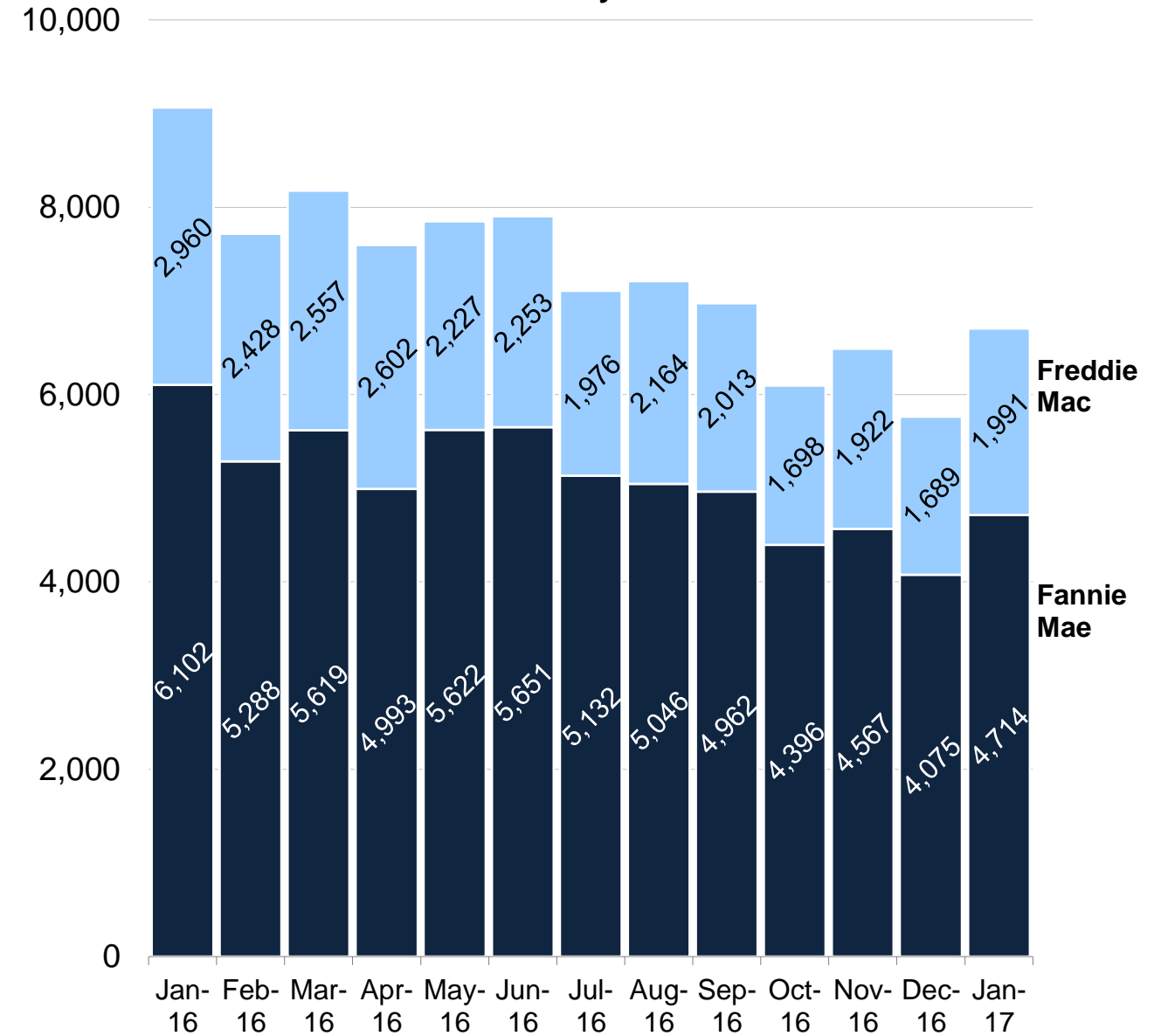
Completed short sales decreased 4 percent in January.



