



# FORECLOSURE PREVENTION REPORT

FEDERAL PROPERTY MANAGER'S REPORT

JANUARY 2016



## January 2016 Highlights

### The Enterprises' Foreclosure Prevention Actions:

- The Enterprises completed 15,192 foreclosure prevention actions in January 2016, bringing the total to 3,658,641 since the start of the conservatorships in September 2008. Over half of these actions have been permanent loan modifications.
- There were 9,925 permanent loan modifications in January, bringing the total to 1,908,751 since the conservatorships began in September 2008.
- The share of modifications with principal forbearance remained at 19 percent. Modifications with extend-term only accounted for 48 percent of all permanent modifications in January due to improved house prices and a declining HAMP eligible population.
- There were 2,329 short sales and deeds-in-lieu completed in January, down 14 percent compared with December.

### The Enterprises' Mortgage Performance:

- The serious delinquency rate increased slightly from 1.46 percent at the end of December to 1.47 percent at the end of January.

### The Enterprises' Foreclosures:

- Third-party and foreclosure sales increased 13 percent from 8,051 in December to 9,062 in January.
- Foreclosure starts dropped 24 percent from 23,593 in December to 17,831 in January.

### Foreclosure Prevention Activities

	Dec-15	Jan-16
HAMP Active Trials	3,758	3,651
HAMP Active Permanent - Cumulative	388,640	385,648
<b>Completed Foreclosure Prevention Actions</b>		
Loan Modifications *	10,422	9,925
Repayment Plans	2,929	2,370
Forbearance Plans	576	457
Charge-offs-in-lieu	114	111
<b>Home Retention Actions</b>	<b>14,041</b>	<b>12,863</b>
Short Sales	1,848	1,590
Deeds-in-lieu	868	739
<b>Home Forfeiture Actions</b>	<b>2,716</b>	<b>2,329</b>
<b>TOTAL</b>	<b>16,757</b>	<b>15,192</b>

\* Includes HAMP permanent modifications.

Source: FHFA (Fannie Mae and Freddie Mac)

### Mortgage Performance (at period end)

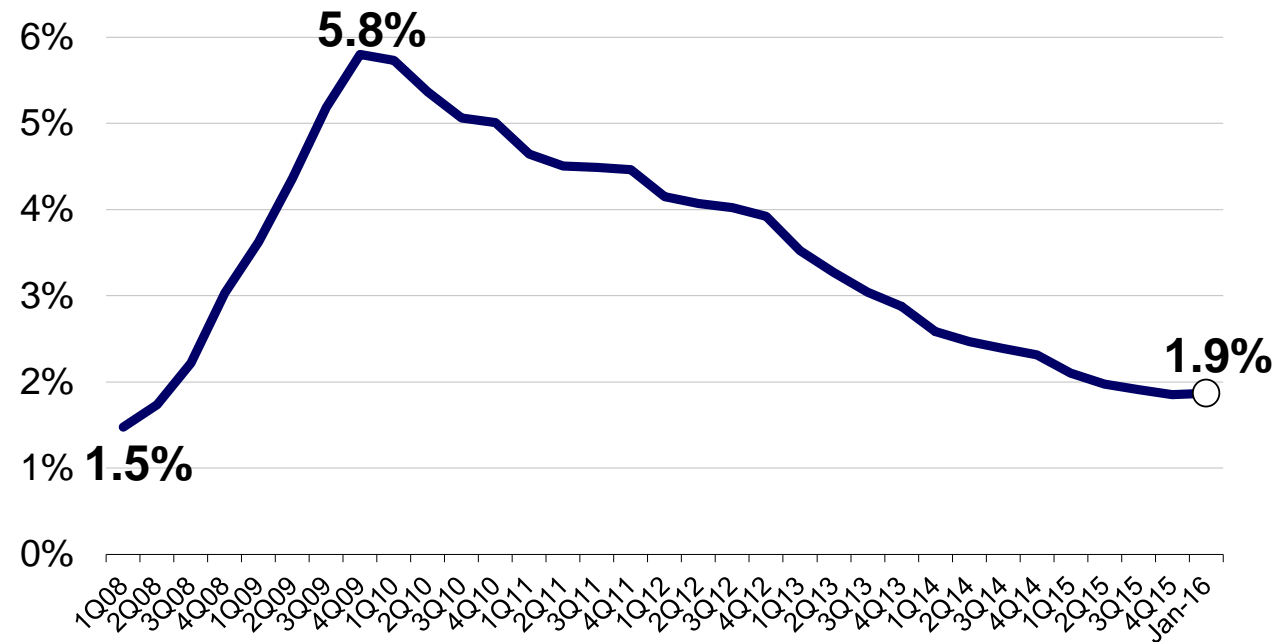
	Dec-15	Jan-16
30-59 Days Delinquent	396,256	439,603
60-plus-days Delinquent	515,420	520,917
Foreclosure Starts	23,593	17,831
Third-party & Foreclosure Sales	8,051	9,062
<b>(Percent of total loans serviced)</b>		
30-59 Days Delinquent	1.42%	1.58%
60-plus-days Delinquent	1.85%	1.87%
Seriously Delinquent*	1.46%	1.47%

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

Source: FHFA (Fannie Mae and Freddie Mac)

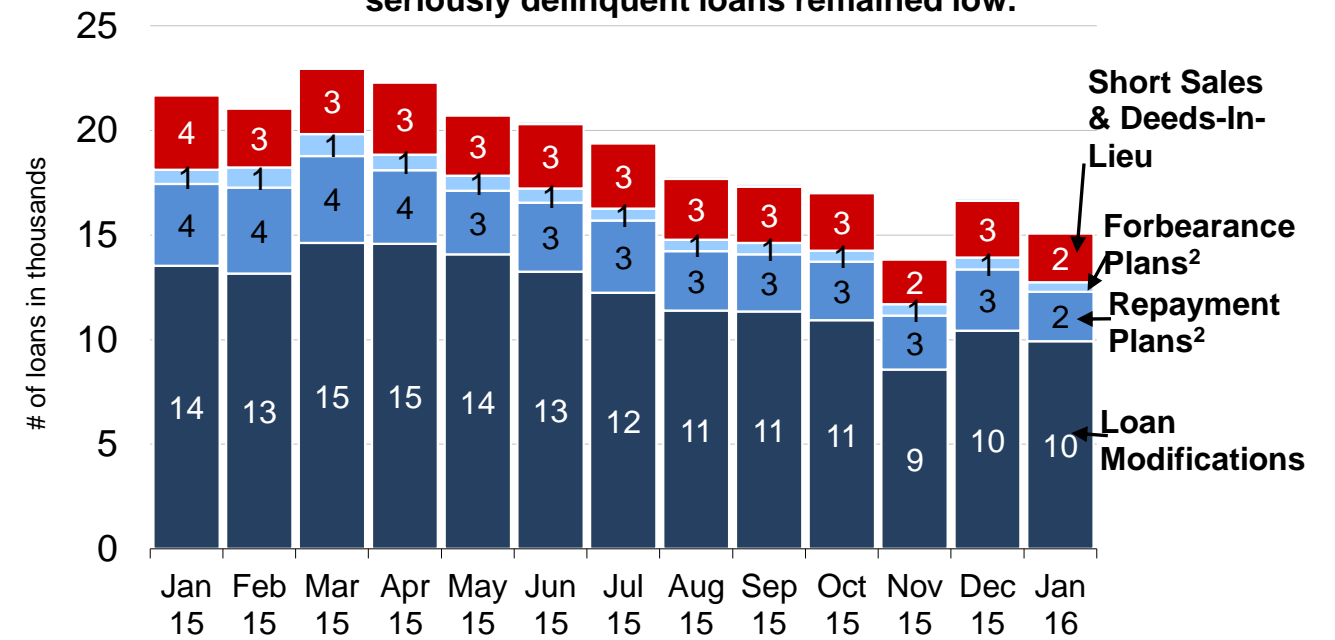


**Enterprises' 60-plus-days Delinquency Rates**  
60-plus-days delinquency rate increased slightly in January.



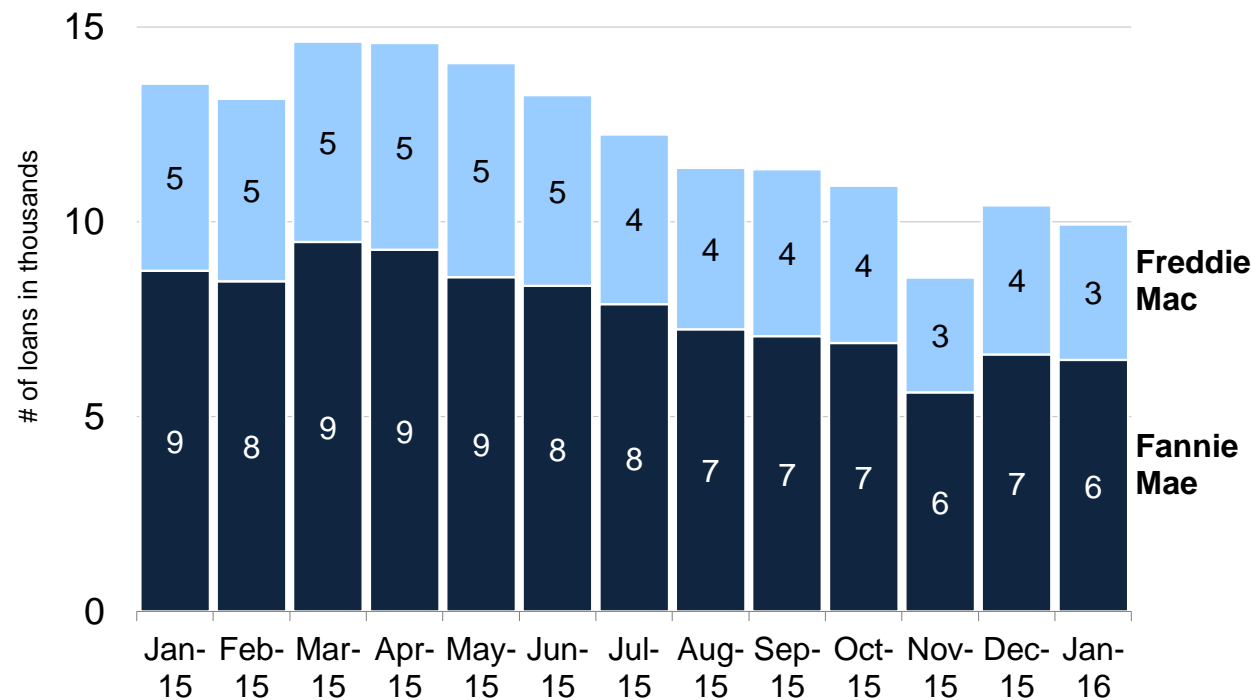
Source: FHFA (Fannie Mae and Freddie Mac)

**Foreclosure Prevention Actions Completed**  
Foreclosure prevention actions decreased 9 percent in January as house prices continued to improve and the number of seriously delinquent loans remained low.