Source: FHFA (Fannie Mae and Freddie Mac)

## Foreclosure Sales and Third-party Sales

Foreclosure and third-party sales increased 16 percent in January.



Source: FHFA (Fannie Mae and Freddie Mac)



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

(# of loans in thousands)	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17
<b>Total Loans Serviced</b>	27,861	27,844	27,803	27,775	27,744	27,708	27,713	27,664	27,692	27,697	27,729	27,768	27,842
Original Credit Score >= 660	25,043	25,039	25,012	24,997	24,981	24,962	24,978	24,947	24,987	25,008	25,053	25,111	25,194
Original Credit Score < 660	2,818	2,805	2,791	2,778	2,763	2,746	2,735	2,717	2,704	2,689	2,675	2,657	2,648
<b>Total Delinquent Loans</b>	961	878	799	822	814	813	850	798	807	817	828	823	792
Original Credit Score >= 660	569	528	475	489	483	479	502	469	478	486	492	487	469
Original Credit Score < 660	391	350	324	333	331	333	348	330	329	331	337	336	324
<b>30 - 59 Days Delinquent</b>	440	385	337	368	368	378	410	376	385	394	400	402	378
Original Credit Score >= 660	258	230	196	215	215	219	240	219	228	235	238	239	223
Original Credit Score < 660	182	155	141	153	153	159	170	157	157	159	162	163	154
<b>60 - 89 Days Delinquent</b>	119	106	94	97	99	101	110	106	107	111	113	113	108
Original Credit Score >= 660	65	60	53	54	55	56	61	59	59	63	63	63	60
Original Credit Score < 660	54	46	41	43	44	45	49	48	48	48	50	50	48
<b>60-plus-days Delinquent</b>	521	493	462	454	446	435	441	422	422	423	428	421	415
Original Credit Score >= 660		298	279	273	268	260	262	250	250	251	254	248	245
Original Credit Score < 660	209	196	183	180	178	175	178	172	172	172	174	173	169

## Percent of Total Loans Serviced

<b>Total Delinquent Loans</b>	3.45%	3.15%	2.87%	2.96%	2.93%	2.93%	3.07%	2.89%	2.91%	2.95%	2.99%	2.96%	2.85%
Original Credit Score >= 660	2.27%	2.11%	1.90%	1.96%	1.93%	1.92%	2.01%	1.88%	1.91%	1.94%	1.96%	1.94%	1.86%
Original Credit Score < 660	13.88%	12.49%	11.61%	11.99%	11.97%	12.14%	12.73%	12.13%	12.16%	12.31%	12.59%	12.64%	12.23%
<b>30 - 59 Days Delinquent</b>	1.58%	1.38%	1.21%	1.33%	1.32%	1.36%	1.48%	1.36%	1.39%	1.42%	1.44%	1.45%	1.36%
Original Credit Score >= 660	1.03%	0.92%	0.78%	0.86%	0.86%	0.88%	0.96%	0.88%	0.91%	0.94%	0.95%	0.95%	0.89%
Original Credit Score < 660	6.45%	5.52%	5.06%	5.51%	5.54%	5.78%	6.22%	5.80%	5.81%	5.93%	6.07%	6.15%	5.83%
<b>60 - 89 Days Delinquent</b>	0.43%	0.38%	0.34%	0.35%	0.36%	0.36%	0.40%	0.38%	0.39%	0.40%	0.41%	0.41%	0.39%
Original Credit Score >= 660	0.26%	0.24%	0.21%	0.22%	0.22%	0.22%	0.24%	0.24%	0.24%	0.25%	0.25%	0.25%	0.24%
Original Credit Score < 660	1.90%	1.64%	1.47%	1.54%	1.59%	1.64%	1.80%	1.76%	1.76%	1.80%	1.86%	1.88%	1.80%
<b>60-plus-days Delinquent</b>	1.87%	1.77%	1.66%	1.63%	1.61%	1.57%	1.59%	1.53%	1.52%	1.53%	1.54%	1.52%	1.49%
Original Credit Score >= 660	0.00%	1.19%	1.12%	1.09%	1.07%	1.04%	1.05%	1.00%	1.00%	1.00%	1.01%	0.99%	0.97%
Original Credit Score < 660	7.43%	6.97%	6.55%	6.49%	6.43%	6.36%	6.51%	6.33%	6.35%	6.38%	6.52%	6.49%	6.40%
<b>Serious Delinquency Rate</b>	1.47%	1.42%	1.35%	1.31%	1.28%	1.23%	1.22%	1.16%	1.16%	1.14%	1.15%	1.12%	1.12%
<b>In Bankruptcy</b>	0.27%	0.26%	0.25%	0.25%	0.25%	0.24%	0.24%	0.23%	0.23%	0.23%	0.22%	0.22%	0.21%