Source: FHFA (Fannie Mae and Freddie Mac)

**Completed loan modifications**  
Loan modifications decreased 5 percent in January.



Source: FHFA (Fannie Mae and Freddie Mac)

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

Cumulative from April 2009 through	Dec-15	Jan-16
<b>Trials Ever Started</b>	1,086,307	1,086,949
<b>Less:</b>		
Trials Disqualified	(78,672)	(78,687)
Trials Cancelled	(353,853)	(354,100)
Permanent Modifications	(650,024)	(650,511)
<b>Trials Remaining Active</b>	<b>3,758</b>	<b>3,651</b>
<b>Permanent Modifications Started</b>	<b>650,024</b>	<b>650,511</b>
<b>Less:</b>		
Modifications Defaulted	(210,230)	(211,918)
Modifications Paid off	(49,727)	(51,432)
Modifications Withdrawn	(1,427)	(1,513)
<b>Active Permanent Modifications</b>	<b>388,640</b>	<b>385,648</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, 2016, Fannie Mae had 228,125 HAMP active permanent modifications and Freddie Mac had 157,523 HAMP active permanent modifications.



## Completed Foreclosure Prevention Actions

Since the first full quarter in conservatorship (4Q08), combined completed foreclosure prevention actions total 3,658,641. More than half of these actions are permanent loan modifications.

	2013	2014	2015	YTD Jan-16	Conservatorship to Date <sup>1</sup>
<b>Home Retention Actions</b>					
Repayment Plans	85,386	51,481	39,317	2,370	844,350
Forbearance Plans	12,671	11,260	8,170	457	180,160
Charge-offs-in-lieu	647	1,378	1,219	111	12,591
HomeSaver Advance ( <i>Fannie</i> )	-	-	-	-	70,178
Loan Modifications	<u>243,195</u>	<u>189,975</u>	<u>148,109</u>	<u>9,925</u>	<u>1,908,751</u>
<b>Total</b>	<b>341,899</b>	<b>254,094</b>	<b>196,815</b>	<b>12,863</b>	<b>3,016,030</b>
<b>Nonforeclosure - Home Forfeiture Actions</b>					
Short Sales	87,742	38,198	25,081	1,590	562,672
Deeds-in-lieu	<u>18,087</u>	<u>14,926</u>	<u>10,170</u>	<u>739</u>	<u>79,939</u>
<b>Total</b>	<b>105,829</b>	<b>53,124</b>	<b>35,251</b>	<b>2,329</b>	<b>642,611</b>
<b>Total Foreclosure Prevention Actions</b>	<b>447,728</b>	<b>307,218</b>	<b>232,066</b>	<b>15,192</b>	<b>3,658,641</b>

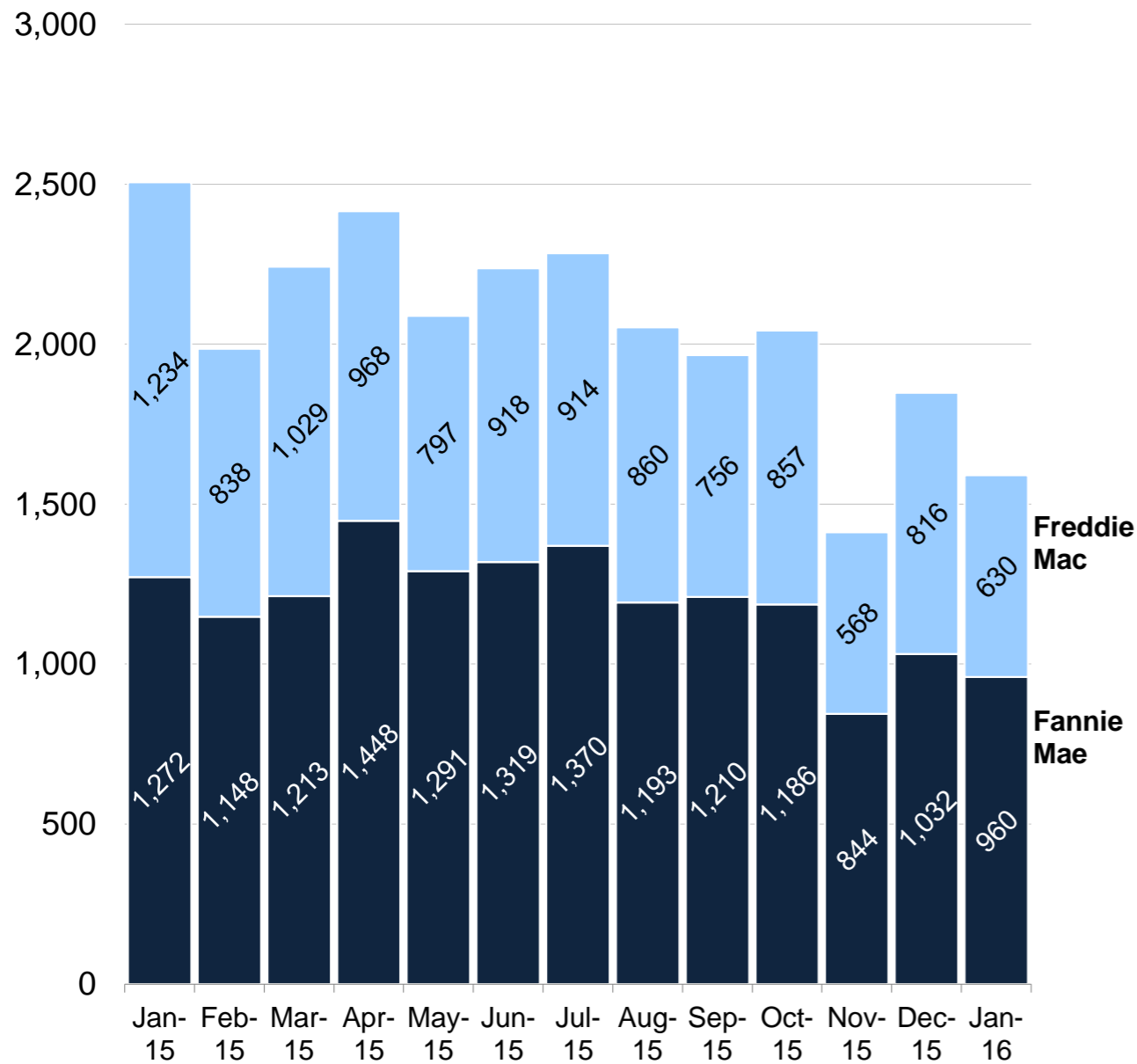
<sup>1</sup> Since the first full quarter in conservatorship (4Q08).