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

(# of loans in thousands)	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17
<b>Total Loans Serviced</b>	17,296	17,286	17,254	17,237	17,209	17,179	17,173	17,126	17,143	17,147	17,162	17,181	17,212
Original Credit Score >= 660	15,510	15,507	15,484	15,475	15,455	15,437	15,438	15,403	15,427	15,442	15,465	15,496	15,532
Original Credit Score < 660	1,786	1,779	1,770	1,763	1,754	1,742	1,735	1,723	1,716	1,705	1,697	1,686	1,680
<b>Total Delinquent Loans</b>	625	577	524	540	539	536	558	525	531	539	543	540	521
Original Credit Score >= 660	370	347	311	320	319	315	328	306	313	319	320	318	306
Original Credit Score < 660	255	230	213	220	220	221	230	218	218	220	223	222	215
<b>30 - 59 Days Delinquent</b>	281	248	216	237	239	245	264	243	250	259	259	261	245
Original Credit Score >= 660	164	148	125	138	139	141	154	140	147	154	153	154	144
Original Credit Score < 660	117	100	91	99	100	104	110	103	103	105	107	106	101
<b>60 - 89 Days Delinquent</b>	73	65	58	60	61	63	69	67	67	70	72	71	68
Original Credit Score >= 660	40	37	33	33	34	35	38	37	37	39	40	39	38
Original Credit Score < 660	33	28	25	27	27	28	31	30	30	31	32	32	30
<b>60-plus-days Delinquent</b>	344	329	307	303	300	290	294	281	281	280	284	279	276
Original Credit Score >= 660	205	199	186	182	180	173	175	166	166	166	167	164	162
Original Credit Score < 660	138	130	122	121	120	117	119	115	115	114	116	115	113

## Percent of Total Loans Serviced

<b>Total Delinquent Loans</b>	3.61%	3.34%	3.04%	3.13%	3.13%	3.12%	3.25%	3.06%	3.10%	3.14%	3.17%	3.14%	3.03%
Original Credit Score >= 660	2.38%	2.23%	2.01%	2.07%	2.06%	2.04%	2.13%	1.99%	2.03%	2.07%	2.07%	2.05%	1.97%
Original Credit Score < 660	14.30%	12.94%	12.04%	12.46%	12.54%	12.69%	13.24%	12.66%	12.72%	12.88%	13.16%	13.16%	12.78%
<b>30 - 59 Days Delinquent</b>	1.62%	1.43%	1.25%	1.37%	1.39%	1.43%	1.54%	1.42%	1.46%	1.51%	1.51%	1.52%	1.42%
Original Credit Score >= 660	1.06%	0.95%	0.81%	0.89%	0.90%	0.92%	1.00%	0.91%	0.95%	0.99%	0.99%	0.99%	0.93%
Original Credit Score < 660	6.54%	5.61%	5.17%	5.62%	5.73%	5.97%	6.36%	5.98%	6.02%	6.17%	6.29%	6.32%	6.03%
<b>60 - 89 Days Delinquent</b>	0.42%	0.38%	0.34%	0.35%	0.36%	0.37%	0.40%	0.39%	0.39%	0.41%	0.42%	0.41%	0.40%
Original Credit Score >= 660	0.26%	0.24%	0.21%	0.22%	0.22%	0.23%	0.25%	0.24%	0.24%	0.25%	0.26%	0.25%	0.24%
Original Credit Score < 660	1.87%	1.60%	1.43%	1.52%	1.55%	1.61%	1.79%	1.76%	1.76%	1.80%	1.88%	1.89%	1.80%
<b>60-plus-days Delinquent</b>	1.99%	1.90%	1.78%	1.76%	1.74%	1.69%	1.71%	1.64%	1.64%	1.63%	1.65%	1.63%	1.60%
Original Credit Score >= 660	1.32%	1.28%	1.20%	1.18%	1.17%	1.12%	1.13%	1.08%	1.07%	1.07%	1.08%	1.06%	1.04%
Original Credit Score < 660	7.75%	7.33%	6.87%	6.84%	6.82%	6.72%	6.87%	6.68%	6.70%	6.71%	6.87%	6.85%	6.75%
<b>Serious Delinquency Rate</b>	1.55%	1.52%	1.44%	1.40%	1.38%	1.32%	1.30%	1.24%	1.24%	1.21%	1.23%	1.20%	1.20%
<b>In Bankruptcy</b>	0.27%	0.27%	0.26%	0.26%	0.26%	0.25%	0.25%	0.24%	0.24%	0.24%	0.23%	0.23%	0.22%