Source: FHFA (Fannie Mae and Freddie Mac)



**Short Sales**

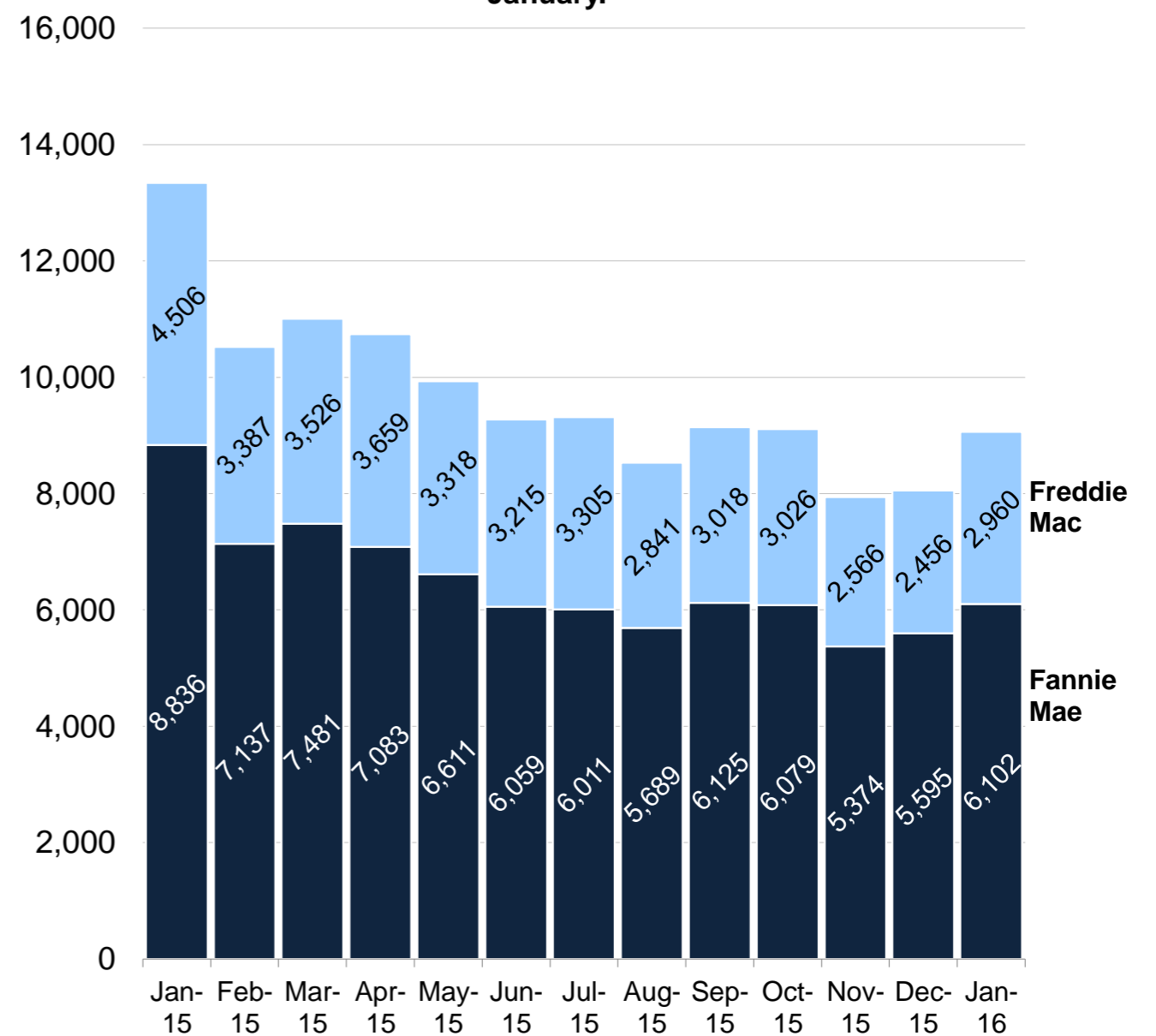
Completed short sales declined 14 percent in January.



Source: FHFA (Fannie Mae and Freddie Mac)

**Foreclosure Sales and Third-party Sales**

Foreclosure and third-party sales increased 13 percent in January.



Source: FHFA (Fannie Mae and Freddie Mac)



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

(# of loans in thousands)	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16
<b>Total Loans Serviced</b>	27,915	27,913	27,837	27,835	27,813	27,803	27,833	27,830	27,853	27,857	27,881	27,842	27,861
Original Credit Score >= 660	24,950	24,960	24,899	24,909	24,902	24,906	24,949	24,959	24,993	25,008	25,040	25,016	25,043
Original Credit Score < 660	2,965	2,953	2,938	2,925	2,912	2,897	2,884	2,871	2,860	2,849	2,841	2,826	2,818
<b>Total Delinquent Loans</b>	1,053	1,041	937	934	970	935	903	928	937	924	950	912	961
Original Credit Score >= 660	625	627	562	559	578	555	535	549	555	547	567	539	569
Original Credit Score < 660	428	414	375	375	392	380	368	379	382	378	383	372	391
<b>30 - 59 Days Delinquent</b>	418	424	352	365	408	386	367	389	405	400	424	396	440
Original Credit Score >= 660	240	250	203	210	236	222	210	223	234	231	250	230	258
Original Credit Score < 660	178	173	149	155	172	164	157	166	171	169	174	167	182
<b>60 - 89 Days Delinquent</b>	124	117	105	103	110	109	106	112	114	113	116	115	119
Original Credit Score >= 660	67	65	59	57	61	60	59	62	63	62	65	64	65
Original Credit Score < 660	56	52	46	46	49	49	48	50	51	51	52	51	54
<b>60-plus-days Delinquent</b>	635	618	585	569	562	549	536	539	532	525	526	515	521
Original Credit Score >= 660		377	359	349	342	334	325	326	321	316	317	310	312
Original Credit Score < 660	250	241	226	221	219	216	210	213	211	208	209	206	209

Percent of Total Loans Serviced

<b>Total Delinquent Loans</b>	3.77%	3.73%	3.37%	3.36%	3.49%	3.36%	3.24%	3.33%	3.36%	3.32%	3.41%	3.27%	3.45%
Original Credit Score >= 660	2.51%	2.51%	2.26%	2.24%	2.32%	2.23%	2.15%	2.20%	2.22%	2.19%	2.26%	2.16%	2.27%
Original Credit Score < 660	14.43%	14.02%	12.76%	12.83%	13.46%	13.11%	12.75%	13.18%	13.36%	13.25%	13.48%	13.18%	13.88%
<b>30 - 59 Days Delinquent</b>	1.50%	1.52%	1.26%	1.31%	1.47%	1.39%	1.32%	1.40%	1.46%	1.44%	1.52%	1.42%	1.58%
Original Credit Score >= 660	0.96%	1.00%	0.82%	0.84%	0.95%	0.89%	0.84%	0.89%	0.94%	0.92%	1.00%	0.92%	1.03%
Original Credit Score < 660	6.00%	5.86%	5.06%	5.29%	5.92%	5.68%	5.45%	5.78%	5.98%	5.94%	6.11%	5.90%	6.45%
<b>60 - 89 Days Delinquent</b>	0.44%	0.42%	0.38%	0.37%	0.40%	0.39%	0.38%	0.40%	0.41%	0.41%	0.42%	0.41%	0.43%
Original Credit Score >= 660	0.27%	0.26%	0.24%	0.23%	0.24%	0.24%	0.23%	0.25%	0.25%	0.25%	0.26%	0.25%	0.26%
Original Credit Score < 660	1.90%	1.76%	1.56%	1.56%	1.69%	1.69%	1.65%	1.76%	1.80%	1.77%	1.81%	1.82%	1.90%
<b>60-plus-days Delinquent</b>	2.28%	2.21%	2.10%	2.05%	2.02%	1.97%	1.93%	1.94%	1.91%	1.88%	1.89%	1.85%	1.87%
Original Credit Score >= 660	0.00%	1.51%	1.44%	1.40%	1.37%	1.34%	1.30%	1.31%	1.28%	1.26%	1.27%	1.24%	1.24%
Original Credit Score < 660	8.44%	8.16%	7.70%	7.55%	7.54%	7.44%	7.30%	7.40%	7.38%	7.32%	7.36%	7.29%	7.43%
<b>Serious Delinquency Rate</b>	1.86%	1.82%	1.76%	1.70%	1.65%	1.61%	1.57%	1.56%	1.52%	1.50%	1.50%	1.46%	1.47%
<b>In Bankruptcy</b>	0.35%	0.34%	0.33%	0.34%	0.33%	0.32%	0.31%	0.31%	0.30%	0.29%	0.29%	0.27%	0.27%