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

(# of loans in thousands)	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17
<b>Total Loans Serviced</b>	10,565	10,558	10,549	10,538	10,535	10,529	10,540	10,538	10,549	10,550	10,567	10,587	10,630
Original Credit Score >= 660	9,533	9,531	9,528	9,522	9,526	9,525	9,541	9,545	9,560	9,566	9,588	9,615	9,662
Original Credit Score < 660	1,032	1,027	1,021	1,016	1,009	1,004	1,000	993	989	984	979	972	968
<b>Total Delinquent Loans</b>	336	301	275	282	275	277	292	274	276	278	285	283	272
Original Credit Score >= 660	200	181	164	169	164	164	174	163	165	167	171	169	163
Original Credit Score < 660	136	120	111	114	111	112	118	111	111	111	114	114	109
<b>30 - 59 Days Delinquent</b>	159	137	121	132	128	132	146	133	135	136	141	142	133
Original Credit Score >= 660	94	82	71	78	76	78	86	78	81	82	85	85	80
Original Credit Score < 660	65	55	50	54	53	55	60	54	54	54	56	57	53
<b>60 - 89 Days Delinquent</b>	45	40	36	37	38	38	41	40	40	41	41	42	40
Original Credit Score >= 660	25	23	21	21	21	21	23	22	22	23	23	24	23
Original Credit Score < 660	20	17	16	16	17	17	18	18	18	18	18	18	17
<b>60-plus-days Delinquent</b>	177	164	154	151	146	144	147	141	141	143	144	141	139
Original Credit Score >= 660	106	99	93	91	88	87	88	84	84	85	86	84	83
Original Credit Score < 660	71	65	61	60	58	58	59	57	57	57	58	57	56

## Percent of Total Loans Serviced

<b>Total Delinquent Loans</b>	3.18%	2.85%	2.61%	2.68%	2.61%	2.63%	2.77%	2.60%	2.62%	2.64%	2.70%	2.67%	2.56%
Original Credit Score >= 660	2.10%	1.90%	1.72%	1.77%	1.72%	1.73%	1.82%	1.70%	1.73%	1.75%	1.79%	1.76%	1.68%
Original Credit Score < 660	13.16%	11.71%	10.86%	11.19%	10.96%	11.19%	11.85%	11.20%	11.21%	11.32%	11.60%	11.73%	11.27%
<b>30 - 59 Days Delinquent</b>	1.50%	1.30%	1.15%	1.25%	1.22%	1.26%	1.38%	1.26%	1.28%	1.29%	1.33%	1.34%	1.25%
Original Credit Score >= 660	0.98%	0.86%	0.75%	0.81%	0.79%	0.81%	0.90%	0.82%	0.84%	0.85%	0.89%	0.88%	0.82%
Original Credit Score < 660	6.29%	5.36%	4.88%	5.32%	5.21%	5.45%	5.96%	5.47%	5.46%	5.51%	5.69%	5.85%	5.49%
<b>60 - 89 Days Delinquent</b>	0.43%	0.38%	0.34%	0.35%	0.36%	0.36%	0.39%	0.38%	0.38%	0.39%	0.39%	0.39%	0.38%
Original Credit Score >= 660	0.26%	0.24%	0.22%	0.22%	0.22%	0.22%	0.24%	0.23%	0.23%	0.24%	0.24%	0.25%	0.23%
Original Credit Score < 660	1.96%	1.70%	1.55%	1.59%	1.65%	1.68%	1.81%	1.77%	1.78%	1.79%	1.83%	1.86%	1.79%
<b>60-plus-days Delinquent</b>	1.68%	1.56%	1.46%	1.43%	1.39%	1.37%	1.39%	1.34%	1.34%	1.35%	1.36%	1.33%	1.31%
Original Credit Score >= 660	1.11%	1.04%	0.98%	0.96%	0.93%	0.91%	0.92%	0.88%	0.88%	0.89%	0.90%	0.88%	0.86%
Original Credit Score < 660	6.86%	6.35%	5.98%	5.87%	5.76%	5.74%	5.89%	5.73%	5.75%	5.82%	5.91%	5.87%	5.79%
<b>Serious Delinquency Rate</b>	1.33%	1.26%	1.20%	1.15%	1.11%	1.08%	1.08%	1.03%	1.02%	1.03%	1.03%	1.00%	0.99%
<b>In Bankruptcy</b>	0.27%	0.25%	0.25%	0.25%	0.24%	0.23%	0.23%	0.22%	0.21%	0.21%	0.21%	0.20%	0.20%





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

	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17
<b>Starts<sup>2</sup></b>													
HAMP Active Trial & Perm. - Cum.	389,299	385,189	381,938	377,751	373,703	369,266	364,907	360,316	355,461	351,075	346,277	341,589	337,288
Repayment Plans	6,181	5,322	5,587	6,069	6,167	6,263	5,609	7,995	7,012	6,919	6,642	6,545	7,245
Forbearance Plans	2,149	1,888	1,867	2,069	1,820	2,345	1,850	2,338	3,279	2,278	2,148	1,926	1,999
<b>Completed</b>													
Repayment Plans <sup>3</sup>	2,370	3,006	2,818	2,578	2,637	2,624	2,429	2,354	2,732	2,651	2,898	3,260	2,771
Forbearance Plans <sup>3</sup>	457	769	732	521	529	512	368	592	447	649	812	840	681
Charge-offs-in-lieu	111	103	71	77	85	74	58	74	76	86	88	144	86
HomeSaver Advance (Fannie)	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Modifications	9,925	10,095	11,789	10,784	9,838	11,342	10,587	11,431	9,075	9,213	9,837	9,579	9,405
<b>Home Retention Actions</b>	<b>12,863</b>	<b>13,973</b>	<b>15,410</b>	<b>13,960</b>	<b>13,089</b>	<b>14,552</b>	<b>13,442</b>	<b>14,451</b>	<b>12,330</b>	<b>12,599</b>	<b>13,635</b>	<b>13,823</b>	<b>12,943</b>
Short Sales	1,599	1,478	1,798	1,569	1,543	1,567	1,531	1,481	1,361	1,271	1,382	1,180	1,127
Deeds-in-lieu	739	768	983	728	674	756	574	653	567	500	559	523	488
<b>Nonforeclosure - Home Forfeiture Actions</b>	<b>2,338</b>	<b>2,246</b>	<b>2,781</b>	<b>2,297</b>	<b>2,217</b>	<b>2,323</b>	<b>2,105</b>	<b>2,134</b>	<b>1,928</b>	<b>1,771</b>	<b>1,941</b>	<b>1,703</b>	<b>1,615</b>
<b>Total Foreclosure Prevention Actions</b>	<b>15,201</b>	<b>16,219</b>	<b>18,191</b>	<b>16,257</b>	<b>15,306</b>	<b>16,875</b>	<b>15,547</b>	<b>16,585</b>	<b>14,258</b>	<b>14,370</b>	<b>15,576</b>	<b>15,526</b>	<b>14,558</b>