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

(# of loans in thousands)	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16
<b>Total Loans Serviced</b>	17,480	17,452	17,408	17,396	17,366	17,335	17,328	17,317	17,325	17,323	17,329	17,291	17,296
Original Credit Score >= 660	15,608	15,589	15,553	15,549	15,525	15,503	15,504	15,500	15,514	15,518	15,529	15,500	15,510
Original Credit Score < 660	1,872	1,863	1,855	1,848	1,840	1,832	1,824	1,817	1,811	1,805	1,801	1,791	1,786
<b>Total Delinquent Loans</b>	662	656	595	596	622	600	581	600	607	603	623	596	625
Original Credit Score >= 660	394	396	357	356	371	356	344	354	359	356	372	352	370
Original Credit Score < 660	269	261	238	240	251	244	237	245	249	247	252	244	255
<b>30 - 59 Days Delinquent</b>	261	265	221	230	258	243	232	248	259	259	275	255	281
Original Credit Score >= 660	150	157	127	132	148	139	132	141	149	148	162	147	164
Original Credit Score < 660	111	108	94	98	109	104	100	107	110	110	113	108	117
<b>60 - 89 Days Delinquent</b>	74	70	63	62	67	67	65	69	70	70	72	72	73
Original Credit Score >= 660	40	39	36	35	37	37	36	38	39	39	40	39	40
Original Credit Score < 660	34	31	28	28	30	30	29	31	32	31	32	32	33
<b>60-plus-days Delinquent</b>	402	391	374	366	364	357	349	352	348	345	348	341	344
Original Credit Score >= 660	244	239	230	224	222	217	212	213	210	208	210	205	205
Original Credit Score < 660	158	152	144	141	142	140	137	139	138	137	139	136	138

Percent of Total Loans Serviced

<b>Total Delinquent Loans</b>	3.79%	3.76%	3.42%	3.42%	3.58%	3.46%	3.36%	3.46%	3.51%	3.48%	3.60%	3.45%	3.61%
Original Credit Score >= 660	2.52%	2.54%	2.29%	2.29%	2.39%	2.29%	2.22%	2.28%	2.31%	2.29%	2.39%	2.27%	2.38%
Original Credit Score < 660	14.35%	13.98%	12.85%	12.96%	13.65%	13.33%	13.01%	13.51%	13.73%	13.71%	13.97%	13.64%	14.30%
<b>30 - 59 Days Delinquent</b>	1.49%	1.52%	1.27%	1.32%	1.48%	1.40%	1.34%	1.43%	1.50%	1.49%	1.59%	1.47%	1.62%
Original Credit Score >= 660	0.96%	1.00%	0.81%	0.85%	0.96%	0.90%	0.85%	0.91%	0.96%	0.95%	1.04%	0.95%	1.06%
Original Credit Score < 660	5.93%	5.82%	5.07%	5.31%	5.95%	5.70%	5.51%	5.88%	6.09%	6.12%	6.27%	6.02%	6.54%
<b>60 - 89 Days Delinquent</b>	0.42%	0.40%	0.36%	0.36%	0.39%	0.39%	0.38%	0.40%	0.41%	0.40%	0.42%	0.41%	0.42%
Original Credit Score >= 660	0.26%	0.25%	0.23%	0.22%	0.24%	0.24%	0.23%	0.24%	0.25%	0.25%	0.26%	0.25%	0.26%
Original Credit Score < 660	1.80%	1.67%	1.49%	1.51%	1.64%	1.65%	1.61%	1.72%	1.76%	1.74%	1.79%	1.80%	1.87%
<b>60-plus-days Delinquent</b>	2.30%	2.24%	2.15%	2.10%	2.10%	2.06%	2.02%	2.03%	2.01%	1.99%	2.01%	1.97%	1.99%
Original Credit Score >= 660	1.56%	1.54%	1.48%	1.44%	1.43%	1.40%	1.37%	1.37%	1.35%	1.34%	1.35%	1.32%	1.32%
Original Credit Score < 660	8.42%	8.17%	7.78%	7.66%	7.70%	7.63%	7.51%	7.63%	7.64%	7.59%	7.70%	7.62%	7.75%
<b>Serious Delinquency Rate</b>	1.86%	1.83%	1.78%	1.73%	1.70%	1.66%	1.63%	1.62%	1.59%	1.58%	1.58%	1.55%	1.55%
<b>In Bankruptcy</b>	0.33%	0.33%	0.32%	0.33%	0.33%	0.32%	0.30%	0.30%	0.31%	0.29%	0.29%	0.28%	0.27%



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

(# of loans in thousands)	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16
<b>Total Loans Serviced</b>	10,434	10,461	10,429	10,439	10,448	10,468	10,506	10,513	10,528	10,534	10,552	10,551	10,565
Original Credit Score >= 660	9,342	9,371	9,346	9,361	9,376	9,402	9,446	9,459	9,479	9,490	9,511	9,516	9,533
Original Credit Score < 660	1,093	1,090	1,083	1,078	1,071	1,066	1,060	1,055	1,049	1,044	1,040	1,035	1,032
<b>Total Delinquent Loans</b>	391	385	342	339	348	335	322	328	330	321	327	316	336
Original Credit Score >= 660	232	231	205	203	207	199	191	195	196	191	195	187	200
Original Credit Score < 660	159	153	137	136	141	136	130	133	133	130	131	128	136
<b>30 - 59 Days Delinquent</b>	157	159	131	135	150	143	135	141	146	141	149	141	159
Original Credit Score >= 660	91	94	77	78	88	83	78	82	86	82	88	83	94
Original Credit Score < 660	67	65	55	57	63	60	57	59	61	59	61	59	65
<b>60 - 89 Days Delinquent</b>	50	47	41	40	43	42	41	43	44	43	44	43	45
Original Credit Score >= 660	27	26	23	23	24	24	23	24	24	24	25	24	25
Original Credit Score < 660	23	21	18	18	19	19	18	19	20	19	19	19	20
<b>60-plus-days Delinquent</b>	234	226	211	204	197	192	186	187	183	180	178	174	177
Original Credit Score >= 660	141	138	129	124	120	117	113	113	111	108	107	105	106
Original Credit Score < 660	93	89	82	79	78	76	73	74	73	71	71	69	71