## Percent of Total Foreclosure Prevention Actions

Repayment Plans	16%	19%	15%	16%	17%	16%	16%	14%	19%	18%	19%	21%	19%
Forbearance Plans	3%	5%	4%	3%	3%	3%	2%	4%	3%	5%	5%	5%	5%
Charge-offs-in-lieu	1%	1%	0%	0%	1%	0%	0%	0%	1%	1%	1%	1%	1%
HomeSaver Advance (Fannie)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Loan Modifications	65%	62%	65%	66%	64%	67%	68%	69%	64%	64%	63%	62%	65%
<b>Home Retention Actions</b>	<b>85%</b>	<b>86%</b>	<b>85%</b>	<b>86%</b>	<b>86%</b>	<b>86%</b>	<b>86%</b>	<b>87%</b>	<b>86%</b>	<b>88%</b>	<b>88%</b>	<b>89%</b>	<b>89%</b>
Short Sales	11%	9%	10%	10%	10%	9%	10%	9%	10%	9%	9%	8%	8%
Deeds-in-lieu	5%	5%	5%	4%	4%	4%	4%	4%	4%	3%	4%	3%	3%
<b>Nonforeclosure - Home Forfeiture Actions</b>	<b>15%</b>	<b>14%</b>	<b>15%</b>	<b>14%</b>	<b>14%</b>	<b>14%</b>	<b>14%</b>	<b>13%</b>	<b>14%</b>	<b>12%</b>	<b>12%</b>	<b>11%</b>	<b>11%</b>

<sup>1</sup> The number of foreclosure prevention actions reported in this table may not tie to the Enterprises' financial statements due to timing differences in reporting systems.

<sup>2</sup> Forbearance plans initiated include HAMP trials initiated by servicers under the MHA program. HAMP trial modifications are based on the first trial payment posted date. HAMP permanent modifications are based on the effective date of modification. As of January 31, 2017, Fannie Mae had 197,424 HAMP active permanent modifications and Freddie Mac had 137,604 HAMP active permanent modifications.

<sup>3</sup> Includes loans that were 30+ days delinquent at initiation of the plan. In addition, the completed forbearance plans data have been revised to exclude HAMP.



3(i) Enterprises Combined - Loan Modifications

	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17
<b>Loan Modifications (# of loans)</b>	9,925	10,095	11,789	10,784	9,838	11,342	10,587	11,431	9,075	9,213	9,837	9,579	9,405
<b>Types of Modification (%)</b>													
Extend Term Only	48%	48%	49%	48%	47%	46%	45%	44%	44%	41%	38%	41%	44%
Reduce Rate Only	2%	2%	3%	2%	2%	2%	2%	2%	2%	2%	1%	1%	1%
Reduce Rate and Extend Term	30%	30%	31%	32%	32%	33%	33%	35%	34%	36%	32%	32%	35%
Reduce Rate, Extend Term and Forbear Principal*	19%	18%	19%	18%	19%	20%	20%	19%	19%	21%	29%	25%	19%
Other	0%	2%	-1%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%

\* May include principal forgiveness



3(ii) Fannie Mae - Loan Modifications

	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17
<b>Loan Modifications (# of loans)</b>	6,451	6,592	7,856	7,097	6,552	7,629	6,958	7,489	6,355	5,758	5,660	5,907	6,300
<b>Types of Modification (%)</b>													
Extend Term Only	51%	51%	52%	51%	50%	48%	46%	46%	45%	46%	45%	48%	47%
Reduce Rate Only	2%	1%	3%	2%	2%	2%	2%	2%	2%	2%	1%	2%	1%
Reduce Rate and Extend Term	26%	25%	28%	28%	28%	29%	30%	32%	31%	34%	34%	32%	33%
Reduce Rate, Extend Term and Forbear Principal*	20%	20%	20%	18%	20%	21%	22%	21%	22%	18%	19%	18%	19%
Other	0%	3%	-2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

\* May include principal forgiveness



3(iii) Freddie Mac - Loan Modifications

	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17
<b>Loan Modifications (# of loans)</b>	3,474	3,503	3,933	3,687	3,286	3,713	3,629	3,942	2,720	3,455	4,177	3,672	3,105
<b>Types of Modification (%)</b>													
Extend Term Only	43%	42%	42%	41%	43%	42%	43%	41%	43%	33%	28%	32%	39%
Reduce Rate Only	2%	2%	2%	3%	2%	1%	2%	2%	2%	2%	1%	1%	1%
Reduce Rate and Extend Term	39%	40%	39%	38%	39%	41%	40%	41%	41%	39%	29%	31%	39%
Reduce Rate, Extend Term and Forbear Principal*	16%	15%	16%	16%	16%	16%	15%	16%	14%	26%	42%	36%	21%
Other	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%

\* May include principal forgiveness



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

	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17
Short Sales	1,599	1,478	1,798	1,569	1,543	1,567	1,531	1,481	1,361	1,271	1,382	1,180	1,127
Deeds-in-lieu	739	768	983	728	674	756	574	653	567	500	559	523	488
Nonforeclosure - Home Forfeiture Actions <sup>1</sup>	2,338	2,246	2,781	2,297	2,217	2,323	2,105	2,134	1,928	1,771	1,941	1,703	1,615
Third-party Sales	2,305	2,072	2,245	2,186	2,680	2,692	2,338	2,380	2,291	1,982	2,200	1,973	2,091
Foreclosure Sales	6,757	5,644	5,931	5,409	5,169	5,212	4,770	4,830	4,684	4,112	4,289	3,791	4,614
Third-party & Foreclosure Sales	9,062	7,716	8,176	7,595	7,849	7,904	7,108	7,210	6,975	6,094	6,489	5,764	6,705
Foreclosure Starts	17,831	21,369	21,506	17,665	18,726	18,709	17,517	17,115	16,744	19,194	18,066	15,133	16,604

## Top Five Reasons for Delinquency

Curtailment of Income	22%	22%	22%	21%	21%	21%	22%	22%	22%	22%	23%	23%	21%
Excessive obligations	14%	14%	14%	15%	22%	17%	17%	17%	17%	18%	18%	18%	15%
Unemployment	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
Illness of principal mortgagor or family member	6%	6%	6%	6%	6%	7%	7%	7%	7%	7%	7%	7%	7%
Marital Difficulties	4%	4%	4%	4%	3%	4%	4%	4%	3%	3%	3%	3%	3%

<sup>1</sup> Short sales and deeds-in-lieu of foreclosure completed.



FHFA produces monthly and quarterly versions of the Foreclosure Prevention Report. In addition to the data provided in the monthly reports, the quarterly reports include the following information: MHA program updates; benchmarking of the Enterprises' delinquency rates; the type and depth of loan modifications; and the performance of modified loans.

## Glossary

*Data and definitions in this report have been revised relative to prior versions of the report. FHFA continues to work with the Enterprises to improve the comparability of reported data.*

### Section 1: Mortgage Performance

**Total Loans Serviced** - Total conventional active book of business, excluding loans that were liquidated during the month.

**Current and Performing** - Loans that are making timely payments and are 0 months delinquent as of the reporting month.

**Total Delinquent Loans** - Loans that are at least one payment past due, i.e., total servicing *minus* current and performing.

**30-59 Days Delinquent** - Includes loans that are only one payment delinquent.

**60-89 Days Delinquent** - Includes loans that are only two payments delinquent.

**60-plus-days Delinquent** - Loans that are two or more payments delinquent, including loans in relief, in the process of foreclosure, or in the process of bankruptcy, i.e., total servicing *minus* current and performing, and 30 to 59 days delinquent loans. Our calculation may exclude loans in bankruptcy process that are less than 60 days delinquent.