## Percent of Total Loans Serviced

<b>Total Delinquent Loans</b>	3.75%	3.68%	3.28%	3.24%	3.33%	3.20%	3.06%	3.12%	3.13%	3.05%	3.09%	2.99%	3.18%
Original Credit Score >= 660	2.48%	2.47%	2.20%	2.17%	2.21%	2.12%	2.03%	2.06%	2.07%	2.01%	2.05%	1.97%	2.10%
Original Credit Score < 660	14.59%	14.08%	12.62%	12.61%	13.12%	12.74%	12.29%	12.62%	12.71%	12.46%	12.62%	12.39%	13.16%
<b>30 - 59 Days Delinquent</b>	1.51%	1.52%	1.26%	1.29%	1.44%	1.36%	1.29%	1.34%	1.39%	1.34%	1.41%	1.34%	1.50%
Original Credit Score >= 660	0.97%	1.00%	0.82%	0.84%	0.93%	0.88%	0.83%	0.87%	0.90%	0.87%	0.93%	0.87%	0.98%
Original Credit Score < 660	6.12%	5.94%	5.04%	5.26%	5.87%	5.63%	5.36%	5.61%	5.79%	5.62%	5.84%	5.68%	6.29%
<b>60 - 89 Days Delinquent</b>	0.48%	0.45%	0.40%	0.39%	0.41%	0.40%	0.39%	0.41%	0.42%	0.41%	0.42%	0.41%	0.43%
Original Credit Score >= 660	0.29%	0.28%	0.25%	0.24%	0.25%	0.25%	0.24%	0.25%	0.26%	0.25%	0.26%	0.25%	0.26%
Original Credit Score < 660	2.07%	1.91%	1.68%	1.66%	1.78%	1.76%	1.73%	1.83%	1.87%	1.84%	1.85%	1.86%	1.96%
<b>60-plus-days Delinquent</b>	2.24%	2.16%	2.02%	1.95%	1.89%	1.84%	1.78%	1.78%	1.74%	1.71%	1.68%	1.65%	1.68%
Original Credit Score >= 660	1.51%	1.47%	1.38%	1.33%	1.28%	1.24%	1.20%	1.19%	1.17%	1.14%	1.13%	1.10%	1.11%
Original Credit Score < 660	8.47%	8.14%	7.57%	7.35%	7.25%	7.11%	6.93%	7.01%	6.93%	6.84%	6.78%	6.71%	6.86%
<b>Serious Delinquency Rate</b>	1.86%	1.81%	1.73%	1.66%	1.58%	1.53%	1.48%	1.45%	1.41%	1.38%	1.36%	1.32%	1.33%
<b>In Bankruptcy</b>	0.37%	0.37%	0.35%	0.34%	0.33%	0.32%	0.32%	0.31%	0.30%	0.29%	0.28%	0.27%	0.27%





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

	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16
<b>Starts<sup>2</sup></b>													
HAMP Active Trial & Perm. - Cum.	424,714	422,747	420,472	417,681	414,813	411,719	408,505	405,495	401,740	399,471	396,675	392,398	389,299
Repayment Plans	8,963	7,450	9,928	6,960	6,837	8,108	7,064	6,665	6,733	6,151	6,206	5,903	6,181
Forbearance Plans	4,284	3,576	3,396	2,605	2,487	2,077	2,063	2,028	1,913	2,010	1,902	2,029	2,149
<b>Completed</b>													
Repayment Plans <sup>3</sup>	3,897	4,100	4,144	3,512	3,040	3,287	3,447	2,849	2,731	2,807	2,574	2,929	2,370
Forbearance Plans <sup>3</sup>	691	974	1,045	740	721	674	583	553	535	525	553	576	457
Charge-offs-in-lieu	104	89	86	62	100	129	96	130	133	119	57	114	111
HomeSaver Advance (Fannie)	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Modifications	13,539	13,156	14,626	14,585	14,069	13,251	12,237	11,382	11,347	10,926	8,569	10,422	9,925
<b>Home Retention Actions</b>	<b>18,231</b>	<b>18,319</b>	<b>19,901</b>	<b>18,899</b>	<b>17,930</b>	<b>17,341</b>	<b>16,363</b>	<b>14,914</b>	<b>14,746</b>	<b>14,377</b>	<b>11,753</b>	<b>14,041</b>	<b>12,863</b>
Short Sales	2,506	1,986	2,242	2,416	2,088	2,237	2,284	2,053	1,966	2,043	1,412	1,848	1,590
Deeds-in-lieu	1,050	837	888	1,031	794	857	838	839	741	701	726	868	739
<b>Nonforeclosure - Home Forfeiture Actions</b>	<b>3,556</b>	<b>2,823</b>	<b>3,130</b>	<b>3,447</b>	<b>2,882</b>	<b>3,094</b>	<b>3,122</b>	<b>2,892</b>	<b>2,707</b>	<b>2,744</b>	<b>2,138</b>	<b>2,716</b>	<b>2,329</b>
<b>Total Foreclosure Prevention Actions</b>	<b>21,787</b>	<b>21,142</b>	<b>23,031</b>	<b>22,346</b>	<b>20,812</b>	<b>20,435</b>	<b>19,485</b>	<b>17,806</b>	<b>17,453</b>	<b>17,121</b>	<b>13,891</b>	<b>16,757</b>	<b>15,192</b>

Percent of Total Foreclosure Prevention Actions

Repayment Plans	18%	19%	18%	16%	15%	16%	18%	16%	16%	16%	19%	17%	16%
Forbearance Plans	3%	5%	5%	3%	3%	3%	3%	3%	3%	3%	4%	3%	3%
Charge-offs-in-lieu	0%	0%	0%	0%	0%	1%	0%	1%	1%	1%	0%	1%	1%
HomeSaver Advance (Fannie)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Loan Modifications	62%	62%	64%	65%	68%	65%	63%	64%	65%	64%	62%	62%	65%
<b>Home Retention Actions</b>	<b>84%</b>	<b>87%</b>	<b>86%</b>	<b>85%</b>	<b>86%</b>	<b>85%</b>	<b>84%</b>	<b>84%</b>	<b>84%</b>	<b>84%</b>	<b>85%</b>	<b>84%</b>	<b>85%</b>
Short Sales	12%	9%	10%	11%	10%	11%	12%	12%	11%	12%	10%	11%	10%
Deeds-in-lieu	5%	4%	4%	5%	4%	4%	4%	5%	4%	4%	5%	5%	5%
<b>Nonforeclosure - Home Forfeiture Actions</b>	<b>16%</b>	<b>13%</b>	<b>14%</b>	<b>15%</b>	<b>14%</b>	<b>15%</b>	<b>16%</b>	<b>16%</b>	<b>16%</b>	<b>16%</b>	<b>15%</b>	<b>16%</b>	<b>15%</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, 2016, Fannie Mae had 228,125 HAMP active permanent modifications and Freddie Mac had 157,523 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-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16
<b>Loan Modifications (# of loans)</b>	13,539	13,156	14,626	14,585	14,069	13,251	12,237	11,382	11,347	10,926	8,569	10,422	9,925
<b>Types of Modification (%)</b>													
Extend Term Only	48%	49%	48%	48%	47%	46%	48%	47%	47%	48%	48%	50%	48%
Reduce Rate Only	3%	3%	3%	3%	2%	3%	2%	3%	2%	2%	2%	2%	2%
Reduce Rate and Extend Term	31%	30%	30%	30%	31%	32%	31%	31%	31%	30%	29%	29%	30%
Reduce Rate, Extend Term and Forbear Principal	18%	18%	19%	19%	19%	19%	18%	19%	19%	20%	19%	19%	19%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%



3(ii) Fannie Mae - Loan Modifications

	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16
<b>Loan Modifications (# of loans)</b>	8,746	8,472	9,482	9,279	8,579	8,356	7,890	7,245	7,064	6,882	5,618	6,599	6,451
<b>Types of Modification (%)</b>													
Extend Term Only	52%	52%	52%	53%	51%	50%	53%	51%	51%	51%	51%	53%	51%
Reduce Rate Only	3%	4%	3%	3%	3%	3%	2%	3%	2%	3%	2%	2%	2%
Reduce Rate and Extend Term	25%	25%	24%	24%	25%	25%	25%	26%	25%	25%	25%	24%	26%
Reduce Rate, Extend Term and Forbear Principal	19%	20%	21%	20%	21%	22%	20%	20%	22%	21%	21%	20%	20%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	2%	0%	0%



3(iii) Freddie Mac - Loan Modifications

	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16
<b>Loan Modifications (# of loans)</b>	4,793	4,684	5,144	5,306	5,490	4,895	4,347	4,137	4,283	4,044	2,951	3,823	3,474
<b>Types of Modification (%)</b>													
Extend Term Only	39%	43%	40%	41%	40%	39%	39%	41%	41%	41%	43%	43%	43%
Reduce Rate Only	3%	3%	3%	2%	2%	3%	2%	2%	2%	2%	2%	2%	2%
Reduce Rate and Extend Term	42%	39%	40%	41%	41%	43%	43%	39%	41%	39%	38%	38%	39%
Reduce Rate, Extend Term and Forbear Principal	16%	15%	17%	16%	17%	15%	16%	17%	16%	18%	16%	16%	16%
Other	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%



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

	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16
Short Sales	2,506	1,986	2,242	2,416	2,088	2,237	2,284	2,053	1,966	2,043	1,412	1,848	1,590
Deeds-in-lieu	1,050	837	888	1,031	794	857	838	839	741	701	726	868	739
Nonforeclosure - Home Forfeiture Actions <sup>1</sup>	3,556	2,823	3,130	3,447	2,882	3,094	3,122	2,892	2,707	2,744	2,138	2,716	2,329
Third-party Sales	2,471	2,113	2,325	2,599	2,469	2,292	2,342	2,179	2,311	2,210	2,029	2,152	2,305
Foreclosure Sales	10,871	8,411	8,682	8,143	7,460	6,982	6,974	6,351	6,832	6,895	5,911	5,899	6,757
Third-party & Foreclosure Sales	13,342	10,524	11,007	10,742	9,929	9,274	9,316	8,530	9,143	9,105	7,940	8,051	9,062
Foreclosure Starts	25,903	21,643	22,721	19,500	20,561	22,303	19,481	25,121	21,590	18,946	22,313	23,593	17,831

Top Five Reasons for Delinquency

Curtailment of Income	26%	26%	24%	25%	24%	23%	23%	23%	23%	23%	22%	22%	22%
Excessive obligations	21%	21%	20%	20%	18%	18%	17%	16%	16%	16%	14%	14%	14%
Unemployment	8%	8%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%
Illness of principal mortgagor or family member	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
Marital Difficulties	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%

<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.