**Serious Delinquency** - All loans in the process of foreclosure *plus* loans that are three or more payments delinquent (including loans in the process of bankruptcy).

**In Bankruptcy** - Loans in the process of bankruptcy; includes all delinquency status.

### Section 2: Completed Foreclosure Prevention Actions

**Home Retention Actions** - Repayment plans, forbearance plans, charge-offs in lieu of foreclosure, Home Saver Advances, and loan modifications. Home retention actions allow borrowers to retain ownership/occupancy of their homes while attempting to return loans to current and performing status.

**Repayment Plans** - An agreement between the servicer and a borrower that gives the borrower a defined period of time to reinstate the mortgage by paying normal regular payments plus an additional agreed upon amount in repayment of the delinquency.

**Forbearance Plans** - An agreement between the servicer and the borrower (or estate) to reduce or suspend monthly payments for a defined period of time after which borrower resumes regular monthly payments and pays additional money toward the delinquency to bring the account current or works with the servicer to identify a permanent solution, such as loan modification or short sale, to address the delinquency.

**Charge-offs-in-lieu of Foreclosure** - A delinquent loan for which collection efforts or legal actions against the borrower are agreed to be not in the Enterprises' best interests (because of reduced property value, a low outstanding mortgage balance, or presence of certain environmental hazards). The servicer charges off the mortgage debt rather than completing foreclosure and taking the property title. The borrower retains the property. The unpaid mortgage balance becomes a lien on the borrower's property, which must be satisfied when the borrower transfers ownership.

**HomeSaver Advance (Fannie Mae)** - An unsecured personal loan to a qualified borrower to cure his or her payment defaults under a mortgage loan the Enterprises own or guarantee. The borrower must be able to resume regular monthly payments on his or her mortgage. The program ended in 2010.

**Loan Modifications** - Number of modified, renegotiated, or restructured loans, regardless of performance-to-date under the plan during the month. Terms of the contract between the borrower and the lender are altered with the aim of curing the delinquency (30 days or more past due).

**Nonforeclosure-Home Forfeiture Actions** - Short sales and deeds-in-lieu of foreclosure. These actions require borrowers to give up their homes. Although homes are forfeited, foreclosure alternatives generally have less adverse impact on borrowers and their credit reports than foreclosure.

**Short Sales** - A short sale (also called a preforeclosure sale) is the sale of a mortgaged property at a price that nets less than the total amount due on the mortgage (e.g., the sum of the unpaid principal balance, accrued interest, advanced escrows, late fees, and delinquency charges.) The servicer and borrower negotiate payment of the difference between the net sales price and the total amount due on the mortgage.

**Deed(s)-in-lieu of Foreclosure** - A loan for which the borrower voluntarily conveys the property to the lender to avoid a foreclosure proceeding.

### Section 3: Loan Modifications

**Increase** - Principal and interest after modification is higher than before the modification.

**No Increase** - Original principal and interest is unchanged after the modifications.

**Decrease <=20%** - Original principal and interest is decreased by 20 percent or less after modification.

**Decrease >20%** - Original principal and interest is decreased by more than 20 percent after modification.

**Extend Term Only** - Remaining term of the loan is longer after modification.

**Reduce Rate Only** - Loan's rate is lower after modification.

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

**Reduce Rate, Extend Term, and Forbear Principal** - Modification includes term extension, rate reduction, and forbearance of principal.

**Other** - A modification that does not fit in any of the above categories. The majority of these loans are capitalized modifications.

### Section 4: Third-party Sales and Foreclosures

**Third-party Sales** - A third party entity purchases the property at the foreclosure sale/auction above the initial bid set forth by Fannie Mae or Freddie Mac.

**Foreclosure Starts** - The total number of loans referred to an attorney to initiate the legal process of foreclosure during the month. These are loans measured as not being in foreclosure in the previous month but referred to foreclosure in the current month.

**Foreclosure Sales** - The number of loans that went to foreclosure (sheriff's) sale during the month.

